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**STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT
(2009-2010)**

(FIFTEENTH LOK SABHA)

MINISTRY OF MINORITY AFFAIRS

**DEMANDS FOR GRANTS
(2010-2011)**

SIXTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2010/Chaitra, 1932(Saka)

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STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT
(2009-2010)**

**(FIFTEENTH LOK SABHA)
MINISTRY OF MINORITY AFFAIRS**

**DEMANDS FOR GRANTS
(2010-2011)**

Presented to Lok Sabha on 20.4.2010

Laid in Rajya Sabha on 20.4.2010



LOK SABHA SECRETARIAT

**NEW DELHI
April, 2010/Chaitra, 1932 (Saka)**

CONTENTS

PAGE(s)

COMPOSITION OF THE COMMITTEE

INTRODUCTION

REPORT

CHAPTER I **Introductory**

CHAPTER II **General Performance of the Ministry**

CHAPTER III **National Minority Development and Finance Corporation (NMDFC)**

CHAPTER IV **Multi Sectoral Development Programme**

CHAPTER V **Free Coaching and Allied Scheme**

CHAPTER VI **I. Pre-Matric Scholarship Scheme**

II. Post-Matric Scholarship Scheme

CHAPTER VII **Maulana Azad Education Foundation**

CHAPTER VIII **Schemes included in the annual plan (2010-11) for formulation, appraisal and approval during 2010-11**

ANNEXURE

- I. **Minutes of the Ninth sitting of the Standing Committee on Social Justice and Empowerment held on 25.3.2010.**
- II. **Minutes of the Eleventh sitting of the Standing Committee on Social Justice and Empowerment held on 16.4.2010.**

APPENDIX

Statement of Observations/Recommendations contained in the Report.

**COMPOSITION OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND
EMPOWERMENT
(2009-2010)**

SHRI DARA SINGH CHAUHAN - CHAIRMAN

MEMBERS

LOK SABHA

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

MEMBERS

RAJYA SABHA

23. Shri Suryakantbhai Acharya\$
24. Shri Avtar Singh Karimpuri
24. Shri Narayan Singh Kesari
25. Shri Mahmood A. Madani
26. Shri Ahmad Saeed Malihabadi
27. Shri Abdul Wahab Peevee@
28. Shri Praveen Rashtrapal
29. Shri Nand Kishore Yadav
30. Vacant
31. Vacant

#Shri T.R. Baalu nominated to the Committee w.e.f. 11.1.2010.

*Smt. Harsimrat Kaur Badal ceased to be a Member of Committee w.e.f. 23.9.2009.

**Shri Yashvir Singh ceased to be a Member of Committee w.e.f. 13.10.2009.

\$Shri Suryakantbhai Acharya expired on 21.12.2009.

@Shri Abdul Wahab Peevee ceased to be a Member of Committee consequent upon his retirement from Rajya Sabha w.e.f. 2.4.2010.

LOK SABHA SECRETARIAT

1. Shri. A. Mukhopadhyay - Joint Secretary
2. Smt. Anita Jain - Director
3. Shri. S.C. Kaliraman - Additional Director
4. Dr. (Smt.) Sagarika Dash - Under Secretary
5. Smt. Shashi Bisht - Executive Assistant

INTRODUCTION

I, the Chairman of the Standing Committee on Social Justice and Empowerment (2009-2010) having been authorized by the Committee to submit the Report on their behalf, present this Sixth Report of the Ministry of Minority Affairs on Demands for Grants, 2010-2011.

2. The Committee considered the Demands for Grants pertaining to the Ministry of Minority Affairs for the current year i.e. 2010-2011 which was laid on the Table of the House on 11th March, 2010. Thereafter, the Committee took evidence of the representatives of the Ministry of Minority Affairs on 25th March, 2010. The Committee considered and adopted the Report at their sitting held on 16.4.2010.

3. The Committee wish to express their thanks to the officers of the Ministry of Minority Affairs for placing before them the detailed written notes on the subject and furnishing the information the Committee desired in connection with the examination of the Demands for Grants and tendering evidence before the Committee.

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

NEW DELHI;

16 April, 2010
26 Chaitra, 1932 (Saka)

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

REPORT

CHAPTER - I

INTRODUCTORY

1.1 The Ministry of Minority Affairs was created on 29th January, 2006 to ensure a more focused approach towards issues related to the minorities and to play a pivotal role in the overall policy, planning, coordination, evaluation and review of the regulatory framework and development programmes for the benefit of the minority communities.

ALLOCATION OF BUSINESS

1.2 Subjects allocated to this Ministry as per Second Schedule to the Government of India (Allocation of Business) Rules, 1961 are :-

- (i) Overall policy, planning, coordination, evaluation and review of the regulatory and developmental programmes of the minority communities.
- (ii) All matters relating to minority communities except matters relating to law and order.
- (iii) Policy initiatives for protection of minorities and their security in consultation with other Central Government Ministries and State Governments.
- (iv) Matters relating to linguistic minorities and of the office of the Commissioner for Linguistic Minorities.
- (v) Matters relating to the National Commission for Minorities Act.

- (vi) Work relating to the evacuee Waqf properties under the Administration of Evacuee Property Act, 1950 (31 of 1950) (since repealed).
- (vii) Representation of the Anglo-Indian community.
- (viii) Protection and preservation of non-Muslim shrines in Pakistan and Muslim shrines in India in terms of the Pant-Mirza agreement of 1955, in consultation with the ministry of External Affairs.
- (ix) Questions relating to the minority communities in neighboring countries, in consultation with the Ministry of External Affairs.
- (x) Charities and Charitable Institutions, Charitable and religious Endowments pertaining to the subjects dealt within the Department.
- (xi) Matters pertaining to the socio-economic, cultural and educational status of minorities; minority organizations, including the Maulana Azad Education Foundation.
- (xii) The Waqf Act, 1995 (43 of 1995) and Central Waqf Council.
- (xiii) The Durgah Khawaja Saheb Act, 1955 (36 of 1955).
- (xiv) Funding of programmes and projects for the welfare of minorities including the National Minorities Development and Finance Corporation.
- (xv) Employment opportunities for minorities in the Central and State public sector undertakings, and also in the private sector.
- (xvi) Formulation of measures relating to the protection of minorities and their security in consultation with other concerned Central Ministries and State Governments.
- (xvii) National Commission for Socially and Economically Backward Sections among Religious and Linguistic Minorities.

- (xviii) Prime Minister's new 15-Point Programme for the welfare of Minorities.
- (xix) Any other issue pertaining to the minority communities.

CONSTITUTIONAL/STATUTORY/AUTONOMOUS BODIES

1.3 The Ministry has the following constitutional/statutory/autonomous bodies etc. :-

- (i) Special Officer for Linguistic Minorities (CLM).
- (ii) National Commission for Minorities (NCM).
- (iii) Central Waqf Council (CWC).
- (iv) National Minorities Development and Finance Corporation (NMDFC).
- (v) Maulana Azad Education Foundation (MAEF).
- (vi) Durgah Khawaja Saheb, Ajmer.

ADMINISTRATION OF ACTS

14 The Ministry is responsible for the administration and implementation of the following Acts :-

- (i) Durgah Khawaja Saheb Act, 1955.
- (ii) National Commission for Minorities Act, 1992.
- (iii) Waqf Act, 1995.

ACTIVITIES OF THE MINISTRY

1.5 **A.** The Ministry of Minority Affairs is implementing the following ongoing schemes/programmes:-

1. Grants-in-aid to Maulana Azad Education Foundation towards enhancement of its Corpus Fund.

2. Equity contribution to the National Minorities Development and Finance Corporation.
3. Free coaching and allied scheme.
4. Research/studies, monitoring and evaluation of development schemes including publicity.
5. Grants-in-aid to state channeling agencies (SCAs) of NMDFC.
6. Merit-cum-means scholarship.
7. Post-matric scholarship.
8. Pre-matric scholarship.
9. Multi-sectoral Development Programme (MsDP) for Minority Concentration Districts (MCD).

B. Schemes formulated and launched during 2009-10.

10. Scheme for Leadership Development of Minority Women
11. Computerization of records of State Waqf Boards
12. Maulana Azad National Fellowship for minority students.

C. Schemes included in the Annual Plan 2010-11 for formulation, appraisal and approval during 2010-11.

13. Strengthening of State Waqf Boards.
14. Interest subsidy on educational loans for overseas studies for the students belonging to minority communities.
15. Promotional activities for linguistic minorities.

16. Scheme for containing population decline of small minority community.

D. The Prime Minister's New 15-Point Programme for the welfare of minorities.

1.6 The Demands for Grants asked for by the Ministry of Minority Affairs are given under Demand No.66. The Committee have attempted to scrutinize these demands to the extent possible within the short time available and the conclusions drawn by the Committee have been highlighted in the succeeding chapters.

CHAPTER II

GENERAL PERFORMANCE OF THE MINISTRY

2.1 The Ministry have informed that there is a budget provision of Rs. 2600 crore under Plan for the year 2010-2011. A sum of Rs. 343 crore has been provided for Central Sector Schemes viz., (i) Grants-in-aid to MAEF, (ii) Free coaching and allied scheme, (iii) Contribution of equity to NMDFC, (iv) Research/studies, monitoring & evaluation including publicity, (v) Grants-in-aid to State Channelizing Agencies of NMDFC, (vi) Maulana Azad National Fellowship for minority students, (vii) Computerization of records of State Waqf Boards, (viii) Scheme for leadership development of minority women, (ix) Scheme of interest subsidy on educational loans for overseas studies for students belonging to minority communities, (x) Promotional activities for linguistic minorities, (xi) Scheme for containing population decline of small minority community, and Rs. 2257 crore for Centrally Sponsored Schemes viz., (i) Pre-matric scholarship, (ii) Post-matric scholarship, (iii) Merit-Cum-means scholarship, (iv) Multi-sectoral Development Programme (MsDP) in selected Minority Concentration Districts (MCD), and (v) Strengthening of the State Waqf Boards.

2.2 According to the Ministry, five communities, viz, Muslims, Christians, Sikhs, Buddhists and Zoroastrians (Parsis) have been notified as minority communities in terms of Section 2(c) of the National Commission for Minorities Act, 1992. The Ministry has taken several policy initiative to ensure equitable distribution of development benefits to the minorities, especially in education, employment opportunities and living conditions.

2.3 In this context, on being enquired by the Committee the total percentage of minorities, the Secretary, Ministry of Minority Affairs informed the total percentage to be 18.42.

2.4 The Ministry of Minority Affairs have furnished the following statement showing the Budget Estimate, Revised Estimate and Actual Expenditure for previous years alongwith BE for the current financial year 2010-2011 Plan and Non-Plan expenditure including the percentage of variations :-

Plan

(Rs. in crore)

Year	Budget Estimates	Revised Estimates	Actual	% variation of (C w.r.t B)
	A	B	C	
2007-08	500.00	350.00	196.65	43.81
2008-09	1000.00	650.00	619.02	4.77
2009-10	1740.00	1740.00	1599.16 (as on 15.3.2010)	8.09
2010-11	2600.00	-	-	-

Non-Plan

(Rs. in crore)

Year	Budget Estimates	Revised Estimates	Actual	% variation of (C w.r.t B)
	A	B	C	
2007-08	12.83	12.83	11.73	8.57
2008-09	13.83	14.38	10.54	26.70
2009-10	16.50	15.50	(as on 15.3.2010)13.43	13.35
2010-11	15.37	-	-	-

2.5 Asked as to the reasons for enhancement in BE during the year 2010-2011 to Rs. 2600.00 crore under Plan as compared to the BE of Rs. 1740 during the year 2009-10, the Ministry explained that an allocation of Rs. 7000 crore was made for the schemes/programmes of the Ministry of Minority Affairs for the 11th Five Year Plan Period (2007-2012). Keeping in view the fact that there was a balance amount of Rs.4867 crore for the remaining two years of the 11th Five Year Plan, an amount of Rs.2600 crore has been earmarked for Annual Plan 2010-11 of this Ministry. Further all the three scholarship scheme namely, merit –cum-means based scheme, Post-matric scheme and Pre- matric scheme launched in 2007-08 and 2008-09 have become very popular and pace of their implementation has now picked up. As such BE for 2010-11 has been raised in respect of these schemes from Rs. 100 crore, Rs. 150 crore and Rs. 200 crore to Rs. 135 crore, Rs.265 crore and Rs. 450 crore respectively. Similarly, a large number of proposals are being received from the State Governments for release of funds for implementation of district plans under Multi-sectoral Development Programme (MsDP) for 90 Minority Concentration Districts (MCD). BE for 2010-11 has, therefore, been raised from Rs.990 crore in 2009-10 to Rs.1400 crore during 2010-11. The enhancement in respect of these four schemes amounts to Rs. 810 crore. Minor enhancements have been made in respect of other schemes.

2.6 The Committee also enquired how the Ministry propose to utilize the entire allocation during 2010-11. It has been stated that the Ministry proposes to utilize the entire allocation during 2010-11. The process of implementation of all the schemes would be initiated by the Ministry from the commencement of the next financial year. A number of awareness and multi-media campaigns would be launched from the beginning of the financial year. The matter would be taken up with the all the State

Governments/UT Administrations for releasing the advertisements in respect of all the three scholarship schemes and sending proposals for release of funds to this Ministry. Similarly the matter would be taken up with all the MCDs for submitting district plans well in time to enable this Ministry to approve the proposals and for speeding up implementation of district plans in a time bound manner.

2.7 When asked as to what is the total Budgetary allocation of the Ministry of Minority Affairs for the year 2010-11 and its percentage to the total Budget of the Government of India for 2010-11, scheme-wise, the Ministry have furnished a statement as under:-

Non-Plan Schemes/Programmes (GOI Non-plan Budget Rs.735657 crore)			
(in Crore of Rs.)			
S. No	Name of the Scheme/Programme	BE (2010-11)	% of total budget of GOI for 2010-11
1	Secretariat-Social Service	6.60	0.000897
2	Other Social Services		
i)	National Commission for Minorities(NCM)	5.26	0.000715
ii)	Special Officer for Linguistic Minorities (CLM)	2.00	0.000272
3	i) Grants-in- Aid to Waqf	1.50	0.000204
	ii) Grants-in- Aid to Central Waqf Council	0.01	0.000001
	Total =	15.37	0.002089

Plan Schemes/Programmes	(GOI Plan Budget Rs.373092 crore)
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(in Crore of Rs.)			
Sl. No	Name of the Scheme/Programme	BE (2010-11)	% of total budget of GOI for 2010-11
A	Central Sector Scheme(CS) (Rs.280600 crore -GOI Budget)		
1	Grants in Aid to Maulana Azad Education Foundation	125.00	0.044547
2	Free Coaching & Allied Schemes for Minorities	15.00	0.005346
3	Contribution to the Equity of NMDFC	115.00	0.040984
4	Research /studies , monitoring & evaluation of development Schemes for Minorities including publicity	22.00	0.007840
5	Grant-in-aid to state Channelising Agencies (SCA) engaged for implementation in NMDFC programme	4.00	0.001426
6	Scheme for Leadership development of Minority Women	15.00	0.005346
7	Maulana Azad National Fellowship for minority students	30.00	0.010691
8	Computerisation of records of State Waqf Boards	13.00	0.004633
	New Schemes(2010-11)		
9	Interest subsidy on Educational Loans for Overseas studies	2.00	0.000713
10	Promotional Activities for Linguistic Minorities	1.00	0.000356
11	Scheme for containing population decline of small minorities	1.00	0.000356
	Sub-total(CS)=	343.00	0.122238
B	Centrally Sponsored Scheme(CSS) (Rs.92492 crore -GOI Budget)		

1	Merit-cum-Means scholarship for professional and technical courses of undergraduate and post-graduate	135.00	0.145959
2	Multi Sectoral Development Programme for Minorities in selected of minority concentration districts	1399.50	1.513104
3	Pre-Matric Scholarships for Minorities	450.00	0.486529
4	Post-Matric Scholarships for Minorities	265.00	0.286511
	New Scheme(2010-11)		
5	Strengthening of the State Waqf Boards	7.00	0.007568
	*Secretariat, M/o. Minority Affairs Service	0.50	0.000541
	Sub- total(CSS)	2257.00	2.440211
	Grand Total(A+B) =	2600.00	0.696879
*Provision has been from Centrally Sponsored Scheme (CSS).			

2.8 The Ministry have furnished a statement indicating scheme-wise outlay proposed to the Planning Commission and also the actual amount sanctioned by the Planning Commission for the year 2010-11 as under:-

(in Crore of Rs.)			
Sl. No	Name of the Scheme/Programme	Outlay proposed to the Planning Commission for 2010-11	Amount sanctioned by the Planning Commission for 2010-11
A	Central Sector Scheme(CS)		
1	Grants in Aid to Maulana Azad Education Foundation	175.00	125.00
2	Free Coaching & Allied Schemes for Minorities	15.00	15.00
3	Contribution to the Equity of NMDFC	115.00	115.00

4	Research /studies , monitoring & evaluation of development Schemes for Minorities including publicity	22.00	22.00
5	Grant-in-aid to state Channelising Agencies (SCA) engaged for implementation in NMDFC programme	4.00	4.00
6	Scheme for Leadership development of Minority Women	15.00	15.00
7	Maulana Azad National Fellowship for minority students	30.00	30.00
8	Computerisation of records of State Waqf Boards	13.00	13.00
	New Schemes(2010-11)		
9	Interest subsidy on Educational Loans for Overseas studies	1.00	2.00
10	Promotional Activities for Linguistic Minorities	1.00	1.00
11	Scheme for containing population decline of small minorities	1.00	1.00
	Sub-total(CS)=	392.00	343.00
B	Centrally Sponsored Scheme(CSS)		
1	Merit-cum-Means scholarship for professional and technical courses of undergraduate and post-graduate	134.00	135.00
2	Multi Sectoral Development Programme for Minorities in selected of minority concentration districts	1400.00	1400.00
3	Pre-Matric Scholarships for Minorities	450.00	450.00
4	Post-Matric Scholarships for Minorities	295.00	265.00
	New Scheme(2010-11)		
5	Strengthening of the State Waqf Boards	1.00	7.00
	Sub- total(CSS)	2280.00	2257.00

	Grand Total(A+B) =	2672.00	2600.00
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2.9 It is observed that as against the proposal for sanction of Rs. 2672 crore, the Ministry have been sanctioned Rs. 2600 crore for the year 2010-2011 by the Planning Commission. Under the scheme of “Grants in Aid to Maulana Azad Education Foundation” as against the proposal for Rs. 175 crore the Planning Commission has sanctioned only Rs. 125 crore. Also under the scheme of “Post-matric scholarship” as against the proposal for Rs. 295 crore the Planning Commission has sanctioned only Rs. 265 crore.

2.10 When enquired the reasons for incurring only 60% expenditure under both Plan and Non-plan Heads upto 31.12.2009 during 2009-10 the Ministry in their written reply have explained as under:-

“The main reason for incurring only 60% expenditure under some ongoing Plan schemes/programmes upto 31.12.2009 during 2009-10 is that the process of implementation of all the schemes/programmes was kept in abeyance during the period of enforcement of code of conduct for General Elections upto May, 2009. States/UTs were also not in a position to initiate and submit the proposals for the same reasons. In some schemes/programmes, like Grants-in- Aid to Waqf and Multi-sectoral Development Programme for minority concentration districts, the proposals from the States/UTs and the organizations could not be received well before December, 2009 which resulted in less than 60% expenditure. No expenditure could be booked in respect of new schemes formulated in the financial year 2009-10, as all new schemes were launched in December,2009 and January,2010.”

2.11 On being asked about the information on the actual expenditure incurred under Plan and Non-Plan schemes during 2009-10 as on date the Ministry have furnished a statement indicating BE, RE and actual expenditure (till Dec,2009 & till 15.03.2010 and its %) as under:-

S. No	Name of the Scheme/Programme	BE (2009-10)	RE (2009-10)	Exp. as on 15.03.10	% of exp. w.r.t. RE (till 15.03.10)	BE (2010-11)
Non-Plan schemes/programmes						
1	Secretariat-Social Service	7.24	7.02	6.29	89.64	6.60
2	Other Social Services					
i)	National Commission for Minorities(NCM)	5.28	5.05	4.21	83.37	5.26
ii)	Special Officer for Linguistic Minorities (CLM)	1.98	1.91	1.66	86.91	2.00
3	i) Grants-in- Aid to Waqf	1.98	1.50	1.27	84.91	1.50
	ii) Grants-in- Aid to Central Waqf Council	0.01	0.01	0.00	84.50	0.01
	iii) Grants-in- Aid to State Waqf Boards	0.01	0.01	0.00	0.00	
	Total =	16.50	15.50	13.43	86.65	15.37
Plan schemes/programmes						
A. Central Sector Schemes(CS)						
1	Grants in Aid to Maulana Azad Education Foundation	115.00	115.00	115.00	100.00	125.00
2	Free Coaching & Allied Schemes for Minorities	12.00	12.00	9.41	78.42	15.00
3	Contribution to the Equity of NMDFC	125.00	125.00	125.00	100.00	115.00
4	Research /studies , monitoring & evaluation of	13.00	13.00	10.18	78.29	22.00

	development Schemes for Minorities including publicity					
5	Grant-in-aid to state Channelising Agencies (SCA) engaged for implementation in NMDFC programme	2.00	2.00	2.00	100.00	4.00
6	Scheme for Leadership development of Minority Women	8.00	8.00	0.00	0.00	15.00
7	Maulana Azad National Fellowship for minority students	15.00	15.00	14.90	99.33	30.00
8	Computerization of records of State Waqf Boards	10.00	10.00	4.81	48.10	13.00
	New Schemes (2010-11)					
9	Interest subsidy on Educational Loans for overseas studies					2.00
10	Promotional Activities for Linguistic Minorities					1.00
11	Schemes for containing population decline of small minority					1.00
	Sub-total(CS)=	300.00	300.00	281.30	93.77	343.00

B. Centrally Sponsored Schemes (CSS)

1	Merit-cum-Means scholarship for professional and technical courses of undergraduate and	100.00	100.00	96.90	96.90	135.00
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	post-graduate					
2	Multi Sectoral Development Programme for Minorities in selected of minority concentration districts	989.50	989.50	893.53	90.30	1399.50
3	Pre-Matric Scholarships for Minorities	200.00	200.00	185.22	92.61	450.00
4	Post-Matric Scholarships for Minorities	150.00	150.00	141.75	94.50	265.00
	New Scheme(2010-11)					
5.	Strengthening of the State Waqf Boards					7.00
	*Secretariat	0.50	0.50	0.47	94.00	0.50
	Sub- total(CSS)	1440.00	1440.00	1317.86	91.52	2257.00
	Grand Total(A+B) =	1740.00	1740.00	1599.16	91.91	2600.00
* Provision has been made from CSS schemes.						

2.12 On the status of utilization of funds, the Secretary informed the Committee during the evidence as under :-

“This Ministry was allocated an amount of Rs. 7,000 crore for the 11th Five Year Plan; and in the first two years of the Five Year Plan, the expenditure was Rs. 196.65 crore and Rs. 619.02 crore respectively. But now, in this year against the plan allocation of Rs. 1,740 crore, till 23rd March, we have spent Rs. 1,658 crore, which is a little above 95 percent of the outlay”.

2.13 Under the Pre-matric scholarship scheme as well as Post-matric scholarship scheme, substantial funds (funds to the tune of Rs. 68 crore and funds to the tune of

Rs. 123 crore) were released at the fag end of the financial year i.e. between 31.12.2009 to 31.3.2010.

2.14 When the Committee enquired about the measures taken by the Ministry to avoid the accumulation of funds throughout the year and release of funds at the fag end of the financial year and whether they have devised any mechanism for even distribution of funds throughout the year, the Ministry have submitted as under:-

“Under the Pre-Matric and Post-Matric Scholarship Schemes, an amount of Rs.128.94 crores and Rs.99.44 crores out of the total budget provision of Rs.200 crores and Rs.150 crores respectively were utilized by 31st December, 2009. This utilization by 31st December, 2009 comes to 64.47% and 66.29% in Pre-Matric and Post-Matric Scholarship schemes respectively. The utilization between 1.1.2010 to 31.03.2010 under Pre-Matric and Post-Matric Scholarship schemes has been only to the extent of 35.53% and 33.71% respectively. Receipt of proposals from the State Governments/UTs is also dependent upon release of advertisement by them, commencement of the academic year, school vacations and receipt of complete applications from a large number of applicants. However, States are regularly exhorted to expedite processing of proposals on time.”

2.15 On being asked by the Committee, the Ministry have furnished a statement on surrender of funds during the year 2009-10 scheme-wise as under :-

Sr. No.	Name of the Schemes/Programmes	Amount surrendered actual fund provision (Rs. in crore)
	Non-Plan Schemes/Programmes	
1	Secretariat, M/o. Minority Affairs	0.7373
2	i) National Commission for Minorities	0.8092
	ii) Special Officer for Linguistic Minorities	0.3469
3	i) Grants-in-aid to Waqf	0.4770

	ii) Grants-in-aid to Central Waqf Council	0.0100
	iii) Grants-in-aid to State Waqf Boards	0.0100
	Total=	2.3904
	Plan Schemes/Programmes	
1	Free Coaching & Allied Scheme	0.7815
2	Research /studies, monitoring & evaluation of development schemes for Minorities including publicity	1.0004
3	Maulana National Fellowship for Minority Students.	0.1000
4	Computerization of records of State Waqf Boards.	1.9388
5	Scheme for Leadership Development of Minority Women.	8.0000
6	Merit cum means Scholarship for Professional and Technical Courses at Undergraduate and Postgraduate.	0.6043
7	Post matric scholarship for minorities	0.2075
8	Multi-sectoral Development Programme for Minorities in selected Minority Concentration districts	16.4795
	Secretariat (provision made from MSDP scheme)	0.0001
	Total	29.1121

2.16 The Ministry in reply to a question have informed that an amount of Rs.135.61 lakh was surrendered in the year 2009 in case of 9 SCAs of NMDFC who could not draw funds as they were unable to utilize the 1st installment of funds released under Grant-in-Aid scheme 2007-08. An amount of Rs.2.00 crores has been released to the SCAs of NMDFC in 2009-10.

2.17 On being pointed out by the Committee that keeping in view of the fact that huge amount was surrendered during 2009 what particular steps are being taken to avoid surrender in 2010-2011, the Ministry have explained that the following steps have been taken to avoid surrender of funds during 2010-11:-

- (i). Regular follow-up with the State Channelising Agencies for early utilization of funds.
- (ii). Where the funds have been utilized, the SCAs have been requested to get the utilization verified by the respective State Governments. Letters in this regard have also been written to the State Governments for early submission of duly verified UCs to NMDFC.
- (iii). The State Governments have been requested to provide 10% share in the Grant-In-Aid scheme. Besides, the SCAs have been asked to constantly follow-up with the State Governments for early release of 10% share in the scheme.
- (iv) The functionaries of the SCAs are being trained and guided regularly to utilize funds as per the Grants-in-aid scheme.

2.18 When the Committee further asked about the monitoring mechanism of the Ministry to oversee that funds released are utilized productively, the Ministry have stated that quarterly review meetings for monitoring are being held and the matter is regularly taken up with the State Governments.

2.19 As per the Outcome Budget of the Ministry, the number of UCs pending as on 1-4-2009 were 39; the amount involved was Rs. 5.66 crore; the amount of unspent balance was Rs. 478.89 crore. As on 31.12.2009 the number of pending UCs was 98; the amount was Rs. 165.09 crore; and the amount of unspent balance was Rs.1083.55 crore.

2.20 On being enquired by the Committee whether there is any instance where grants have been withheld to States/UTs due to their inability to furnish Utilization Certificates

or non-utilization of funds during the previous year and the status of receipt of Utilization Certificates from States/UTs during 2009-10, the Ministry have explained:-

“An amount of Rs.135.61 lakh was surrendered in the year 2009 in case of 9 SCAs of NMDFC who could not draw funds as they were unable to utilize the 1st installment of funds released under Grant-In-Aid scheme 2007-08. An amount of Rs.2.00 crores has been released to the SCAs of NMDFC in 2009-10. All the funds under various schemes during 2009-10 have been released to States/UTs on receipt of Utilization Certificates in respect of grants released in 2008-09 or earlier.”

2.21 In this context when the Committee asked to explain, the Secretary, Ministry of Minority Affairs has stated during evidence as under :-

“It is largely because of the fact that this year, as you would have seen, the allocation for MSDP itself is Rs. 990 crore; in addition, we have released last year also; they are in the process of utilizing these funds. Wherever we have not yet received the UCs, we are treating them as unspent money with the States. When they come to us for the next installment, we ask them to make sure that they have utilized the released funds.

As the size of the programme grows, the size of the money also grows, but they are in the process of utilizing them”.

2.22 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.

2.23 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.

2.24 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.

CHAPTER - III

MAJOR HEAD : 4225, 4552
SUB HEAD : 03, 06
HEAD NO : 06.00.54, 03.00.54

NATIONAL MINORITY DEVELOPMENT AND FINANCE CORPORATION (NMDFC)

3.1 The National Minorities Development & Finance Corporation (NMDFC) was incorporated on 30th September 1994, with the objective of promoting economic activities amongst the backward sections of notified minorities. To achieve its objective, NMDFC is providing concessional finance for self-employment activities to eligible beneficiaries belonging to the minority communities, having a family income below double the poverty line.

3.2 The Ministry have furnished the following statement showing the BE, RE and actual expenditure incurred under the scheme during the last three years:-

(Rs. in crore)

Year	BE	RE	Actual Expenditure
2007-08	70.00	70.00	70.00
2008-09	75.00	75.00	75.00
2009-10	125.00	125.00	125.00 (as on 31.12.2009)
2010-11	115.00	-	-

3.3 It is informed from the above table that while the BE and RE during 2009-10 for NMDFC was Rs. 125.00 crore, the actual expenditure incurred as on 31.12.2009 has already crossed the Rs. 125.00 crore mark during the remaining period. On being

enquired by the Committee as to when the requirement under the scheme is more what are the reasons for reduction in BE for the year 2010-11 to Rs. 115.00 crore as compared to the BE of Rs. 125.00 crore fixed for the year 2009-10 and will this amount be sufficient to meet the requirements, the Ministry have explained:-

“During the Eleventh Plan period a total allocation of Rs. 500.00 crores has been made for NMDFC by the Planning Commission. Annual phasing of its release is done in consultation with and the approval of Planning Commission. It inter alia takes into account the lending programme of NMDFC as per the Memorandum of Understanding (MOU) signed between NMDFC and the Ministry. During the first three years of the 11th plan period a total amount of Rs. 270.00 crores was released to NMDFC. The balance amount of Rs. 230.00 crores is to be released during the next two financial years. Thus, the allocation for 2010-11 has been made as Rs. 115.00 crores. Apart from the equity released by Government of India, NMDFC also receives repayment of loans and equity contribution from the State Governments, thus the allocation by the Government of India seems to be sufficient.”

A. Share capital of NMDFC

3.4 The Ministry have informed that the authorized share capital of NMDFC has been raised from Rs. 850 crores to Rs.1000 crores during the year 2009-10. The Central Government's share works out to Rs. 650.00 crores (65%) and the share of State Governments to Rs.260 crore (26%), while the remaining Rs.90.00 crore (9%) is to be contributed by institutions/individuals. As on 31st December, 2009, the Government of India has contributed Rs. 645.36 crores towards the equity of NMDFC, while Rs 136.63 crores has been contributed by various State Governments.

3.5 The Ministry have furnished a table showing equity contribution earmarked to the States and the amounts contributed as under:-

(As on 19/03/2010)

S.NO.	NAME OF THE STATE/UTS	Rs. In Lakhs		
		EQUITY	EQUITY	%age Shortfall
		EARMARKED	CONTRIBUTED	
1	ANDAMAN & NICOBAR	14.88	0.00	100.00
2	ANDHRA PRADESH	1129.79	734.37	35.00
3	ARUNACHAL PRADESH	50.93	0.00	100.00
4	ASSAM	1276.5	632.00	50.49
5	BIHAR	1896.04	1382.43	27.09
6	CHANDIGARH	26.03	38.89	0.00
7	CHATTISGARH	129.77	50.00	61.47
8	DADRA NAGAR HAVELI	1.81	1.45	19.89
9	DAMAN & DIU	2.18	0.00	100.00
10	DELHI	320.22	272.18	15.00
11	GOA	62.23	0.00	100.00
12	GUJARAT	678.05	545.00	19.62
13	HARYANA	333.22	166.60	50.00
14	HIMACHAL PRADESH	37.8	32.13	15.00
15	JAMMU & KASHMIR	979.19	810.00	17.28
16	JHARKHAND	674.43	450.00	33.28
17	KARNATAKA	1081.63	919.06	15.03

18	KERALA	1911.31	1225.00	35.91
19	LAKSHADWEEP	8.02	0.00	100.00
20	MADHYA PRADESH	600.03	297.36	50.44
21	MAHARASHTRA	2385.75	1440.00	39.64
22	MANIPUR	127.93	25.00	80.46
23	MEGHALAYA	238.26	0.00	100.00
24	MIZORAM	117.17	57.00	51.35
25	NAGALAND	250.87	180.00	28.25
26	ORISSA	231.56	111.58	51.81
27	PONDICHERY	17.46	11.35	35.00
28	PUNJAB	2101.08	410.00	80.49
29	RAJASTHAN	780.89	663.76	15.00
30	SIKKIM	27.04	0.00	100.00
31	TAMILNADU	997.88	400.00	59.92
32	TRIPURA	62.73	25.50	59.35
33	UTTAR PRADESH	4382.69	700.06	84.03
34	UTTARANCHAL	173.44	65.00	62.52
35	WEST BENGAL	2891.17	2891.17	0.00
	TOTAL	26000	14536.89	44.09

3.6 It has been observed that all Union Territories such as Andaman & Nicobar, Daman & Diu Goa and Lakshadweep have not contributed their share so far to the equity of NMDFC.

3.7 When Committee enquired the reasons why all these UTs are not contributing their share to the equity of NMDFC as these UTs are directly under the control of

Government of India. In this context, the Secretary, Ministry of Minority Affairs have stated:-

“Wherever they are not giving equity or the State Government guarantee or if their recovery is not up to the mark, we are not in a position to lend to them further funds. What we keep telling the State Governments is – at least give your equity contribution, give your guarantee and please start recovery. Some States are recovering but instead of giving the money to us they are using it for their own purposes.”

3.8 It has been observed that Meghalaya and Sikkim have not contributed their share so far to the equity of NMDFC. It has also been observed that many States are not contributing their share as per equity earmarked.

3.9 When the Committee asked the reasons cited by these States for not contributing their share, the Ministry in their written reply have stated as under:-

“The States have not been very forthcoming in regard to the equity of NMDFC. No specific reasons have been cited by States in this regard.”

3.10 The Committee further asked how it has affected the lending capacity of the NMDFC, the Ministry have explained:-

“Due to lack of funds available with NMDFC, the quantum of financing gets reduced. Further, the States which do not contribute to the equity of NMDFC are considered at a lower priority for financing by NMDFC.”

B. Beneficiaries under NMDFC

3.11 When the Committee asked to furnish the details of beneficiaries who have availed loans from NMDFC and then become economically independent during the last five years (year-wise and State-wise), the Ministry have stated as under:-

“During the last five years NMDFC extended loans to 2,64,563 beneficiaries (upto 28.2.10). The complete list of beneficiaries for the last five years is a voluminous data.”

3.12 However, the Ministry have furnished the State-wise breakup of number of beneficiaries as under:-

Funds Disbursed and beneficiaries covered during the last three years and the current financial year									
		2006-07		2007-08		2008-09		2009-10	
							(Rs. in lakh)		
Sr. No.	State	No. of benefi.	Amt. Disbd.	No. of benefi.	Amt. Disbd.	No. of benefi.	Amt. Disbd.	No. of benefi.	Amt. Disbd.
1	ANDHRA PRADESH	5117	756.7	2601	888.7	637	47.25	704	45
2	ARUNACHAL PRADESH	0	0	0	0	0	0	0	0
3	ASSAM	2180	100	654	134	0	0	230	12.41
4	BIHAR	700	304.5	893	204.51	3357	904.5	0	0
5	CHANDIGARH	4	3	13	5	4	2	14	6
6	CHHATISGARH	137	100	0	0	0	0	222	100
7	DELHI	25	4.5	107	21.25	34	17	120	28.25
8	GUJARAT	925	295	474	200	1009	300	815	251
9	HIMACHAL PRADESH	127	115	375	150	202	75	511	230
10	HARYANA	960	415	1073	450	777	359	4252	526
11	JAMMU & KASHMIR	740	370	1350	387.72	1641	420	2272	560
12	JHARKHAND	126	6.75	218	54.44	447	110	0	0
13	KERALA	8669	3275	10250	3150	14729	4229.5	30960	5179
14	KARNATAKA	0	0	1234	525	1426	450	2833	350
15	MAHARASHTRA	150	75	1933	800	1000	500	1111	500
16	MANIPUR	0	0	80	1.8	20	1.8	0	0
17	MADHYA PRADESH	0	0	0	0	0	0	0	0
18	MEGHALAYA	0	0	62	3.6	0	0	0	0
19	MIZORAM	400	200	1000	400	910	300	790	309.81

20	NAGALAND	1136	500	1681	713	1836	500	2892	1070
21	ORISSA	140	4.5	0	0	382	27	453	33.75
22	PONDICHERY	25	10	57	23	303	100	0	0
23	PUNJAB	1050	525	1875	750	1628	400	667	300
24	RAJASTHAN	335	154.72	626	252.25	205	100	580	252.25
25	TAMILNADU	14582	952.45	8042	1516	8039	965.25	16339	2125.6
26	TRIPURA	41	25	75	30	206	50	213	96
27	UTTAR PRADESH	0	0	615	45	0	0	0	0
28	UTTARANCHAL	292	265	0	0	0	0	0	0
29	WEST BANGAL	9922	2818	12415	3707.74	12406	3214.49	17570	5106.75
		47783	11275.12	47703	14413.01	51198	13072.79	83548	17081.82

3.13 The funds disbursed and beneficiaries covered by NMDFC shows that only 15 states have been covered during the last three years and current financial year. The States/UTs like Arunachal Pradesh and Madhya Pradesh were not covered during the last three years and current financial year. The beneficiaries of other States/UTs were also not disbursed the funds as in Assam during the year 2008-09, in Bihar, Jharkhand and Pudduchery during the year 2009-10, in Chhatishgarh during the year 2007-08 and 2008-09, in Karnataka during the year 2006-07, in Manipur during the year 2006-07 and 2009-10, in Meghalaya and Uttar Pradesh during the year 2006-07, 2008-09 and 2009-10, in Orissa during the year 2007-08 and in Uttarakhand during the year 2007-08, 2008-09 and 2009-10 respectively.

3.14 When enquired about the reasons in this regard, the Secretary, Ministry of Minority Affairs have stated during evidence:-

“Sir, the loaning of NMDFC to the States is based on three conditions. One is – has the State paid its own equity contribution. A lot of States have not paid the

equity contribution. I have the figures. I can send those details or I can tell them now also. A number of States have not paid the equity contribution. Secondly, the States are also required to give State guarantee. A number of States have not given the State guarantee. That is the reason why we are not in a position to touch those States.”

3.15 When the Committee further asked about the efforts being made by the Ministry to make the scheme more effective particularly in these States, it was stated that the Ministry assists the NMDFC in realization of outstanding dues from the defaulting States, realizing outstanding equity well in time, obtaining Government guarantee in securing NMDFC’s interest, persuade the State Governments to strengthen the SCAs with adequate resources and staff by taking up the matter with the respective State Governments on a regular basis.

C. Disbursement of Funds by NMDFC

I. Disbursement under Micro Finance Scheme

3.16 The Ministry have furnished a statement showing disbursements under Micro Finance scheme during the last three years and current financial year is as under :-

DISBURSEMENTS UNDER MICRO FINANCING SCHEME DURING THE LAST THREE YEARS & CURRENT YEAR					
		2006-07	2007-08	2008-09	2009-10
Sr. No.	States	Benf.	Benf.	Benf.	Benf.
1	Andhra Pradesh	893	587	637	704
2	Arunachal Pradesh	0	0	0	0
3	Assam	2080	404	0	230
4	Bihar	100	542	50	0
5	Delhi	25	82	0	82

6	Gujarat	250	0	0	313
7	Haryana	0	0	50	3750
8	Jammu & Kashmir	0	475	200	1250
9	Jharkhand	126	130	0	0
10	Karnataka	0	0	0	2500
11	Kerala	3200	3500	5050	23650
12	Madhya Pradesh	0	0	0	0
13	Maharashtra	0	0	0	0
14	Manipur	0	80	20	0
15	Meghalaya	0	62	0	0
16	Mizoram	0	0	0	123
16	Nagaland	702	0	0	625
17	Orissa	140	0	382	453
18	Rajasthan	35	25	0	25
19	Tamil Nadu	14239	5542	7639	14117
20	Tripura	0	0	0	0
21	Uttar Pradesh	0	615	0	0
22	Uttaranchal	0	0	0	0
23	West Bengal	3692	4115	2185	7570
	Total	25482	16159	16213	55392

3.17 It has been observed that in the States/UTs like Arunachal Pradesh, Madhya Pradesh, Maharashtra, Tripura and Uttarakhand funds were not disbursed during the last three years and current financial year. Funds were also not disbursed in other States/UTs like Assam, Delhi and Rajasthan during the year 2008-09, in Gujarat and Nagaland during the year 2007-08 and 2008-09, in Haryana during the year 2006-07 and 2007-08, in J&K during the year 2006-07, in Jharkhand during the year 2008-09

and 2009-10, in Manipur during 2006-07 and 2009-10, in Meghalaya & Uttar Pradesh during the year 2006-07, 2008-09 and 2009-10 respectively.

3.18 When the Committee asked the reasons for not covering the above mentioned States/UTs, the Ministry have explained that the disbursements made by NMDFC are based on following criteria:-

- (i) Furnishing and availability of adequate amount of Government guarantee by the respective State Govts./UTs to safeguard NMDFC's interest.
- (ii) Contribution in the equity of NMDFC
- (iii) Complete utilization of funds disbursed earlier, submission of lists of beneficiaries in prescribed format and uploading the same on website of NMDFC to maintain transparency.
- (iv) Repayment of dues/over dues to NMDFC.
- (v) Level of recovery from beneficiaries and reporting the same to NMDFC in the prescribed formats.

II. Funds disbursed to SCAs by NMDFC

3.19 The Committee have been informed by the Ministry that NMDFC has two channels to reach the ultimate beneficiaries (i) through state channelising agencies (SCAs) nominated by the respective States/UT Governments and (ii) through non-governmental organizations (NGOs).

3.20 Under the SCA programme, projects costing upto Rs. 5.00 lakh are financed. Funds for this purpose are made available to the SCAs at an interest rate of 3% for further loaning to the beneficiaries at 6%. The Corporation is also implementing schemes of vocational training and educational loan through the SCAs for capacity building of the target groups for self as well as wage employment.

3.21 When the Committee enquired as to how much loan amount has been disbursed to SCAs during the last three years for further disbursement to beneficiaries (year-wise and State-wise) alongwith the details of SCAs, the Ministry have informed that the NMDFC have disbursed loan to SCAs under term loan and micro credit scheme.

3.22 The Ministry have furnished a statement showing funds disbursed to SCAs under term loan during the last three years and current financial year as under :-

(Amount in Rs. Lakhs)

Funds Disbursed (Term Loan) and beneficiaries covered during the last three years and the current financial year (As on 28.2.2010)										
Sr. No.	State	Name of SCAs	2006-07		2007-08		2008-09		2009-10	
			No. of benefi	Amt. Disbd.	No. of benefi	Amt. Disbd.	No. of benefi.	Amt. Disbd.	No. of benefi	Amt. Disbd.
1	ANDHRA PRADESH	APSMFC	4224	700.00	2044	850.00	0	0	0	0.00
2	ASSAM	AMDFC	100	50.00	250	100.00	0	0	0	0.00
3	BIHAR	BSMFC	600	300.00	351	150.00	3307	900.00	0	0.00
4	CHANDIGARH	CHCFDCL	4	3.00	13	5.00	4	2.00	14	6.00
5	CHHATISGARH	CHACDFC	137	100.00	0	0.00	0	0.00	222	100.00
6	DELHI	DSCSTFDC	0	0.00	25	10.00	34	17.00	38	17.00
7	GUJARAT	GMFDC	675	270.00	474	200.00	1009	300.00	502	225.85
8	HIMACHAL PRADESH	HPMFDC	127	115.00	375	150.00	202	75.00	511	230.00
9	HARYANA	HBCKN	960	415.00	1073	450.00	727	350.00	0	0.00
		MDA							502	226.00
10	JAMMU & KASHMIR	JKSCSTDC	0	0.00	0	0.00	0	0.00	0	0.00
		JKWDC	740	370.00	875	350.00	1441	400.00	1022	460.00
11	JHARKHAND	JSCSTDC	0	0.00	88	35.00	447	110.00	0	0.00

12	KERALA	KBCDC	3859	2300.00	6000	2500.00	7720	2900.00	3555	1600.00
		KSCFFDC	360	180.00	750	300.00	300	150.00	555	250.00
		KSWDC	1250	625.00	0	0.00	1659	675.00	3200	1440.00
13	KARNATAKA	KMDC	0	0.00	1234	525.00	1426	450.00	333	150.00
14	MAHARASHTRA	MHBCMFDC	150	75.00	1933	800.00	1000	500.00	1111	500.00
15	MANIPUR	MTDC	0	0.00	0	0.00	0	0.00	0	0.00
16	MADHYA PRADESH	MPBCMFDC	0	0.00	0	0.00	0	0.00	0	0.00
		MPHDC								
17	MEGHALAYA		0	0.00	0	0.00	0	0.00	0	0.00
18	MIZORAM	MCAB	400	200.00	1000	400.00	910	300.00	667	300.00
		ZIDCO								
19	NAGALAND	NIDC	334	300.00	1000	400.00	1429	400.00	1112	500.00
		HFL	0	0.00	400	200.00	0	0.00	0	0.00
		NHDC	100	50.00	281	112.50	407	100.00	1155	520.00
		NSSWB								
20	ORISSA	ORSCSTFDC	0	0.00	0	0.00	0	0.00	0	0.00
21	PONDICHERRY	PDBCMD	25	10.00	57	22.50	303	100.00	0	0.00
22	PUNJAB	BACKFINCO	1050	525.00	1875	750.00	1628	400.00	667	300.00
23	RAJASTHAN	RMFDC	300	150.00	601	250.00	205	100.00	555	250.00
24	TAMILNADU	TAMCO	343	280.00	2500	1000.00	400	200.00	2222	1000.00
25	TRIPURA	TSCDC	41	25.00	75	30.00	206	50.00	213	96.00
26	UTTAR PRADESH	UPMFDC	0	0.00	0	0.00	0	0.00	0	0.00
27	UTTARANCHAL	UMFDC	292	265.00	0	0.00	0	0.00	0	0.00
28	WEST BANGAL	WBMDFC	6230	2650.00	8300	3500.00	10221	3000.00	10000	4500.00
			22301	9958.00	31574	13090.00	34985	11479.00	28156	12670.85

3.23 Under Term loan scheme of NMDFC it is observed that 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 respectively. Similarly no funds were disbursed to SCAs under the scheme in the States like Andhra Pradesh and Assam during the year 2008-09 and 2009-10, in Bihar, Haryana and Pudducherry during the year 2009-2010, in Karnataka and Delhi during the 2006-07, in Jharkhand during the year 2006-07 and 2009-2010, in Nagaland during the year 2008-09 and 2009-2010 and in Uttarakhand during the year 2007-08, 2008-09 and 2009-2010 respectively.

3.24 When the Committee asked the reasons as to why the SCAs of the above mentioned States/ UTs, have not been covered during the last three years and current financial year, the Ministry have furnished the reasons such as non-operational of SCAs, mounting overdues, absence of State Government guarantee, non-utilization of funds released earlier and poor recoveries from the beneficiaries.

3.25 The Committee further asked about the efforts being made to strengthen the SCAs in the States, the Ministry have stated that regular follow-up is being done with the State Govts./UTs. & SCAs for early utilization of funds, contribution to equity of NMDFC, improving grass root level recoveries and repayment of over dues to NMDFC, furnishing of Government guarantee, etc .

3.26 The Committee enquired as to whether the NMDFC is having adequate staff and infrastructure to carry out its function effectively, to which the Ministry have stated that as of now NMDFC has staff strength of 33 including the Managing Director and the staff strength of NMDFC would need to be increased.

3.27 On being asked, the Ministry have furnished the details of Staff post-wise as under :-

Sl. Nos.	Level	Number
1	Managing Director	1
2	Senior Manager	4
3	Deputy Managers	6
4	Assistant Managers	2
5	Supervisory level	4
6	Support level staff	6
7	Attendants, Messengers, Drivers	10

3.28 The Committee further desired to know whether the shortage of staff has affected the working of NMDFC, the Ministry have explained that the shortage of staff adversely affects the processing of proposals and regular follow-up through personal visits to the SCAs and monitoring through field visits.

III. Disbursement of loan through NGOs

3.29 The Ministry have informed the Committee that under the NGO programme of NMDFC micro credit up to Rs. 25,000 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. Under the NGOs programme, there is also a provision of interest free loan (adjustable as grant) for promotion and stabilization of SHGs.

3.30 When the Committee enquired as to how much loan amount has been disbursed under various schemes of the Corporation to NGOs and the number of beneficiaries covered by each NGO during the last three years (State-wise and year-wise), the Ministry have furnished a statement as under :-

YEAR-WISE DISBURSEMENT OF MICRO FINANCING TO NGOs																
S. No.	STATE	2006-07			2007-08			2008-09			2009-10 upto 28.02.10			Total		
		Amt.	No. of Benef.	No. NGO	Amt.	No. of Benef.	No. of NGO	Amt.	No. of Benef.	No. of NGO	Amt.	No. of Benef.	No. of NGO	Amt.	No. of Benef.	No. of NGO
1	ANDHRA PRADESH	56.70	893	14	38.70	587	8	47.25	637	9	45.00	704	8	187.65	2821	39
2	ARUNACHAL PRADESH			0			0			0			0	0.00	0	0
3	ASSAM			0	9.00	154	1			0	12.42	230	2	21.42	384	3
4	BIHAR	4.50	100	1	4.50	50	1	4.50	50	1			1	13.50	200	4
5	DELHI	4.50	25	1	11.25	82	1			0	11.25	82	1	27.00	189	3
6	GUJARAT			0			0			0			0	0.00	0	0
7	HARYANA			0			0	9.00	50	1			0	9.00	50	1
8	J&K			0	0.22	100	1			0			0	0.22	100	1
9	JHARKHAND	6.75	126	2	19.44	130	1			0			0	26.19	256	3
10	KARNATAKA			0			0			0			0	0.00	0	0

11	KERALA			0			0	4.50	50	1	9.00	150	1	13.50	200	2
12	MADHYA PRADESH			0			0			0			0	0.00	0	0
13	MAHARASHTRA			0			0			0			0	0.00	0	0
14	MANIPUR			0	1.80	80	1	1.80	20	1			0	3.60	100	2
15	MEGHALAYA			0	3.60	62	1			0			0	3.60	62	1
16	NAGALAND			0			0			0			0	0.00	0	0
17	ORISSA	4.50	140	1			0	27.00	382	2	33.75	453	2	65.25	975	5
18	RAJASTHAN	4.72	35	1	2.25	25	1			0	2.25	25	1	9.22	85	3
19	TAMILNADU	72.45	906	8	216.00	2556	15	65.25	640	9	125.55	1617	15	479.25	5719	47
20	TRIPURA			0			0			0			0	0.00	0	0
21	UTTAR PRADESH			0	45.00	615	2			0			0	45.00	615	2
22	UTTRAKHAND			0			0			0			0	0.00	0	0
23	WEST BENGAL	18.00	250	3	7.74	145	2	14.49	185	4	6.75	70	2	46.98	650	11
	Grand Total	172.13	2475	31	359.50	4586	35	173.79	2014	28	245.97	3331	33	951.38	12406	127

3.31 From the above statement it is seen that during the last three years and current financial year no funds were disbursed of micro financing to NGOs in States like Arunachal Pradesh, Gujarat, Karnataka, M.P. Maharashtra, Nagaland, Tripura and Uttarakhand. Similarly, no funds have been disbursed in States like Assam during the year 2006-07 and 2008-09, in Bihar during the year 2009-10, in Delhi during the year 2008-09, in Haryana during the year 2006-07, 2007-08 and 2009-10, in Kerala during the year 2006-07 and 2008-09, in Manipur during the year 2006-07 and 2009-10, in Meghalaya during the year 2006-07, 2008-09 and 2009-10, in Orissa during the year 2007-08, in Rajasthan during the year 2008-09 and in Uttar Pradesh during the year 2006-07, 2008-09 and 2009-10 respectively.

3.32 When asked about the reasons as to why funds were not disbursed to the beneficiaries under the NGO programme of NMDFC Micro Credit, the Ministry have stated that financing under the NGO programme of NMDFC micro-credit could not be undertaken in these states primarily due to the lack of receipt of bankable proposals from credit worthy NGOs. In addition, NMDFC is unable to sanction proposals which are found to be incomplete.

D. Recovery of Funds

3.33 On being asked about the recovery percentage of loans from SCAs as well as recovery percentage of loans from individual beneficiaries to SCAs during the last three years the following details have been given by the Ministry :-

Year	2006-07	2007-08	2008-09
Overall Recovery percentage from the SCAs	83.87%	83.17%	82.96%
Overall Recovery percentage from the beneficiaries	59.10%	55.16%	58%

3.34 When the Committee asked about the reasons for less percentage of recovery from beneficiaries to SCAs during the last three years, the Ministry have stated as follows:-

“ SCAs do not have the necessary infrastructure for carrying out the identification and selection of genuine loanees due to which recovery becomes a problem. This problem is further aggravated due to lack of regular follow-up by the SCAs with the beneficiaries which results in poor grass root level recoveries. Most of the SCAs do not have the resources & lack field-level infrastructure to monitor the beneficiaries. In order to strengthen the financial and administrative capacity of SCAs, the Ministry has started the plan scheme of “Grants-in-aid to SCA engaged in implementation of NMDFC programmes.”

3.35 On being enquired by the Committee about the efforts being made by the Ministry for full recovery from SCAs and beneficiaries, the Ministry have explained as under:-

“The Ministry takes up the matter of realization of outstanding dues with the defaulting States. Letters in this regard are being sent from the Ministry to the respective State Governments. Besides, the Ministry is providing Grant-In-Aid to the SCAs for strengthening their infra-structure.”

3.36. 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.

3.37 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.

3.38 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 disbursal 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.

3.39 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.

CHAPTER – IV

MAJOR HEAD : 2552, 3602

SUB HEAD : 04, 03

HEAD No. : 03.00.31, 02.00.31

MULTI SECTORAL DEVELOPMENT PROGRAMME

4.1 90 Minority Concentration Districts (MCD) having a substantial minority population, which are relatively backward and falling behind the national average in terms of socio-economic and basic amenities indicators, were identified in 2007. The objective of Multi-sectoral Development Programme (MsDP) is to bridge the development gaps in socio-economic conditions and availability of basic amenities in the identified backward districts having a substantial concentration of minority population. The MsDP is a special area development programme and was launched in 2008-09. It is implemented through the State Governments/UT Administrations.

4.2 The programme aims at improving the socio-economic parameters of basic amenities for improving the quality of life of the people and reducing imbalances in the MCDs during the Eleventh Five Year Plan period. Identified 'development deficits' would be made up through a district specific plan for provision of better infrastructure for schools and secondary education, sanitation, pucca housing, drinking water and electricity supply, besides beneficiary oriented schemes.

4.3 The Ministry have furnished the following statement showing the BE, RE and Actual Expenditure incurred under the scheme of Multi Sectoral Development Programme:-

(Rs. in crore)			
Year	BE	RE	Actual Expenditure
2007-08	120.00	74.41	0
2008-09	539.00	279.00	270.85
2009-10	989.00	989.50	893.52 (as on 15.3.2010)
2010-11	1400.00	-	-

4.4 The revised estimate for the year 2009-10 is Rs. 989.50 crore, out of which an amount of Rs. 513 crore has been spent up to 31.12.2009 and substantial funds (funds to the tune of Rs. 380.16 crore) were released at the fag end of the financial year i.e. between 31.12.2009 to 31.3.2010.

4.5 When the Committee enquired about the reasons for the enhancement of B.E. for the year 2010-11 to Rs. 1400.00 crore, the Ministry stated as under:-

“The Ministry has so far considered and approved 77 district plans, of which plans for 13 minority concentration districts (MCDs) have been approved in full. The remaining district plans for 64 MCDs have been approved partially and they are expected to be approved in full during 2010-11. District plans for 13 MCDs have not been considered yet and these are expected to be considered and approved in 2010-11. Further, the Ministry has so far released Rs.893.52 crore under MsDP in 2009-10 till 15th March, 2010. Second installment proposals are expected in 2010-11. A higher allocation would be required under MsDP for 2010-11”.

4.6 On being enquired by the Committee about the efforts being made by the Ministry for full approval of the 64 MCDs, the Ministry have stated that the matter has been taken up regularly with the various levels of the concerned State Governments,

including with the Chief Secretaries and Chief Ministers of the State Governments/UT Administrations concerned for submitting district plans well in time to enable this Ministry to approve the proposals and for speeding up implementation of district plans in a time bound manner.

4.7 The Committee further asked the State-wise details of 13 MCDs which have not been considered so far, the Ministry have informed:-

“Four new plans, one each of North East Delhi, Bhopal, North Sikkim and Ranchi minority concentration districts, have been received recently in the Ministry. Out of these, North East Delhi, Bhopal and Ranchi have been considered in March 2010. The remaining nine new plans are expected in Financial Year 2010-11: two from Assam and seven from Arunachal Pradesh. One of the plans for Assam could not be sent in view of a stay order of the Court. The Chief Secretaries and Chief Ministers of the States concerned have been advised to have the district plans sent in time to enable this Ministry to approve the proposals”.

4.8 The Ministry have furnished a statement of the state/UT-wise progress of implementation as under:-

State wise release of funds to the State Governments under Multi-sectoral Development Programme (MsDP) and expenditure reported by the State Governments (Progress of implementation).				
S. N.	State	Funds released Rs. in crore (2008-09)	Expenditure reported by the State Govt. for 2008-09 Rs. in crore	Funds released Rs. in crore (2009-10)
1	UTTAR PRADEH	124.42	111.74	229.14
2	WEST BENGAL	43.28	32.65	232.34
3	HARYANA	14.01	5.70	4.51
4	ASSAM	42.27	27.32	151.73
5	MANIPUR	30.12	26.02	60.04

6	BIHAR	16.75	14.36	105.04
7	MEGHALAYA	0.00	0.00	10.79
8	ANDAMAN & NICOBAR ISLAND	0.00	0.00	1.05
9	JHARKHAND	0.00	0.00	43.76
10	ORISSA	0.00	0.00	10.35
11	KARNATAKA	0.00	0.00	5.80
12	UTTRAKHAND	0.00	0.00	6.26
13	MAHARASTRA	0.00	0.00	22.27
14	J & K	0.00	0.00	5.93
15	KERALA	0.00	0.00	0.77
16	MIZORAM	0.00	0.00	3.97
	Grand Total	270.85	217.79	893.74*

* The progress of the release made in 1st and 2nd quarter of 2009-10 would start becoming available in the 1st quarter of 2010-11. A total of Rs.284.21crore was released to the State in 1st and 2nd quarter of 2009-10.

4.9 The Committee have also been informed that a 'MsDP Empowered Committee' in the Ministry of Minority Affairs appraises and approves the projects in the MsD Plans. The Empowered Committee also serves as the oversight committee at the Centre and shall monitor the implementation of the programme. The State Level Committee constituted for implementation of the Prime Minister's New 15 Point Programme for the Welfare of Minorities headed by the Chief Secretary shall also serve as the Oversight Committee at the State/UT level to monitor the implementation of the programme.

4.10 When the Committee asked to furnish the details of major projects being undertaken under the MsDP for minorities in selected MCDs (since inception of the

scheme), the Ministry have stated that some of the major construction activities taken up under MsDP are constructions of residential model schools, Community Health Centre, Primary Health Centres, Industrial Training Institutes, polytechnics, hostels, drinking water supply facilities and school buildings.

4.11 The Committee enquired how many States/UTs have constituted the State level and District level Committees for implementation of MsD Plans, the Ministry stated that the 90 minority concentration districts are located in 20 States/UTs. Information received indicates that State level and district level committees have been constituted in 19 States/UTs. Information in respect of Arunachal Pradesh is yet to be confirmed as district plans are still awaited.

4.12 When the Committee asked the details of funds allocated during the year 2009-10 generating awareness of this Scheme and amount actually utilized for the purpose, the Ministry have stated that an amount of Rs.11.67 crore has been allocated for disseminating information on all the schemes and programmes of this Ministry including MsDP under the scheme of research/ studies evaluation, monitoring, including publicity. There is no scheme wise allocation of funds for undertaking publicity exclusively for a particular scheme.

4.13 The Ministry have informed that the programme will be implemented by the line departments/agencies assigned projects by the Department in the State/UT dealing with minority affairs/welfare. Panchayati Raj Institutions/urban local bodies would be involved in the implementation of the MsD Plan wherever the mechanism is established.

4.14 When the Committee asked to furnish the details of departments/agencies/Panchayati Raj institutions/urban local bodies and NGOs who

are engaged in the implementation of MsD Plan alongwith their progress report (State-wise/UT-wise), the Ministry have informed in their written reply as under :-

“MsDP Programme is a Centrally Sponsored Scheme (CSS) to be implemented through the State Governments/UT Administrations. CSS like IAY, SSA, ARWSP, NRHM etc. are being implemented by the State Governments through the implementation mechanism laid down in the guidelines of the scheme concerned. The scheme of MsDP provides that the programme will be implemented by the panchayati raj institutions/line departments/agencies/Scheduled Area councils in accordance with the implementation mechanism practiced in the State/UT. It also provides that there will be no change in the guidelines of any existing programme under implementation in such districts for which this scheme will provide additional funds. The scheme of MsDP is implemented by the State Governments/UT Administrations in accordance with the guidelines of the scheme”.

4.15 When the Committee wanted to know about the monitoring mechanism of the Ministry/Government done upto the Block level to review the progress of these programmes and also for ensuring that these are implemented effectively, the Ministry have informed as under :-

“State level and district level committees which have been constituted for implementation of the Prime Minister’s New 15 Point Programme for Welfare of Minorities also serve as committees for monitoring the implementation of MsDP programme in the State/UT. The State Level Committee also serves as the Oversight Committee to review the implementation of MSDP in the State. The State level committee consists of Members of Parliament, Members of Legislative Assembly, Chief Secretary, the Secretaries and Heads of Departments implementing the schemes. The district level Committee consists of Members of Parliament, Members of Legislative Assembly, the Collector/Deputy Commissioner of the district, with District level officers of the departments implementing the programme, representatives from the Panchayati Raj Institutions/Autonomous District Councils, and three representatives from reputed institutions dealing with minorities to be nominated by the State Government. The scheme of MsDP provides for quarterly review of the progress of implementation by these committees. All the CSS which are topped-up under MsDP are being implemented as per the guidelines of the scheme concerned and have their own monitoring mechanism in addition to the monitoring mechanism under MsDP”.

4.16 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.

4.17 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.

CHAPTER – V

MAJOR HEAD : 2225, 2552, 3601
SUB HEAD : 04
HEAD NO : 04.02.31

FREE COACHING AND ALLIED SCHEME

5.1 The Free Coaching & Allied Scheme for candidates belonging to minority communities, transferred from the Ministry of Social Justice and Empowerment, was revised and launched in July, 2007. The scheme was further modified w.e.f. 16.10.2008. It is a Central Sector Scheme, with 100% central funding, to be implemented by the Ministry through coaching institutes recommended by the State Governments/Union Territory Administrations/Public Sector institutions.

5.2 The Ministry have furnished the following statement showing the BE, RE and Actual Expenditure incurred under the scheme of Free Coaching and Allied Scheme :-

(Rs. in crore)

Year	BE	RE	Actual Expenditure
2007-08	10.00	10.00	5.74
2008-09	10.00	8.75	7.30
2009-10	12.00	12.00	9.71 (as on 18.3.2010)
2010-11	15.00	-	-

5.3 When the Committee enquired about the reasons for low expenditure incurred under the scheme during the year 2007-08 and 2008-09, the Ministry have stated as under:-

“The Ministry was newly formed. This is a demand driven scheme. Adequate and viable proposals under the scheme were not received. However, financial expenditure went up from Rs.5.74 crore in 2007-08 to Rs.7.30 crore in 2008-09. Further, the number of beneficiaries went up from 4097 beneficiaries in 2007-08 to 5522 beneficiaries in 2008-09, against a physical target of 4000 during each of these two years. However, the average expenditure per beneficiary was lower than expected.”

5.4 The Committee further enquired how the Ministry will utilize the entire amount allocated during the year 2009-10 as the actual expenditure incurred during the year 2009-10 was only Rs. 7.17 crore, it was stated by the Ministry that as on 18-03-2010, an amount utilized under the scheme was Rs.9.71 crore. Efforts are being made to utilize the maximum possible amount allocated for 2009-10. The number of students covered so far is 4682 during 2009-10 (upto 28.02.2010) against the target of 5000. The proposals for coaching of 290 students have been cleared and an amount of Rs. 0.28 crore is likely to released shortly to 7 institutes.

5.5 The Ministry have furnished a statement showing the year-wise achievements of the scheme :-

Year	No. States	No. of Institutes	No. of students	Funds released (Rupees in crore)
2007-08	14	59	4097	5.74
2008-09	20	71	5522	7.30
2009-2010 (Upto 31 st December, 09)	18	39	4682 (as on 28.2.2010)	9.71 (as on 18.3.2010)

5.6 When the Committee enquired the reasons as to why only 39 institutes have been provided financial assistance during the year 2009-10 (upto 18.3.2010) as compared to 71 institutes during the year 2008-09, the Ministry have stated as under:-

“Financial assistance is provided to the institutes which are duly recommended and forwarded by the State Governments/UT administrations and which fulfill all conditions of the scheme. Further, due to enforcement of Code of Conduct of General Election at the beginning of the financial year 2009-10, proposals could not be invited on time and the process of releasing of funds was delayed.”

5.7 According to the Ministry the objective of the scheme is to enhance the skills and knowledge of students and candidates from the minority communities to secure employment in Government Sector/Public Sector Undertakings and jobs in the private sector, and admission in reputed institutions in technical and professional courses of under-graduate and post-graduate levels and remedial coaching in such institutions to complete the courses successfully.

5.8 The Committee asked the Ministry to furnish the number of boys and girls who gained employment in Government/Private sector after availing benefits under the scheme during the last three years. The Committee also asked to state by what time the Ministry will get the list of beneficiaries, the Ministry have explained:-

“Information regarding coached candidates who are stated to have successfully completed coaching and to have cleared the examination is received from Institutes which have sought second installment. Collation / compilation of this voluminous information are time consuming. The Ministry has started compilation of this information which will be submitted shortly.”

5.9 When the Committee desired to know about the number of boys and girls beneficiaries during the last three years, State-wise/UT-wise, the Ministry have stated:-

“The scheme was modified in October, 2008 providing for 30% earmarking for girl candidates/students. The Ministry will carry out the segregation of number of

boys and girls beneficiaries, based on the modified scheme and furnish it to the Hon'ble Committee.”

5.10 However, the Ministry have furnished a statement showing the beneficiaries coached/trained during the last three years and the current year as under :-

Sl. No.	State	2006-07	2007-08	2008-09	2009-10 (Upto 28-02-2010)
1.	Andaman & Nicobar	-	-	-	-
2.	Andhra Pradesh	-	185	650	100
3.	Arunachal Pradesh	-	-	-	-
4.	Assam	-	90	-	150
5.	Bihar	-	-	-	100
6.	Chandigarh	-	-	50	-
7.	Chhattisgarh	-	80	90	50
8.	Dadar & Nagar Haveli	-	-	-	-
9.	Daman and Diu	-	-	-	-
10.	Delhi	-	473	541	500
11.	Goa	-	-	-	-
12.	Gujarat	-	-	100	-
13.	Haryana	-	50	140	40
14.	Himachal Pradesh	-	-	-	25
15.	Jammu and Kashmir	-	240	-	-
16.	Jharkhand	-	-	75	-
17.	Karnataka	-	450	520	35
18.	Kerala	-	-	200	25
19.	Madhya Pradesh	-	90	220	150

20.	Maharashtra	-	-	980	130
21.	Manipur	-	160	118	125
22.	Meghalaya	-	-	-	50
23.	Mizoram	-	250	180	50
24.	Nagaland	-	-	50	-
25.	Orissa	-	190	75	230
26.	Punjab	-	160	50	90
27.	Rajasthan	690	1004	75	682
28.	Sikkim	-	-	-	-
29.	Tamil Nadu	-	-	-	-
30.	Tripura	-	-	100	-
31.	Uttar Pradesh	-	675	685	100
32.	Uttaranchal	-	-	-	-
33.	West Bengal	-	-	623	2050
34.	Lakshadweep	-	-	-	-
35.	Pondicherry	-	-	-	-
	Total	690	4097	5522	4682

5.11 It has been observed that students have been coached / trained only in only one State i.e. Rajasthan during the last four years including the current year. However, no student has been benefited in 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. Similarly, no students were benefited in States like West Bengal during

the year 2007-08, in Assam during the year 2008-09, in Chandigarh, Gujarat, Jharkhand, Nagaland and Tripura during the year 2007-08 and 2009-10 respectively.

5.12 The Committee asked the reasons for taking no beneficiaries in the above States to which the Ministry have stated that Free Coaching and Allied Scheme is a demand driven scheme. There is no State/UT-wise allocation of budget for beneficiaries. Applications /proposals complete in all respects which are received in this ministry by the stipulated date duly recommended by the State Government, in case of NGOs / private organizations are examined as per the terms and condition of the scheme. No viable proposal under this scheme was received from the above States/UTs.

5.13 The Ministry have informed that under the scheme coaching for recruitment of constable and equivalent in police, security forces and railways have been provided.

5.14 When the Committee asked to furnish the details on the number of beneficiaries who have gained employment in police, security forces and railways after availing benefits under the scheme, State-wise/UT-wise, the Ministry have stated that the information will be obtained and submitted to the Committee in due course.

5.15 The Committee further asked as to what efforts were made by the Ministry to obtain the information and when the Ministry will be in a position to provide the information regarding the number of beneficiaries who have gained employment in police, security forces and railways after availing benefits, the Ministry in the post evidence reply have stated:-

“Information has been gathered since then. One institute in the State of Tripura (School of Science Agartala) was sanctioned of which 50% was released in 2008-09 for training/coaching of ten constables. The proposal for release of second installment has not been received from the institute. The State

Government was asked to send the proposal for release of second installment along with all necessary documents, vide this Ministry's letter No.2/33(1)/2009-PP-I, dated 12th February, 2010. A copy of the letter was also endorsed to institute. The response from the State is still awaited.

Another proposal from an institute, Society for Promotion of Rationality (SPRAT), Ahmedabad, Gujarat for training/ coaching of three hundred constables was received. However, no fund was released to the institute as it had not provided the list of candidates for training/coaching."

5.16 Under the Free Coaching & Allied Scheme, coaching for entrance examination for technical/professional courses have been provided. When the Committee asked to furnish the number of boys and girls students who have benefited by remedial coaching/tuition for pursuing technical/professional courses, the Ministry have stated:-

"During the last three years, no viable proposal for remedial coaching/tuition for pursuing technical/professional courses has been sanctioned."

5.17 When the Committee enquired as to what efforts were made by the Ministry in this regard, the Secretary, Ministry of Minority Affairs have stated during evidence:-

"We keep talking to the States and requesting them to send proposals. We keep holding meetings with them also. But unfortunately, for remedial coaching, they have not sent any proposal."

5.18 The Committee are constraints 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.

5.19 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.

5.20 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.

CHAPTER - VI

MAJOR HEAD : 2225, 2552, 3601, 3602
SUB HEAD : 17, 16, 05, 06, 04
HEAD NO : 04.00.31, 05.00.31

I. PRE-MATRIC SCHOLARSHIP SCHEME

6.1 The Ministry have informed that a centrally sponsored scheme for students belonging to the minority communities, pursuing studies from class I to class X, has been approved. The scheme would be implemented through the State Governments / Union Territory Administrations with funding being shared between the Centre and States in the ratio of 75:25; 100% financial assistance will be provided to Union territories. Students with not less than 50% marks in the previous final examination whose parents' / guardians' annual income from all sources does not exceed Rs. 1.00 lakh are eligible for award of the pre-matric scholarship.

6.2 An outlay of Rs. 1400 crores has been provided in the Eleventh Five Year Plan to award 25 lakh scholarships during the plan period (2007-12). 30% scholarships have been earmarked for girl students.

6.3 The Ministry have furnished the following statement showing the BE, RE and Actual Expenditure incurred under the scheme of Pre-matric scholarship during the last three years :-

(Rs. in crore)

Year	BE	RE	Actual Expenditure
2007-08	80	10	0

2008-09	79.90	79.90	62.20
2009-10	200.00	200.00	196.61 (as on 19.3.2010)
2010-11	450.00		

6.4 When the Committee enquired the reasons for enhancing the BE for the year 2010-11 to Rs. 450 crore while the allocated amount for the year 2008-09 and 2009-10 could not be utilized fully, the Ministry have stated that the allocated amount for the year 2008-09 could not be utilized beyond 78 % as adequate number of proposals was not received from States /UTs. Allocation for Pre-matric Scholarship scheme has been enhanced during 2010-11 as wider publicity will be given during next year.

6.5 When the Committee enquired about the amount allocated for exclusive publicity of this scheme, the Ministry have stated that awareness and multi-media campaigns of the various schemes of the Ministry are carried out under the scheme of “Research/studies, evaluation, monitoring including publicity”. There is no scheme wise allocation of funds for undertaking publicity exclusively for a particular scheme.

6.6 On being asked by the Committee to furnish the details of States/UTs which have not sent their proposals for Pre-matric Scholarship, the Ministry have stated as under:-

“Arunachal Pradesh, Assam, Gujarat, Uttarakhand, Nagaland, Sikkim and Lakshadweep have not sent their proposals during 2008-09 for this scheme.

However, during 2009-10, Assam and Uttarakhand have sent their proposals and got the funds for scholarships, while the remaining States/UT mentioned above did not send their proposal.”

6.7 When the Committee enquired about the efforts being made by the Ministry for timely receipt of proposals under the scheme, the Ministry have stated that the process of implementation of all the schemes would be initiated by the Ministry from the commencement of the next financial year. A number of awareness and multi-media campaigns would be launched from the beginning of the financial year. The matter would be taken up with the all the State Governments/UT Administrations for releasing the advertisements in respect of all the three scholarship schemes and sending proposals for release of funds to this Ministry.

Further, efforts being made for timely receipt of proposals under the schemes are as under :-

- 1) Letters are regularly written to the State Governments and reminders are issued to various officers, including to the Chief Secretaries.
- 2) Periodical meetings are held with officers of the States Governments/ UT Administrations to expedite receipt of their proposals.
- 3) Regular telephone calls are made to various officers of the State Governments/UT Administrations to expedite the proposal.
- 4) Regular media campaign is carried out to bring awareness among the public who can persuade the State Governments/ UT Administrations to send proposals on time.
- 5) Websites is updated once funds are released to States/UTs so that public can persuade the State Government and UT Administrations to send proposals quickly.

6.8 The Ministry have furnished the year-wise achievements under the Pre-matric scholarship scheme as follows:-

Year	Target	No. of Scholarships actually sanctioned (Units in lakhs)		Amount (Rs. in crore)
		Total Scholarships	Scholarships earmarked for female students	
2008-09 (launched)	3 lakh Scholarships	5.13 lakh	2.61 lakh	62.21
2009-10 (upto 31 st December, 2009)	Original target : 22 lakh (Revised target : 15 lakh) scholarships	12.19 lakh	5.87 lakh	128.94

6.9 It has been observed from the above statement that original target was 22 lakh for scholarships and revised target was 15 lakh scholarships. When asked why the target was lowered from 22 lakh to 15 lakh scholarships, the Ministry have stated the following reasons for revision of target from 22 to 15 lakh scholarships:-

- (a) 2009-10 is the second year of the scheme. It is yet to stabilize, especially in terms of average per capita scholarship.
- (b) The Government, while clearing the proposals for Pre-matric scheme, had projected, average scholarship of rupees 7400 per head per annum and a physical target of 25 lakhs during the Eleventh Five year plan. At this projected average, annual target for 2009-10 would have been only 2.7 lakh. However, expecting a lower average scholarship, higher target was fixed earlier that had to be revised down wards due to the reasons given in this reply.

- (c) The issue has been deliberated upon in Government and the Result Framework Document (RFD) Task Force has accepted our revised targets.
- (d) Following are the reasons for downward revision:-
- i. Budget provision 2009-10 was not adequate for original target of 22 lakh scholarships.
 - ii. Eleventh Five Year plan target is only 25 lakh of scholarships. Achievement in 2008-09 was 5.13 lakh and in 2009-10 so far is 17.03 lakh. Therefore, 11th Five Year Plan target will be achieved.
 - iii. In some States/U.Ts students belonging to Minority communities claim scholarships in SC/ST and OBC category. Some States do not charge any tuition fee up to Class 8 or waive off tuition fees for girl students. Some States have put a ceiling on amount admissible towards tuition fee, admission fee, and hostel charges as per rates prevailing in Government schools. Practices regarding payment to non hostellers vary across States. It is difficult to anticipate likely renewals. All these reasons make it difficult to assess per capita average scholarship.

MAJOR HEAD : 2225, 2552, 3601, 3602
SUB HEAD : 17, 16, 05, 06, 04
HEAD NO : 04.00.31, 05.00.31

II. POST-MATRIC SCHOLARSHIP SCHEME

6.10 The Ministry have informed that the scheme of Post-matric scholarship for students belonging to the minority communities pursuing higher education from class XI up to Ph.D., including technical and vocational courses of Industrial Training Institutes / Industrial Training Centers (affiliated to NCVT) of class XI and XII level was launched in December, 2007. This is a centrally sponsored scheme to be implemented through State Governments / Union Territory Administrations with 100% funding by the Central Government. Students having not less than 50% marks in the previous final examination and whose parents'/guardians' annual income from all sources, does not exceed Rs.2 lakh, are eligible for award of a post-matric scholarship.

6.11 The Ministry have furnished the following statement showing the BE, RE and Actual Expenditure incurred under the scheme of Post-matric scholarship :-

(Rs. in crore)

Year	BE	RE	Actual Expenditure
2007-08	100	60.00	9.63
2008-09	99.90	69.93	70.63
2009-10	150.00	150.00	142.20 as on 19.3.2010
2010-11	265.00		

6.12 When the Committee asked about the reasons for enhancing the BE for the year 2010-11 to Rs. 265 crore and what steps have been taken for effective utilization of

funds allocated for 2010-2011, the Ministry have submitted that allocation for Post-matric Scholarship scheme has been enhanced during 2010-11. Wider publicity will be given during 2010-11 and even better response is expected from the States /UTs during next financial year. Further, the financial allocation has been made in accordance with the amount allocated for the scheme under the Eleventh Five Year plan. Efforts will be made to utilize the entire allocation by taking adequate number of proposals from the States / UTs and giving wider publicity to the scheme.

6.13 It is proposed to award 15 lakh scholarships during the Eleventh Five Year Plan period (2007-12). An outlay of Rs.1150 crores has been provided for the Plan period. 30% scholarships have been earmarked for girl students.

The year-wise achievements are as below:-

Year	Target	No. of Scholarships actually sanctioned (Units in lakhs)		Amount (Rs. in crore)
		Total Scholarships	Scholarships earmarked for female students	
2007-08 (launched)	0.75 lakh	0.25 lakh	0.14 lakh	9.63
2008-09	1.25 lakh	1.70 lakh	0.93 lakh	70.62
2009-10 (upto 31 st December, 2009)	Original target :7 lakh (Revised target :3 lakh) scholarships	2.64 lakh	1.49 lakh	99.42

6.14 It has been observed from the above statement that original target was 7 lakh for scholarships and revised target was 3 lakh scholarships.

6.15 When the Committee enquired as to state why the target was lowered from 7 lakh to 3 lakh, the Ministry have stated the following reasons for revision of target from 7 to 3 lakh scholarships:-

(a) 2009-10 is the third year of the scheme. It is yet to stabilize, especially in terms of average per capita scholarship.

(b) The Government, while clearing the proposals for Post-matric scheme, had projected, average scholarship of Rupees 10,000 per head per annum and a physical target of 15 lakhs during the Eleventh Five year plan. At this projected average, annual target for 2009-10 would have been only 1.5 lakh. However, expecting a lower average scholarship, higher target was fixed earlier that had to be revised down wards due to the reasons given in this reply.

(c) The issue has been deliberated upon in Government and the Result Framework Document (RFD) Task Force has accepted our revised targets.

(d) Following are the reasons for downward revision:-

(i) Budget provision 2009-10 was not adequate for original target of 7 lakh scholarships.

(ii) Eleventh Five Year plan target is only 15 lakh of scholarships. Achievement in 2008-09 was 1.70 lakh and in 2009-10 so far is 3.51 lakh.

- (iii) In some States/U.Ts students belonging to Minority communities claim scholarships in SC/ST and OBC category. Some States do not charge any tuition fee or waive off tuition fees for girl students. Some States have put a ceiling on amount admissible towards tuition fee, admission fee, and hostel charges as per rates prevailing in Government schools. Practices regarding payment to non hostellers vary across States. It is difficult to anticipate likely renewals. All these reasons make it difficult to assess per capita average scholarship.

6.16 When the Committee desired to know whether grievances have been received with regard to disbursement of the scholarship amount, the Ministry have stated that as and when complaints are received the same are forwarded to the concerned State/UT Administration for taking appropriate remedial action. States and UTs have been asked to upload the beneficiary details on their respective websites. Some States have done so.

6.17 The Committee further asked as to how many complaints have been received and sorted out by the Ministry so far, State-wise/UT-wise and the nature of these grievances, the Ministry have stated that during 2009-10, two complaints – one complaint each from UP and Rajasthan were received. Both of them related to non-receipt of scholarship. They were sent to the State Government for necessary action.

6.18 The Committee asked to furnish the details of States/UTs which have not sent their proposals for Post-matric Scholarship, the Ministry have informed that Arunachal Pradesh, Goa and Lakshadweep have not sent their proposal for this scheme.

6.19 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 core 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.

CHAPTER VII

Major Head : 2225
Sub Head : 08
Head No. : 08.00.31

Maulana Azad Education Foundation

7.1 The Maulana Azad Education Foundation (MAEF) was established in 1989 as a voluntary, non-political, non-profit making society registered under the Societies Registration Act, 1860. The main objectives of 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, in order to provide modern education to them and to promote research and encourage other efforts for the benefit of educationally backward minorities.

7.2 The schemes of the Foundation are mainly of two types, viz; Grants-in-Aid to NGOs for construction and expansion of schools/hostels, technical/vocational training centres with emphasis on girl students and scholarships to meritorious girl students.

7.3 The Committee have been informed that under the scheme of “Grants-in-Aid to MAEF” as against the proposal for Rs. 175 crore, the Planning Commission has sanctioned only Rs. 125 crore during 2010-11. On being asked as to how this reduction will affect the schemes of the Ministry in general and the scheme of “Grants-in-Aid to MAEF” in particular, the Ministry in a post-evidence reply stated as under:-

“The allocation for the year 2010-11 has been made by the Planning Commission on the basis of overall plan allocation of various schemes of the Ministry during Eleventh Five Year Plan Period and on the basis of targets and achievements.

During the Eleventh Five Year Plan period an outlay of Rs. 500 crore has been allocated for Maulana Azad Education Foundation (MAEF) towards its corpus fund, out of which 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 remaining two years of the Eleventh Plan period i.e., Rs. 125 crore in 2010-11 and Rs. 150 crore in 2011-12. This will not affect the schemes of the Ministry. However, planned increase in the corpus of MAEF during the 11th Five Year Plan is as per the phasing approved by the Government.”

7.4 According to the Ministry, since its inception and upto 31.12.2009, the MAEF has sanctioned Rs. 127.87 crore to 970 NGOs throughout the country for construction/expansion of schools/colleges/girls hostels/polytechnics/ITIs and purchase of equipment/machinery/furniture and has distributed scholarships to 26907 girl students amounting to Rs. 30.12 crore. In addition, grants-in-aid has been sanctioned to 77 NGOs upto 31.12.2009 amounting to Rs. 10.55 crore.

7.5 During the course of the examination, the Committee pointed out that allocating Rs. 125 crore to MAEF for giving scholarships is not sufficient and unless the minority community people are educated, the problem may not be solved. On being suggested by the Committee in this regard that residential schools system should be introduced all over India for the benefit of the minority community i.e. Muslims, the Secretary during evidence deposed as under:-

“I would like to thank the Hon’ble Committee for this constructive suggestions. I would like to assure you that we would really work further and we would take all these into account.”

7.6 The Committee have also been informed that the Foundation has approached the major industrial houses, voluntary agencies and public sector companies soliciting voluntary contribution towards its corpus fund.

7.7 It has also been brought to the notice of the Committee that an evaluation cum asset verification study is under progress in order to assess the impact of the schemes on the target group. The study is being carried out by the Indian Social Institute.

7.8 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.

CHAPTER - VIII

SCHEMES INCLUDED IN THE ANNUAL PLAN (2010-11) FOR FORMULATION, APPRAISAL AND APPROVAL DURING 2010-11

I. SCHEME FOR CONTAINING POPULATION DECLINE OF SMALL MINORITY COMMUNITY

8.1 The Ministry have informed that the population of a small minority community, namely, Parsis has declined from 1,14,000 in 1941 to 69,000 in 2001 as per Census population data. In order to arrest the diminishing population of a small minority community and arrest the trend, Government proposes to assist the community. The scheme would be formulated during 2010-11 and it would be appraised and approved by the competent authority before its implementation. An amount of Rs.1.00 crore has been allocated for this scheme.

8.2 When Committee enquired about the reasons for declining trend of the population of 'Parsis' and any critical analysis has been made in this regard and also any survey has been conducted thereon, the Ministry have stated that The National Commission for Minorities has conducted three studies namely :-

- (i) Research Project Report on the "All India-Rate of Parsi Zorostrians from 2001 to 15.08.2009".
- (ii) Research Project Report on the Training and Employment opportunities for Parsi Zorostrians.
- (iii) Report on the Socio-economic and Educational Status of Parsis in India.

All the three study Reports have highlighted the reasons for dwindling numbers of Parsis and have identified the causes as late and non-marriages, fertility decline, emigration, out –marriages, separation and divorces.

8.3 On the declining population of Parsis community, the Secretary Ministry of Minority Affairs have stated during evidence as under :-

“When we noticed, and everyone has been noticing, that the population of Parsis is going down, we consulted some of the Parsi community leaders. I may inform the Hon’ble Committee that we have invited tomorrow a large number of Parsis leaders from all over the country to brainstorm with them to know what their problems are and what sort of interventions they want from the Government. We had discussed with them in small groups earlier also. They have some ideas. But we thought that it would be better if the community as a whole tells the Government that which is the way to proceed. So, whatever scheme we finally make, it will be made in active consultation with the Parsi community”.

8.4 In this regard, in a post-evidence note the Ministry have informed the Committee that on 25–26 March, 2010 separate meeting with the representatives of all 5 minority communities, including Parsis, were held in the premises of Ministry. There was no written agenda. The representatives of minority communities had been invited by the Ministry to discuss various issues and problems relating to their communities, and the various plan schemes of the Ministry. The issue of decline in the population of Parsis and the proposed plan scheme was specifically discussed by the Ministry with the representatives from the Parsi community and their views were invited during the meeting. After discussions, they have promised to send their views formally to the Government.

II. INTEREST SUBSIDY ON EDUCATIONAL LOANS FOR OVERSEAS STUDIES-SCHEME FOR THE STUDENTS BELONGING TO MINORITY COMMUNITIES

8.5 According to the Ministry, this new scheme is proposed to be implemented 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. The scheme would be formulated during 2010-11 and it would be appraised and approved by the competent authority before its implementation. An amount of Rs.2.00 crore has been allocated for this scheme.

III. STRENGTHENING OF STATE WAQF BOARDS

8.6 The Ministry have informed that this new scheme is proposed to be implemented in pursuance of the recommendation of the Joint Parliamentary Committee on Waqf. Under the scheme, Grants-in-aid is proposed to be provided for strengthening the State Waqf Boards as most of the State Waqf Boards lack resources to function effectively. Improvement in the performance of the State Waqf Boards would result in better management of Waqf properties and help generate resources which would be available for implementation of welfare activities for weaker sections among Muslims.

8.7 The Ministry further informed that the scheme would be formulated, appraised and implemented with the approval of competent authority. An amount of Rs.7.00 crore has been allocated for this scheme.

IV. PROMOTIONAL ACTIVITIES FOR LINGUISTIC MINORITIES

8.8 The Ministry of Minority Affairs have stated that as a measure designed to preserve and promote the minor and endangered languages in the country and

promoting multilingual environment, that shows due respect for all expressions of cultural diversity, it is proposed to implement a scheme for preservation of such languages. It is also proposed to provide, inter alia, facility for translation of all the important rules, regulations, notices, etc. in the minority languages of the States at the identified local taluka/ tehsil/ municipality level, where the speakers of the minority languages constitute 15% or more of the local population as provided in the Nationally agreed Scheme of Safeguards for Linguistic Minorities.

8.9 The Ministry further stated that the scheme would be formulated during 2010-11 and it would be appraised and approved by the competent authority. The scheme will incorporate other items/elements in consultation with the Commissioner for Linguistic Minorities. An amount of Rs.1.00 crore has been allocated for this scheme.

8.10 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.

8.11 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. 2.00 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.

8.12 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.

NEW DELHI;
16 April, 2010
26 Chaitra, 1932 (Saka)

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

MINUTES OF THE NINTH SITTING OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT HELD ON THURSDAY, 25TH MARCH, 2010.

The Committee met from 1500 hrs. to 1655 hrs. in Committee Room 'B' Parliament House Annexe, New Delhi.

PRESENT

Dr. Manda Jagannath - In the Chair

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. Shri Lalit Mohan Suklabaidya
10. Shri Manohar Tirkey

MEMBERS

RAJYA SABHA

11. Shri Avtar Singh Karimpuri
12. Shri Narayan Singh Kesari
13. Shri Ahmad Sayeed Malihabadi
14. Shri Praveen Rashtrapal

LOK SABHA SECRETARIAT

1. Shri S.C. Kaliraman - Additional Director
2. Dr.(Smt.) Sagarika Dash - Under Secretary

Representatives of the Ministry of Minority Affairs

Sl.No.	Name of the Officer	Designation and Organisation
1.	Shri Vivek Mehrotra	Secretary, Ministry of Minority Affairs
2.	Shri M.K. Khanna	Secretary, National Commission for Minorities
3.	Shri R. Bhattacharya	Additional Secretary & Financial Adviser, Ministry of Minority Affairs
4.	Shri Upendra Tripathy	Joint Secretary, Ministry of Minority Affairs
5.	Shri Ameising Luikham,	Joint Secretary, Ministry of Minority Affairs
6.	Shri E.R. Solomon	Joint Secretary, Ministry of Minority Affairs
7.	Shri Ashish Chandra Joshi	Director, Ministry of Minority Affairs
8.	Shri A.N. Bokshi	Chief Controller of Account
9.	Shri Abrar Ahmed	Managing Director, NMDFC

In the absence of Chairman, the Committee chose Dr. Manda Jagannath to act as chairman for the sitting of the Committee under Rule 258(3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

2. Thereafter, the Chairman welcomed the Members and representatives of the Ministry of Minority Affairs to the sitting of the Committee. The Chairman informed that

the meeting had been convened to discuss the Demands for Grants (2010-2011) of the Ministry of Minority Affairs. At the instance of the Chairman, the Secretary, Ministry of Minority Affairs briefed the Committee about the various schemes/programmes being implemented by the Ministry and informed about the physical and financial targets achieved during the year 2009-10.

3. The Members then raised questions, which *inter-alia* included implementation of the Multi-Sectoral Development Programme, working of the Maulana Azad Education Foundation, achievements of the Ministry under the Scholarship Schemes, remedial coaching, reasons for under utilization of allocated funds and unspent balances lying with the State Governments, reasons for lack of receipt of viable proposals from States/UTs, the need for creating awareness about various schemes, dwindling population of Parsi community etc.

4. The representatives of the Ministry responded to the queries put forth by the Members to the extent possible. The Chairman directed them to furnish expeditiously the replies to those points which could not be replied in the meeting.

5. Hon'ble Chairman thanked the Secretary and other officials of the Ministry for giving valuable information to the Committee on the subject and expressing their views in a free and frank manner.

6. A verbatim record of the proceedings has been kept.

The witnesses then withdrew.

The Committee then adjourned.

MINUTES OF THE ELEVENTH SITTING OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT HELD ON FRIDAY, 16TH APRIL, 2010

The Committee met from 1500 hrs. to 1545 hrs. in Committee Room No.139, Parliament House Annexe, New Delhi.

PRESENT

SHRI DARA SINGH CHAUHAN - CHAIRMAN

MEMBERS

LOK SABHA

2. Shri E.T. Mohamed Basheer
3. Smt. Bijoya Chakravarty
4. Smt. Rama Devi
5. Shri R. Dhruvanarayana
6. Shri Premchand Guddu
7. Shri Baliram Jadhav
8. Dr. Manda Jagannath
9. Shri Mohan Jena
10. Shri Basori Singh Masram
11. Shri Lalit Mohan Suklabaidya

RAJYA SABHA

12. Shri Avtar Singh Karimpuri
13. Shri Narayan Singh Kesari
14. Shri Ahmad Sayeed Malihabadi

LOK SABHA SECRETARIAT

1. Shri A. Mukhophadhyay - Joint Secretary
2. Smt. Anita Jain - Director
3. Shri S.C. Kaliraman - Additional Director
4. Dr. (Smt.) Sagarika Dash - Under Secretary

APPENDIX

STATEMENT OF OBSERVATIONS/RECOMMENDATIONS

Sl. No	Para No.	Observations/Recommendations
(1)	(2)	(3)
1.	2.22	<p>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.</p>
2.	2.23	<p>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</p>

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.

3. 2.24 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.

4. 3.36 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.
5. 3.37 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.

6. 3.38 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.

7. 3.39 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.
8. 4.16 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.

9. 4.17 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.
10. 5.18 The Committee are constraints 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.

11. 5.19 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.
12. 5.20 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.

13. 6.19 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.
14. 7.8 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.

15. 8.10 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.

16. 8.11 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. 2.00 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.

17. 8.12 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.