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**STANDING COMMITTEE ON SOCIAL JUSTICE AND
EMPOWERMENT (2016 - 2017)**

(SIXTEENTH LOK SABHA)

MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT

**(DEPARTMENT OF EMPOWERMENT OF PERSONS
WITH DISABILITIES)**

Action taken by the Government on the observations/recommendations contained in the Twenty-sixth Report (Sixteenth Lok Sabha) of the Standing Committee on Social Justice and Empowerment on "Review of the functioning of the National Handicapped Finance and Development Corporation (NHFDC)" of the Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities)

THIRTY-THIRD REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2016/Agrahayana, 1938 (Saka)

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Presented to Lok Sabha on 16.12.2016

Laid in Rajya Sabha on 16.12.2016



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2016/Agrahayana, 1938 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT (2016-2017)

SHRI RAMESH BAIS - CHAIRPERSON

MEMBERS LOK SABHA

2. Shri Kantilal Bhuria
3. Shri Santokh Singh Chaudhary
4. Shri Sher Singh Ghubaya
5. Shri Jhina Hikaka
6. Shri Sadashiv Kisan Lokhande
7. Smt. K. Maragatham
8. Shri Kariya Munda
9. Prof. Seetaram Ajmeera Naik
10. Shri Asaduddin Owaisi
11. Sadhvi Savitri Bai Phule
12. Dr. Udit Raj
13. Smt. Satabdi Roy (Banerjee)
14. Kunwar Bharatendra Singh
15. Prof. Sadhu Singh
16. Smt. Mamta Thakur
17. Shri Mansukhbhai Dhanjibhai Vasava
18. Shri Tej Pratap Singh Yadav
19. Vacant*
20. Vacant*
21. Vacant#

MEMBERS RAJYA SABHA

22. Smt. Jharna Das Baidya
23. Dr. Tazeen Fatma
24. Shri Chunibhai Kanjibhai Gohel
25. Shri Ahamed Hassan
26. Smt. Sarojini Hembram
27. Dr. Narendra Jadhav
28. Smt. Vijila Sathyananth
29. Smt. Wansuk Syiem
30. Smt. Chhaya Verma
31. Shri Rajkumar Verma

* Vacancies occurred *vice* Shri Bhagwant Khuba and Shri Mohanbhai K. Kundariya changed nominations w.e.f. 19.10.2016.

Vacancy occurred *vice* Shri Prakash B. Hukkeri changed his nomination w.e.f. 23.11.2016.

LOK SABHA SECRETARIAT

1. Shri Ashok Kumar Singh - Additional Secretary
2. Shri S.C. Chaudhary - Joint Secretary
3. Shri Ashok Sajwan - Director
4. Smt. Mamta Kemwal - Additional Director
5. Smt. Madhu Bhutani - Deputy Secretary

INTRODUCTION

I, the Chairperson, Standing Committee on Social Justice and Empowerment (2016-17) having been authorized by the Committee to submit the Report on their behalf, do present this Thirty-third Report on the action taken by the Government on the observations/recommendations contained in the Twenty-Sixth Report of the Standing Committee on Social Justice and Empowerment (Sixteenth Lok Sabha) on "Review of the functioning of the National Handicapped Finance and Development Corporation (NHFDC)" of the Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities).

2. The Twenty-Sixth Report was presented to Lok Sabha and laid in Rajya Sabha on 16th March, 2016. The Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) furnished their replies indicating action taken on the recommendations contained in that Report on 1st August, 2016. The Report was considered and adopted by the Standing Committee on Social Justice and Empowerment at their sitting held on 15th December, 2016.

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

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

NEW DELHI;

14 December, 2016
23 Agrahayana, 1938 (Saka)

RAMESH BAIS
Chairperson,
Standing Committee on
Social Justice and
Empowerment

CHAPTER - I

REPORT

1.1 This Report deals with the action taken by the Government on the Observations/Recommendations contained in the Twenty-sixth Report (Sixteenth Lok Sabha) of the Standing Committee on Social Justice and Empowerment on "Review of the functioning of the National Handicapped Finance and Development Corporation (NHFDC)" of the Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities).

1.2 The Twenty-Sixth Report was presented to Lok Sabha/laid in Rajya Sabha on 16 March, 2016. It contained 12 Observations/Recommendations. Replies of Government in respect of all the observations/recommendations have been received and are categorized as under: -

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

Paragraph Nos. 4.14, 4.24, 5.14, 5.15, 7.3, 7.5 and 8.5.

(Total : 7 Chapter II)

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

Nil

(Chapter-III)

- (iii) Observations/Recommendations in respect of which replies of the Government have not been accepted and which require reiteration :

Paragraph Nos. 2.3, 6.9 and 9.3.

(Total : 3 Chapter-IV)

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

Paragraph No. 1.4 and 5.13.

(Total: 2 Chapter- V)

1.3 The Committee desire that Action Taken Replies on the Observations/Recommendations contained in Chapter-I and final action taken in respect of the Recommendations contained in Chapter V of this Report for which an interim reply has been given by the Government may be furnished to them at the earliest and in any case not later than three months of the presentation of this Report.

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

A. Filling up of post of non-official members in the Board of Directors of National Handicapped Finance and Development Corporation (NHFDC)

(Recommendation, Para No. 1.4)

1.5 The Committee in their original Report had expressed their concern that 3 posts of non-official members working for representing PwDs (one person for each disability) were laying vacant in the Board of Directors of NHFDC even when a provision therein. The Committee felt that non-official members could have significantly contributed towards the welfare of PwDs by giving their suggestions and understood their problems in a better way and from a different perspective. The Committee desired the Department of Empowerment of Persons with Disabilities to fill up these vacancies without any further delay.

Reply of the Government

1.6 The Department of Empowerment of Persons with Disabilities in their reply have stated:-

"As per the composition of NHFDC Board of Directors, there is a provision of 3 members as non-official directors working for/representing PwDs (one person for each disability). At present the above 3 positions are vacant. The filling-up of these 3 vacancies is under consideration in the Department."

1.7 The Committee are disappointed to note that despite their recommendation for filling up of 3 posts of non-official members working for representing PwDs (one person for each disability) in the Board of Directors of NHFDC, the Department has not made any serious effort in the matter. The Committee feel that this process should not have taken so long in view of the fact that there is no dearth of highly educated PwDs and the individuals dedicated and devoted to the cause of PwDs in the country. Keeping in view the fact that non-official members could have contributed more meaningfully towards the welfare of PwDs and understood their problems in a better way, the Committee reiterate their earlier recommendation and desire the Department to fill up these vacancies without any more delay.

B. Full utilization of budgetary support by NHFDC to achieve its objectives

(Recommendation, Para No. 2.3)

1.8 The Committee found that equity support from Government of India is one of the major sources of funding for the NHFDC for attainment of its objectives. The Committee also found that during the year 2012-13, there had been a drastic drop in the equity support received vis-à-vis share capital allocation *i.e.*, Rs. 20.00 crore received

against the allocation of Rs. 30.00 crore. The Committee, therefore, had desired the Department to direct the NHFDC to constantly strive for full utilization of budgetary support so that it could carry out its mandate effectively in future.

Reply of the Government

1.9 The Department of Empowerment of Persons with Disabilities in their reply have stated:-

"NHFDC will take all measures to ensure full utilization of budgetary support from Department of Empowerment of Persons with Disabilities in the form of equity."

1.10 The Committee in their original Report, had desired the Department to direct the NHFDC to constantly strive for full utilization of budgetary support from the Government so that it could carry out its mandate effectively. The Department in their action taken reply has simply stated that NHFDC will take all measures to ensure full utilization of budgetary support from the Department in the form of equity. The Committee are not satisfied with the casual reply of the Department as there is no mention regarding the efforts made/being made so far in this regard. The Committee, therefore, desire to know the exact measures and concrete steps taken and planned by the Department to ensure full utilization of budgetary support by the NHFDC.

C. Subsidy on motorized tricycle under Assistance to Disabled Persons for Purchase/Fitting of Aids/Appliances (ADIP) Scheme

(Recommendation, Para 4.24)

1.11 Having noted that under ADIP Scheme, aids and appliances are provided to the poor disabled persons afflicted with various types of disabilities, the Committee felt that there is an imperative need to further expand the coverage of ADIP Scheme. The Committee were informed that the actual cost of ALIMCO's motorized tricycle is

Rs.37,000/- and the subsidy under ADIP Scheme for the same is Rs.25,000/- for severely disabled persons. The difference of Rs.12,000/- is met by convergence with MPLAD FUND/MLA Fund/CSR funding by PSUs. The Committee felt that convergence of Scheme with MPLAD fund/MLA fund is fraught with the danger of the Scheme losing its focus as MPLAD/MLA funds are used for various welfare activities by the MP/MLAs in their constituencies which are generally constituency specific and priorities for spending such funds differ from constituency to constituency. The Committee, therefore, had recommended that the entire cost of the motorized tricycle be met under the ADIP Scheme to ease the dependence on other uncertain sources of funding like MPLAD/MLA funds etc.

Reply of the Government

1.12 The Department of Empowerment of Persons with Disabilities in their reply have stated:-

"Clause 3.28 of the guidelines of Members of Parliament Local Area Development (MPLAD) Scheme provides that Hon'ble Member of Parliament may recommend an amount of Rs.10.00 lakh per year or the consolidated entitled amount of their balance tenure, at any time from their MPLAD fund for giving assistance to the physically challenged for tricycles / wheelchairs (manual / battery operated / motorized) and artificial limbs.

As per ADIP Scheme, in respect of all expensive items costing above Rs.20,000/- Government of India shall bear 50% of cost of those items listed by the Committee and the remainder shall be contributed by either the State Govt. or the NGO or any other agency or by the beneficiary concerned subject to prior approval of Ministry on case to case basis; limited to 20% of the Budget under the Scheme.

In view of the fact that there is an inbuilt system of providing funds under MPLAD Scheme for giving assistance to the physically challenged for tricycles / wheelchairs (manual / battery operated / motorized) and artificial limbs, the recommendation of the Standing Committee that the entire cost of the motorized

tricycle be met under ADIP Scheme to ease the dependence on other uncertain sources of funding like MPLAD/MLA Funds would be discriminatory in nature as this Department also provides other high-end devices under ADIP Scheme to PwDs costing above Rs.20,000/- as per stipulation mentioned above

Moreover, if the recommendation is accepted, it would mean seeking amendment to the Scheme with the approval of the Cabinet. As the ADIP Scheme has been revised only 2 years back, it would be too early to seek revision in the cost norms including subsidy element.

In view of above, the Standing Committee is requested to allow status quo in the matter."

1.13 Taking note of the fact that convergence of ADIP Scheme with MPLAD fund/MLA fund is fraught with the danger of the scheme losing its focus, the Committee recommended the Department that the entire cost of the motorized tricycle *i.e.*, Rs. 37,000/- be met under the scheme to ease the dependence on other uncertain sources of funding. The Department in their action taken reply have stated that if the entire cost of the motorized tricycle be met by them to ease of the dependence on other sources of funding like MPLAD/MLA funds, it would be discriminatory as they are also providing only 50% of the cost of other high-end devices and remaining cost shall be contributed by either the State Government or the NGO or any other agency or by the beneficiary concerned under the ADIP Scheme. The Department has also stated that as the ADIP Scheme was revised only 2 years back, it would be too early to seek revision in the cost norms including subsidy element. The Committee are satisfied with the clarifications and justifications given by the Department. However, the Committee feel that involvement of more than one source of funding needs proper coordination among the funding agencies/sources. The Committee, therefore, desire the Department to ensure that funding from more than one

source should not result in operational and functional complexities for the target group and they must evolve an effective coordination mechanism to obviate the scope of any delay in transferring the benefit to the beneficiaries under the Scheme.

D. Streamlining the functioning of State Channelizing Agencies (SCAs) for better implementation of schemes of the NHFDC

(Recommendation, Para No. 5.13)

1.14 The Committee in their original Report had noted that out of total 62 SCA's the performance/contribution of 38 SCA's in disbursement of loan to PwDs was nil during the year 2014-15. The Committee found that non- repayment of over-dues, non-receipt of sufficient proposals, non-submission of utilization details and non-availability of sufficient Block Government Guarantee from concerned State Governments were the main reasons for non-achievement of the notional allocation to SCA. The Committee observed that NHFDC is solely dependent on these SCAs for effective implementation of its Schemes and desired the Department to identify ineffective Channelizing Agencies in the States and pursue the matter with concerned State Governments either to activate and make these SCAs effective or nominate other agency/organization/institute in place of such defaulting agencies. The Committee also desired the Department that steps should be taken to improve and strengthen the infrastructure of SCAs for proper and effective implementation of the Schemes of the Corporation.

Reply of the Government

1.15 The Department of Empowerment of Persons with Disabilities in their reply has stated:-

"NHFDC is following up with ineffective Channelizing Agencies and State Government to sort out the pending issues of such agencies and also requested the State Government to nominate a suitable new agency to act as SCA of NHFDC in the State for flow of concessional credit to PwDs under NHFDC scheme."

1.16 Having observed that ineffective State Channelizing Agencies (SCAs) are one of the reasons for poor implementation of schemes of NHFDC in some of the States, the Committee desired the Department to identify these SCAs and pursue the matter with concerned State Governments either to make them effective or nominate other agency/organization in place of such defaulting agencies. The Department in their action taken reply has stated that NHFDC is following up with ineffective SCAs and State Governments to sort out the pending issues of such agencies and also requested the State Government to nominate a suitable new agency to act as SCA of NHFDC in the State for flow of concessional credit to PwDs under the Schemes of the Corporation. The Committee are not convinced with the reply furnished by the Department which is of routine nature as the Department has neither provided the details of the measures initiated for making defaulting SCAs effective nor mentioned the steps being taken to improve and strengthen the infrastructure of SCAs. The Committee, therefore, reiterate their earlier recommendation and desire the Department that the issue of identification of ineffective SCAs to make them effective or nominate/choose other agency/organization/institute in place of such defaulting agencies should be taken up properly with concerned State Governments vigorously.

Simultaneously, concerted efforts should be made by the Department to provide better infrastructure to SCAs as good infrastructure is sine-qua-non for effective implementation of the Schemes of the Corporation. The Committee wish to be apprised of the latest status of the SCAs, State-wise.

E. Need to make Scholarship Schemes demand based instead of fund based to cover maximum Students with Disabilities (SwDs)

(Recommendation, Para 6.9)

1.17 The Committee in their original Report had observed that NHFDC is providing loan to SwDs @ 4% p.a. under the education scheme being implemented by it. A rebate of 0.5% on the interest rate is allowed to Women with Disabilities (WwDs) in education scheme. The Committee also found that 2500 scholarships are given by the NHFDC from Trust Fund to PwDs for pursuing higher studies. The Committee were surprised to note that even though Department of Empowerment of Persons with Disabilities is implementing five scholarship schemes, only 153 SwDs were benefitted under the education loan scheme from 1997 to 2015 and 12 students from six States had availed educational loan from higher studies abroad in the last 12 years. The Committee observed that due to sufficient number of scholarship schemes being implemented by the Department, SwDs prefer scholarship over education loan and the demand for education loan is very low. As these scholarship schemes are fund based and students have no other source to fund their higher education, the Committee desired the Department that these scholarship schemes should be made demand based instead of funds based so that eligible students may get scholarship for pursuing higher studies.

Reply of the Government

1.18 The Department of Empowerment of Persons with Disabilities in their reply has stated:-

"NHFDC is following up with partner Public Sector Banks and Regional Rural Bank and requested to ensure that Students with Disabilities and PwDs may be attended to properly and timely to avoid any difficulties/hassles in getting the information on procedures for loan under NHFDC scheme. The Students with Disabilities/PwDs may not be asked to come to branch repeatedly unnecessarily. NHFDC has recently requested all the partner banks for above."

1.19 Taking note of the fact that demand for education loan is very low because SwDs prefer scholarship over education loan, the Committee urged the Department that these scholarship schemes should be made demand based instead of funds based to cover maximum eligible SwDs under these scholarship schemes for pursuing higher studies. The Committee find that the action taken reply of the Department is silent on such an important matter. The Committee feel that fund based scholarship schemes with limited funds at their disposal are defeating the very purpose of the scheme and also depriving eligible SwDs for higher studies. The Committee, therefore, again recommend to the Department to make sincere efforts and consider making these scholarship schemes demand driven so that maximum eligible SwDs could avail the benefits under these schemes.

F. Reservation of 3% of Priority Sector Lending for PwDs

(Recommendation, Para No. 7.5)

1.20 Having noted that Department of Empowerment of Persons with Disabilities had impressed upon the Department of Financial Services to reserve 3% of Priority Sector Lending for PwDs under the category of weaker sections, the Committee in their original

Report had recommended that the Department should urge and convince the Ministry of Finance (Department of Financial Services) to reserve 3% of priority sector lending exclusively for PwDs under the category of weaker section so that these funds may exclusively be used for disbursement of loans to the PwDs and not for the other categories of weaker sections.

Reply of the Government

1.21 The Department of Empowerment of Persons with Disabilities in their reply has stated:-

" Department of Financial Services has been requested that 3% of the lending may be reserved for PwDs under the category of weaker sections."

1.22 Taking cognizance of the fact that the Department has taken up the issue with Ministry of Finance (Department of Financial Services) to reserve 3 per cent of Priority Sector Lending exclusively for PwDs under the category of weaker section, the Committee desire that the Department should keep pursuing the matter constantly and vigorously with the Department of Financial Services so that funds allocated could be used for disbursement of loans only to the PwDs and not for the other categories of weaker sections. The Committee would like to be apprised of the progress made in this regard.

G. Scheme for upliftment and empowerment of homeless and destitute disabled persons

(Recommendation, Para No. 9.3)

1.23 The Committee in their earlier Report had expressed concern that although many new schemes have been launched by the Department for the betterment and upliftment of PwDs but no scheme has been envisaged for upliftment and empowerment of

homeless and destitute disabled persons who live on streets and do not have home and families. The Committee found that these persons are survive by begging on roads, traffic signals and outside places of worship and lead a life of destitution and deprivation. The Committee felt that they are also part of the disabled population and need to be rehabilitated. The Committee, therefore, desired the Department to formulate comprehensive schemes and programmes for this segment of disabled population also, who are neither included in the Census of disabled nor get any benefit of schemes meant for the disabled, so as to rehabilitate and extricate them from destitution.

Reply of the Government

1.24 The Department of Empowerment of Persons with Disabilities in their reply has stated:-

"It is once again reiterated that as per the information from Registrar General of India (RGI), homeless population are also included in the Census 2011. The Department implements Deen Dayal Disabled Rehabilitation Scheme (DDRS) under which grants in aid is provided to NGOs/Voluntary Organisations for projects relating to rehabilitation of persons with disabilities aimed at enabling persons with disabilities to reach their optimal, physical, sensory, intellectual, psychiatric or social functional level. Further the National Trust for the Multiple Disabilities also implements the following schemes with a view to provide rehabilitation services for persons with disabilities:-

1. **Vikas** (day care for 10+ years schemes) to provide day care facilities primarily to expand the range of opportunities available to a person with disabilities for enhancing inter-personal and vocational skills as they are on a transition to higher age group
2. **SAMARTH** (a respite care residential scheme) to provide respite homes for orphan, abandoned, families in crisis and also for persons with disabilities from BPL and allies families including destitute with atleast one of the four disabilities covered under National Trust Act, 1999
3. **Gharunda** (a scheme for group home for adults) to provide an assured home and minimum quality care services throughout the life of persons with

autism, cerebral palsy, mental retardation and multiple disabilities with adequate and quality care services with acceptable living standards including provision for basic medical care for professional doctors."

1.25 The Committee are disappointed to note that no effective measures have been taken by the Department on the recommendation of the Committee regarding formulation of comprehensive schemes and programmes for the homeless disabled persons who are neither included in the Census of disabled nor get any benefit of schemes meant for the disabled. The Committee feel that in spite of the various schemes enumerated by the Department for providing rehabilitation services to PwDs viz. Deen Dayal Disabled Rehabilitation Scheme (DDRS), Vikas, Samarth and Gharunda, a large number of destitute PwDs are still not getting the benefit of these schemes and they survive by begging in every city and most of the pilgrim centre of the country. Taking note of the above fact, the Committee urge the Department to bring out more schemes and programmes for rehabilitation of destitute/homeless PwDs so that more destitute PwDs could get the benefits and come into the mainstream of society.

CHAPTER – II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

(Recommendation, Para No. 4.14)

2.1 The Committee note that the National Small Industries Corporation (NSIC) is implementing incubation programme under 'ASPIRE' Scheme to provide self-employment to aspiring entrepreneurs. The Committee feel that the establishment of such incubation centres are very useful to encourage the PwD entrepreneurs as the target group of the Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) primarily is the Persons with Disability, the Committee, recommend that the Department should consider for establishment of such incubation centres for PWDs and necessary funds for these centers be also provided by the Department of Empowerment of Persons with Disabilities.

Reply of the Government

2.2 The Department of Empowerment of Persons with Disabilities (DEPwD), Ministry of Social Justice and Empowerment has launched the National Action Plan for skill training of persons with disabilities, in collaboration with the Ministry of Skill Development and Entrepreneurship (MSDE) on 21st March 2015. The brief features of the said National Action Plan are given below:

1. Improving vocational training and employment opportunities for people with disability is a critical element for enhancing the quality of life for individual with disability, their families, but there are also substantial gains for the broader economy. There are substantial costs to individuals and to society associated with poor employment opportunities and outcomes for people with disability.

2. The National Action Plan (NAP) plans to bring all the main stakeholders like various Central Government Ministries, State Governments, NGOs, PSUs and the Private Sector on one platform. The NAP will have the following main components:
- (i) Financial assistance for implementation of National Action Plan will be provided under the scheme of SIPDA (Scheme for implementation of persons with disability Act, 1995).
 - (ii) A Project Monitoring Unit has been constituted in the DEPwD in collaboration with MSDE. A Memorandum of Understanding has been signed between DEPwD and MSDE.
 - (iii) The vocational / skill training would be provided by a network of skill training providers led by Training Partners both from Govt. and non-Govt. sector including Vocational Rehabilitation Centres run by Ministry of Labour & Employment.
 - (iv) A separate Sector Skill Council for PwDs has been set up in collaboration with MSDE.
 - (v) For every such training cluster, a number of private sector organizations and PSUs would be mapped, who would provide them CSR funds, and training support and employer connect.
 - (vi) DEPwD along with National Skill Development Corporation would help these training providers by connecting them with various private sector organizations and PSUs for providing employment connect as well as for obtaining CSR support.

3. Targets under NAP
 - (i) The NAP sets a target of skilling 5 lakh PwDs in first 3 years from 2015-16 to 2017-18;
 - (ii) After achieving the target for three years, we would have achieved a momentum and would have created a robust on-line skill training platform enabling us to skill 5 lakh PwDs every year, thus skilling 2 Million more PwDs during 2018-2022. Thus, till the year 2022, the National Action Plan will lead to skilling of 2.5 Million PwDs.
4. In order to implement NAP, a panel of training Partners (ETPs) has been prepared comprising 196 organizations including 14 Govt. Organizations and 182 Voluntary Organizations (VOs). Apart from these ETPs, skilling of PwDs is also being done through 7 National Institutes (NIs), National Handicapped Finance and Development Corporation (NHFDC) (a PSU under DEPwD), 21 Vocational Rehabilitation Centers for Handicapped (VRCHs) under Ministry of Labour & Employment and Vocational Training Centres (VTCs) run by VOs as a part of Deendayal Disabled Rehabilitation Scheme.
5. In view of above, National Action Plan (NAP) is expected to provide wider opportunities for skill training to PwDs and give scopes for both wage employment and self employment, the establishment of incubation centres is not felt necessary.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

(Recommendation, Para No. 4.24)

2.3 The Committee find that under ADIP Scheme, aids and appliances are provided to the poor disabled population of the country. Keeping in view the fact that India has large number of poor disabled persons afflicted with various types of disabilities, the Committee are of the considered view that there is an imperative need to further expand the coverage of ADIP Scheme substantially. The Committee were informed that while the actual cost of ALIMCO's motorized tricycle is Rs.37,000/-, the subsidy under ADIP Scheme for the same is Rs.25,000/- for severely disabled persons and the difference of Rs.12,000/- is met by convergence with MPLAD FUND/MLA Fund/CSR funding by PSUs. The Committee feel that convergence of Scheme with MPLAD FUND/MLA fund is fraught with the danger of the Scheme losing its focus as MPLAD/MLA funds are used for various welfare activities by the MP/MLAs in their constituencies which are generally constituency specific and priorities for spending such funds differ from constituency to constituency. The Committee recommend that the entire cost of the motorized tricycle be met under the ADIP Scheme to ease the dependence on other uncertain sources of funding like MPLAD/MLA funds etc.

Reply of the Government

2.4 Clause 3.28 of the guidelines of Members of Parliament Local Area Development (MPLAD) Scheme provides that Hon'ble Member of Parliament may recommend an amount of Rs.10.00 lakh per year or the consolidated entitled amount of their balance tenure, at any time from their MPLAD fund for giving assistance to the physically challenged for tricycles / wheelchairs (manual / battery operated / motorized) and artificial limbs.

As per ADIP Scheme, in respect of all expensive items costing above Rs.20,000/- Government of India shall bear 50% of cost of those items listed by the Committee and the remainder shall be contributed by either the State Govt. or the NGO or any other agency or by the beneficiary concerned subject to prior approval of Ministry on case to case basis; limited to 20% of the Budget under the Scheme.

In view of the fact that there is an inbuilt system of providing funds under MPLAD Scheme for giving assistance to the physically challenged for tricycles / wheelchairs (manual / battery operated / motorized) and artificial limbs, the recommendation of the Standing Committee that the entire cost of the motorized tricycle be met under ADIP Scheme to ease the dependence on other uncertain sources of funding like MPLAD/MLA Funds would be discriminatory in nature as this Department also provide other high-end devices under ADIP Scheme to PwDs costing above Rs.20,000/- as per stipulation mentioned above

Moreover, if the recommendation is accepted, it would mean seeking amendment to the Scheme with the approval of the Cabinet. As the ADIP Scheme has been revised only 2 years back, it would be too early to seek revision in the cost norms including subsidy element.

In view of above, the Standing Committee is requested to allow status quo in the matter.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

Comments of the Committee

(Please see Para No. 1.13 of Chapter – I of the Report)

(Recommendation, Para No. 5.14)

2.5 The Committee are surprised to note that there is not a single beneficiary of loan schemes of the NHFDC in the States of Karnataka, Odisha, Punjab, Sikkim, Tripura and the Union Territories of Chandigarh, Lakshadweep in the year 2015-16 (upto 31.12.2015). Further, the year 2014-15, there was no beneficiary of these loan schemes in the State of Bihar, Goa and Uttar Pradesh. The Committee feel that in order to enhance its reach and cover more number of PwDs under its Schemes, the NHFDC needs to enhance the number of channels for implementing its Schemes. The Committee are happy to note that efforts have been made by the NHFDC to include 5 Public Sector Bank (PSBs) and 18 Regional Rural Banks (RRBs) of seven States as State Channelizing Agencies to provide benefits of the Schemes and cover more and more PwDs. In view of the large network of Public Sector/ Regional Rural Banks and support of the Credit Guarantee Scheme of the Government of them, the Committee desire that necessary directions should be issued to the NHFDC for signing agreement in this regard with all PSBs and RRBs expeditiously.

The Committee also desire that the NHFDC should coordinate with nodal officers of concerned bank branches and vigorously pursue them to display about the loan schemes available for disabled persons outside the bank branches so that disabled people may become aware and could avail loans from the Banks.

Reply of the Government

2.6 During 2015-16, NHFDC covered few of the mentioned states (Karnataka – Rs.10 lakhs, Sikkim – Rs.100 lakhs, Tripura – Rs.50 lakhs) upto 31.03.2016.

NHFDC is following up with Public Sector Banks and Regional Rural Bank for signing agreement with NHFDC for flow of concessional credit to PwDs under NHFDC scheme.

NHFDC has again requested the major Public Sector Banks (PSBs) and Regional Rural Banks (RRBs) for signing agreements with NHFDC for flow of concessional credit through the branches of these banks.

NHFDC is also following up with partner Public Sector Banks and Regional Rural Bank with whom agreement has already been signed, for placing a banner / printout in the branch at visible place that concessional loans for self employment & higher education are available to PwDs in the branch.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

(Recommendation, Para No. 5.15)

2.7 Keeping in view of the fact that a large number of disabled persons live in rural areas, the Committee feel that Micro Finance Institutions can play very important role to give benefits of NHFDC Schemes to PwDs. The Committee appreciate the efforts made by the NHFDC for utilizing the services of NBFC-MFI with the Reserve Bank of India. The Committee, therefore, urge upon the Ministry to pursue the matter with Department of Financial Services and RBI/NABARD consistently for taking a final decision in the matter. The Committee would like to be apprised of the outcome of the efforts so made in this regard.

Reply of the Government

2.8 Reserve Bank of India (RBI) vide circular RBI/2015-16 /370 (DNB.CC.PD. No.078/01.10.038/2015-16) dated 13.04.2016 has granted permission to NBFC-MFIs to act as channelizing agencies for distribution of loans under special schemes of Central / State Government Agencies subject to certain conditions. Subsequent to the approval of RBI, NHFDC is following up with major NBFC-MFI for signing agreement with NHFDC for flow of concessional credit to PwDs under NHFDC scheme.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

(Recommendation, Para No. 7.3)

2.9 The Committee are happy to note that the NHFDC has initiated the process of addressing the concern of the Committee and formulated a draft proposal to introduce a credit scheme with subsidy component. The Committee are of the view that there is a dire need of introducing subsidy element under loans extended to persons with disabilities by the NHFDC resulting to reduce the financial burden on them and helping to enhance the success rate of their income generating activities. Simultaneously, the NHFDC should also explore the possibility to reduce the rate of interest under its various loan schemes to make them more affordable as majority of the students with disabilities belong to weaker and deprived sections of the society and they find it difficult to avail of education loan even at discounted rate of interest. As most of the students with disabilities are unable to repay the loan, they prefer scholarship schemes where they not have to repay the loan amount.

As regard issue relating to finalization of draft proposal to introduce a credit scheme with subsidy component in the loan schemes of the NHFDC, the committee desire that the Ministry must complete the examination of the issue of synchronization of equity support with subsidy component on priority basis and in a time- bound manner.

Reply of the Government

2.10 Recently, NHFDC has submitted a proposal on the subsidy based credit linkage / self employment loan for PwDs. In their proposal, NHFDC has proposed that the PwD beneficiaries under NHFDC scheme are provided the benefits in the form of subsidy support upto 25% of the recoverable amount. The proposal of NHFDC is under consideration in the Department.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

(Recommendation, Para No. 7.5)

2.11 The Committee welcome the steps taken by the Ministry for inclusion of PwDs in the category of weaker section for Priority Sector Lending. The Committee also appreciate the efforts being made by the Ministry to impress upon the Department of Financial Services to reserve 3% of Priority Sector Lending for PwDs under this category. Since many sections have been included in the definition of priority sector, the Committee recommend that the Ministry of Social Justice and Empowerment should urge and also convince the Ministry of Finance (Department of Financial Services) to reserve 3% of priority sector lending exclusively for PwDs under the category of weaker

section so that these funds may exclusively be used for disbursement of loans to the PwDs and not for the other categories of weaker sections.

Reply of the Government

2.12 Department of Financial Services has been requested that 3% of the lending may be reserved for PwDs under the category of weaker sections.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

Comments of the Committee

(Please see Para No. 1.22 of Chapter – I of the Report)

(Recommendation, Para No. 8.5)

2.13 The Committee note that Ministry have started the process of implementing a Unique Disability Identification (UDID) project with a view to creating a national database on persons with disabilities and issue Unique Disability Identification Card to every PwD. Under this Programme, PwDs will be registered through a web based programme implemented by organizing camps even at block levels across the country. The UDID Card and disability certificates will have PAN India recognition and would facilitate the Government agencies to deliver the benefits under various schemes to PwDs. Considering the fact that inclusion of homeless PwDs in the census is imperative to know the exact number of disabled persons, the Committee feel that Ministry should urge the Office of Registrar General of India for inclusion of homeless person too in the Census. The Committee also desire the Ministry to set up a separate unit for conducting activities such as awareness campaign, organizing camps at block

levels and registration process of PwDs for early and timely implementation of UDID project with proper monitoring on regular basis.

Reply of the Government

2.14 Earlier the Ministry had taken up the matter with RGI regarding inclusion of homeless persons in the Census. It was learnt from RGI that in the last Census 2011, the homeless persons were also taken into account. However, the matter has been again taken up w.r.t RGI to include homeless persons in future Census.

As regards, recommendations of the Committee regarding awareness campaign, organizing camps etc. for implementation of UDID project, it is stated that the Department has set up a Project Monitoring Unit to oversee smooth implementation of UDID project. The project is being monitored through Video Conferencing with the District Authorities of States/UTs to sensitize them about the project and also address various concerns to fasten implementation of the UDID project. Nodal officers from each District for the project are also being designated by the District Authorities to smoothen implementation. It may be noted that UDID project envisages grant of UDID card to all PwDs including homeless persons with disabilities.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

CHAPTER – III

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

-Nil-

CHAPTER – IV

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

(Recommendation, Para No. 2.3)

4.1 The Committee were informed that equity support from Government of India is one of the major sources of funding for the NHFDC for attainment of its objectives. The Committee note that in the year 2012-13 there had been a drastic drop in the equity support received vis-à-vis share capital allocation i.e. Rs.20.00 crore received against the allocation of Rs.30.00 crore. Even though the gap between share capital and equity received has reduced in the last three years but it is has not yet reached the 100% mark. The Committee desire that the Ministry should direct the NHFDC to constantly strive for full utilization of budgetary support and also ensure that there are no slippages in future so that it could carry out its mandate effectively.

Reply of the Government

4.2 NHFDC will take all measures to ensure full utilization of budgetary support from Department of Empowerment of Persons with Disabilities in the form of equity.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

Comments of the Committee

(Please see Para No. 1.10 of Chapter – I of the Report)

(Recommendation, Para No. 6.9)

4.3 The Committee were informed that under education scheme implemented by the NHFDC, loan is given at the rate of interest of 4% p.a. to students with disabilities for pursuing higher education. A rebate of 0.5 per cent on interest rate is also allowed to women with disabilities in education schemes. Apart from this, 2500 scholarships are given by the NHFDC from Trust Fund to PwDs for pursuing higher studies. The Department of Empowerment of Persons with Disabilities is also implementing Five scholarship schemes for education of students with disabilities. The Committee are surprised to note that India having such a large number of disabled persons, only 153 students with disabilities were benefitted under the education loan scheme since inception of the NHFDC till, 31.12.2015. The Committee also note that only 12 disabled students from six States have availed education loan for higher studies abroad in the last twelve years which reflects adversely on the implementation of the scheme. The Committee were further informed that as sufficient number of scholarship schemes are being implemented by the Department of Empowerment of Persons with Disabilities and the NHFDC, the students with disability, prefer scholarship over education loan and there, the demand for education loan is very low. Since these Scholarship schemes are fund based and do not cover all eligible students, the Committee are of the considered view as these students have no other source to fund their higher education, these schemes should be demand based instead of funds based so that all eligible students may get these scholarship for pursuing higher studies.

As regards poor response from students for availing education loan, the Committee feels that students with disabilities who desire to take loan from SCAs/Banks face challenges in accessing the services due to barriers in infrastructure, operation and

attitude. The Committee, therefore, desire that all the Banks/SCA official need to be sensitized towards the special needs and rights of these disabled students. The Committee recommended that the Ministry should take up the matter with the Ministry of Finance so as to direct the officials of the Banks, dealing with education loans to disabled students, to ensure that these students are not only provided due assistance but they also do not face any difficulties/hassles in getting the loan.

Reply of the Government

4.4 NHFDC is following up with partner Public Sector Banks and Regional Rural Bank and requested to ensure that Students with Disabilities and PwDs may be attended to properly and timely to avoid any difficulties/hassles in getting the information on procedures for loan under NHFDC scheme. The Students with Disabilities/PwDs may not be asked to come to branch repeatedly unnecessarily. NHFDC has recently requested all the partner banks for above.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

Comments of the Committee

(Please see Para No. 1.19 of Chapter – I of the Report)

(Recommendation, Para No. 9.3)

4.5 The Committee appreciate the initiatives and new schemes launched by the NHFDC for the betterment and upliftment of PwDs. The Committee are, however, dismayed to note that while formulating new schemes and initiatives, no scheme have been envisaged for upliftment and empowerment of homeless and destitute disabled persons who live on streets and do not have home and families. They survive by

begging on roads, traffic signals and outside places of worship and lead a life of destitution and deprivation. These people are also part of the disabled population and need to be rehabilitated. The Committee desire that it is imperative to formulate comprehensive schemes and programmes for this segment of disabled population, who are neither included in the Census of disabled nor get any benefit of schemes meant for the disabled, so as to rehabilitate and extricate them from destitution.

Reply of the Government

4.6 It is once again reiterated that as per the information from RGI, homeless population are also included in the Census 2011. The Department implements Deen Dayal Disabled Rehabilitation Scheme (DDRS) under which grants in aid is provided to NGOs/Voluntary Organisations for projects relating to rehabilitation of persons with disabilities aimed at enabling persons with disabilities to reach their optimal, physical, sensory, intellectual, psychiatric or social functional level. Further the National Trust for the Multiple Disabilities also implements the following schemes with a view to provide rehabilitation services for persons with disabilities:-

1. **Vikas** (day care for 10+ years schemes) to provide day care facilities primarily to expand the range of opportunities available to a person with disabilities for enhancing inter-personal and vocational skills as they are on a transition to higher age group
2. **SAMARTH** (a respite care residential scheme) to provide respite homes for orphan, abandoned, families in crisis and also for persons with disabilities from BPL and allies families including destitute with atleast one of the four disabilities covered under National Trust Act, 1999

3. **Gharunda** (a scheme for group home for adults) to provide an assured home and minimum quality care services throughout the life of persons with autism, cerebral palsy, mental retardation and multiple disabilities with adequate and quality care services with acceptable living standards including provision for basic medical care for professional doctors.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

Comments of the Committee

(Please see Para No. 1.25 of Chapter – I of the Report)

CHAPTER – V

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

(Recommendation, Para No. 1.4)

5.1 The Committee were informed that there is a provision of 3 non-official members working for / representing PwDs (one person for each disability) in the Board of Directors of NHFDC. The Committee note that in the Corporation, which functions as an apex Corporation for the benefit of Persons with Disabilities (PwDs), the post of non-official members working for representing PwDs are laying vacant. The Committee are not happy with such a situation. Since non-official members are also involved in the policy making decision of the NHFDC, if these 3 posts of non-official members had been filled in the Board of the Corporation, these members would have significantly contributed towards the welfare of PwDs by giving their suggestions and the NHFDC would not only have benefitted by their view but have understood the problems of PwDs more closely, in a better way and from a different perspective too. The Committee desire that these vacancies must be filled without any further delay.

Reply of the Government

5.2 As per the composition of NHFDC Board of Directors, there is a provision of 3 members as non-official directors working for/representing PwDs (one person for each

disability). At present the above 3 positions are vacant. The filling-up of these 3 vacancies is under consideration in the Department.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

Comments of the Committee

(Please see Para No. 1.7 of Chapter – I of the Report)

(Recommendation, Para No. 5.13)

5.3 The Committee note that out of total 62 SCA's the performance/contribution of 38 SCA's in disbursement of loan to PwDs was nil during the year 2014-15. The Committee find that non- repayment of over-dues, non-receipt of sufficient proposals, non-submission of utilization details and non-availability of sufficient Block Government Guarantee from concerned State Governments are the main reasons for non-achievement of the notional allocation to SCA. As the NHFDC is solely dependent on these SCAs for effective implementation of its Schemes, the Committee desire that the Ministry should identify these ineffective Channelizing Agencies in the States and pursue the matter with concerned State Governments either to activate and make these SCAs effective or nominate other agency/organization/institute in place of such defaulting agencies and also takes steps to improve and strengthen the infrastructure of SCAs for proper and effective implementation of the Schemes of the Corporation.

Reply of the Government

5.4 NHFDC is following up with ineffective Channelizing Agencies and State Government to sort out the pending issues of such agencies and also requested the State Government to nominate a suitable new agency to act as SCA of NHFDC in the State for flow of concessional credit to PwDs under NHFDC scheme.

[Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities) (DEPwD) O.M. No.12/63/2015-Sch dated 01.08.2016]

Comments of the Committee

(Please see Para No. 1.16 of Chapter – I of the Report)

**New Delhi;
14 December, 2016
23 Agrahayana, 1938 (Saka)**

**RAMESH BAIS,
Chairperson,
Standing Committee on Social
Justice and Empowerment.**

MINUTES OF THE FOURTH SITTING OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT HELD ON THURSDAY, 15th DECEMBER, 2016

The Committee met from 1030 hrs. to 1100 hrs. in Chairperson's Chamber, Room No. 116, Parliament House Annexe, New Delhi.

PRESENT

SHRI RAMESH BAIS - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Sher Singh Ghubaya
3. Shri Jhina Hikaka
4. Shri Sadashiv Kisan Lokhande
5. Sadhvi Savitri Bai Phule
6. Kunwar Bhartendra Singh

RAJYA SABHA

7. Smt. Sarojini Hembram
8. Dr. Narendra Jadhav
9. Smt. Wansuk Syiem
10. Smt. Chhaya Verma
11. Shri Ramkumar Verma

LOK SABHA SECRETARIAT

1. Shri Ashok Sajwan - Director
2. Smt. Mamta Kemwal - Additional Director

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee.

3. The Committee then took up for consideration the following draft Reports of the Committee :-

(i) *****

(ii) Thirty-third Report on Action taken by the Government on the observations/recommendations contained in the Twenty-sixth Report (Sixteenth Lok Sabha) of the Committee on "Review of the functioning of the National Handicapped Finance and Development Corporation (NHFDC)" of the Ministry of Social Justice and Empowerment (Department of Empowerment of Persons with Disabilities).

(iii) *****

(iv) *****

4. The Chairperson then requested the Members to give their suggestions on the draft Reports. The Reports were adopted by the Committee without any change. The Committee authorized the Chairperson to finalize these draft Reports and present the same to both the Houses.

The Committee then adjourned.

* Matter not related to this Report.

APPENDIX

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE
RECOMMENDATIONS CONTAINED IN THE TWENTY-SIXTH REPORT
(SIXTEENTH LOK SABHA)
OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT
ON
'REVIEW OF THE FUNCTIONING OF THE NATIONAL HANDICAPPED FINANCE
AND DEVELOPMENT CORPORATION (NHFDC)'
OF THE
MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT
(DEPARTMENT OF EMPOWERMENT OF PERSONS WITH DISABILITIES)**

	Total	Percentage
I. Total number of Recommendations	12	
II. Observations/Recommendations which have been accepted by the Government (Paragraph Nos. 4.14, 4.24, 5.14, 5.15, 7.3, 7.5 and 8.5).	7	58.33
III. Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government – Nil.	0	0
IV. Observations/Recommendations in respect of which replies of the Government have not been accepted and which require reiteration (Paragraph Nos. 2.3, 6.9 and 9.3)	3	25
V. Observations/Recommendations in respect of which replies of the Government are interim in nature – (Paragraph Nos. 1.4 and 5.13)	2	16.67