

TWENTY-FIFTH REPORT

STANDING COMMITTEE ON
LABOUR AND WELFARE
(2002)

(THIRTEENTH LOK SABHA)

MINISTRY OF SOCIAL JUSTICE
AND EMPOWERMENT

*[Action taken by the Government on the Recommendations/Observations
contained in the Nineteenth Report of the Standing Committee on
Labour and Welfare on Ministry of Social Justice and
Empowerment—Demands for Grants—2002-2003]*

Presented to Lok Sabha on 12 December, 2002

Laid in Rajya Sabha on 12 December, 2002



LOK SABHA SECRETARIAT
NEW DELHI

December, 2002/Agrahayana, 1924 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON
LABOUR AND WELFARE (2002)

Dr. Sushil Kumar Indora — *Chairman*

MEMBERS

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3. Shri Denzil B. Atkinson
4. Smt. Sandhya Bauri
5. Shri Ashok Kumar Singh Chandel
6. Shri Manibhai Ramjibhai Chaudhuri
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26. Shri Charanjit Singh
27. Shri Khelsai Singh
28. Shri Mansukhbhai D. Vasava
29. Shri Rajesh Verma

(iv)

Rajya Sabha

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32. Shri Debabrata Biswas
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36. Shri Sangh Priya Gautam
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39. Shri Sukhdev Singh Libra
40. Dr. (Mrs.) Kum Kum Rai
41. Shri Kanshi Ram
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SECRETARIAT

1. Shri John Joseph — *Additional Secretary*
2. Shri Ram Autar Ram — *Joint Secretary*
3. Shri J.P. Sharma — *Deputy Secretary*
4. Shri Bhupesh Kumar — *Under Secretary*
5. Shri Jagdish Prashad — *Committee Officer*

INTRODUCTION

I, the Chairman of the Standing Committee on Labour and Welfare having been authorised by the Committee to submit the Report on their behalf, present this Twenty-fifth Report on the action taken by the Government on the recommendations contained in the Nineteenth Report of the Standing Committee on Labour and Welfare (Thirteenth Lok Sabha) on Demands for Grants-2002-2003 pertaining to the Ministry of Social Justice and Empowerment.

2. The Nineteenth Report was presented to Lok Sabha on 23 April, 2002. The Ministry of Social Justice and Empowerment furnished their replies indicating action taken on the recommendations contained in that Report on 18 October, 2002. The Report was considered and adopted by the Standing Committee on Labour and Welfare at their sitting held on 11 December, 2002.

3. The Report has been divided into the following chapters:—

- I Report.
- II Recommendations/Observations which have been accepted by Government.
- III Recommendations/Observations which the Committee do not desire to pursue in view of Government's reply.
- IV Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and requires reiteration.
- V Recommendations/Observations in respect of which final replies of Government are still awaited.

4. An analysis of the Action Taken by the Government on the recommendations contained in the Nineteenth Report of the Standing Committee on Labour and Welfare (Thirteenth Lok Sabha) is given in Appendix.

NEW DELHI;
December 11, 2002
Agrahayana 20, 1924 (Saka)

DR. SUSHIL KUMAR INDORA,
Chairman,
Standing Committee on
Labour and Welfare.

CHAPTER I

REPORT

1.1 This Report of the Committee deals with the action taken by the Government on the recommendations contained in the Nineteenth Report (Thirteenth Lok Sabha) of the Committee on Labour and Welfare relating to Ministry of Social Justice and Empowerment on—Demands for Grants for the year-2002-2003.

1.2 The Nineteenth Report was presented to Lok Sabha on 23 April, 2002 and was also laid on the Table in Rajya Sabha on 24 April, 2002. It contained 24 recommendations. Replies of Government in respect of all recommendations have been examined and categorised as under:—

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

Paragraph Sl. nos. 1,2,3,7,12,15,17,18,20 and 23

(Total-10-Chapter II)

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

Paragraph Sl. nos. 6,13,19 and 24

(Total 4-Chapter III)

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

Paragraph Sl. no. 4, 5, 11 & 22

(Total 4-Chapter IV)

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

Paragraph Sl. nos. 8,9,10,14,16 and 21

(Total 6-Chapter V)

1.3 The Committee trust that utmost importance would be given to the implementation of the recommendations accepted by the Government. The Committee further desire that replies in respect of the recommendations contained in *Chapter-I* and final replies to the recommendations contained in *Chapter-V* for which only interim replies have been given by the Government should be furnished to them urgently and in any case not later than six month of the presentation of the Report.

1.4 The Committee will now deal with those action taken replies of the Government which need reiteration or merit comments.

A. Special Central Assistance to Special Component Plan for Scheduled Castes.

Recommendation (Sl. No. 4, Para 3.7)

1.5 The Committee had taken a serious note of the fact that out of 27 States/UTs which have sizeable SC population, only eight States have allocated funds under the Special Component Plan in proportion to the percentage of SC population in those States to enable the SCs to cross the poverty line and the remaining 19 States/UTs were not making provision in their States plans as per the norms. The Committee had, therefore, recommended that all the remaining States/UTs be persuaded vigorously by the Ministry to allocate funds in their States Plans in proportion to their SC population.

1.6 The Ministry in their action taken reply has simply stated that the recommendation of the Committee has been brought to the notice of the remaining States/UTs for necessary action.

1.7 In its reply the Ministry have merely stated that the recommendation has been brought to the notice of the remaining States/U.Ts for necessary action, which indicates the casual approach of the Government. In the opinion of the Committee, the Ministry can not evade their responsibility of overall upliftment of the Scheduled Caste community. It is true that the States/UTs which fail to make adequate provision in their State plans, lose as per the norms, 25% of the SCA allocation. Therefore in the nutshell, the ultimate sufferers on this account will be SC beneficiaries. The Committee view this situation very seriously. While reiterating their earlier recommendation, the Committee desire that the remaining State Governments should be made to realize their commitment to the cause of the SCs and persuaded in the right earnest to make adequate allocations in their State plans as per the norms so that full quantum of allocations under SCA to SCP is allocated to them.

B. Special Component Plan of the States/UTs.**Recommendation (Sl. No. 5, Para 3.8)**

1.8 The Committee had further noted that some of the States *viz.* Bihar, Goa, Punjab and Delhi had unspent balance lying with them against the amount released under SCA to SCP earlier upto 2000-2001. The Committee were disappointed to note the despite several written requests from the Ministry, the State Governments had not furnished the utilization certificates. The Committee had desired that the matter should be taken up with the concerned State Governments at the highest level.

1.9 The Ministry in their action taken reply has stated that they have sent letters to the Chief Minister/Chief Secretary of these States requesting them to furnish Utilisation Certificate for these amounts.

1.10 From the action taken reply, the Committee find that out of four, none of the State Government have furnished the utilization certificates for the funds released under SCA to SCP upto 2000-2001. It is unfortunate that the Ministry has not been able to ascertain the reasons for not utilizing the funds by these State Governments. The Committee have been apprised that the States who have not furnished the utilization certificates upto 2001-02, no funds have been released to them during 2001-02. The Committee view this situation very seriously and opine that due to lack of commitment on the part of the concerned State Government, the SC population is deprived of the benefits of the scheme. The Committee, therefore, reiterate their earlier recommendation and desire that the Minister should convene meeting with the concerned Chief Ministers and impress upon them to utilize the unspent balance at the earliest.

C. National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents.**Recommendation (Sl. No. 11, Para 3.32)**

1.11 The Committee were constrained to note that out of 6,76,009 scavengers identified since Eighth Five Year Plan, only 1,46,840 had been given training and 3,84,117 had been rehabilitated upto 2000-01. The Committee had strongly recommended that the Government should intensify training programmes and also draw a time bound programme for scavengers to enable them to take alternate occupations and to rehabilitate the remaining scavengers by the end of Ninth Five Year Plan.

1.12 In their action taken reply, the Ministry has stated that they have been repeatedly impressing upon the States to organise comprehensive training programmes in all economically viable vocations for scavengers and also asked to use the services of reputed NGOs in certain fields for intensive training programmes.

1.13 The reply of the Ministry indicate that the Government has not shown any serious concern in the matter of rehabilitation of scavengers. The Ministry has been merely impressing upon the States to organise comprehensive training programmes for them. Since launching the scheme in 1992 the Govt. have identified 6,76 lakh scavengers who were engaged in the inhuman practice of manual handling of night soil and filth. Upto 2000-01 a total of 1.47 lakh have been given training and 3.84 lakh rehabilitated. Out of this, 1.12 lakhs had been given training during Eighth Five Year Plan and 35,000 during Ninth Five Year Plan. Similarly, 2.62 lakh had been rehabilitated during Eighth Five Year Plan and 1.62 lakh during Ninth Five Year Plan. As on date about 4.29 lakh scavengers are required to be given training in different viable vocations and 2.92 lakh are required to be rehabilitated. Although the Ministry have introduced the concept of Sanitary Marts for the rehabilitation of scavengers but the Committee feel that unless the Ministry draw an year-wise action plan with proper targets, they would not be able to rehabilitate all the scavengers by the end of Tenth Five Year Plan. The Committee, therefore, reiterate their earlier recommendation that the Govt., should make sincere efforts for imparting training as well as for rehabilitation of these scavengers by the end of next financial year.

D. An integrated programme for older persons.

Recommendation (Sl. No. 22, Para 6.7)

1.14 The Committee had strongly recommended that to provide care and protection to vulnerable elderly persons and also to protect them from unscrupulous elements, the Government should bring a comprehensive legislation for the purpose.

1.15 The Ministry in their action taken reply has stated that the Government had formulated the 'National Policy on the Older, Persons' and they have written to the Ministries of Finance, Health, Women and Child, Urban Development recommending specific areas for intervention. The Ministry has further stated that it may take some more time to consider legislation particularly in view of the huge financial implications, which may be involved.

1.16 The Committee is not satisfied with the reply that a comprehensive Bill for older persons cannot be brought as it involves huge financial implications. In the opinion of the Committee the cause of caring and protecting the vulnerable and helpless older people is a noble cause and bears high significance. Besides, it is the duty and also the obligation of the nation and the Government to look after the older persons in an organized manner. As such, the Committee is perturbed at the comments, of the Ministry that it may take some more time to consider legislation particularly in view of the huge financial implications involved. The Committee, therefore, reiterate their earlier recommendation and urge the Government to give priority to the cause of older persons and bring a comprehensive legislation at the earliest.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 1, Para 1.11)

The Committee have been apprised that the Planning Commission had constituted five Working Groups to review the schemes and programmes being implemented by the Ministry of Social Justice & Empowerment and to formulate its strategy during the Tenth Five Year period (2002-2007). These Working Groups have conducted an indepth study of the social, educational and economic conditions of the SCs, OBCs, Minorities and the disabled persons in the country. The committee hope that the Ministry would give more focused attention and formulate its strategy for meaningful empowerment of SCs, OBCs, Minorities and the disabled during the Tenth Five Year Plan.

Reply of the Government

The advice of the Committee has been noted for compliance.

[Ministry of Social Justice & Empowerment, O.M. No.-38-2/2002-
Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 2, Para 2.5)

The Committee are not at all satisfied with the overall performance of the Ministry insofar as the expenditure incurred in the Ninth Five Year Plan (1997-2002) is concerned, as out of Rs. 6071.93 crore allocated by the Planning Commission, the Ministry could utilize only Rs. 5,080.73 crore during the Plan period leaving a huge balance of Rs. 991.20 crore which clearly indicates lack of correct planning, coordination and constant monitoring with the implementing agencies. The Committee are not convinced with the explanation put forth by the Ministry that they have no direct control over the spending on the projects and schemes as majority of them are implemented through State Governments and NGOs. The Committee are of the opinion that the economic developments of SCs requires determined efforts of the Central Government, States and NGOs and all implementing agencies each performing its role more effectively. The Ministry of Social Justice & Empowerment being the nodal Ministry should coordinate matters relating to SC Welfare more effectively with the State Governments and implementing agencies so that the funds earmarked in the Tenth Five Year Plan could be fully utilized gainfully.

Reply of the Government

The advice of the Committee has been noted for compliance for full utilization of funds to be allocated during the Tenth Five Year Plan.

[Ministry of Social Justice & Empowerment, O.M. No.-38-2/2002-Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 4, Para 2.6)

The Committee note that the Planning Commission had allocated Rs. 1334.44 crore for the financial year 2001-02 which was reduced to Rs. 1239.67 crore at the revised estimate stage and the expenditure incurred upto 28 February 2002 was Rs. 1026.55 crore and the remaining amount of Rs. 213.12 crore to be incurred during the last month. The plea of the Government that a large amount is released in the last quarter of the year due to State Government's inability to send proposals in the first three months because they send their proposal only after July/August is not acceptable to the Committee. The Committee strongly feel that there is an urgent need to the tendency of implementing agencies to clear huge bills towards the fag end of the financial year.

Reply of the Government

The advice of the Committee has been noted for compliance. The Ministry will make efforts to pursue State Governments/UTs/NGOs to send the Utilisation Certificates of grants released for pervious years in October/November every year so that funds can be released in time. The overall utilization under plan funds in 2001-2002 was Rs. 1148.24 crore.

[Ministry of Social Justice & Empowerment, O.M. No.-38-2/2002-Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 7, Para 3.17)

The Committee noted with concern that the entire funds allocated by the Planning Commission to the NSFDC schemes for the Ninth Five Year Plan have not been fully utilised by the Government due to the following reasons:—(i) Government guarantee provided is not adequate in case of some States, (ii) frequent transfer of Managing Directors of SCAs, (iii) delay in utilisation of funds released by NSFDC, and (iv) poor recovery of loan from beneficiaries. The Committee are of the view that unless the above-mentioned shortcomings in the schemes are removed/rectified, it will affect the economic activities of the Scheduled Castes living below the poverty line adversely. The Committee, therefore, strongly recommend that the Ministry should take necessary steps urgently to resolve the above-mentioned deficiencies so that the SC families living below the poverty line could avail optimum benefits of the NSFDC schemes.

Reply of the Government

In order to overcome these problems, the concerned State Governments are being pursued from time to time. Letters have been sent to the concerned State Governments for sending adequate State Guarantees so that sanction and disbursement of loan by the Corporation is not affected. To improve the recovery rate, the State Governments have been advised to prepare projects on viable economic activities with necessary forward and backward linkages, dovetailing subsidy under Special Central Assistance (SCA) with loan from NSFDC/bank and provide necessary infrastructure for supporting the projects under SCA. With a view to expand the coverage of beneficiaries manifold, NSFDC has approached State Governments to nominate new Channelising agencies other than the SCDCs like those dealing with specific sectors like handlooms, handicrafts, dairy development etc. The State Governments have also been advised to consider posting suitable officers as Managing Directors of the SCDCs for a minimum period of 3 years.

[Ministry of Social Justice & Empowerment, O.M. No.-38-2/2002-Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 12, Para 3.33)

The Committee note that the concept of Sanitary Marts was launched in the year 1999-2000 with a view to organising scavengers into groups to undertake sanitation related functions of municipalities on contract basis and supply sanitation material to Government Departments and Municipalities. The Committee further note that Sanitary Marts have been set up only in six States so far. In the opinion of the Committee there is a need to generate public awareness about sanitation in general and mechanization of scavenging in particular. The Committee, therefore, recommend that the Government should persuade the remaining States/UTs to popularise and set up Sanitary Marts in their States.

Reply of the Government

This Ministry had launched the concept of Sanitary Marts in the year 1999-2000 with a view to organising scavengers. This concept has been implemented in 14 States and 673 Sanitary Marts have reportedly started functioning in 10 States. Other States are being pursued to implement the concept of Sanitary Marts in their States. Besides this, State Governments have been asked to issue orders to all Governments institutions like municipal bodies, hospitals for purchase of sanitary items from the Sanitary Marts established in their States in order to provide market supports to the Sanitary Marts.

[Ministry of Social Justice & Empowerment, O.M. No.-38-2/2002-Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 15, Para 3.46)

It is true that as a result of legal measures and various development programmes undertaken by the Government, there may be considered decline in the severity in the practice of untouchability but the Scheduled Castes are still subjected to denial of civil rights as a number of cases remain unreported to the police and if reported, the challans are not filed in the Courts in time. In the opinion of the Committee, the poor performance of PCR Act, 1955 and SC/ST (Prevention of Atrocities) Act, 1989 are due to delay in investigations and trial of cases. The Committee, therefore, recommends that all the State Governments should be persuaded to set up SC/ST Protection Cells and adequate number of Special Courts to dispose of the cases registered under the two Acts.

Reply of the Government

As intimated by the State Governments/Union Territory Administrations, the Special Cells/Squads have been set up in Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttaranchal and Pondicherry. The other States/UTs have also been requested to consider setting up of special cells. As regards setting up of Special Courts for speedy disposal of cases registered under the Acts, the Chief Secretaries of States/UTs have already been addressed to *inter-alia* consider setting up of Special Courts for exclusive trial of such cases and to ensure their expeditious disposal.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-
Cdn. Dated 18.10.2002.]

Recommendation (Sl. No. 17, Para 4.10)

The Committee note with distress that out of the target of 91 hostels sanctioned for OBC boys & girls during the last three years, only 19 have been constructed and 58 are still under construction whereas information in respect of 12 hostels is not available with the Ministry. The factors responsible for delay in the construction of hostels are stated to be (i) release of Central share by Government of India at the fag end of the financial year (ii) delay in release of matching share by the State Governments, (iii) late receipt of proposals from the State

Governments, (iv) change of location of the proposed hostels by the State for various reasons, (v) delay due to various technical and administrative reasons faced by concerned authorities engaged in the construction of hostels. In the opinion of the Committee with the delay in the construction of hostels, a large section of outstation OBC students have been deprived of the hostel facilities. The Committee, therefore, recommend that the Ministry should improve its monitoring and accord high priority to the construction of hostels and make sincere efforts to resolve the above mentioned difficulties/weaknesses in coordination with the States/UTs so that the hostels are completed within the stipulated period.

Reply of the Government

The present status of the construction of Hostels under the scheme of Hostels for OBC Boys and Girls is as under:—

'Out of the total number of 91 hostels sanctioned for OBC boys & girls, only 47 have been constructed and 34 are still under construction whereas information in respect of 10 hostels is not available with the Ministry.'

Keeping in view the recommendation of the Committee, all State Governments have been requested to submit the physical report on construction of Hostels alongwith financial performance on quarterly basis, to ensure that the construction work of the hostels is completed within a period of 2 years from the date of release of the final grant and to furnish the completion report on construction of the hostel as soon as construction work is completed.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-
Cdn. Dated 18.10.2002.]

Recommendation (Sl. No. 18, Para 4.18)

The Committee note with concern that the Planning Commission has not allocated funds to the Maulana Azad Educational Foundation scheme during 2002-2003 as the entire Corpus Fund of Rs. 100 crore has already been released to the Foundation. There are proposals from 308 NGOs still pending with the Foundation, which could not be cleared due to non-availability of funds. The Committee is of the view that the schemes being implemented by the Foundation for providing the Minority communities with educational and other facilities will play an important role in raising their living standards and as such warrants effective implementation on the part of the Foundation and the Government. The Committee therefore, strongly recommends that the Ministry should convince the Planning Commission for raising the Corpus Fund of the Foundation so that the schemes and programmes of the Foundation do no suffer for want of sufficient funds.

Reply of the Government

The Corpus Fund which has already been released to the Foundation, is Rs. 70 crores.

The Ministry has taken up the matter with the Planning Commission for raising the Corpus Fund of the Foundation from Rs. 70 crores to Rs. 100 crores. The Hon'ble Minister met the Deputy Chairman on the 6th September in this regard. Secretary, Social Justice and Empowerment has taken up the matter with Secretary, Expenditure to allocate Rs. 30 crores in 2002-03 or Rs. 15 crores each in 2002-03 and 2003-04.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-Cdn. Dated 18.10.2002.]

Recommendation (Sl. No. 20, Para 5.7)

The Committee note with distress that Rs. 226.40 crore was allocated to the National Handicapped Finance and Development Corporation during the Ninth Five Year Plan. Whereas the Ministry have kept Rs. 97.30 crore in Budget Estimate which was further reduced to Rs. 65.30 crore at the R.E. stage and the actual expenditure has been to the extent of only Rs. 51.30 crore. The reasons put forth by the Ministry for not utilizing the funds due to non-availability of State channelising agencies and non-functionality of the existing SCAs is not convincing to the Committee. The Committee, therefore, recommend that the Ministry should increase its monitoring and ensure that channelising agencies are set up and existing SCAs are properly geared up and made fully functional in all the States/UTs so that maximum number of disabled are benefited by the NHFDC loan.

Reply of the Government

So far 33 channelising agencies have been nominated by the respective State Governments, out of which 24 channelising agencies have sent application and the loan sanctioned to them for further disbursement to the beneficiaries. Recently the State of Karnataka has nominated 'Karnataka Backward Classes Development Corporation' as the State Channelising Agency and the loan applications are expected to be received soon. The State of Tamil Nadu has nominated 'Tamil Nadu State Apex Cooperative Bank Limited' as the State Channelising Agency of NHFDC and have provided the Block Government

Guarantee of Rs. 4.00 crore. Applications have been received from the State. The State of Maharashtra has incorporated the 'Maharashtra State Handicapped Finance & Development Corporation', which has been nominated as the State Channelising Agency of NHFDC. As regards the other channelising agencies, NHFDC is continuously pursuing with the State Governments and the SCAs and requesting them to speedily implement the schemes of NHFDC in the States. Letters have also been sent from Government to State Governments to activate the SCAs. One of the primary reasons of non-functioning of SCAs is the reluctance on the part of the State Governments to provide adequate Block Government guarantee. Considering the action taken by NHFDC, Union Government and the State Governments so far, it is hoped that a larger number of applications would be received from the SCAs in near future and coverage of NHFDC would increase.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-Cdn. Dated 18.10.2002.]

Recommendation (Sl. No. 23, Para 6.8)

The Committee note with concern that out of the total number of 391 old age homes 116 have been set up in Andhra Pradesh whereas only one each in Bihar and Nagaland and two each in Kerala and Rajasthan and none has been set up in Himachal Pradesh, Delhi and Chandigarh. The factors responsible for imbalance of setting up of projects is stated to be the non-availability of funds, non-receipt of complete relevant documents and proposals duly recommended by State Government. The Committee also note that this is a scheme under which 90% central assistance is provided to the NGOs and Self Help Groups for establishing and maintaining old age homes, Day Care centers and Mobile Medicare Units for the welfare of the aged. The Committee recommends that the Government should take necessary steps to remove the regional imbalance and to see that at least one integrated old age Home is established in each district.

Reply of the Government

The Ministry is in the process of removing the imbalance of establishing old age homes, mobile medicare units and day care centers with the resources available.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-Cdn. Dated 18.10.2002.]

CHAPTER III

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

Recommendation (Sl. No. 6, Para 3.9)

The Committee further observes that funds under the SCA to SCP are released from the Central Government to the States/UTs in time but they reach the implementing agencies very late, which causes the delay in the utilization of the same for the specified purposes. The Committee also notes that hardly any mechanism has been evolved by the Ministry to ensure timely release of funds by the State Governments to the concerned Departments who are responsible for implementing the schemes. The Committee, therefore, recommends that a system of separate budget heads should be adopted by the State Governments/UTs on the pattern of Maharashtra and Madhya Pradesh Governments where funds are channelised through SC Welfare Departments to avoid delay in the disbursement of funds to implementing agencies.

Reply of the Government

The recommendation of the Committee has been brought to the notice of the all the States/UTs for necessary action.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-
Cdn. Dated 18.10.2002.]

Recommendation (Sl. No. 13, Para 3.34)

The Committee observe that the best way to eliminate the practice of scavenging is the conversion of dry latrines into water borne latrines. To prohibit the construction and continuation of dry latrines, the Government of India have enacted a legislation, namely, "Implementation of Manual Scavenging and Construction of Dry Latrines (Prevention) Act, 1993 which is administered by the Ministry of Urban Development and Poverty Alleviation, whereas the construction of latrine is the subject matter of Ministry of Rural Development. The Act is being presently implement by 15 States only.

The Committee observe that this Act is not being implemented effectively due to lack of coordination among the Ministry of Urban Development, Ministry of Rural Development and Ministry of Social Justice and Empowerment. The Committee, therefore, recommend that in order to achieve the desired objectives, the activities of all the three Ministries in this regard should be placed at the command and control of Ministry of Social Justice and Empowerment.

Reply of the Government

This Ministry had initiated the Mission Mode for dovetailing the Schemes implemented by the Ministry of Urban Development and Poverty Alleviation, Ministry of Rural Development and this Ministry to achieve the desired objective. Recently the Prime Minister has launched the initiative on Independence Day, 2002 for amalgamation of all Schemes, viz. integrated Low Cost Sanitation (ILCS) Scheme by the Ministry of Urban Development and Poverty Alleviation, Central Rural Sanitation Programme by the Ministry of Rural Development and NSLRS by this Ministry to speed up liberation and rehabilitation of scavengers. For this, a preliminary meeting of Secretary (UD), Secretary (RD) and Secretary (SJ&E) was held on 6.9.2002 to chalk out a framework for amalgamation. The Planning Commission has taken the initiative to finalise the arrangement to fulfil the initiative of Prime Minister for amalgamation of all schemes presently run by different Ministries to speed up the liberation and rehabilitation of scavengers and is holding a meeting for this purpose.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 19, Para 4.19)

The Committee take note that Ministry of Social Justice & Empowerment has received a complaint against an NGO, namely, Muslim Talimi Anjuman, Bettiah, West Champaran (Bihar) for misappropriation/misutilisation of Rs. 4 lakh which was sanctioned to it for the purchase of equipment during the year 1998-99. The Committee have been informed that an enquiry into the complaint is in progress. The Committee desire that the matter should be thoroughly investigated and action taken against the erring officials and the NGOs so that such irregularities do not occur in other NGOs. The funds released to the NGO should be recovered without loss of time. The progress achieved may be communicated to the Committee.

Reply of the Government

The Maulana Azad Education Foundation carried out a surprise inspection of the Muslim Talimi Anjuman, Bettiah, West Champaran (Bihar) on 10th April, 2002. The cash books, ledgers, cost registers of the NGO was examined and it was found that the purchases have been made by adopting standard procedure and all the purchases were approved by the Executive Committee of the Society. Every item was properly registered in the Stock Register and payments were made through cheques. The items/purchases were physically verified by the inspecting team of the Maulana Azad Education Foundation. The accounts of the NGO have also been audited by a Chartered Accountant. On the basis of the enquiry the Foundation has informed that no misutilization of funds have taken place and the complaint is not based on facts.

[Ministry of Social Justice & Empowerment, O.M. No.-38-2/2002-
Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 24, Para 7.6)

The Committee are concerned to note that despite their repeated recommendations, the Ministry have not been able to recover the grants given to the fake and blacklisted 54 NGOs. The Committee have been apprised that the Ministry has blacklisted 54 NGOs on account of misutilisation/ misappropriation of funds released to them during the last three years. Although the Ministry has taken preventive steps to ensure that funds are released to the reputed NGOs, they have not been able to check the growth of fake NGOs. Out of Rs. 1.85 crore granted to such fake institutions the Ministry could recover only Rs. 1.56 lakh which is less than 1% which indicates the lack of monitoring on functioning of NGOs. There are four divisions in the Ministry but except Social Welfare Division no other Division took initiatives to recover the funds from the defrauding NGOs. The Committee have been apprised that there are some factors responsible for the slow pace of recovery of grants released to fake NGOs and seizure of their assets viz. (i) lack of information about the whereabouts of the blacklisted NGOs, (ii) resistance by the NGOs that they have been blacklisted on the basis on wrong assessment by inspecting agency, (iii) some NGOs moving the court of law and involving the Ministry in legal wrangles, and (iv) lukewarm response from the DMs/DCs concerned, to whom the matter is referred for action. The Committee,

therefore, strongly recommend that the Ministry should take up the matter with the State Governments at the Minister's level for taking legal action against the defaulting NGOs and for speedy recovery of the outstanding amounts. The Committee are also distressed to note that the growing number of fake and bogus NGOs indicate the failure of the policy of the Government in involving voluntary organizations in the implementation of the schemes. The Committee, therefore, desire that the Government should reconsider its policy and instead of involving NGOs, the schemes should be implemented through Government agencies and Panchayat Raj institutions.

Reply of the Government

The present status of the recovery of funds from 54 blacklisted NGOs is that as on 31.07.2002, out of Rs. 1.73 crores, the Ministry has been able to recover only Rs. 1.56 lakhs from only 3 NGOs, which is 1.11%. Constant efforts are on to persuade the State Governments and District authorities to recover the amounts.

2. The Ministry is taking all feasible administrative steps to prevent the flow of funds to non-existent, unscrupulous NGOs who are incapable of delivering quality service. Before applications are considered on merits in the Ministry, recommendations from State Govts., District Collectors and detailed inspection reports in new cases from the National Institutes are called for. In addition while accepting applications, documents to prove the veracity of the playing of the NGOs and transparency in its financial dealings are called for. These include the Annual Report of the organization, audited balance sheet, utilization certificate, statement of receipt and payment alongwith income & expenditure statement. The performance of the NGOs is also monitored as frequently and extensively as is administratively feasible. This includes inspections from the State Govts. designated agencies from the Ministry side, National Institutes and by the officers of the Ministry. The poor recovery does not indicate a lack of monitoring on the functioning of the NGOs but due to other factors, which are not within the control of this Ministry. These are enumerated in para 3.6. All Divisions and not only the Social Defence Division take continuing and abiding interest in recovery of the amounts due.

3. The Committee's suggestion that the issue of recovery from NGOs be taken up at the Ministerial level is accepted. In all cases recoveries are directed through the District authorities. State Governments are already seized of the matter.

4. The other recommendation of the Committee is that the Govt. should reconsider its policy of involving the NGOs in the implementation of some of its schemes and implement them instead through Govt. agencies and Panchayati Raj Institutions. In this context, it is submitted that the policy of involving NGOs evolved due to the inadequacy of the Govt. agencies in delivering services particularly in specialized areas such as the rehabilitation of the disabled, rehabilitation of street children and children in conflict with law, substance abusers and senior citizens. The flexibility, dedication and commitment of the NGOs notwithstanding the presence of some unscrupulous ones among them, are essential for the delivery of services to these sectors of society. Over the years the NGOs have developed skills, in these areas, which may not be always available with the Govt. agencies and Panchayati Raj Institutions. Also delivery of services of the nature envisaged under many of the schemes through the Government organizations would be a very costly option and resources are limited.

[Ministry of Social Justice & Empowerment, O.M. No.-38-2/2002-
Cdn. Dated-18.10.2002.]

CHAPTER IV

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

Recommendation (Sl. No. 4, Para 3.7)

The Committee notes that as per the guidelines, 40% of the Special Central assistance under SCP is released to the States/UTs on the basis of flow of funds under SCP to State Plans prepared by the States/UTs in proportion to their SC population. The Committee take a serious note of the fact that out of 27 States/UTs which have sizeable SC population, only eight States, namely, J&K, Karnataka, Madhya Pradesh, Sikkim, Uttar Pradesh, West Bengal, Bihar and Haryana have allocated funds under the Special Component Plan in proportion to the percentage of SC population in those States to enable them to cross the poverty line. It is surprising that on the one hand 100% SCA funds are stated to have been utilized by the Ministry on the other hand there are still 19 States, which are not making provision in their State Plans according to the percentage of SC population. The Committee, therefore recommend that in order to assist the SC families living below the poverty line in an integrated manner all the remaining States/UTs having sizeable SC populations be persuaded vigorously by the Ministry to allocate funds in their State Plans in proportion to their SC population.

Reply of the Government

The recommendation of the Committee has been brought to the notice of the remaining States/UTs for necessary action.

Comments of the Committee

(Please See Para 1.7 of Chapter I of the Report)

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-
Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 5, Para 3.8)

The Committee further note that some of the States have unspent balance lying with them against the amount released under SCA to SCP earlier, namely, Bihar (Rs. 50.90 crore), Goa (Rs. 1.33 crore), Punjab (Rs. 33.52 crore) and Delhi (Rs. 30 crore) upto 2000-2001. The Committee are disappointed to note that despite several written requests from the Ministry, the State Governments have not furnished the utilization certificates so far. The Committee desires that the matter should be taken up with the concerned State Governments at the highest level. The progress achieved may be conveyed to the Committee.

Reply of the Government

The unspent balance lying with Government of Bihar, Goa, Punjab and Delhi is Rs. 50.91 Crores, Rs. 0.13 crores, Rs. 33.52 Crores and Rs. 3.00 Crores respectively. This Ministry has sent letters to the Chief Minister/Chief Secretary of these States/UT requesting them to furnish Utilisation Certificate for these amounts.

Comments of the Committee

(Please See Para 1.10 of Chapter I of the Report.)

[Ministry of Social Justice & Empowerment, O.M. No.-38-2/2002-
Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 11, Para 3.32)

The Committee are constrained to note that out of 6,76,009 scavengers identified since Eighth Five Year Plan, only 1,46,840 have been given training and 3,84,117 have been rehabilitated upto 2000-01. The Committee strongly recommend that the Government should intensify training programmes for scavengers to enable them to take alternate occupations. The Committee also urge the Government to make sincere efforts and draw a time bound programme so that all the remaining scavengers are rehabilitated by the end of the Tenth Five Year Plan.

Reply of the Government

The State level implementing agencies are organising training programmes for scavengers in various Central/State Government institutions and also through reputed Non-Government Organisations keeping in view the aptitude of the prospective trainees. This Ministry has been repeatedly impressing upon the States to organise comprehensive training programmes in all economically viable vocations for scavengers. They have been asked to use the services of reputed NGOs in certain fields for intensive training programmes for scavengers.

Comments of the Committee

(Please See Para 1.13 of Chapter I of the Report)

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 22, Para 6.7)

The Committee regrets to note that there is no legislation for the care and protection of older persons. In the opinion of the Committee, the Society has definite duty to provide care and protection to vulnerable elderly persons. The older persons not only need protection and support from family members but also need protection from unscrupulous elements in the society from exploitation. The Committee, therefore, strongly recommend that the Government should bring a comprehensive legislation for the care and protection of older persons.

Reply of the Government

The Government for the first time in 1999 formulated the "National Policy on the Older Persons" which comprises principal areas of intervention and action strategies and which speaks about various areas for the care and protection of elderly people. Under this policy, National Council for Older Persons was constituted in 1999. It has met once and another meeting of the Council is being convened shortly. The Ministry has also written to the Ministries of Finance, Health, Women and Child, Urban Development recommending specific areas for intervention. It may take some more time to consider legislation particularly in view of the huge financial implications, which may be involved.

Comments of the Committee

(Please See Para 1.16 of Chapter I of the Report)

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-Cdn. Dated-18.10.2002.]

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT HAVE NOT BEEN RECEIVED

Recommendation (Sl. No. 8, Para 3.18)

The Committee note with serious concern that NSFDC extends loan upto Rs. 2 lakh at the rate of 4% interest per annum and between Rs. 2 lakh and Rs. 5 lakh at the rate of 7% interest per annum to the SCDCs and Channelising Agencies who disburse the loan further to SC beneficiaries at the rate of 7% and 9% per annum respectively thereby burdening the beneficiaries with 2 to 3 percent extra interest. The Committee are not convinced of the argument of the Government that NSFDC/SCDC are giving loan to SC beneficiaries comparatively at cheaper rates than the market loan and any further reduction in the rate of interest would adversely affect the functioning of the State Channelising Agencies. In the opinion of the Committee, the extra interest of 3% charged by the SCDCs/Channelising Agencies in the name of administrative charges is not justified. The Committee, therefore, strongly recommend that the rate of interest on NSFDC loans be reviewed and rationalized so as to boost the economic activities of SCs living below the poverty line.

Reply of the Government

A proposal for reducing the interest rate on loans is under consideration and the decision will be intimated to the Committee.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-
Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 9, Para 3.19)

The Committee note that a number of schemes for the welfare of SCs are being implemented by the NSFDC. Some of them have become obsolete and are no longer relevant in view of the changing economic scenario. The Committee urge the Government to review comprehensively all the existing schemes and modify the same keeping in view the prevailing situation in States/UTs and the latest developments taking place both in economic and technological spheres and, if needed, new schemes with higher potential for improving economic conditions of Scheduled Castes should be introduced for implementation in the Tenth Five Year Plan.

Reply of the Government

NSFDC has been advised to weed out schemes no longer relevant in the changing economic scenario and also to identify innovative and viable schemes. NSFDC is in the process of preparation of Opportunity Profiles.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 10, Para 3.31)

The Committee are not satisfied with the reported number of scavengers identified in 21 States/UTs based on the survey done by them from time to time. The Committee are of the opinion that unless the Ministry have definite and authentic figures of persons engaged in the inhuman occupation of scavenging, they will not be able to make proper planning for their rehabilitation in alternate occupations. The Committee, therefore, desire that the Ministry should take up the matter with the Ministry of Urban Development to conduct a fresh survey for having the authentic figures of scavengers identified throughout the country.

Reply of the Government

This Ministry has requested to the Ministry of Urban Development and Poverty Alleviation, which is nodal Ministry for implementation of the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993, to conduct a survey in municipal corporation, municipalities/other urban areas and semi-urban conglomeration for collection of detailed data on the number of dry latrines in existence and the number of scavengers and their dependents involved in manual cleaning of those dry latrines. The report of the survey is awaited. The matter is being followed up with the Ministry of Urban Development and Poverty Alleviation for completing the survey as early as possible.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 14, Para 3.45)

The Committee note that as per the judgement of Hon'ble Supreme Court, a Special Court under SC/ST Prevention of Atrocities Act, 1989, is essentially a court of session and it can take cognizance of the offences only when the case is committed to it by the Magistrate as per section 193 of Cr. P.C. but there is no such special provision in the SC/ST (Prevention of Atrocities) Act, 1989. The Committee, feel that in the absence of Special Provision in the Prevention of Atrocities Act, the Special Courts cannot entertain the cases directly and it leads to further delaying the disposal of the cases and defeating the objectives of setting up of Special Courts. The Committee, therefore, recommends that the Ministry should take up the matter with the Ministry of Home Affairs and Ministry of Law, to amend the relevant provisions of the SC/ST Prevention of Atrocities Act, 1989 suitably.

Reply of the Government

The recommendation of the Committee in this regard has been noted. The issue of amendments in the Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Act, 1989 Act was also discussed in a meeting of Nodal Officers of States/UTs convened by the Ministry of Social Justice and Empowerment on 05.02.2002. Thereafter the States/UTs have been addressed and reminded to give their specific suggestions in regard to amendments in the Act. Whereas, some of the States have given their suggestions, the other States/UTs are also being requested to expedite their suggestions. Nevertheless, it is felt that there should be comprehensive amendment in the Act after consolidating the suggestions received from States/UTs. The recommendation of the Committee, which is similar to suggestion of Government of Karnataka, would also be considered at the time of proposing amendments in the Act.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-
Cdn. Dated-18.10.2002.]

Recommendation (Sl. No. 16, Para 4.9)

The Committee note with concern that out of Rs. 49.90 crores allocated by the Planning Commission for construction of hostels for OBC Boys & Girls during the Ninth Five Year Plan, the Ministry could utilize only Rs. 20.06 crores during the plan period. The reasons for less utilization of funds are mainly lack of adequate proposals from

the State Governments as they are not able to provide matching share on accounts of financial crunch. The Committee feel that the OBC boys & girls students should not be deprived of hostel facilities at outstations due to inability of State Governments providing their matching share. The Committee, therefore, recommend that keeping in view the financial constraints of State Governments, the funding pattern of the Scheme for Hostels for OBC Boys & Girls should be revised and expenditure should be shared in the ratio of 90:10 so that the States are able to provide adequate proposals for construction of hostels for OBC students.

Reply of the Government

The recommendation of the Committee to revise the funding pattern of the Scheme for Hostels for OBC Boys & Girls from existing 50:50 to 90:10 to be shared by the Central and State Govts. is under consideration of the Government.

[Ministry of Social Justice & Empowerment, O.M. No.:38-2/2002-
Cdn. Dated-18.10.2002]

Recommendation (Sl. No. 21, Para 5.8)

The Committee note that as per the eligibility criteria the National Handicapped Finance and Development Corporation provides loan to the disabled persons having annual income of less than Rs. 1,00,000 in urban areas and Rs. 80,000 in rural areas. The Committee note with concern that NHFDC has been charging high rate of interest from the handicapped beneficiaries who are a very vulnerable section of the society. The interest rates charges are 5% p.a. on an amount less than Rs. 50,000, 6% p.a. on the amount above Rs. 50,000/- but less than Rs. 1 lakh, 9% p.a. on the amount above Rs. 1 lakh and less than Rs. 5 lakh and 10% p.a. on the amount above Rs. 5 lakh. It is true that the rate of interest charged by NHFDC is lower than the commercial banks for similar activities. The Committee, however, feel that in order to boost the income generating activities of the persons with disability, the rate of interest on NHFDC loan should be rationalized and procedure for disbursement of loan should also be simplified so that no undue harassment is caused to the disabled beneficiaries.

Reply of the Government

The revised lending policy of NHFDC including rationalization of the rate of interest has been prepared by NHFDC and this is awaiting approval of the Board.

[Ministry of Social Justice & Empowerment, O.M. No. 38-2/2002-
Cdn. Dated-18.10.2002]

NEW DELHI;
December 11, 2002
Agrahayana 20, 1924 (Saka)

DR. SUSHIL KUMAR INDORA,
Chairman,
Standing Committee on
Labour and Welfare.

ANNEXURE

MINUTES OF THE FOURTEENTH SITTING OF THE STANDING
COMMITTEE ON LABOUR AND WELFARE HELD
ON 11 DECEMBER, 2002

The Committee met from 15.00 to 16.00 hours in Committee Room
'E' Parliament House Annexe, New Delhi.

Dr. Sushil Kumar Indora — *Chairman*

MEMBERS

Lok Sabha

2. Smt. Sandhya Bauri
3. Shri Bhim Prasad Dahal
4. Shri Hassan Khan
5. Shri Virendera Kumar
6. Shri Parsuram Majhi
7. Shri Ramjee Manjhi
8. Shri Brij Bhushan Singh
9. Dr. Vukkala Rajeswaramma
10. Shri Khelsai Singh

Rajya Sabha

11. Shri B.P. Apte
12. Shri Jhumuklal Bhendia
13. Ms. Pramila Bohidar
14. Shri Indramoni Bora
15. Shri Sukhdev Singh Libra
16. Shri Jibon Roy

SECRETARIAT

1. Shri Ram Autar Ram — *Joint Secretary*
2. Shri J.P. Sharma — *Deputy Secretary*
3. Shri Bhupesh Kumar — *Under Secretary*

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APPENDIX

(Please See introduction of the Report)

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON
THE RECOMMENDATIONS / OBSERVATIONS OF THE
COMMITTEE IN THE NINETEENTH REPORT
(THIRTEENTH LOK SABHA)

	Total	Percentage
I. Total number of Recommendations	24	
II. Recommendations/Observations which have been accepted by the Government (Nos. 1, 2, 3, 7, 12, 15, 17, 18, 20 and 23)	10	41.66%
III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies (Nos. 6, 13, 19 and 24)	4	16.67%
IV. Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee (Nos. 4, 5, 11 and 22)	4	16.67%
V. Recommendations/Observations in respect of which Final replies of Government are still awaited (Nos. 8, 9, 10, 14, 16 and 21)	6	25%