

STANDING COMMITTEE ON LABOUR & WELFARE

(2001)

THIRTEENTH REPORT

(THIRTEENTH LOK SABHA)

MINISTRY OF TRIBAL AFFAIRS

DEMANDS FOR GRANTS

(2001-2002)

Presented to Lok Sabha on 20th April, 2001

Laid in Rajya Sabha on 20th April, 2001

LOK SABHA SECRETARIAT

NEW DELHI

April, 2001/Chaitra 1923 (Saka)

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Dr. Sushil Kumar Indora-Chairman

MEMBERS

LOK SABHA

2. Shri Daud Ahmad
3. Shri Alam Amir
4. Shri Ashok Argal
5. Shri Denzil B. Atkinson
6. Shri Sudip Bandyopadhyay
7. Smt. Sandhya Bauri
8. Shri Joachim Baxla
9. Shri Ambati Brahmaniah
10. Shri Manibhai Ramjibhai Chaudhuri
11. Smt. Phoolan Devi
12. Shri Krishan Lal Diler
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14. Shri C. Kuppusami
15. Shri Parsuram Majhi
16. Shri Brahma Nand Mandal
17. Shri Ramjee Manjhi
18. Shri Bherulal Meena
19. Shri Rupchand Murmu
20. Shri Raj Narain Passi
21. Shri R.S. Patil
22. Shri Madhab Rajbangshi
23. Shri P.A. Sangma
24. Shri Ram Shakal
25. Shri Charanjit Singh
26. Shri Khelsai Singh
27. Dr. Ram Lakhan Singh
28. Shri Mansukhbhai Vasava
29. Dr. N. Venkataswamy

RAJYA SABHA

30. Shri Ram Kumar Anand
31. Shri B.P. Apte
32. Dr. (Mrs.) P. Selvie Das
33. Shri Mohd. Azam Khan
34. Shri Ramachandra Khuntia
35. Shri Fali S. Nariman
36. Shri C.O. Poullose
37. Shri Mirza Abdul Rashid
38. Shri Ka.Ra. Subbian,
39. Ms. Frida Topno

SECRETARIAT

1. Shri Joginder Singh - Joint Secretary
2. Shri J.P.Sharma - Deputy Secretary
3. Shri B. D. Swan - Under Secretary
4. Km. M. Tunglut - Executive Assistant

INTRODUCTION

I, the Chairman of the Standing Committee on Labour and Welfare (2001) having been authorised by the Committee to submit the Report on their behalf, present this Thirteenth Report on the Demands for Grants, 2001-2002 on the Ministry of Tribal Affairs.

2. The Committee considered the Demands for Grants pertaining to the Ministry of Tribal Affairs for the current year i.e. 2001-2002 which were laid on the Table of the House on 19 March, 2001. Thereafter, the Committee took evidence of the representatives of the Ministry of Tribal Affairs on 29.3.2001. The Committee considered and adopted the Report at their sitting held on 18th April, 2001.

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

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

NEW DELHI;
Kumar Indora,

Chairman,
18 April, 2001
Committee on
28 Chaitra 1923 (Saka)
Welfare.

Dr. Sushil

Standing

Labour and
Welfare.

CHAPTER-I

INTRODUCTORY

The Committee have been informed that the Ministry of Tribal Affairs was constituted in October, 1999 by bifurcation of the Ministry of Social Justice and Empowerment with the objective of giving more focused attention on integrated socio-economic development of the most under privileged section of the Indian society, the Scheduled Tribes (STs) in a coordinated and planned manner. During the period prior to the formation of the Ministry of Tribal Affairs, matters concerning tribal welfare and development were dealt with by different Ministries of the Government of India at different points of time as stated below:

- i) As a Division of the Ministry of Home Affairs: known as the TD Division since after Independence to September 1985.
- ii) Ministry of Welfare: from September 1985 to May 1998.
- iii) Ministry of Social Justice & Empowerment from May 1998 to September 1999.

1.2 The Ministry started functioning in October, 1999 with the Schemes/Programmes dealt with by the erstwhile Tribal Division of the Ministry of Social Justice and Empowerment and continued with these schemes in the year 1999-2000. The following schemes of tribal welfare and development were transferred to this Ministry during the current year 2000-2001:

- i) Post-Matric Scholarship
- ii) Coaching & Allied Scheme
- iii) Book Bank Scheme
- iv) Up-gradation of merit Scheme and
- v) National Overseas Scholarship
- vi) State Tribal Development Finance Corporation

1.3 The process of the constitution of a National level Tribal Development & Finance Corporation by bifurcation of the National Scheduled Caste and Scheduled Tribe Finance & Development Corporation (NSFDC) of the Ministry of Social Justice and Empowerment has been completed during the year making it possible for the new corporation to commence its concentrated operation on economic development of Scheduled Tribes from April 2001.

MANDATE OF THE MINISTRY

1.4 The following is the mandate of the Ministry of Tribal Affairs:

- i) Social security and social insurance with respect to STs
- ii) Tribal Welfare-Planning, Policy formulation, Research and Training
- iii) Tribal development including scholarships to STs
- iv) Promotion of voluntary efforts in development of STs
- v) Administrative Ministry with respect of matters concerning

- Scheduled Areas;
- Autonomous districts of Assam excluding roads and bridge works and ferries thereon;
- Regulations framed by Governors of State for Scheduled Areas and for Tribal Areas specified in part A of Table appended to paragraph 20 of the Sixth Schedule to the Constitution;
- National Commission for Scheduled Castes & Scheduled Tribes in so far as they relate to STs and
- Issue of directions regarding the drawing up and execution of Schemes essential for the welfare of Scheduled Tribes

1.5 The Ministry of Tribal Affairs is the Nodal Ministry for overall policy, planning and coordination of programmes of development for Scheduled Tribes.

1.6 The Demands for Grants asked for by the Ministry of Tribal Affairs are given under Demand No.79.

CHAPTER-II

REPORT

A. GENERAL PERFORMANCE OF THE MINISTRY

2.1 The Ministry of Tribal Affairs has furnished the following statement showing the Budget Estimates, Revised Estimates and Actual Expenditure for the last three years alongwith the Budget Estimates for the current year showing separately Plan and Non-Plan Expenditure:-

PLAN

(Rs. in Crores)

Year	BE	RE	Actual Exp.
1998-99	592.32	576.57	568.19
1999-2000	692.75	684.25	633.75
2000-2001	810.00	750.00	569.32 (upto 28.2.2001)
2001-2002	1040.00	-	-

NON-PLAN

Year	BE	RE	Actual Exp. (upto 31.3.2001)
2000-01	2.57	4.22	3.19 (Prov.)
2001-2002	4.66	-	-

* Non-Plan provision is being made in the Budget of Ministry of Tribal Affairs for the year 2000-2001 only.

2.2 It may be noted from the above statement that the BE has been reduced from Rs. 810 crore to Rs.750 crore at the RE stage during 2000-2001. An amount of Rs.569.32 crore (Plan) has been utilized as on 28.2.2001.

2.3 When asked to state in what manner the Ministry will utilize the remaining amount in the last one month, the Committee were informed that the expenditure incurred by the Ministry till 16.3.2001 under various schemes amount to Rs.578.13 crore. Proposals received from various quarters amounting to Rs.190.96 crore are under various stages of examination. In the light of this position, this Ministry expects to utilize the R.E provision fully.

2.4 On being asked how the Ministry will be able to utilize such a huge amount within a few days, the Secretary, stated during evidence:-

“As of yesterday (28.3.2001) our expenditure has reached Rs.670 crore. There are Rs.750 crore in the Revised Estimates and out of that we have spent Rs.670 crore i.e. near 90 percent. And we hope further that we would be able to spend the entire amount. In this respect, some of our files are being financially processed.”

2.5 When during the course of evidence, the Committee wanted to know the reasons for accumulation of funds at the fag end of the financial year the Secretary, Ministry of Tribal Affairs stated :

“I have an explanation for that. As I said, we are not implementing any scheme directly ourselves. We are dependent purely on the State Government. Take the case of the post-matric scholarships. I am supposed to be having a budget of Rs.70 or odd crore to be given to the State Governments to distribute the post-matric scholarships to the students. I do not get the demands from the State Government. They do not compile and collect the data from colleges, technical, medical and general – and they do not place a demand on me, despite my repeated requests to them. We tell them in May, June and July to please collect the data and tell us. They still do not provide us the data. They will come only towards the fag end. Obviously, if I do not give it, then I am in a problem. I do not want any trouble for the target groups who have to suffer and so we have to give it even at the very last stage.

This particular issue cropped up in the Conference of the Governors. There is a Committee of Governors going into this question as to why it is happening. That forces me to release the funds at the fag end I have to release huge amount to the States.”

2.6 In reply to a query whether any improvement has been made in avoiding accumulation of funds towards the fag end of the financial years as recommended by the Committee in their earlier Report on Demands for Grants, the Ministry has stated that as a result of concerted efforts made by them, there is some improvement in this regard as compared to earlier year. However, the position cannot be considered fully satisfactory. The Ministry would continue to make earnest efforts to ensure that release of funds

under various schemes is spread throughout the year and accumulation of funds at the fag end of the financial year is avoided.

2.7 The Ministry has furnished the following statement showing the scheme-wise break-up of expenditure incurred during the year 2000-2001 alongwith percentage of shortfall with reference to the RE and the BE for the year 2001-2002:

(Rs.in crores)

Sl. No.	Name of Scheme	BE 2000-2001	RE 2000-2001	Exp.(upto 16.3.2001)	% of shortfall with reference to RE
1.	Special Central Assistance to TSP	400	400	400	100
2.	Grants under Art. 275(1) of the Constitution	200	200	82.83	58.58
3.	Girls Hostel for STs	12.00	7.00	0.32	95.43
4.	Boys Hostels for STs	10.80	7.80	0.32	83.07
5.	Ashram Schools in TSP Areas	13.00	7.00	-	100
6.	Grant in aid to Voluntary Organisation	28.00	22	20.50	6.81
7.	Research and Training	7.80	2.15	0.67	67.34
8.	Investment in TRIFED	1.00	0.00	-	NIL
9.	Price support to TRIFED	4.00	4.00	3.00	25.00
10.	Grant in aid to State TDCCs	13.00	9.00	6.92	23.11
11.	Educational complex in Low Literacy pockets for ST Girls	5.40	3.90	1.24	68.20
12.	Vocational Training Centre	11.00	7.00	2.72	61.14
13.	Village Grain Bank	2.00	2.00	1.00	50.00
14.	Development of PTGs	12.50	9.50	1.00	89.47
15.	State Tribal Development Finance Corporation	2.60	2.60	-	100
16.	Post-Matric Scholarship for STs	63.20	44.05	57.61	30.78(+)
17.	Coaching and Allied Scheme	1.40	0.40	-	100
18.	Book Bank	0.90	0.40	-	100
19.	Up-gradation of Merit of ST students	0.40	0.20	-	100
20.	Lump sum provision for benefit of North Eastern Region	21	21.00	(40.52)	-
	TOTAL	810.00	750.00	578.13	
	NON-PLAN				
1.	Grants to Assam under clause (a) of Second Proviso to Art. 275 (1) of the Constitution	0.14	0.14		
2.	National Commission for STs	0.10	0.05		
3.	National overseas scholarships scheme for Scheduled tribe students	0.57	0.51	0.17 (Upto 31.3.2001)	

() Not included in total expenditure

2.8 During the course of evidence, the Committee also pointed out that there are some States where diversion of funds is going on to which the Secretary stated as under:-

“So far as the diversion of funds is concerned, the C.A.G has clearly mentioned in their report the types of irregularities and the name of States where these have been committed. Therefore, we invited the comments of the state government in that respect. I want to let you know that. When the reports were sought from the state government, they refused to accept that there were any diversion of funds. Though in some cases, where they had deposited the amount in banks, they could not deny it and pleaded that they would not do it again and return the amount to the concerned Department. But the C.A.G has pointed out in their report that they should not have diverted it for other purposes. But in respect of utilization the state governments are justifying their action and saying that the funds were spent on the welfare of tribals. This is the controversy. When this matter comes before the P.A.C they will have to depose and explain before them. But this is the situation as mentioned in the report.

2.9 When asked to state the exact shortage of staff in the Ministry, the Committee were informed that the exact shortage of staff as on 29.3.2001 in the Ministry is 24 as against the total strength of 87 posts which include the newly created posts also. The shortage thus works out to 38.35% of the total strength.

2.10 As regards the reactions of the Department of Personnel and Directorate of Estates regarding additional staff and accommodations, the Ministry has stated that the newly created Ministry of Tribal Affairs inherited a total of 10 vacancies in various categories of posts transferred to it. Further, 23 additional posts were created bringing the number of vacancies to 33. The matter for filling up of vacancies had been taken up with the Department of Personnel & Training who nominated nine persons only recently. Therefore, during most of the financial year 2000-2001, 24 vacancies existed. Department of Personnel & Training is still in the process of nominating the requisite number of persons to fill the vacant posts. Apart from the above vacancies, this Ministry has not so far been sanctioned any posts for Hindi, Pay and Accounts and Finance work resulting in delays and dislocation of work.

2.11 In so far as office accommodation is concerned, Ministry of Tribal Affairs got only very limited space where the erstwhile Tribal Division under the Ministry of Social Justice and Empowerment was accommodated. On a conservative basis, the requirement of office accommodation for the Ministry has been assessed at more than 5,000 sq.ft. Matter was pursued at different level with the Ministry of Urban Development and Directorate of Estates. However, only two rooms have been handed over to this Ministry so far. Recently, the Ministry of Urban Development has informed that space will be provided to this Ministry in Shastri Bhavan in phases from that allotted to Ministry of Agriculture earlier. The possession of the promised accommodation is yet to be given to this Ministry. The Ministry is pursuing the matter. In the event of handing over the total space identified for this Ministry, the requirement of this Ministry will be met for the present.

2.12 The Committee observe that the tribal population is pre-dominant in the North Eastern States and desire to know the views of the Ministry on whether the North Eastern Council should be transferred to the Ministry of Tribal Affairs. The Ministry informed that in the interest of faster economic growth and social development of the region, it would be advisable if the NEC is transferred to the Ministry of Tribal Affairs.

2.13 Adding further, the Secretary, Ministry of Tribal Affairs stated during evidence:-

“What I mean to say is that their economic development is creating several kinds of difficulties. It has to be economically developed. As of now this matter pertains to Home Ministry. Besides other issues, I believe it primarily deals with law and order. Other issues are more important. They should devote more time to those areas and leave the developmental activities to the people who can really undertake the development of that area in a time-bound manner.”

2.14 On being asked whether any efforts has been made in this regard, the Committee were informed that no formal consultation with the Ministry of Home Affairs has taken place with regard to the transfer of NEC to the Ministry of Tribal Affairs. The matter has been taken up with the Ministry of Home Affairs and their views will be communicated to the Standing Committee separately as soon as they are available.

2.15 The Committee note with concern that the Ministry has not shown much improvement in avoiding accumulation of funds towards the fag end of the financial year as recommended by them in their earlier Report on Demands for Grants. The utilization of funds under Plan schemes of the Ministry is to the tune of Rs.578.13 crore out of the Revised Estimates of Rs.750 crore as on 16 March, 2001 which shows that an amount of Rs.171.87 crore will be utilized within few days left in March, 2001. Under Non-Plan schemes, utilization of funds is nil up to February, 2001. The Committee, therefore, recommend that the Ministry should strengthen its coordination with the States/UTs by obtaining quarterly reports and convening regular meetings of State representatives. State Governments should be pursued to send their proposals right from the beginning of the financial year so that huge amount of funds are not spent hurriedly at the fag end of the financial year. The Committee also desire that the practice of sending proposals by State Governments towards the fag end of the financial year should be discouraged so that the Ministry could get sufficient time to scrutinize all proposals thoroughly for timely release of funds.

2.16 The Committee note with concern that though the States/U.Ts have not reported any instances of diversion of funds, yet the report of the CAG has hinted at irregularities/diversions in the utilisation of funds released by the Ministry. Viewing the situation seriously, the Committee urge the Ministry to tighten its monitoring over the States/U.Ts by constituting Monitoring Committees in all the States/U.Ts and at various levels in order to check diversion and misutilisation of funds.

2.17 The Committee observe that since its inception, the Ministry of Tribal Affairs is feeling handicapped in functioning smoothly and effectively due to shortage of staff and lack of basic

infrastructural facilities. The Committee have been informed that the Ministry has nearly 40 % shortage of staff as on date besides not sanctioning any post for Hindi work and Pay and Accounts office resulting in delays and dislocation of work. In the opinion of the Committee, the Ministry will not be able to perform its task of implementation of various welfare schemes for the tribals effectively in the absence of adequate staff and infrastructural facilities. The Committee, therefore, urge the Ministry to approach the Deptt. of Personnel and Training and Directorate of Estates and impress upon them the urgency of the situation so that the basic requirements of the Ministry are met without further delay. Progress achieved in this regard may be communicated to the Committee.

2.18 The Committee have been informed that the North Eastern Council (NEC) created by an Act of Parliament acts as an advisory body in respect of socio-economic and balanced development of the North Eastern Region. The North Eastern Council is presently under the jurisdiction of the Ministry of Home affairs which is primarily responsible for law and order in the country. The Committee observe that the Ministry of Tribal Affairs is the nodal Ministry responsible for overall policy, planning and coordination of programmes of development of Scheduled Tribes. Since the North Eastern region is pre-dominantly inhabited by the tribals, the Committee find a justification in bringing the North Eastern Council under the aegis of the Ministry of Tribal Affairs for greater socio-economic and balanced development of the region. The Committee, therefore, recommend that the Ministry should make efforts to bring North Eastern Council under its jurisdiction.

Major Head: 2225, 3601

Minor Head: 794

Sub Head: 02

Detailed Head: 02.00.31

B. SPECIAL CENTRAL ASSISTANCE TO TRIBAL SUB PLAN (SCA TO TSP)

2.19 The Scheme of Special Central Assistance (SCA) to Tribal Sub Plan was introduced during V Five Year Plan. Under the scheme, assistance is given to State Governments as an additive to State TSP. The SCA forms part of TSP strategy towards the larger goal of enhancing the pace of socio economic development in most backward tribal areas. The funding pattern is 100% assistance by the Ministry.

2.20 The objective of the scheme of Grant of SCA to TSP is two fold viz. socio-economic development and protection of tribals from exploitation .It covers 23 Tribal Sub-Plan States and Union Territories including North Eastern States of Assam, Manipur & Tripura.

2.21 The Budgetary allocation for the year 2000-2001 under the scheme was Rs.400 crore. The entire allocation of Rs.400 crore has been released to States/UTs. as on 16.3.2001. Out of the total schemes implemented by the Ministry, the SCA to TSP is the only scheme where 100% utilization of funds takes place.

2.22 When asked whether the Ministry is satisfied that the funds are actually utilized by States/UTs as intended the Committee were informed that as reported by the States, the funds released under SCA to TSP are actually utilized by the States/UTs as intended. However, when the Committee wanted to know whether there is any mechanism to ensure accountability, the Secretary, Ministry of Tribal Affairs stated during evidence:-

“This will not improve unless the system under which money is allocated to state governments is improved. They make their schemes but the expected benefits are not forthcoming. We keep on writing to the state governments. We withhold the allocation when utilization certificates are not received even after two years. But the government is not losing on this account, instead the tribal people and the development of their areas are the losers. The state Governments need to be told that the funds should be utilised for the purposes they are given and spent in the right direction. It would be good if a proper solution could be found to this problem. If a solution is found, there would be no delay in releasing the funds. We can only write to the state governments.”

The Secretary further added:-

“We try to monitor the funds after releasing them. What can we do if they do not utilize that money. They do not even care for the CAG.”

2.23 The Ministry has furnished the following statement showing the amount of SCA allocated to the States as against the actual expenditure incurred during the last three years:

Sl. No.	Name of Scheme	BE 2000-2001	RE 2000-2001	Exp.(upto 16.3.2001)	% of shortfall with reference to RE	BE 2001-2002
1.	Special Central Assistance to TSP	400	400	400	100	500
2.	Grants under Art. 275(1) of the Constitution	200	200	82.83	58.58	300
3.	Girls Hostel for STs	12.00	7.00	0.32	95.43	13
4.	Boys Hostels for STs	10.80	7.80	0.32	83.07	10.80
5.	Ashram Schools in TSP Areas	13.00	7.00	-	100	14.00
6.	Grant in aid to Voluntary Organisation	28.00	22	20.50	6.81	30.00
7.	Research and Training	7.80	2.15	0.67	67.34	7.80
8.	Investment in TRIFED	1.00	0.00	-	NIL	1.00
9.	Price support to TRIFED	4.00	4.00	3.00	25.00	4.00
10.	Grant in aid to State TDCCs	13.00	9.00	6.92	23.11	14.00
11.	Educational complex in Low Literacy pockets for ST Girls	5.40	3.90	1.24	68.20	7.50
12.	Vocational Training Centre	11.00	7.00	2.72	61.14	12.00
13.	Village Grain Bank	2.00	2.00	1.00	50.00	2.00
14.	Development of PTGs	12.50	9.50	1.00	89.47	16.00
15.	State Tribal Development Finance Corporation	2.60	2.60	-	100	30.00
16.	Post-Matric Scholarship for STs	63.20	44.05	57.61	30.78(+)	69.60
17.	Coaching and Allied Scheme	1.40	0.40	-	100	1.40
18.	Book Bank	0.90	0.40	-	100	0.90
19.	Up-gradation of Merit of ST students	0.40	0.20	-	100	0.40
20.	Lump sum provision for benefit of North Eastern Region	21	21.00	(40.52)	-	-
	TOTAL	810.00	750.00	578.13		
	NON-PLAN					
1.	Grants to Assam under clause (a) of Second Proviso to Art. 275 (1) of the Constitution	0.14	0.14			0.14
2.	National Commission for STs	0.10	0.05			0.10
3.	National overseas scholarships scheme for Scheduled tribe students	0.57	0.51	0.17 (Upto 31.3.2001)		0.57
	TOTAL					

2.24 To a query whether the Ministry is able to obtain complete information regarding the utilization of funds under the scheme, the Committee were informed that the matter has to be pursued vigorously through various means available. In spite of efforts made, some states do not furnish reports regularly.

2.25 Asked whether any instance has been noticed by the Ministry where the SCA funds has been irregularly deposited in fixed deposits/banks or delay has occurred in releasing of funds by the State Governments or its channelising agencies, the Ministry has stated that CAG has observed that some states have deposited funds released under SCA to TSP in fixed deposits/banks. However, some of the State Governments have informed that they keep the sanctioned amount either in Government deposit account or in cash in order to avoid lapse of funds as execution of work takes time and there is delay in payment of funds to the beneficiaries/agencies.

2.26 The Ministry has stated that Special Central Assistance has been allocated to implementing agencies like Integrated Tribal Development Projects (ITDPs). Modified Area Development Approach (MADA) pockets, Clusters, Primitive Tribal Groups (PTGs) and Dispersed Tribal Groups. A part of SCA, not more than 30% is also permitted to be used for the development of infrastructure incidental to such income generating schemes. A list of schemes undertaken under the family oriented income generating schemes of the Ministry is shown below. It has now been proposed by the Ministry to increase this percentage to 50%.

Family oriented income generating schemes

Sl. No.	Names of Scheme
1.	AGRICULTURE: (a) Tribal farmer training-cum-demonstration (b) Distribution of seeds/fertilizers, minikits and pesticides to

	<p>tribal families in addition to the usual programme of Agri. Department</p> <p>(c) Commercial crops programme in tribal cultivators field</p> <p>(d) High yielding variety programme in tribal cultivators fields in addition to the usual programme of Agriculture Dept.</p> <p>(e) Land development including terracing in Primitive Tribes areas.</p>
2.	<p>HORTICULTURE:</p> <p>(a) Taking up fruit and vegetable plantation in tribal beneficiary land.</p> <p>(b) Training to tribals in growing, processing, marketing of vegetable and fruit produce.</p> <p>(c) Small nurseries and seed farms incidental to the above programmes.</p>
3.	<p>LAND REFORMS:</p> <p>(a) Preparation of land records for Primitive tribes</p> <p>(b) Assistance to tribals for cultivation of lands restorted to them</p>
4.	<p>C. MINOR IRRIGATION:</p> <p>(a) Check-dams, diversion channels, water harvesting structures, dug wells, tube-wells, cooperative lift points for tribal groups/community</p> <p>(b) Subsidy/assistance to individual beneficiaries under dugwell, tube-well, irrigation pump sets, farm ponds.</p>
5.	<p>D. SOIL CONSERVATION:</p> <p>(a) Plantation of food and fruit species as a part of soil conservation measures in tribal land.</p>
6.	<p>E. ANIMAL HUSBANDRY:</p> <p>(a) Supply of milch cattle, poultry, goat, sheep, pig and duck units to tribal families</p> <p>(b) Assistance to dairy and poultry cooperative societies in tribal areas with substantial tribal members.</p>
7.	<p>F. FOREST:</p> <p>(a) MFP plantation in tribal areas.</p> <p>(b) Grants to MFP collection and marketing societies .</p> <p>(c) Assistance to MFP cooperatives.</p> <p>(d) MFP Processing units taken up through LAMPS, TDCC and other Tribal Cooperatives</p> <p>(e) Establishment of forest based small scale industries through TDCC/Tribal Cooperatives.</p>
8.	<p>G. EDUCATION:</p> <p>(a) Establishment of residential schools in tribal areas.</p> <p>(b) Improving and strengthening of inspection over tribal areas</p>

	schools.
9.	<p>H. COOPERATIVES:</p> <p>(a) Formation of new co-operatives/LAMPS and strengthening of existing ones.</p> <p>(b) Subsidy to members towards cent-percent enrolment of tribal families as members of cooperatives/ LAMPS.</p> <p>(c) Strengthening of consumer cooperatives, labour cooperatives and other cooperatives having a substantial percentage of tribal members.</p> <p>(d) Processing/marketing co-operatives for natural products of tribal area.</p> <p>(e) Working capital assistance to LAMPS/TDCCs for collection ,processing and marketing of tribal produce.</p> <p>(f) Training of personnel working in LAMPS/ TDCCs/Tribal area Cooperatives in marketing management & processing of tribal produce.</p>
10.	<p>I. FISHERIES:</p> <p>(a) Assistance to Tribal families for fish seed production.</p> <p>(b) Assistance to Tribal families for pisciculture.</p> <p>(c) Training of tribals in fish production/collection etc.</p> <p>(d) Development of tribal fishermen Cooperatives.</p>
11.	<p>J. VILLAGE AND SMALL INDUSTRIES:</p> <p>(a) Assistance to tribal artisan/ craftsmen for setting up of business and small and cottage industries .</p> <p>(b) Tribal crafts training-cum-production centres.</p> <p>(c) Assistance to artisan cooperative societies for taking up marketing & improvement of tribal crafts & craft products.</p> <p>(d) Bee-keeping</p> <p>(e) Sericulture</p> <p>(f) Feasibility survey of tribal arts and crafts</p> <p>(g) Introduction of new craft programmes among tribal families</p>
12.	<p>K. MINIMUM NEEDS PROGRAMME:</p> <p>(a) Development of village link roads and small C.D works</p> <p>(b) Health; (a) Establishment of dispensaries/ hospital/ centres for Homeopathic, Naturopathic and yogi cures; (b) Establishment of collection and processing of medicinal herbs in tribal areas.</p>

	(c) Drinking water facilities in tribal schools and hostels.
13.	L. TRIBALS DISPLACED BY PROJECTS: (a) Assistance to displaced tribals for setting up business & trade.
14.	M. TRIBALS LIVING IN AREAS OF INDUSTRIAL INFLUENCE: (a) Self-employment schemes for tribals living in areas of industries influence
15.	N. TRIBAL WOMEN: (a) Assistance to tribal women & their cooperatives for production and marketing of consumer goods. (b) Training of tribal women in schemes designed to improve family earning.
16.	O. ECOLOGY & ENVIRONMENT: (a) Programme of improvement of ecology & environment having a bearing of family oriented economic programme.

2.27 When asked to state why the Ministry has decided to permit 50% of SCA to be used for development of infrastructure incidental to income generating schemes when the Audit para of C&AG Report has stated that funds were utilized on infrastructural activities not incidental to SCA, the Committee were informed that the Ministry has not yet taken a final decision to permit the State/UTs to utilize 50% of the SCA funds for development of infrastructure incidental to income generating schemes. The Ministry has only called for the comments of the State Governments/UT Administrations, Planning Commission and Ministry of Finance. A final view will be taken in due course. Since Ministry of Rural Development is implementing various schemes in the States including the Tribal Sub-Plan area in the country, individual benefit programmes are given utmost attention under the schemes and programmes of the Ministry of Rural Development in different States/UTs. In view of this, it is contemplated that emphasis should be given to utilize the SCA for infrastructural development programmes. It is proposed that 50% of the SCA funds could be utilized for development of infrastructure incidental to income generating schemes. Accordingly, present guidelines with regard to the manner of utilization of SCA will be revised.

2.28 On being asked to state whether there is any instance where the Ministry have stopped SCA to TSP for non-submission of utilization certificates by the States, the Committee were informed that the Ministry did not release SCA to TSP to Government of Bihar during 1997-98 and 1998-99 due to non-submission of utilization certificates for the releases made during the previous years.

2.29 To a query as to what other remedy is available to such States so that the tribals are not deprived of the benefit, the Ministry has stated that as a remedy to such problems, the States should adopt the Maharashtra Model which the Ministry is insisting upon since 1992. According to this model, the TSP funds in proportion to the Scheduled Tribe population percentage in the State should be placed at the disposal of Tribal Welfare Department of the State, who in turn, will earmark funds to various sectoral departments according to the felt needs of the tribals. The Ministry could also consider releasing the funds directly to the implementing agencies like ITDA/ITDPs. Since Special Central Assistance to Tribal Sub-Plan is an additive to state plan resources, efforts should be made by the State Government to utilize the funds of State Plan and Central Ministry's funds adequately instead of SCA to TSP.

2.30 As regards the difficulties/obstacles envisaged by the Ministry in case SCA to TSP is released directly to implementing agencies like ITDPs/ITDAs/MADAs/Clusters etc. the Ministry has stated that it is still considering the matter. The issue was taken up with all the States/U.Ts having TSP as well as the Planning Commission and Ministry of Finance. Most of the States as well as the Planning Commission and Ministry of Finance are not in favour of the proposal. Further, for releasing SCA directly to implementing agencies it is necessary that they should be a registered body like DRDA having separate bank account. Since these agencies excepting Andhra Pradesh and Orissa are not registered bodies and do not have bank accounts, funds cannot be released to them directly at present.

2.31 The Committee note that during the year 1999-2000, an amount of Rs.40,000 lakh was released to States/UTs out of which Rs.32240.50 lakh has been spent resulting in unspent balance of Rs.7769.47 lakh. However, the entire budgetary allocations of Rs.400 crore have been utilised during the year 2000-2001. The Committee also note that the Ministry has not been able to obtain complete information regarding utilization of funds under the scheme. The Committee fail to understand as to how the Ministry could release the funds without ensuring definite accountability. The Committee, therefore, desire that the Ministry should evolve a mechanism for verification of the utilization of SCA funds at the States/UTs level so as to make them more accountable rather than relying on the information received from them. The Committee urge the Ministry to make sincere efforts in this direction so that the benefits of huge allocations made every year under the scheme percolate to the STs living below the poverty line.

2.32 The Committee note that Special Central Assistance to Tribal Sub Plan permits that 30% of the total funds can be utilized on infrastructural development schemes which are incidental to income generating schemes. The Ministry is now proposing to raise the limit from 30% to 50% and the argument given for this increase is that Ministry of Rural Development is also implementing various schemes in States including Tribal Sub Plan area with emphasis on individual benefit programmes. The Committee are not convinced with the argument of the Ministry for raising the limit from 30% to 50% in view of the Audit Report of C&AG that the funds already being utilized on infrastructural development activities are not incidental to SCA. The Committee, therefore, recommend that the Government should make serious efforts to bring the tribal people living below the poverty line under the income generating programmes and concentrate on utilization of SCA funds strictly for development of infrastructure incidental to family oriented income generating schemes.

2.33 The Committee express grave concern over the Report of C&AG on the utilization of SCA to TSP indicating that some States, in clear violation of the guidelines deposit SCA funds in Deposit Accounts and Banks. The Committee are also shocked to learn that Bihar Government has not been released SCA funds during 1997-98 and 1998-99 due to non-submission of utilization certificates. In the opinion of the Committee, such lapses on the part of the State amounts to depriving the target groups of the benefits available under the scheme. The Committee, therefore, urge the Ministry to make vigorous efforts to pursue the States/UTs to allocate TSP funds in proportion to the population of the STs in their States/UTs. The Committee also recommend that in order to ensure better utilization of TSP funds, States might be requested to adopt Maharashtra pattern according to which TSP funds in proportion to ST population percentage in the States should be placed at the disposal of Tribal Welfare Department of the State Government, who in turn, will earmark funds to various sectoral departments according to the felt needs of the tribals

Major Head: 2225

Sub Head: 10

Detailed Head: 10.00.31

C. EDUCATIONAL COMPLEX IN LOW LITERACY POCKETS FOR DEVELOPMENT OF ST GIRLS IN TRIBAL AREAS

2.34 The scheme was introduced in 1993-94 for improving literacy among ST women in Districts with less than 10% female literacy and implemented through NGOs/Organisations or institutes set up by Government as autonomous bodies/educational and other institutions like local bodies and cooperative societies. A total of 136 Districts of 11 States namely Andhra Pradesh, Arunachal Pradesh, Bihar, Gujarat, Karnataka, Madhya Pradesh, Orissa, Rajasthan, Tamilnadu, Uttar Pradesh and West Bengal are covered under the scheme. The Ministry of Tribal Affairs provides full assistance for setting up of the educational complexes. A complex is meant for girls studying in class I to V with a strength of 30 girls in every class

with a provision for training in Craft/Vocational Education. An incentive of Rs.50 per students per month is to be paid to the parents for sending their daughters to these educational complexes.

2.35 The approved outlay during Ninth Plan Period for the year 2000-2001 under the scheme was Rs.5.40 crore. The actual expenditure as on 28.2.2001 has been Rs.1.24 crore. The Budget Estimates for 2001-2002 is Rs.7.50 crore.

2.36 When asked to state the reasons for low utilization of funds so far, the Committee were informed that the reasons for low utilization are late receipt of proposals from the State Governments, non-receipt or late receipt of inspection reports from the State Governments/District Collectors in case of NGOs, non-receipt of utilization certificates from the State Governments/NGOs and non-release of grants to some NGOs because of their unsatisfactory performance.

2.37 During the course of evidence, the Committee pointed out that the main reason for shortfall in expenditure is inadequacy of proposal. When asked whether the tribal people have to suffer for the fault of the Central or on the part of the State Governments, the Secretary stated as under:

“While we admit that we do have a role to play, we do not have a decisive kind of role in the sense that the State have their own reasons. Supposing we force them, saying here is the money, take it and build the complexes. Subsequently, the Government is not running the school. The purpose is defeated. I make a submission here that for the running of the school, there is an element of recurring expenditure year after year which they have to do. My feeling is that the State Governments are shying away from taking advantage of our scheme because of this reason. It is primarily because if they take up the schemes, they are creating a burden for themselves to run these schemes because the children will be entitled not only free food, clothing and material for the schools but also stipend and other things. It costs an amount and is a burden on the State Governments. In one particular State, there are 250 hostel buildings. They are ready, electrified and fit for occupation. But they were not being occupied. It happened in Orissa in the most backward districts of Koraput, Kalahandi and Bolangir. Then I went and met the Chief Secretary”.

2.38 The Committee observe that the reasons given by the Ministry for low utilization of funds are of a routine nature and asked the Ministry to suggest the steps to be taken to minimize the obstacles for proper implementation of the scheme. The Ministry has stated that they have taken the following initiatives in order to improve the matters:

a) Setting up of special inspection team based on whose recommendation the grants could be considered for release without waiting for the State Government's recommendations. It is expected that due to these measures, inspection reports will become available in time to enable the Ministry to release grants.

b) The Ministry will continue to impress upon the State Governments the need for submission of larger number of proposals under the scheme in time and complete in all respects.

2.39 A statement showing the number of educational complexes set up and the number of ST girls enrolled during the last three years (state-wise and year-wise) is as under:-

		1997-98		1998-99		1999-2000	
Sl. No.	Name of the State	No. of Complexes sanctioned in 97-98 or before	Beneficiaries	No. of Complexes	Beneficiaries	No of Complexes	Beneficiaries
1.	Andhra Pradesh	2	60	44	1320	13	360
2.	Arunachal Pradesh	1	20	-	-	-	-
3.	Bihar	5	60 cost of Grant to 3 NGOs	1	30	-	-
4.	Gujarat	5	240	-	-	-	-
5.	M.P.	13	390 cost of Grant to 5 NGOs	2	60	13	390
6.	Maharashtra	1	Cost of Grant	3	90	3	90
7.	Orissa	15	440 cost of Grant to 2 NGOs	4	120	4	120
8.	Rajasthan	11	280 cost of Grant to 4 NGOs	3	90	-	-
9.	Uttar Pradesh	4	10 cost of Grant to 3 Org.	12	10 cost of Grant to 11 Org.	3	90
10.	Tripura	-	-	-	-	2	60

2.40 It has been observed from the above statement that the states of Arunachal Pradesh, Bihar, Gujarat and Rajasthan have not set up any educational complexes during 1999-2000.

2.41 On being asked to state the reasons, the Committee were informed that funds under the Educational Complex in low literacy pockets for ST Girls are earmarked both for the State Governments as well as the NGOs. The State Government of Arunachal Pradesh, Bihar, Gujarat and Rajasthan did not submit any proposals for setting up new complexes during 1999-2000. The proposals received from these States from the NGOs did not satisfy the requirement of the provisions laid down under the scheme and hence no funds could be released during 1999-2000. However, funds were released for the ongoing educational complexes which were sanctioned in the earlier years.

2.42 To a query whether there is any improvement during 2000-2001, the Ministry has stated that during the year 2000-2001, grants were released for setting up one new educational complex in Rajasthan by an NGO.

2.43 As regards the efforts being made to pursue those States, the Ministry has informed that Ministry of Tribal Affairs continued to emphasize on the State Govt. for submission of proposals for setting up of educational complexes for the tribal girls in various forum like Seminars, Conferences, meetings with the State Government functionaries and through formal communications in order to avail of the grants under the scheme for the development of tribal girls.

2.44 The Ministry has stated that as per the 1991 census all the areas/districts where female literacy is less than 10% have been identified. On being asked whether educational complexes have been set up in all the areas/districts identified, the Committee were informed that educational complexes have not been set up in all the areas/districts having less than 10% female literacy.

2.45 As regards the steps taken, the Ministry informed that State Govts/NGOs will be advised/encouraged to submit proposals for setting up educational complexes in those areas/districts where no such complexes exist at present.

2.46 The Committee were informed in the Annual Report of the Ministry that Educational Complexes are established in rural areas of notified districts and have classes I to V with provision for up-gradation upto class XII standard provided they have sufficient accommodation for class rooms, hostels, kitchen gardening and for sport facilities.

2.47 Asked to state whether any complex has been upgraded during the last three years, the Ministry informed that no complex has been upgraded. Requests were received from two NGOs in the State of Madhya Pradesh and Orissa for upgradation beyond class V. They have been advised to get recommendation of the school from the CBSE/State Board of Education before the request for upgradation is considered.

2.48 When asked whether complaints have been received against NGOs selected for running the scheme, the Committee were informed that some NGOs were found to be non-existent or were adversely reported by the District Collector or the State Govt. concerned or have been black-listed by other Ministries.

2.49 As regards the action taken by the Ministry, the Committee were informed that in cases where NGOs have been found to be non-existent further grants have been stopped with immediate effect and State Govts. as well as District Collectors have been directed to take steps to recover the Government's grant with a penal interest @ 6% per annum. In the case of NGOs who have been adversely reported upon by the Collector, release of further grants has been suspended and show cause notice have been issued to the NGOs.

2.50 To a query whether the money has been recovered from defaulting NGOs, the Ministry has stated that the process of recovery of Government's grant from the defaulting NGOs is continuing.

2.51 The Committee note that the scheme of Educational Complex in low literacy pockets for development of ST girls is plagued by inadequate proposals, non-receipt/late receipt of inspection reports, utilization certificates from States/NGOs etc. which shows that there is lack of commitment on the part of State Governments to the cause of the tribal community. The Committee, therefore, recommend that the Government should undertake an evaluation/ review of the scheme to assess the problems and difficulties faced by States/UTs so that necessary modifications could be made while framing the proposals for the Tenth Five Year Plan.

2.52 The Committee note with concern that although release of grants have been stopped to defaulting/fake NGOs but no amount has so far been recovered from them. The Committee have been apprised that for taking legal action against the defaulting/fake NGOs, the Ministry has to depend on State Governments and District Administrations. The Committee, therefore, recommend that the State Governments might be persuaded at the highest level not only to launch legal proceedings against the defaulters but also recover the outstanding amount with interest without further delay. The progress achieved in this regard may be communicated to the Committee

Major Head: 2225, 3601
Sub Head: 02, 03, 04, 05
Detailed Head: 03.00.31, 04.00.31
02.00.31, 05.00.31

D. HOSTEL FACILITIES FOR ST BOYS AND GIRLS

2.53 The scheme is a centrally sponsored scheme where the cost of construction of the hostel buildings or extension of existing ones is equally shared between the Centre and the State in the ratio of 50:50. In case of UTs, the Central Government bears the entire cost of the building. Maintenance of the hostels is the responsibility of the concerned States/UTs.

2.54 The approved outlay during the Ninth Plan under the scheme of Boys and Girls hostels for STs for the year 2000-2001 has been Rs.10.80 and Rs.12 crores respectively. An amount of Rs.0.32 crore each has been spent under both schemes as on 28.2.2001.

2.55 The Ministry of Tribal Affairs has furnished the following statement showing the amount of funds allocated, expenditure incurred under the scheme, number of hostel constructed and no. of seats during the last three years:-

Sl. No	Name of the Scheme	1997-98				1998-99				1999-2000				2000-01			
		BE	Exp.	No. of Hostels	Seats	BE	Exp.	No. of Hostels	Seats	BE	Exp.	No. of Hostels	Seats	BE	Exp.	No. of Hostels	Seat
1.	Boys Hostels	4.00	3.53	103	2677	8.00	8.3	62	3361	12.00	6.98	77	4070	10.80	2.37	10	570
2.	Girls Hostels	4.00	3.77	106	1661	8.00	7.69	83	3111	12	3.93	29	1728	12.00	2.23	06	474

2.56 It may be observed from the above statement that the expenditure incurred as well as number of hostels constructed has shown a declining trend.

2.57 When asked to state the reasons, the Ministry informed that as per the provisions of the scheme, State Governments have to provide 50% of the total construction cost in their respective budgets to avail of the Central grant. The decline in expenditure is mainly due to non-receipt of proposals from the State Governments. In addition, many a time State Governments are not able to give utilization certificates in time. However, it may be noted that the hostels for both the categories of boys and girls are at various stages of construction and further grant could only be released when the money already released is utilized for the purpose and hence it appears as a declining trend in expenditure.

2.58 To a query why State Governments are not coming forward with adequate proposals, the Committee were informed that in some cases, the State Governments do not perceive the requirement for such hostels for these years. In other cases, State Governments were not able to provide their matching grant in time from their State Budget to avail of the Central grant.

2.59 On being asked whether the share of the Centre should be increased, the Ministry has stated that the issue will be considered at the time of formulation of 10th Five Year Plan proposals.

2.60 The Ministry has furnished the following table showing the States which have not availed of the facility of the scheme of Boys and Girls Hostels for STs continuously during the last three years:-

Boys Hostels	Jammu & Kashmir, Sikkim, Arunachal Pradesh and Mizoram
Girls Hostels	Manipur, Jammu & Kashmir, Sikkim and Mizoram

2.61 Asked whether the Ministry has assessed the problems faced by these States, the Committee were informed that no assessment have been made by them.

2.62 When asked to state how the Ministry monitors the financial and physical performance of the scheme, the Ministry informed that under the scheme, State Governments are required to submit quarterly reports both on financial and physical performances of the scheme. In addition, as and when the State Government approaches for the release of further grant, detailed progress report, both financial and physical, in respect of utilization of the grants released earlier is obtained before considering their request.

2.63 As regards undertaking an evaluation/review of the scheme, the Committee were informed that the Ministry envisage to undertake an evaluation/review before framing the proposals for the 10th Five Year Plan.

2.64 The Committee note with concern that the expenditure under the scheme of Boys and Girls hostels have been declining mainly due to non-receipt of proposals from State Governments as some States do not perceive the requirement for such hostels and inability to provide matching grant in time from their State budget to avail of the Central grant. The Committee, therefore, recommend that the Ministry should review the scheme at the earliest and necessary modifications might be incorporated in the proposals for the Tenth Five Year plan. The Committee also desire that the share of the Centre should be increased to ease the burden on the States and encourage them to come forward with more proposals for construction of hostels for ST Boys and Girls.

Major Head: 2225, 3601

Sub Head: 02, 03

Detailed Head: 02.00.31, 03.00.31

E. POST MATRIC SCHOLARSHIP SCHEME FOR SCHEDULED TRIBES

2.65 The Scheme is implemented by the State Governments and UT Administrations which receive 100% Central Assistance over and above the committed liability which is required to be borne by them from their own budgetary provisions. The committed liability is equal to the expenditure reached in the last year of the plan period. The requirement of committed liability of NE States has been dispensed with from 1997-98.

2.66 The budgetary allocation under the scheme for the year 2000-2001 was Rs.63.20 crore which has been reduced to Rs.44.05 crore at the R.E stage. An amount of Rs.57.61 crore has been spent as on 16.3.2001. The BE for 2001-2002 is Rs.69.60 crore.

2.67 Asked to state whether the funds allocated has been adequate, the Committee were informed that funds allocated for the year 2000-2001 were not adequate. The Budget allocation was Rs.63.20 crore which was reduced to Rs.44.50 crore at Revised Estimate stage. After examination of proposals the requirement for funds come to about Rs.70 crore in the current year. Rs.40.61 crore have already been disbursed to the States. Sanctioned proposal for about Rs.17 crore could not be disbursed to State Government of Andhra Pradesh as money left in the scheme is only Rs.4.5 crore. A proposal worth Rs.6.66 crore (for State of Meghalaya) also remains to be released due to paucity of funds. Proposals worth Rs.6.11 crore (Bihar, Rajasthan and Uttar Pradesh) are under correspondence with the State Governments.

2.68 Asked whether the Ministry has taken steps to ensure that adequate provisions is being made under the scheme during the Tenth Five Year Plan, the Ministry has stated that Tenth Five Year Plan is at discussion stage and things have not been finalized.

2.69 On being asked to state whether States/UTs have been able to fulfill their committed liability under the scheme, the Ministry has stated that the existing funding pattern of the scheme is such that 100% Central Assistance is provided to States/UTs, over and above their committed liability level. Committed liability is equal to the expenditure incurred during the terminal year of the last five year plan

period. The committed liability is required to be borne by States/UTs every year from their own resources. The existing committed liability level of States/UTs is of Rs.286.47 crore for each year of Ninth Five Year Plan which is high when compared to its earlier level of Rs.129.16 crore for each year of Eighth Five Year Plan. It is proposed to revise the scheme for the 10th Five Year Plan to suit the requirements of Scheduled Tribe Students.

2.70 When asked to furnish the names of those States which could not provide adequate provisions towards the committed liability in their State Budget and the suggestions of the Ministry in this regard, the Ministry has stated that the scheme was being implemented by the Ministry of Social Justice and Empowerment and only this year i.e. 2000-2001 it has been bifurcated. The Ministry of Tribal Affairs is of the view that 100% grant should be given under Post Matric Scholarship Scheme.

2.71 Asked whether the State Governments have received any complaint regarding delay in sanction/disbursements of scholarships to the ST Students and the efforts made by the State/Governments to overcome these deficiencies, the Committee were informed that the requisite information is being called for from the States and will be submitted to the Committee on receipt of the same.

2.72 As regards the mechanism in the Ministry for monitoring and control over the performance of the scheme, the Ministry informed that States/UT.s are required to submit periodically detailed information in respect of actual amount released, beneficiaries covered, maintenance allowance and fees towards hostellers and day schools, actual expenditure by districts and number of award during the year, information in respect of such States/UT.s which pay higher maintenance allowance than admissible under the scheme. The Ministry has now sought institution-wise information in addition to district-wise information being received earlier.

2.73 When asked whether any review/modification has ever been made in the scheme, the Committee were informed that the scheme was last modified w.e.f 1.4.98. The modifications did not, however, entail any revision of rates. The primary change related to the income ceilings. The other modifications included special allowances for the disabled awardees and the waiver of the committed liability requirement for the North Eastern States. The modifications were communicated to all the State Governments and UT. Administrations.

2.74 The Committee note that during 2000-2001, the Ministry was unable to release funds to the States of Andhra Pradesh, Meghalaya, Bihar, Rajasthan and Uttar Pradesh for their proposals due to paucity of funds. The Committee view the situation seriously and desire that the Ministry should approach the Planning Commission for sufficient provisions for the next year and also for the Tenth Five Year Plan under the scheme to enable the ST students studying at post matriculation levels to complete their education.

2.75 The Committee note further that the committed liability required to be borne by States/UTs. every year from their own resources has gone up during the Ninth Five Year Plan i.e, Rs.286.47 crore for each year as compared to Rs.129.16 crore for each year of Eighth Five Year Plan. The Committee also note that some of the States/UTs. have not been able to fulfill their committed liability under the scheme. The Committee, therefore, urge the Ministry to examine the possibility of dispensing with the committed liability of the States/UTs or the Central Government may share 50% of the committed liability of the States so that ST students do not suffer on account of paucity of funds.

Major Head: 2225, 3601

Sub Head: 03,11

Detailed Head: 03.00.31,11.00.31

F. VOCATIONAL TRAINING IN TRIBAL AREAS

2.76 The main aim of this scheme is to develop the skill of the tribal youth in order to gain employment/self employment opportunities. This scheme is implemented through the State Governments/UT Administrations, Institutions or Organisations set up by Government as autonomous body, educational and other institutions like local bodies and cooperative societies and Non-Governmental Organisations.

2.77 The approved outlay under the scheme during Ninth Plan was Rs.5.50 crore each for the States and NGOs during 2000-2001. The actual expenditure upto 28th February, 2001 incurred by States was Rs.1.54 crore and that of NGOs Rs.0.83 crores. An amount of Rs.12 crores is the Budget Estimates for 2001-2002.

2.78 The Ministry has furnished the following table showing the number of VTCs set up and amount released during the last three years:

	1998-99	1999-2000	2000-2001 (as on 3.1.2001)
No. of VTCs	68	33	29
Amount released (in crores)	6.08	3.75	2.37

2.79 Asked to state why the number of Vocational Training Centres set up has shown a declining trend, the Committee were informed that in case of certain State Governments/NGOs where constructions grant was released, they are still in the process of constructing these centres and because of this, the recurring cost of the VTCs could not be provided to them resulting in less expenditure. Further, the proposals received for setting up such VTCs were not found complete in all respects.

2.80 Adding further, the Secretary, Ministry of Tribal Affairs stated during evidence:-

“In many cases, we have gone and inspected, we found those people, more or less on paper taking advantage of this scheme and the people are being shown as trainees. In future, they never become self-reliant. But they have been receiving grants repeatedly. We have been strict in cases of NGOs to ensure that they are imparting training in a proper way and after that whether they are becoming self-reliant or not.”

2.81 On being asked on what basis/criteria selections of projects and extent of support to the projects as a whole is made, the Committee were informed that selection of projects and the extent of support to the project as a whole is mainly made on the basis of the provisions of the scheme. However, priority is given to those States/UTs where such centre did not exist or are inadequate.

2.82 Asked to furnish details of Vocational Courses/Programmes offered under the scheme, the Ministry has stated that the courses/programmes *inter-alia* includes basket making, weaving, tailoring, furniture-making, repairing of electronic/electrical items, computer training, scooter and car repairs etc.

2.83 The Ministry has stated in its Annual Report that the agencies running the Vocational Training Centres are required to arrange for loan and subsidy either through ITDP or through any other agency for enabling each successful trainee for starting his/her new job. During the course of evidence when the Ministry was asked to furnish the data of successful trainees assisted so far, the Secretary, Ministry of Tribal Affairs stated as under:

“ I agree if we want to see the logic behind the benefit we are getting from it, then we have to know how many boys and girls have started their own business, how many of them have joined service after receiving training, only then we can make proper estimates of the benefit of that scheme.

I would like to say that when we ask for a report at the time of furnishing utilization certificates from the State Governments about how many people are given training and what they are doing, I feel very sorry to say that whatever the State Government or NGOs claim, they are not ready to make the details available to us and neither they actually provide us the names. Ironically, this is the sad state of affairs which I have to confess that we are not able to get the full details with regard to the names of the candidates who are under training or who have completed the training. Nobody pursue the follow up action as to where they go, what they do, in which profession or service they are after receiving the training.”

2.84 The Committee note that though the main aim of the scheme is to develop the skill of the tribal youth in order to gain employment/self employment yet in many cases the scheme remains more or less on paper. Moreover, the Ministry does not possess the data of successful trainees who have been assisted either through Integrated Tribal Development Programme or other agency for starting a new job. The Committee view the situation seriously and recommend that the Ministry should observe greater vigilance over the performance of States/UTs, NGOs and other implementing agencies to ensure that training is actually imparted to the tribal youths in a proper manner. The Committee also urge the Ministry to collect the full data of trainees who have gained

employment/self employment after completion of the vocational courses so that proper estimates of the success and viability of the scheme could be assessed.

Major Head: 2225

Sub Head: 12

Detailed Head: 12.00.31

G. TRIFED (TRIBAL COOPERATIVE MARKETING DEVELOPMENT FEDERATION OF INDIA LIMITED)

2.85 The Tribal Cooperative Marketing Development Federation of India Limited was established in 1987 and registered under Multi-State Cooperative Societies Act, 1987. The objectives of TRIFED are:-

- To secure higher earnings and generate employment opportunities for tribal people.
- To create awareness of the interplay of market forces among the tribal to enable them to optimise their incomes.
- To provide assured markets and remunerative markets for tribal produce and also to undertake price support operations wherever required;
- To provide marketing and financial support to State level tribal and forest organizations engaged in collection/marketing of tribal produce.
- To upgrade the quality of tribal products with a view to maximize unit value realisation;
- To export tribal products.
- To provide full range of services including organizations and collection of tribal produces, scientific exploitation of forest product, storage, transportation, marketing and exports.

2.86 The approved outlay for the scheme of Investment in TRIFED for the year 2000-2001 was Rs.1 crore. However, no amount has so far been spent as on 28.2.2001. The Budget Estimates for 2001-2002 is Rs.1 crore.

2.87 When asked to state the reasons for nil expenditure upto 28.02.2001, the Ministry has stated that the Authorised Share Capital of TRIFED is Rs.100.00 crore and the paid up share capital has reached Rs.99.98 crore as on date. Hence in order to release any further amount to TRIFED, the share capital base is required to be enhanced with the approval of CCEA. TRIFED has been requested to furnish detailed justification for enhancing the share capital base *vis-a-vis* the quantum of business expected to be done by the Federation in the future for examination by the Ministry whether share capital deserves enhancement.

2.88 During the course of evidence, when the Committee wanted to know the reasons for not raising the authorized share capital of TRIFED, the Secretary, Ministry of Tribal Affairs stated as under:-

“Sir, as far as the question regarding not raising share capital is concerned, I would like to say that TRIFED is not permitted to raise share capital legally. It is not legally feasible to exceed the authorized share capital of a Company unless the memorandum of association or Byelaws are amended. In this case, procedure has not been amended, it is a legal requirement. We have to say that only two lakhs of rupees are remaining out of 100 Crores. After the byelaws are amended, our exercise will commence. We have tried to start the procedural formalities to enhance the share capital. A proposal was sent to the Committee of Secretaries but there is difficulty in it. The COS has raised some queries and they have sent it back. They have asked some clarification. TRIFED has been asked to furnish details. When justification are received, we would try to take it up again.”

2.89 Adding further, the Managing Director of TRIFED stated:-

“Sir, we have taken steps in this regard. The Board has passed a resolution for increasing the share capital to the extent of Rs.300 crore. We have been pleading with the Central Government and we have been supplying them whatever facts and figures they have been asking from us. We have been trying to answer

every particular question that keep on cropping up again and again. We are very positive and optimistic that the share capital will soon be increased.”

2.90 The Ministry has furnished the following statement showing the performance of TRIFED in terms of its procurement and marketing of tribal produce during the last three years:-

(Rs. in crores)

Year	Procurement	Sales	Profit/Loss (-)
1997-98	75.57	109.80	6.09 (-)
1998-99	31.92	49.18	3.49 (-)
1999-2000	75.12	66.28	9.40(-)
2000-2001 (Upto 28.2.2001) * Provisional	74.00	49.14	Yet to be computed

2.91 Asked to state how TRIFED can offset the losses and become financially sound and self-sustaining, the Committee were informed that TRIFED is supposed to function as a professional body. It was set up as a nodal agency to procure MFPs and SAPs from tribals to be able to market on a national scale. It has been observed of late that TRIFED has a stock of Rs.70.00 crore worth of goods with them during December, 2000. TRIFED had been advised to dispose off their stocks expeditiously. Besides, a huge chunk of the share capital of the organization, which amounts to around Rs.50.00 crore has been locked up in Court/Arbitration cases. This has also hampered the progress of the organization. TRIFED is, therefore, required to act on commercial principles. The Ministry has been insisting on TRIFED to have a proper tie-up with the respective TDCCs through joint venture, if necessary for procurement and sale of commodities. While TDCC will be primarily responsible for procurement of MFPs through LAMPS, for which TRIFED may provide some advance in addition to the contribution from the State Governments and the Ministry of Tribal Affairs which provides funds to the State TDCCs, they would make attempts to market these products at the best possible price. For this purpose TRIFED as a nodal body should exchange information with all the TDCCs indicating the quantity of each of the products that are available with all other TDCCs, which could be offered on sale. Thereafter, they could exchange information about sale price that they have obtained from buyers and immediate decision could be taken to sell those products at the best available price. This would also ensure proper turn over of existing capital in a most optimal manner both for the TRIFED and the TDCCs thereby further ensuring the sustainability of both the organizations.

2.92 Recently the Ministry has also reviewed the performance of some of the TDCCs, while representatives from TRIFED were also present, and had advised them to consider reviving the LAMPS in the concerned States and making tie-up with TRIFED for procurement and marketing of MFPs so that the profit/loss can be shared equally.

2.93 On being asked whether TRIFED has been borrowing money at a high rate of interest, the Ministry has stated that TRIFED has been borrowing capital from Banks presently at the rate of 12.5% P.A. for its procurement operations.

2.94 To a query why TRIFED has not been allowed to function as designated agency like NAFED and FCI, the Ministry informed that the matter has been taken up with the Planning Commission, Ministry of Agriculture and Ministry of Consumer Affairs. TRIFED has also been asked to submit a detailed note on the issue so that the matter can be taken up through a note for Committee of Secretaries(COS).

2.95 As regards an institutional arrangement for minimum support price on the line of the Agricultural Price Commission the Ministry has stated that there is no institutional arrangement for minimum support price for MFPs. It may be mentioned that this is a subject where there is a financial implication for the State Governments. The Ministry had taken up the issue with the State Governments for having a uniform price for MFPs all over the country. The State Governments are yet to positively respond to it.

2.96 However, it may also be mentioned that while for agricultural produce, the input price are taken into consideration for fixation of minimum support price, in case of MFPs there are no such input costs. As such, the fixation of minimum support price cannot be based on any norm or input costs and return to the collector of MFPs except the wage component.

2.97 During the course of evidence, the Managing Director of TRIFED stated as under:-

“I am happy to inform you that the Government designated institutions are FCI for paddy and certain other commodities and NAFED for various kinds of pulses and oilseeds. So we have been pleading with the Government that TRIFED should also be given the designation of a minimum support organization. It is because we find that the tribals have switched over to areas like agricultural produce and many other areas. I am happy to tell you that we have finally got the support of our Ministry. We are pleading with them to take this particular proposal to the appropriate body and bring it to the Cabinet Committee or to some other such authority where a decision could be taken. Things are moving in that direction. Maybe, if not in this season, at least in the next season, TRIFED would be designated as a Minimum Support Price Operating Agency in tribal areas and in the scheduled areas.”

2.98 Asked whether tax and forest levies should be abolished, the Committee were informed that the issue is required to be resolved by the Ministry of Environment and Forests in consultation with the State Governments and as such any recommendation in this regard will be passed on to that Ministry for necessary action.

2.99 Adding further, the Managing Director of TRIFED stated during evidence:-

“ The levies and taxes that are in place are mostly on forest produce. There are various kinds of royalties which are being charged and so on and there are certain States in which certain kinds of levies are being charged. These things are an aberration, a definite blockade on the development of these commodities and collection of these commodities. We have taken this up with the State Government. The Forest Department is the controlling Department for most of these forest produces. We have to take this up with the Forest Department. In most of the tribal products we have to coordinate with five different Departments both at the Centre and in the States. Not only do we have to convince our own Ministry, but we have to also convince the Ministry of Forests, Ministry of Agriculture and the Department of Cooperation, we have to convince Panchayati Raj institutions. We have to convince even bodies like environmental institutions and so on to get any decision taken. So we have taken this up with them.

2.100 On being asked whether the restrictions on the movement of MFPs should be removed, the Ministry informed that the issue is directly concerned with the State Governments and is required to be referred to them for their comments as well as approval.

2.101 The Committee note that the authorized share capital of TRIFED is fixed at Rs.100 crore which has hindered its operation of providing remunerative prices to the tribals. The Committee have been informed that TRIFED has been borrowing money at a high rate of interest which is detrimental to its being a commercial and self-sustaining organization. The Committee feel that TRIFED should grow on commercial lines and for its effective procurement and marketing operations, the limitation of Rs.100 crore as its authorized share capital needs to be suitably enhanced. The Committee, therefore, urge the Ministry to examine the resolution passed by TRIFED for enhancing its share capital and submit a detailed proposal to the appropriate authority so that the authorized share capital of TRIFED is enhanced from Rs. 100 crore to Rs. 300 crore to enable them to fulfill the aspirations of the tribal population without any hindrance.

2.102 The Committee take note of the fact that although TRIFED's primary duty is to extend remunerative prices to the tribal people for Minor Forest Produce (MFP) and agricultural produce yet there is no institutional arrangement for minimum support price system for the forest produce as is available to other commodities in the agricultural sector through Agricultural Price Commission. The Committee feel that unless the tribal growers who have switched over to agriculture sector also are given protective cover of minimum support price, their economic condition will further worsen. The Committee, therefore, recommend that the Government should consider establishing a minimum price support system for the forest and agricultural produces of the tribals.

2.103 The Committee note that the State Governments have been levying certain kind of taxes on forest produce due to which it becomes commercially unviable for the TRIFED to compete with private traders and give remunerative prices to the tribals. The Committee, therefore, urge the Ministry to approach the concerned departments to abolish the forest levies so that remunerative prices could be given to the tribals for their produces.

2.104 The Committee are surprised to note that FCI is the designated agency for Paddy and Wheat etc. and similarly NAFED is for oilseeds and pulses but unfortunately TRIFED is not allowed to operate as designated agency for forest and agricultural produce grown by the tribals. The Committee feel that the TRIFED which has the necessary expertise to operate in the remote and inaccessible tribal areas should be allowed to function as the designated agency for the forest

produces. The Committee, therefore, recommend that the Ministry should take up the matter with the appropriate body for designating TRIFED as Minimum Support Price Operating Agency in the tribal and scheduled areas to guarantee better prices to the tribals for their produces.

NEW DELHI;

18 April, 2001

28 Chaitra, 1923(Saka)

DR. SUSHIL KUMAR INDORA

Chairman

Standing Committee on

Labour and Welfare

MINUTES OF THE SIXTH SITTING OF THE STANDING COMMITTEE ON LABOUR AND WELFARE HELD ON 18 APRIL, 2001.

The Committee met from 15.00 hrs. to 17.00 hrs. in Committee Room 'E' Parliament House Annexe, New Delhi.

PRESENT

-
Dr. Sushil Kumar Indora- Chairman

**MEMBERS
LOK SABHA**

1. Shri Denzil B. Atkinson
2. Smt. Sandhya Bauri
3. Shri Manibhai Ramjibhai Chaudhuri
4. Shri Virendra Kumar
5. Shri Parsuram Majhi
6. Shri Raj Narain Passi
7. Shri Madhab Rajbangshi
8. Dr. Ram Lakhan Singh
9. Dr. N. Venkataswamy

RAJYA SABHA

10. Shri B.P. Apte
11. Shri Ramachandra Khuntia
12. Shri Ka.Ra. Subbian,
13. Ms. Frida Topno

SECRETARIAT

1. Shri Joginder Singh- Joint Secretary
2. Shri J. P. Sharma- Deputy Secretary
3. Shri B. D. Swan- Under Secretary

2. XX XX XX

3. XX XX XX

4. Thereafter, the Committee took up the draft Thirteenth Report on Demands for Grants relating to the Ministry of Tribal Affairs for the year 2001-2002 and adopted the same without any amendment.

5. The Committee authorised the Chairman to finalise the above Reports and present the same to Parliament on their behalf.

6. The Committee then placed on record their deep appreciation and thanks to the officers and staff of the Lok Sabha Secretariat for their hard work and valuable assistance rendered by them to facilitate the work of Committee in all matters and in preparing their draft reports within the limited time.

The Committee then adjourned.