



## **DELHI LEGISLATIVE ASSEMBLY**

### **COMMITTEE ON GOVERNMENT UNDERTAKINGS (FOURTH ASSEMBLY)**

#### **FIRST REPORT**

**Report on implementation of schemes for the upliftment  
of weaker sections by the Delhi SC/ST/OBC/Minorities  
and Handicapped Financial and Development  
Corporation Limited**

**Presented on 31 March 2010**

## Composition of the of the Committee

- |    |                         |          |
|----|-------------------------|----------|
| 1. | Shri Balram Tanwar      | Chairman |
| 2. | Shri Naresh Gaur        | Member   |
| 3. | Shri Kulwant Rana       | Member   |
| 4. | Shri Surinder Pal Singh | Member   |
| 5. | Shri Jaswant Singh      | Member   |
| 6. | Smt. Barkha Singh       | Member   |
| 7. | Shri Mala Ram Gangwal   | Member   |
| 8. | Shri H.S. Balli         | Member   |
| 9. | Shri Veer Singh Dhingan | Member   |

### Special Invitees:

- |   |                   |  |
|---|-------------------|--|
| 1 | Shri Rajbir Singh | Accountant General (Audit) Delhi                       |
| 2 | Shri J P Singh    | Principal Secretary (Finance)<br>Government of Delhi.  |
| 3 | Shri Amar Nath    | Additional Secretary (Finance)<br>Government of Delhi. |

### Assembly Secretariat:

- |   |                     |                               |
|---|---------------------|-------------------------------|
| 1 | Shri Siddharath Rao | Secretary (LA)                |
| 2 | Smt. Shimla         | Joint Secretary (Legislation) |
| 3 | Shri S K Sikdar     | Under Secretary               |

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## Introduction

I, Balram Tanwar, Chairman of the Committee on Government Undertakings of the Delhi Legislative Assembly, having been authorized by the Committee to present its Report, do hereby present the Report of the Committee relating to examination of audit paras pertaining to the implementation of schemes for the upliftment of weaker sections by the Delhi SC/ST/OBC/Minorities and Handicapped Financial and Development Corporation as appearing in the Comptroller and Auditor General's report for the year ended March 2005 Vol. I.

The Committee in its meeting held on the 18 February 2010 had considered these Paras. The Committee held extensive deliberations and the Departmental Representatives were also given adequate opportunity to submit written replies and to present their views in the meeting. The report of the Committee was adopted in its meeting held on 25 March 2010.

The Committee appreciates the co-operation and guidance extended to it by Shri Rajbir Singh, Accountant General (Audit), Delhi, Shri J.P. Singh, Principal Secretary (Finance) and Shri Amar Nath, Additional Secretary (Finance) Govt. of Delhi. The Committee also wishes to place on record its appreciation of the valuable assistance rendered by the officers and staff of the Assembly Secretariat during its meeting as also in the preparation of the Report.

Delhi

Date : 25 March 2010



(Balram Tanwar)

Chairman

Committee on Govt. Undertakings



## Introductory

The Delhi SC/ST/OBC/Minorities and Handicapped Financial and Development Corporation Limited (Company) was incorporated in 1983 to undertake the task of economic upliftment of members of the SC/ST/OBC/Minorities and disabled living below the poverty line in NCT of Delhi by providing financial assistance for the setting up of small businesses or trade. The Company formulates and implements income and self-employment opportunities generating schemes for all-round development of the SC/ST and OBCs, etc.

The Report of C&AG for the year ended March 2005, Vol.1 highlighted about the ineffective implementation of the following three schemes which were formulated by the Delhi SC/ST/OBC/Minorities and Handicapped Financial and Development Corporation Limited with the objective of economic upliftment of weaker sections.

1. *Allotment of work sheds for setting up businesses :*

The scheme was formulated for allotment of worksheds to skilled and semiskilled scheduled caste artisans to set up businesses in trades like leather,

electronic/electrical goods, tailoring, dry-cleaning, readymade garments, etc.

2. *Financial assistance for purchase of three wheeler scooter rickshaws (TSR)* : This scheme was drawn up for providing term loans to the persons belonging to the weaker sections for purchase of three wheeler scooter rickshaws.
3. *Financial assistance for purchase of mini buses and deluxe buses* : This scheme was jointly financed by the National Scheduled Castes Finance and Development Corporation (NSCFDC) and Delhi SC/ST/OBC/Minorities and Handicapped Financial and Development Corporation Limited for grant of term loans to the persons from weaker sections of the society for purchase of mini buses and deluxe buses for commercial use.

The records relating to these three schemes were scrutinized by the Audit to ascertain the factual position with regard to the following points concerning their effective and successful implementation.



1. Whether the schemes were properly conceptualized and viable to achieve their objectives of economic upliftment of weaker sections.
2. Whether loans were disbursed judiciously after making thorough appraisal of the cases.
3. Whether adequate precautionary measures were taken by the company to safeguard its interests in the event of default and whether timely action was taken to make the recovery as per the terms of loan.

*Thorough examination of records and replies as given by the company revealed that faulty conceptualization of schemes and failure to effectively follow up recoveries not only defeated the very objectives but also resulted in non-recovery of dues of over Rs.2.08 crore, as discussed in the succeeding paragraphs of the Report.*

#### **5.16.1 Allotment of work sheds for setting up businesses**

*(Excerpts from the Report of C&AG for the year ended March 2005 Vol.I)*

The Company formulated a scheme in December 1988 for allotment of work sheds to skilled and semi-skilled scheduled caste artisans to set up businesses in trades like leather, electronic/electrical goods, tailoring, dry-cleaning, ready made garments, etc. The Company took over 238

work sheds in November 1991 at Mangolpuri, Raghubir Nagar and Sultan Puri from DDA allotted in July 1989 at a cost of Rs. 1.10 crore. The cost of the sheds was borne by the Department for Welfare of SC/ST of the Government of Delhi.

Two hundred and twenty seven out of the 238 work sheds were allotted to beneficiaries for a period of five years at a nominal monthly rent of Rs. 239 in Raghubir Nagar, Rs. 367 at Mangolpuri and Rs. 392 at Sultanpuri plus security deposit of Rs. 1500 per shed. The allottees were required to obtain the requisite water and electricity connections at their own cost. The terms specified, inter alia, that in case of non-payment of the monthly rent for a period of three consecutive months, the allottee would have to vacate the premises failing which the Company could initiate legal proceedings against him. Audit scrutiny of the records revealed the following:

- The work sheds were actually allotted to the beneficiaries only in 1995-96 viz. after a delay of four to five years since taking over of possession in November 1991, on the ground that there was no water or electricity connection.
- The allottees had continuously failed to pay the rent for the work sheds except for the initial few installments. No action was initiated by the Company to recover its rental dues. In June 1996, the Company in consultation with the Social Welfare department decided to waive the rent up to December 1997 on the ground that



electricity and water facilities were not provided to the allottees during this period. Even after electricity and water facility was provided in January 1998, the allottees still failed to pay the rent. In the meantime, the lease period of five years expired in 2000-01.

- Despite this gross default and the expiry of the lease period, the Company took no action to recover its rental dues by either initiating action to recover the rental arrears as arrears of land revenue or to evict the defaulters till August 2004 when recovery notices were issued.
- Subsequently, 182 of the 227 allottees vacated the premises between December 2004 and April 2005 but without paying their dues. No action was initiated to recover the dues.

Failure of the Company to properly conceptualise the scheme resulted in delay of over four years in extending the intended benefit despite expenditure of Rs.1.10 crore by Government on the scheme. Further even after water and electricity were provided in January 1998, the Company failed to take meaningful steps to recover its rental dues. Failure of the Company to pursue its claims pertaining to the period February 1998 to March 2005 resulted in non-recovery of Rs. 60.69 lakh. The only security which remained with the Company was Rs.3.40 lakh deposited by the beneficiaries as security deposit.



## Reply of the Department

The Department in its written reply mentioned that it took over the possession of 238 work sheds at Mangol Puri, Raghbir Nagar and Sultan Puri allotted by DDA (Slums) on '*As is where is basis*' in the year 1991. Since there was no basic amenities like sewer, drainage, gates/doors, grills, window glass-panes, water and electricity, the Company made the best possible efforts in pursuing the matter with the DDA and other agencies concerned for providing these essential facilities. Therefore, allotment of work sheds to the beneficiaries could become possible only in the year 1995-96 after providing electricity, water connection and making other essential civic amenities available.

As per the terms of allotment, the beneficiaries were required to pay nominal rent/licence fee on monthly basis at a rate ranging from Rs.239 to Rs.392 depending upon the place where the work shed is located. These work sheds were allotted for a period of 5 years. Since most of the beneficiaries were not paying their license fees inspite of best efforts by the Company, the beneficiaries were directed to vacate their sheds in August 2004. All the sheds except 17 were got vacated by December 2005.

So far as recovery of pending license fees is concerned, the Company has mentioned in its written reply that action is being taken through the Legal Section and the present status is as under:

1. As per calculation, about a sum of Rs.89.69 lakh is to be recovered from the allottees as on 31.12.2005. The Legal Section is exploring the possibilities of recovering the dues through legal process.
2. So far as non-recovery of Rs.60.69 lakh is concerned, the Company has already recovered 10.43 lakh till 31.03.2006 and to recover the outstanding dues legal action is being initiated.

Further, it was stated that the Company allotted all the vacant work sheds through a draw of lots on 30.06.2007 on a monthly rent of Rs.1100. However, all the allottees have not yet taken the possession.

In the meeting held on 18 February 2010, it was admitted before the Committee by representatives of the Company that at the initial stages of implementation of this scheme, there remained some flaws such as absence of basic amenities, water and electricity connection, etc. which resulted in delays in the allotment and non-recovery of rental dues. However, they also briefly mentioned about various measures which are now being taken by the



Company to recover its dues. During deliberations in the meeting, the Company assured the Committee that this scheme would continue with greater care and sophistication keeping in view its objective of economic upliftment of weaker sections by providing built up work places to the skilled and semi-skilled scheduled caste artisans at a very nominal rent and on easy terms so that they can use their limited entrepreneurship skills and earn better livelihood.

The Company further informed the Committee that fresh allotment of 205 work sheds was made through a draw of lots in the year 2007 but only 94 beneficiaries took the actual physical possession so far. As such, 111 work sheds are still vacant. The Company is making sincere efforts to get the necessary repairs and whitewash done at the earliest. Thereafter the Company would issue its advertisement for allotments of these sheds preferably to the unemployed youth from the weaker sections with the facility of working loan from the Company.

## **Observations and Recommendations**

The Committee observes with serious concern that the intended objective of the scheme to help skilled and semi-skilled scheduled caste artisans to set up viable businesses could not be achieved because of the failure of the Company to

properly conceptualize the scheme. The Committee feels that the Company should have determined it at the stage of the formulation of the scheme whether it would be appropriate to make the allottees of the work sheds responsible for obtaining water and electricity connection or the Company should itself provide the same, anticipating the fact that it would be a very difficult task for the beneficiaries belonging to the weaker sections of the society to manage these connections.

Although the Company had taken over the possession of the work sheds from DDA on '*As is where is basis*', it should have reasonably taken due care atleast to check whether the basic infrastructural facilities and civic amenities essential for starting work had been available. Further, the Committee notes it with disappointment that a very long period of five years was taken to provide these basic amenities after the allotment.

The Committee also feels that timely action for eviction of defaulters and for recovery of rental dues were not taken by the Company as it failed to enforce the terms of allotment effectively.

The Scheme to provide built up work places was originally envisaged with a very good purpose keeping in view the



difficulties that a person who belongs to weaker section would face if he goes to acquire a work shed at its market value. But it could not get much success owing to the reasons attributable to the Company which failed at the stage of conceptualization and thereafter, in the effective implementation of the scheme.

*The Committee, therefore, strongly recommends that this scheme should be continued and improvements should be made in it by removing the flaws to make the scheme more beneficial and accessible to the weaker sections of the society.*

The Committee is surprised to know that out of 205 work sheds allotted through a draw of lots in the year 2007 only 94 applicants have taken the physical possession so far. It clearly indicates that just allotment of work sheds does not serve the purpose in the absence of financial and other required support.

*The Committee recommends it strongly that the scheme should be modified comprehensively. The provision of granting working loans at concessional rates must be incorporated in the scheme. Further, the skilled and semi-skilled unemployed persons, preferably the youth, from the weaker sections, who come forward to set up business under*

*this scheme must get technical assistance and service support from the Company, whenever required. Project-linked vocational training should be imparted to the beneficiaries to develop their trade and entrepreneurship skills for better productivity and business prospects.*

*The Company should also make efforts to provide marketing facilities to the beneficiaries by promoting sale of their products through various government-run markets, fairs/exhibitions and other outlets, etc.*

*The Company should take necessary action on priority on the recommendations made by the Committee and also take other appropriate measures within six months from now to make this pilot project a grand success so that this scheme can be extended further to other backward areas for economic upliftment of weaker sections.*

#### **5.16.2 Financial assistance for purchase of three wheeler scooter rickshaws (TSR)**

*(Excerpts from the Report of C&AG for the year ended March 2005 Vol.I)*

The Company sanctioned and disbursed term loans totaling Rs.1.53 crore to beneficiaries from the weaker sections during 1992 to 1995



for purchase of three wheeler scooter rickshaws (TSR) without obtaining personal guarantee as required. The loans were to be repaid in 60 equal monthly installments from 1997 to 2000. The loans were secured only by way of hypothecation of the vehicle.

A scrutiny of the records relating to the disbursement and recovery of the loan revealed that 112 out of the 495 loanees had defaulted in repayments of the loan installments. It was noticed in Audit that there was no system of monitoring of recoveries or periodic verification of the information furnished by the beneficiaries and the Company failed to take any effective action to recover its dues till 2002 when it wrote to the Deputy Commissioner to recover the dues as arrears of land revenue. No response, however, was received from the Deputy Commissioner. The Company could not ascertain the whereabouts of the defaulting loanees through their bailiffs as they were only tenants at the addresses available with the Company, which had since been vacated. The Company did not make any attempt to ascertain the current addresses where the vehicle was registered even though these details were available with the Road Transport authorities from where they could have been ascertained.

Failure of the Company to insist upon personal guarantees and lack of any serious action to recover its dues from the defaulters resulted in the non-recovery of Rs. 38.77 lakh. Since these loans were funded by NSCFDC, the Company would now have to repay the loan to NSCFDC from its own resources.

## Reply of the Department

The Company in its written reply and oral submissions before the Committee stated that these term loans were given on the basis of hypothecation of the vehicle and as per the prevailing policy of the Company at that time, there was no provision for insisting upon guarantee from third party or government servant. However, after the bad experience in the past it has now been introduced and obtaining adequate guarantee to secure the loans is made mandatory.

110 beneficiaries have so far refunded the full amount of loan. Recovery suits have been filed in the Court of Law against 208 defaulters whose addresses are confirmed.

So far as actual recovery out of the total dues of Rs.38.77 lakh is concerned, the Company admitted that their efforts have not yielded much as yet and the pace of recovery is slow.

The Company further made it clear that it is now making vigorous efforts to expedite the recovery and the results would be placed before the Hon'ble Committee within next three to four months.



## Observations and Recommendations

The Committee is rather perturbed to know about the failure of the Company to visualize that only hypothecation of vehicles would not be sufficient to secure the loan. The Company should have made provision for obtaining personal guarantee from reliable persons or other appropriate measures to secure its interest in the event of default.

Further, the Committee is of the opinion that proper scrutiny of applications and verification of particulars of the applicants were not made before sanctioning the loans which resulted in disbursement of loans to many undeserved persons who had either furnished fake addresses initially or shifted their residences deliberately later on to avoid repayment of loan.

The Committee feels that the officers of the Company who had been dealing with the appraisal of the cases and disbursement of loans acted in a negligent and irresponsible manner. *The Committee, therefore, recommends that an enquiry should be conducted to ascertain whether there was any connivance between the officers of the Company and the dubious applicants to fulfill their vested interests. If such*

*connivance is proved, the Government must take stern action against those officers who are found guilty.*

The Committee is also pained to note that no serious action to monitor and recover its dues was taken by the Company. The Company could have approached the Transport Department earlier and sought their help to find out whereabouts of the defaulters and to impound their vehicles.

The Committee observes that the scheme was formulated with a very good objective of extending meaningful assistance to members of weaker sections to generate self employment opportunities. *The Committee, thus, recommends that this scheme should be sustained and moreover it should not be made complex taking into account cases of default in the repayment of loan by the unscrupulous beneficiaries. The scheme should rather be simplified so that more persons from the weaker sections can derive benefits from it. The Company should also provide loans for purchase of such vehicles which are available at a lesser cost with more eco-friendly features and higher suitability for commercial use.*

*The Committee also recommends that the Company should make sincere and persistent effort to recover its dues expeditiously. The Company must take the help of the zonal transport authorities and traffic police to trace out the*



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*The Committee also recommends that the Company should make sincere and persistent effort to recover its dues expeditiously. The Company must take the help of the zonal transport authorities and traffic police to trace out the*

*defaulters. The Committee should be informed about the outcome of the pending recovery suits filed against the defaulters in the Court of Law and the position of recovery from them after three months from now.*

### **5.16.3 Financial assistance for purchase of mini buses and deluxe buses**

*(Excerpts from the Report of C&AG for the year ended March 2005 Vol.I)*

The National Scheduled Castes Finance and Development Corporation (NSCFDC) sanctioned two term loans of Rs. 36.60 lakh each in March 1998 and July 1998 to the Company for grant of loans to 20 persons from the weaker sections of society for purchase of mini buses for commercial use at the rate of Rs. 3.66 lakh per vehicle. The balance cost of the vehicles was to be met through the Company's share including subsidy and the promoter's contribution. In the meantime, the Supreme Court directed in July 1998 that only taxies/buses run on CNG or other clean fuel could ply in the NCT of Delhi w.e.f. April 2001.

Without taking cognizance of the orders of the Supreme Court, the Company disbursed the loans to the 20 beneficiaries for purchase of vehicles between July 1998 and September 1999, which were repayable in five years on monthly instalment basis with a moratorium of six months. The loanees failed to meet their repayment obligations right



from the beginning and were in default to the tune of Rs. 16.86 lakh by April 2001, i.e. the date of coming into force of the restrictions imposed by the apex Court. The default continued thereafter as the loanees could not ply their vehicles in Delhi. The loanees filed petitions before the Delhi High Court in December 2002 against recovery proceedings initiated by the Company and the Court directed in February 2003 that the recovery proceedings should be stayed till the loanees were granted fresh loans either for the purchase of new CNG buses or for conversion of their existing vehicles into CNG. Subsequently, the Company recommended in March 2004 grant of fresh loans to NSCFDC for 18 out of the 20 loanees. The applications were rejected by NSCFDC in June 2004 on the ground that their lending policy did not permit assistance to "sick existing units."

The Management stated in March 2004 that the circumstances faced by the beneficiaries were peculiar in the sense that the major portion of default was due to the ban imposed by the Supreme Court in plying of diesel buses. It was further stated in September 2004 that the restrictions imposed by the apex Court were not known to the Company and the Transport department had neither cautioned the Company nor refused registration of the vehicles.

Similarly, the Company sanctioned two term loans totaling Rs. 18.15 lakh to two beneficiaries during the year 2000 (Rs. 9.15 lakh to one and Rs. 9.00 lakh to the other) for purchase of tourist/deluxe buses. As per the loan agreement, the share of NSCFDC was Rs. 12.30 lakh with

the balance cost being met by the promoter and the Company including a subsidy component in both the cases. The loan was repayable in five years with a moratorium of six months. While one of the loanees paid the installments regularly from November 2000 to March 2001, the other defaulted in repayment from the very beginning. The loanees stated that they were not in a position to repay the loan as they could not ply their buses in Delhi due to the ban imposed on non-CNG buses by the Supreme Court. Both the loanees requested for additional loans for fitment of CNG kits which were rejected by the Company.

Faulty loan appraisal and injudicious disbursement of loans and failure to take timely and effective action to enforce terms of loans resulted in recovery of Rs.1.12 crore being rendered doubtful and imposing a liability on the Company to repay the loan amount to NSCFDC from its own resources.

### **Reply of the Department**

The Company in its written reply and oral submissions before the Committee stated that the proposals for grant of these loans were examined by the Company and the NSCFDC before sanctioning and releasing the same. Follow-up Recovery Division (FRD) of the Company took all possible efforts for recovering the dues and issued notices to the beneficiaries, guarantors and other persons concerned. It also made efforts to impound the vehicles. Despite



this, the default continued and dues accumulated to the tune of Rs.16.86 lakh by April 2001. Thereafter, as per the directions of the Hon'ble Delhi High Court, the recovery proceedings were put on hold and the applications of the beneficiaries for grant of fresh / additional loans were forwarded to the NSCFDC with the recommendation to sanction fresh loan to 18 out of 20 applicants operating mini-buses and additional loan to 2 applicants operating tourist / deluxe buses. The NSCFDC rejected these applications as mentioned in the Report of C&AG and it was also confirmed by the Company in the Meeting. However, the Company in its written reply stated that these are still pending with the NSCFDC for consideration and decision. The Company was, therefore, asked by the Committee to clear this contradiction at the earliest.

The Company admitted that not only the lack of awareness about the order of the Hon'ble Supreme Court imposing ban on plying of vehicles run other than on CNG/clean fuel with effect from April 1991 but also the rejection of the proposals of this Company by NSCFDC to grant fresh/additional loans to 20 beneficiaries for purchase of new CNG buses or for fitment of CNG kits rendered this well-conceived scheme unsuccessful.

Although the judgment of Hon'ble Supreme Court was duly publicized but unfortunately, somehow the Company could not get information about this from any source. Even the Transport

Department failed to alert the Company by providing timely information about the Court order and surprisingly it continued registering such vehicles; otherwise a more careful approach could have been taken by the Company for the disbursement of loans.

It was also informed to the Committee that 2 beneficiaries out of 20 to whom loan was given have refunded the full amount. Recovery suits have been filed against the remaining defaulters and the matter is now sub-judice. Out of the two term loans sanctioned for purchase of deluxe buses, one beneficiary deposited Rs.4.42 lakh so far and recovery case is pending in the Court of Law against the other.

## **Observations and Recommendations**

The Committee is not at all impressed by the reply. The plea of the Company that it was not aware about the order of the Supreme Court does not carry much weight because it was a remarkable judgement with far reaching consequences which got vast publicity through print, audio and visual media. The Committee is rather constraint to note that the Company acted in an negligent and injudicious manner by allowing disbursement of loans ignoring the changed circumstances



brought about by the restrictions imposed by the Hon'ble Supreme Court on plying of diesel vehicles.

Further, the Company should have taken strong initiative at its own level to help the genuine beneficiaries, when their applications for fresh and additional loans were rejected by the NSCFDC. If the much needed financial assistance in the form of fresh loans on concessional interest rates had been provided to the applicants for purchase of new CNG Buses or for fitment of CNG kits, the scheme would have succeeded in achieving its objective of generating self employment opportunities and making the beneficiaries from the weaker sections as self-reliant.

The Committee also feels that the ban on plying of diesel-run buses with effect from April 2001 was applicable only in the NCT of Delhi. As such the Company could have taken the right kind of initiative at that time to encourage and help the beneficiaries to run their vehicles on inter-state operations on national permit.

*The Committee strongly recommends that the Company should examine the whole issue thoroughly and try to find*

*out the exact reasons which defeated the very objective of this well-conceived scheme. Further, the Company should take all possible remedial measures to ensure that such mistakes are not repeated at all in future and the schemes for the welfare and economic upliftment of weaker sections should be formulated with broader perception and their implementation should be ensured in an efficient, effective and flawless manner.*

*The Company should also make all possible efforts to recover the outstanding amount in a time-bound manner and the Committee should be informed about the progress made in this regard within six months from now.*

## **Conclusion**

The Committee on meticulously examining the report of the C&AG, the Action Taken Notes, written and oral submissions of the Company has arrived at the conclusion that various schemes have been formulated and implemented so far by the Delhi SC/ST/OBC/Minorities and Handicapped Financial Development Corporation for the welfare of downtrodden among the target group, i.e., SC, ST, OBC, Minorities and Handicapped, but the rate of



success with regard to achievement of objectives is below expectation.

The Committee has accordingly made certain recommendations in view of the discrepancies and irregularities as pointed out by the Audit in each of the paras as discussed in detail in the preceding pages of this report. The Committee believes that if its recommendations are implemented with sincerity, the functioning of the Company will definitely be going to improve significantly and this will also ensure that such lapses and irregularities noticed in the formulation and implementation of the schemes will not prevail in the future.

Apart from the specific recommendations as made by the Committee with regard to the audit paras, the Committee strongly recommends that the Company should formulate more schemes for socio-economic development of the persons belonging to SC, ST, OBC, Minorities and Handicapped categories and implement them positively in the forthcoming financial year. These schemes should be financially viable as well as technically and practically feasible so that the beneficiaries can run the project easily

and get the maximum benefits. Apart from small business, artisan, transport and traditional occupation, other activities belonging to service sector, technical and professional trade should also be included in the scheme, if feasible.

Taking past experience into consideration, due care must be taken at the stage of conceptualization and there after the schemes should be implemented in an impeccable manner so that the defined objectives are achieved successfully and the benefits of the same reach to a larger number of needy persons belonging to the weaker sections.

Keeping in view the importance of socio-economic development of the poor people belonging to the under-privileged categories, the Government should also consider setting up of a separate Directorate for Welfare of SC/ST/OBC/Minorities with adequate staff and senior level officers. Further, the Committee feels that the proposed Directorate should be headed independently by a senior officer of appropriate level with a view to accelerate the pace of developmental activities for the welfare of weaker sections.