

Minutes of the Review Meeting with States Governments for functioning of ASIDE Scheme held on 4th August, 2009 under the Chairmanship of Shri R. Gopalan, Additional Secretary.

A list of the participants is at Annexure.

2. Welcoming the participants, Sh. R. Gopalan Additional Secretary appreciated the efforts of those state who are performing well on parameters of completions of projects, pace of expenditure of funds, convening SLEPC meetings and responding to references of DoC quickly. He invited attention of those States who are lagging behind on above counts in comparison to other states. He urged such states to gear up their performance so that they could also avail the funds available with Govt. of India in form of incentive schemes like ASIDE so that same could benefit their State. He raised serious concern over a long list of incomplete projects and not holding of SLEPC meetings regularly. He desired to know as to why SLEPC meetings are not being convened by the States as per schedules envisaged under scheme guidelines. He said that he is aware that Chief Secretaries of the States/UTs has a number of other pressing issues but it is not the case that he/she cannot convene SLEPC meeting at least once in a year. He advised representatives to put up the cases in proper perspective citing the importance of the projects for growth of exports/availability of infrastructure for the benefit of the State to the Chief Secretary so that his convenience can be ascertained. He further advised, in case Chief Secretary is busy, to look possibility of convening meeting of SLEPC under the Chairmanship of Principal Secretary / Secretary (Industries) and solicit the approval of Chief Secretary on file. He cautioned the States that in case they are not improving their performance regarding regular SLEPC meeting, DoC may have to look at the possibility of deducting some token amount from allocation of such States and utilize the same for the purpose of funding the projects in those States which are excellent in their performance.

3. Shri Neeraj Kumar Gupta, Joint Secretary gave an overview of the performance of State Governments/UTs on the counts of physical and financial progress of the projects being implemented by them. He also reviewed the status of submission of utilization certificates which has fallen due for rendition, verification of the projects by designated officers of Department of Commerce, cost overrun in projects which are exceeding normal gestation period, cumulative interest earned by States/UTs on the funds released to them under ASIDE Scheme, frequency of SLEPC meetings, status of incomplete CIB projects and requirements of funds by States during current and next two financial years. On his instructions a fact sheet

prepared on the basis of data available on Web Enabled Monitoring System (WEMS) was distributed to each State representative in order to make the proceeding more interactive and result oriented. A number of representatives raised their objections with respect to information about SLEPC meetings and number of physically verified projects by Departmental nominees. It was informed to them that the fact sheet has been prepared on the basis of entries made by State Governments/UTs on the WEMS and incorrect information reflected therein is due to non updation of website by them. Therefore, they should check the WEMS at regular intervals and take corrective measures, if any, so that correct picture is retrieved by the Department. Regarding data on number of physically verified projects, State were requested to send details of officers who inspected the projects so that reference could be made by the Dept. to obtain the verification reports.

4. After detailed deliberations on each issue following were agreed for implementation by the States/UTs:-

(a) **Physical Progress of Projects:**

Out of 1038 projects approved by the States, only 538 projects are complete and rest 398 projects are under implementation. Out of these 398, 231 projects are exceeding gestation period of 3 years i.e. they have been sanctioned on or before 2006-07. Another 80 projects approved during 2007-08 are also under implementation.

States should give priority to fund and complete these projects within time bound manner so that projects sanctioned upto 2006-07 are completed by end of this financial year and those sanctioned during 2007-08 are completed by 2010-11. Any constraint on part of Department of Commerce should be brought to our notice.

(Action: All State Governments/UTs)

(b) **Financial Progress of Projects:**

Total of Rs.2539 crores has been released to States so far. The cumulative expenditure is Rs.2045 crores while some States have demonstrated a good pace of expenditure i.e. above 75%. There are States like Arunachal Pradesh, Assam, Chhattisgarh, Delhi, Gujarat, Jharkhand, Pondicherry, Punjab, Tripura whose performance have been far below the stated

benchmark. The States like Haryana, Jammu & Kashmir, Nagaland, Rajasthan, Tamil Nadu, West Bengal, have shown exemplary financial progress by achieving pace of expenditure above 90%. States which are lagging behind should improve the pace of expenditure.

(Action: States of Arunachal Pradesh, Assam, Chhattisgarh, Delhi, Gujarat, Jharkhand, Pondicherry, Punjab, Tripura)

(c) SLEPC Meeting:

States like Andhra Pradesh, Andaman & Nicobar, Arunachal Pradesh, Assam, Bihar, Chandigarh, Chhattisgarh, Dadar & Nagar Haveli, Daman & Diu, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Kerala, Lakshadweep, Manipur, Meghalaya, Madhya Pradesh, Nagaland, Orissa, Pondicherry, Punjab, Sikkim, Tamil Nadu, Tripura, Uttar Pradesh, Uttaranchal, West Bengal either did not convene SLEPC meeting during 2009-10 or have not posted the information about the same on the website. Urgent necessary action in this regard should be initiated so that SLEPC to be convened by 15th September 2009.

(Action: Andhra Pradesh, Andaman & Nicobar, Arunachal Pradesh, Assam, Bihar, Chandigarh, Chhattisgarh, Dadar & Nagar Haveli, Daman & Diu, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Kerala, Lakshadweep, Manipur, Meghalaya, Madhya Pradesh, Nagaland, Orissa, Pondicherry, Punjab, Sikkim, Tamil Nadu, Tripura, Uttar Pradesh, Uttaranchal, West Bengal)

States/UTs should prepare agenda in advance after involving Exports Promotion Councils/Committee Boards concerned DC, SEZ and Joint DGFTs and send the same to all Members including Department of Commerce in advance preferably 15 days before the date of SLEPC meeting .

(Action: All States/UTs)

(d) Interest Earned:

It was clarified that interest earned on ASIDE funds should not be utilised for purpose of funding the projects under capital head without approval of Ministry of Finance, therefore, an

account of interest earned on ASIDE funds was required to be furnished by States to Department of Commerce for taking further necessary action under the Rules., However, it has been observed that same has not been furnished by States/UTs except by Tripura. States/UTs should furnish the cumulative account of interest earned by them urgently.

(Action: All States except Tripura)

(e) Incomplete CIB Projects:

The CIB Scheme had been subsumed under ASIDE Scheme w.e.f March, 2002. It has been observed that 46 projects are still either under implementation or current status has not been updated by States. Andhra Pradesh (1), Assam (3), Bihar (7), Gujarat (1), Haryana (2), Jammu & Kashmir (2), Jharkhand (1), Karnataka (1), Kerala (1), Madhya Pradesh (3), Maharashtra (3), Mizoram (1), Punjab (2), Rajasthan (3), Tamil Nadu (3), Tripura (2), UP (3), Uttaranchal (1), West Bengal (3) should post current status immediately on e-mail to States Cell Division failing which possibility of deductions may be explored.

(Action: Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Mizoram, Punjab, Rajasthan, Tamil Nadu, Tripura, UP, Uttaranchal, West Bengal)

(f) Utilisation Certificate:

Arunachal Pradesh (2006-07, 2007-08), Assam (2007-08), Bihar (2002-03 UC not in format), Chhattisgarh (2007-08), Dadar & Nagar Haveli (2002-03), Daman & Diu (2002-03), Delhi (2007-08), Gujarat (2007-08), Jharkhand (2007-08), Lakshadweep (2002-03 & 2003-04), Manipur (2007-08), Meghalaya (2007-08), Uttar Pradesh (2007-08) should expedite and furnish the UCs immediately.

(Action: Arunachal Pradesh, Assam, Bihar UC not in format), Chhattisgarh, Dadar & Nagar Haveli, Daman & Diu, Delhi, Gujarat, Jharkhand, Lakshadweep, Manipur, Meghalaya, Uttar Pradesh)

(g) Verification of Projects:

Department has taken stand to verify all projects approved on or after 2007-08 by concerned Jt. DGFT or all DC SEZ however, Andhra Pradesh (5/12), Andaman & Nicobar (0/1), Arunachal Pradesh (0/8), Assam (0/15), Bihar (NIL), Chandigarh (0/1), Chhattisgarh (0/7), Dadar & Nagar Haveli (0/1), Daman & Diu (0/2), Delhi (NIL), Goa (0/11), Gujarat (0/11), Haryana (3/5), Himachal (12/15), Jammu & Kashmir (NIL), Jharkhand (NIL), Karnataka (0/30), Kerala (0/15), Lakshadweep (NIL), Mizoram (0/2), Manipur (NIL), Nagaland (0/15), Maharashtra (0/3), Madhya Pradesh (4/16), Nagaland (4/8), Orissa (0/7), Pondicherry (NIL), Punjab (7/10), Rajasthan (1/10), Sikkim (0/6), Tamil Nadu (16/54), Tripura (0/3), Uttar Pradesh (2/9), Uttranchal (NIL), West Bengal (0/13) are lagging far behind.

Nodal Agencies/State Government should take proactive action requesting the concerned DC/Jt. DGFT to get their projects physically verified so that commitment to CAG/PAC is complied. Time period for this may be kept as 15th September, 2009.

(Action: Andhra Pradesh, Andaman & Nicobar, Arunachal Pradesh, Assam, Bihar, Chandigarh, Chhattisgarh, Dadar & Nagar Haveli, Daman & Diu, Delhi, Goa, Gujarat, Haryana, Himachal, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Lakshadweep, Mizoram, Manipur, Nagaland, Maharashtra, Madhya Pradesh, Nagaland, Orissa, Pondicherry, Punjab, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttar Pradesh, Uttranchal, West Bengal.)

(h) Cost over run:

It has been observed by CAG that number of projects had been delayed beyond their gestation period resulting in cost overrun. The list of such projects has been given in annexure 18 of CAG report no. 18 of 2007 on performance audit of ASIDE Scheme. The justification by States on these may be sent to Department if not sent already and it may also be ensured that project should be completed in normal gestation period of 2 years unless extraordinary situation hampers the progress. The cost over run on account of unjustified delay should not be borne on ASIDE Scheme.

(Action: All States/UTs)

Outstanding Audit Para on Bihar:

An outstanding audit para regarding erroneous release to the Government of Bihar is pending for compliance with Department of Commerce. Number of references has been made to get refund of Rs.1.40 crores from Government of Bihar, however, response is still awaited. Government of Bihar should expedite the refund urgently. Otherwise the matter may be taken at the highest level.

(Action: Bihar)

Requirement of Funds by States during current and next two financial years

States should make an assessment as to how much funds are required by them to complete ongoing as well as new projects kept as shelf of projects during current financial year and next two financial years and send the same with full justification in next 15 days so that same could be taken with Planning Commission.

(Action: All States/UTs)

5. Winding up the discussions Sh. Anil Bamba, Director, DoC thanked AS(RG), JS(NKG) and all participants for attending the meeting and requested States/UTs to send their response on follow up action taken by them in compliance to above decisions by 15.09.2009. He also requested that a copy of response sent to DoC may invariably be sent on e-mail at dinesh.verma@nic.in.

Annexure

List of Participants

S. No.	Name	Designation	Telephone Number
1.	Sh R Gopalan	Additional Secretary –in the Chair	
2.	Sh Neeraj Kumar Gupta	Joint Secretary	
3.	Sh A.K. Bamba	Director, DoC	
4.	ShD.K. Verma	Under Secretary, DoC	
5.	Ms. Anita Praveen	CMD, TIDCO, Tamilnadu	
6.	Sh. P.V. Ramesh	Commissioner (Industries), Andhra Pradesh	0986651230 040-23441666
7.	Sh, D. Muridhar Reddy	ED, APIDC, Andhra Pradesh	09948556604 040-23233251
8.	Sh. H.S. Chaudhary	Dy. RC, Himachal Pradesh	9711715635
9.	Sh R.K. Gadi	Himachal Pradesh	9418112797
10.	Sh. D.K. Bhalla	RC, Nagaland	971102883
11.	Shri A.D. Naik	CGM, GIDC, Goa	
12.	Shri A.V. Palekar	MD,GIDC, Goa	
13.	Shri H.R. Marah	Meghalaya	23015605
14.	Sh P. Ramesh Kumar	Secretary (Industries) Chhattisgarh	
15.	Sh R.K. Goverdhan	MD, CSIDC, Chhattisgarh	
16.	Sh Dhruv Dhar	CSIDC, Raipur	9868901076
17.	Sh R.K. Soni	CSIDC, Raipur	
18.	Sh. Rajkumar Khatri	Commissioner (Industries), Karnataka	
19.	Sh H.V. Raghuram	Managing Director, VITC, Karnataka	
20.	Sh. N.K. Singh	Addl RC, Gujarat	9953710023
21.	Sh. S. Ramnath	MD, KINFRA, Kerala	09847718002
22.	Sh. A.K. Jain	Spl. Commissioner, M.P.	9899313027
23.	Sh. D.S. Chaturvedi	SPSIDC	26568019
24.	Sh. S. Mahalingom	EE, PIPDIC, Pondicherry	0943190229
25.	Sh V. G. Jener	MMD, TIDC, Tripura	09436135005
26.	Sh. Manohar Kant	Commissioner (Industries), Rajasthan	09414180113
27.	Ms. Malini V. Shankar	DC (Industries) , Maharashtra	9821848000
28.	Sh. P. Dash	Additional Secretary, Govt. of Orissa	09861071343
29.	Sh. G.D. Panda	DY. Dir, IDCO, Orissa	09437500547
30.	Sh. Vineet K. Verma	Dept. of IT, Chandigarh	9463400064 0172-2740005
31.	Sh. S. Bawa	PSIEC, Punjab	0172-2702401

32.	Sh P.K. Bansal	Adl. Director (Ind. & Commerce), Govt. of Haryana	0980032279
33.	Sh H.K. Sharma	MD, AIDC, Assam	0361-2200399
34.	Sh Amitav Saika	DM, AIDC, Assam	-do-
35.	Sh Bhaskar Khulbe	Advisor (Industries) Government of West Bengal	9873869089
36.	Sh. Jiban Chakraborty	Government of West Bengal	9830164536
37.	Ms. Aradhana Patnaik	Director (Industries) Jharkhand	9431100988
38.	Sh. B.M. Lal	Dy. Dir. Jharkhand	0651-2491884
39.	Sh S. Kapur	CIO, DSIIDC, Delhi	23730261
40.	Sh. C. Lalziliano	Mizoram	0389-2335386
41.	Sh. R. Lalthanmia	Mizoram	0389-2314950
42.	Sh. Maroya ETE	Lakshadweep	09447782988
43.	Sh B.S. Dua	Director (I&C), J & K	9419199888
44.	Shri S.R. Quaser	GM, J & K	9419014902
45.	Mrs. Sunaina Bhat	Sr. Manger, J & K	9810106355

No. 20/02/2009-SC
Government of India
Ministry of Commerce & Industries
Department of Commerce

New Delhi the 6th August, 2009

To,

The Principal Secretary (C&I) of all States/UTs (as per list)
All Nodal Agencies of ASIDE Scheme (as per list)

Sub: Minutes of the Review Meeting of the ASIDE Scheme.

Sir,

I am directed to forward herewith the minutes of the review meeting of the ASIDE Scheme held under the Chairmanship of Shri R. Gopalan, Additional Secretary in Room No. 141, Udyog Bhawan, New Delhi on 4th August, 2009 for compliance and request you to furnish action taken report by 15th September, 2009.

Yours faithfully,

(D.K. Verma)
Under Secretary
Tel: 23063311
e-mail: dinesh.verma@nic.in

Copy to:

PPS to AS(RG)/PS to JS(NKG)/Dir(AKB)/Dir(VDA)