

**Minutes of the Review Meeting with States / UTs on ASIDE Scheme under the Chairmanship of Shri P. K. Chaudhery, Special Secretary, DoC held on 04.03.2011 at 3.00 PM in Room No.141, Udyog Bhawan, New Delhi.**

A list of participants is at Annexure.

2. Shri P.K. Chaudhery, Special Secretary, DoC opened the meeting by welcoming the participants. In his introductory remarks, he appreciated the efforts made by the States who are performing well on the key parameters of completion of projects, pace of expenditure of funds, convening the SLEPC meetings and responding to references made by DoC promptly. He invited the attention of States and UTs who are apparently lagging behind on these counts and urged them to gear up their performance to avail of the funds available with the Government of India under ASIDE / incentive schemes to the benefit of their States / UTs. He raised a serious concern over the long list of incomplete projects and not holding of SLEPC meetings regularly. He emphasized on the need to convene the SLEPC meetings by the States / UTs according to the schedules envisaged in the scheme guidelines. He advised the State representatives to seek the convenience of Chief Secretary for convening these meetings by suitably underlining the importance of the projects for augmenting the exports and strengthening the infrastructure for the benefit of the States. Where the Chief Secretary has other pressing engagements, the additional Chief Secretary / Principal Secretary, Industries could always chair such meetings and obtain the approval of Chief Secretary on the decisions taken. (He cautioned the States / UTs that if their performance concerning holding of SLEP meetings does not improve, it may result in a token deduction from their allocation which could go to the States demonstrating excellent performance in the implementation of ASIDE Schemes.)

3. Shri P.K. Chaudhery, Special Secretary then asked Shri Siddharth, Joint Secretary to take up the cases of individual States for the review of their performance. The State-wise review took into account submission of utilization certificates, verification of the projects by designated officers of the Department of Commerce, cost over-run 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 and requirement of funds by States to complete ongoing projects during the current financial year. A fact sheet prepared on the basis of data available on Web enabled Monitoring System (WEBS) was distributed among the participants to make the proceedings more interactive and result oriented. There were inconsistencies between the fact sheet and the representations made by some of the States / UTs. It was informed that the fact sheet has been prepared on the basis of the entries made by the State Governments / UTs on the WEMS and the incorrect / incomplete information reflected therein was due to non-updation of website by them. It was, therefore, important that they check the WEMS at regular intervals and upload the correct information so that a true picture is retrieved by DoC. Regarding data on number of physically verified projects, States were requested to send details of officers who inspected the projects so that reference could be made by the Department to obtain the verification reports.

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

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

Out of 1312 projects approved by the States so far, 752 projects have been completed, 121 projects (109 till 2006-07; and 12 thereafter out of 387 approved projects) have been cancelled and the rest 439 projects are under implementation. Out of these 439, 135 projects are exceeding

gestation period of 3 years i.e. they have been sanctioned on or before 2006-07.

States / UTs should give top priority to fund and complete projects sanctioned upto 2007-08 by 2010-11 and thereafter projects sanctioned during 2008-09 be taken for their completion. Any constraint on the part of States / UTs ( if any ) should be brought to the notice of Department of Commerce (DoC).

**(Action: All State Governments/UTs)**

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

A total of Rs. 3303.97 crores has been released to States / UTs so far. The cumulative expenditure is Rs. 2673.51 crores (i.e. 80.91% of total release). There are States like Arunachal Pradesh, Bihar, Dadar & Nagar Haveli, Delhi, Jharkhand, Pondicherry whose performance has been far below the benchmark. Whereas States like Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Karnataka, Kerala, Manipur, Maharashtra, Madhya Pradesh, Nagaland, Tamil Nadu, Tripura Uttar Pradesh and West Bengal have shown excellent financial progress by achieving expenditure above 90%. States which are lagging behind should improve the pace of expenditure.

**(Action: States of Arunachal Pradesh, Bihar, Dadar & Nagar Haveli, Delhi, Jharkhand, and Pondicherry. Other States / UTs having less than 80% expenditure)**

**(c) SLEPC Meeting:**

States like Andaman & Nicobar, Arunachal Pradesh, Bihar, Delhi, Jharkhand, Lakshadweep, Pondicherry did not convene any 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 for SLEPC meeting to be convened.

States/UTs should prepare agenda in advance after involving Exports Promotion Councils/Commodity 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 the purpose of funding 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 the States/UTs to Department of Commerce for taking further necessary action under the Rules. It has been observed that the same has not been furnished by the States/UTs so far. States /UTs are advised to furnish the cumulative account of interest earned by them urgently.

**(Action: All States / UTs)**

**(e) Utilisation Certificate:**

SS(PKC) stated that without Utilisation Certificate (UC) in respect of grants released earlier no further grants will be released.

Andaman & Nicobar (2008-09), Bihar (2002-03 UC not in format), Dadar & Nagar Haveli (2002-03), Delhi (2007-08), Jharkhand (2008-09), Pondicherry (2003-04) should expedite and furnish the UCs immediately.

**(Action: Andaman & Nicobar, Bihar UC (not in format), Dadar & Nagar Haveli, Delhi, Jharkhand, Pondicherry)**

**(f) 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.

**(Action: Bihar)**

**(g) Cost over run:**

It has been observed by PAC that number of projects (134) had been delayed beyond their gestation period resulting in cost / time overrun. The project cost over run alongwith reason 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 2-3 years unless extraordinary situation hampers the progress. The cost over run on account of unjustified delay should not be borne on ASIDE Scheme.

**(Action: Andhra Pradesh, A & N, Assam, Bihar, Chhattisgarh, Chandigarh, Delhi, Gujarat, Haryana, Jharkhand, J & K, Karnataka, Kerala, Lakshadweep, Meghalaya, Manipur, M.P., Mizoram, Nagaland, Odisha, Punjab, Pondicherry, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttrakhand, U.P. & West Bengal )**

**(h) Requirement of Funds by States / UTs during current financial year**

States / UTs were once again reminded to give top priority to fund and complete the projects sanctioned upto 2007-08 by 2010-11 and

thereafter projects sanctioned during 2008-09 be taken up for completion. Any constraint on the part of States / UTs should be brought to the notice of Department of Commerce.

In this regard, States / UTs should make an assessment of funds required by them to complete all the ongoing projects. States / UTs were also informed to indicate requirement of funds in view of their shelf of projects.

The demands / request for additional fund for completion of ongoing projects have been made by the States of Karnataka, Andhra Pradesh, Rajasthan, Kerala, Odisha, Maharashtra and Gujarat. So far formal request has only been received from Karnataka and the representatives of Odisha & Andhra Pradesh informed of their submitting formal request within one or two days.

5. Winding up the discussions Sh. Siddarth, Joint Secretary, DoC thanked SS(PKC) and all participants for attending the meeting and requested States/UTs to send their response on the follow up action taken by them in compliance of the above decisions. He also requested that a copy of response sent to DoC may invariably be sent on e-mail at [moc\\_states@nic.in](mailto:moc_states@nic.in).

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## Annexure

### List of Participants

S. No.	Name	Designation
1.	Sh. P.K. Chaudhery	Special Secretary –in the Chair
2.	Sh Siddharth	Joint Secretary, DoC
3.	Sh Ram Lakhan	Under Secretary , DoC
4.	Sh . K.S.S.Swamy	MD VITC, Karnatka
5.	Sh. Y.D Pande	Consultant IDCO, Orissa
6.	Sh A.K Dham	Liaison Officer IDCO, Orissa
7.	Sh. S.I Sharma	MD/MANIDCO(MIDC), Manipur
8.	Sh. G.S. Rao	Jt. Director COI-CEP, Andhra Pradesh
9.	A.K Chaturvedi	Jt. Export Commissioner, Uttar Pradesh
10.	P.K Mittal	Add .C.E, Rajasthan
11.	S. Ramnath	MD, KINFRA, Kerala
12.	Dhruv Dhev.	OSD & Branch Head, Chhattisgarh
13.	S.K Parashar	Sr. Manager, Delhi
14.	M.E Ahmad	Joint Commissioner Bihar
15.	D. Mukhopadhyay	Add. CS Commerce & Industry, West Bangal
16.	Sunil Paliwal	MD, TIDCO, Tamil Nadu
17.	Senthil kumar	GM TIDCO, Tamil Nadu
18.	Arindam Som	Commissioner & Secretary, Commerce & Industry, Meghalaya
19.	George Lyngdoh	Director ,Commerce & Industry, Meghalaya
20.	V. George Jemert	MD, TIDCL, Tripura
21.	S. Mahalingam	EE PIPDIC, Puduchery (UT).
22.	Sh Umesh Chandra	Assistant Director, UP
23.	Ajit Naik	Managing Director, Goa
24.	Vikas Jain	OSD, DI, Maharashtra
25.	R.P Singh	Chief General Manager, M.P Lkn
26.	Y. Verma	Assit. Res. Commissioner , Nagaland
27.	R. Karikal Valaven	Commissioner & Industry , A.P.
28.	DR. Manish Ranjan	Director of Industries ,Jharkhand
29.	H.S. Negi	A.K (Account. ) SIDCUL, Uttaranchal.

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No. 20/07/2010-SC  
Government of India  
Ministry of Commerce & Industries  
Department of Commerce  
States Cell

New Delhi the 10<sup>th</sup> March, 2011

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 on 4.3.2011.**

Sir,

I am directed to forward herewith the minutes of the review meeting of the ASIDE Scheme held under the Chairmanship of Sh. P. K. Chaudhery, Special Secretary in Room No. 141, Udyog Bhawan, New Delhi on 4<sup>th</sup> March, 2011 for compliance and further necessary follow up action.

Yours faithfully,

(Ram Lakhan)  
Under Secretary to the Govt. of India  
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Copy to:

PPS to SS(PKC)/PS to JS(S)/ Dir(AR)