

FINAL REPORT OF THE EVALUATION STUDY
OF
KARNATAKA MINORITIES DEVELOPMENT CORPORATION LTD
(A Government of Karnataka Undertaking)

FOR
DEPARTMENT OF PUBLIC ENTERPRISES
Government of Karnataka

BY
CENTRE FOR RESEARCH AND GOVERNANCE

MARCH 2019

ACKNOWLEDGEMENTS

The Government of Karnataka is already in the forefront for the upliftment of the denied and the deprived; in their political, social and economic arena. The Ministry of Minority Welfare, Karnataka, is one of the pivotal agencies engaged in the progress of minorities in the state so as to ensure that they are not oppressed or suppressed in the great Indian polity.

The Department of Public Enterprises (DPE) is tasked with ensuring that the public entities working for the development of minorities in the state are on course.

The Hon'ble Shri B.Z. Zameer Ahmed Khan, Hon'ble Minister for Minority Welfare, Karnataka, has advanced great initiative to ensure this endeavour. We are most grateful to him for his consistent and continuous support. He is also the Chairman of KMDC.

We are grateful to the then Principal Secretary, Department of Public Enterprises, Govt. of Karnataka, Smt. Renuka Chidambaram, who initiated the project and has provided



encouragement and valuable input. We are indebted to Sri Kapil Mohan, Principal Secretary, Department of Public Enterprises, Govt. of Karnataka, who has monitored and encouraged our progress of the study and had enabled us to put in our best efforts .

We are grateful to Smt. M.V. Savithri, the Secretary, Minority Welfare Department for her blessing and unstinted support. We are grateful to Shri Akram Pasha, Director, for all assistance rendered.

We are grateful to Shri Islauddin J. Gadyal, Managing Director, Karnataka Minorities Development Corporation Ltd., for his support and assistance. We hereby acknowledge our gratitude for the assistance rendered by Smt. Indira and Smt. Sneha, DPE. Government officials at various levels has assisted us with inputs, without which this report could not have reached its conclusion . We are grateful to them.

His Excellency, the then Arch Bishop of Bangalore, officials of the Catholic Bishop Conference, innumerable persons of Minority Communities have helped us, we are grateful to all of them.



1. INTRODUCTION

It was understood through the anguish of partition that we needed to enact measures to ensure that the minorities are treated on parity with the majority and to bring them into the mainstream of Indian Society.

The population of the religious minorities in Karnataka as per 2011 Census is about 96,00,475, which forms 15.92% of the total population of Karnataka. It was observed that majority of the minority community was reeling below the poverty line and their economic and social status needed improvement.

Indian Constitution has always upheld values of Democratic Socialism. Karnataka Minorities Development Corporation Limited (KMDC) is one such institution constituted on those same principles. KMDC was established by the Government of Karnataka in the year 1986 to protect, preserve and improve the quality of life of religious minorities – Muslims, Christians, Parsis, Jains, Sikhs and Buddhists.

KMDC does not focus on other minority groups in Karnataka such as racial minorities (for example, the Indo-African tribe of Siddis in Karnataka), gender minorities (such as transgender citizens), or other minority groups.



2. ESTABLISHMENT OF THE CORPORATION

In order to help in the development of minority community by improving their economic and social status, Government of Karnataka entrusted the task to the then Karnataka Backward Classes Development Corporation.

Karnataka Backward Classes Development Corporation (renamed as D. Devaraj Urs Backward Classes Development Corporation) had been extending loan facilities to religious minorities. During the tenure of Late Ramakrishna Hegde, the then Hon'ble Chief Minister of Karnataka, it was observed that the development schemes implemented through KBCDC had not significantly impacted on the development of minority community by improving their status socially and economically and bring them into the main stream of other communities. Under the leadership of Late Ramakrishna Hegde, Government of Karnataka established a separate Corporation, viz. Karnataka Minorities Development Corporation Limited on 07th February, 1986, with an objective of improving the status of minority community socially, educationally and economically.

The Corporation was set up as a registered Company with authorised share capital of 150 crores in 2016. Its registered office is in Bangalore, currently situated at # 12th Floor, V.V.Tower, Dr. Ambedkar Veedi, Bangalore.



2.1. OBJECTIVE OF THE ORGANISATION

The Karnataka Minorities Development Corporation Ltd has been established to give an impetus to social and financial inclusion by improving the economic and educational status of religious minorities.

The Company operates various schemes for the deserving poor among minorities so as to enable them to become self-reliant by extending loan facility at very reasonable terms and affordable rates of interest:

- To promote any business and manufacture conducive to the economic and social development of these communities;
- To advance loans to the members of these communities for educational purposes and for their upliftment.
- To organize and develop village and cottage industries, small and medium scale industries, poultry and dairy farming;



•To organize and develop intensive agricultural operation in the land belonging to these communities including purchase of land;

•To advance money for construction or purchase of houses or sites;

The Corporation also implements the loan schemes of National Minorities Development and Finance Corporation, New Delhi.



2.2. STRUCTURE OF THE ORGANISATION

Karnataka Minorities Development Corporation Limited is a Government of Karnataka Undertaking and established under the Companies Act, 1956. The Corporation is now functioning under the supervision of Minorities Welfare Department of the Government of Karnataka. The Registered Office of the Corporation is based at Bengaluru and it has its District Offices in all the 30 District Headquarters of the State. The Chairman of the Board of Directors is the executive head and the Managing Director is the administrative head. The Corporation is entrusted with the job of development of minority's status socially, educationally and economically through the Government sponsored Schemes which are implemented through its District Offices located at all District Headquarters at Karnataka.



3. ORGANISATIONAL SET-UP

Karnataka Minorities Development Corporation Limited (KMDC) is headed by a Director Board comprising of :

1. Shri. B.Z. Zameer Ahmed Khan, Hon'ble Minister for Food and Civil Supplies, Consumer Affairs, Minorities Welfare, Haj and Walk, Government of Karnataka, Vikas Soudha, Bangalore and Chairman, KMDC.
2. Smt. M.V. Savithri, IAS, Secretary to Government, Minorities Welfare Department, Government of Karnataka, Vikas Soudha, Bangalore and Director, KMDC.
3. Shri Akram Pasha, IAS, Director Directorate of Minorities, 20th Floor, Main Tower, Visveshwaraya Centre, Dr. Amedkar Veedi, Bangalore and Director, KMDC.
4. Shri Islauddin J. Gadyal, KAS, Managing Director, KMDC
5. Shri Sudharshan Kumar, Deputy Secretary to Government (Welfare), Finance Department, Vidhan Soudha, Bangalore and Director, KMDC.

The Managing Director is the CEO of KMDC and is assisted by administrative assistants, development officers, hydrogeologist officers and recovery officers . The administration setup consists of



several senior officers. Their designation and approximate length of their tenure with the Corporation as provided by the Corporation is noted below:

1. Shri Syeed Ansoor Basha, Administrative Officer-01, Head Office, KMDC – recently joined on deputation.
2. Shri Syed Abukalam, Administrative Officer-02, Head Office, KMDC, Tumkur District – working on deputation since 14 years.
3. Shri Syed Vazeer Ahmed, Recovery Officer, Head Office, KMDC – working on deputation since 04 years.
4. Shri Mohammed Saleem, Accounts Superintendent, Head Office, KMDC- working on deputation since 02 years.
5. Shri L.S. Sikandar, Development Officer, Head Office, KMDC – working since 18 years.

The District Managers appointed as head of the 30 District Offices located at all District Headquarters at Karnataka works under the direction of the KMDC in implementing the various schemes, and guidelines provided thereof for identification & assistance to the potential & actual beneficiaries, valuing, regulating, monitoring, recovery and all other administrative and financial functions allotted to it.



4. SCHEMES OF THE CORPORATION

1. Self-employment Programme
2. 'Arivu' (Education Loan) Scheme
3. 'Shramshakthi' Loan Scheme
4. Micro Loan Subsidy Scheme
5. Ganga Kalyana Scheme
6. Land Purchase Scheme
7. Housing Loan Margin Money Scheme
8. Christian Community Special Development Scheme
9. Site Purchase-Cum-Home Loan Interest Subsidy Scheme
(Only for Christian community)
10. National Minorities Development & Finance Corporation
(Delhi) Schemes.



EXPLORATION OF VARIOUS SCHEMES OF CORPORATION

4.1. SELF-EMPLOYMENT PROGRAMME:

Under this Scheme, persons belonging to Minority communities are assisted financially to start and improve business, small scale cottage industries, service sector, agriculture based activities etc., through Nationalised Banks/Financial Institutions. The loan portion will be provided by various Nationalised Banks/Financial Institutions. The details about financial assistance are as under:

Sl. No.	Unit Cost	Subsidy from KMDC	Beneficiary's contribution	Bank loan portion prevailing rate interest
1	Upto Rs. 1.00 lakh	50% of unit cost of maximum of Rs, 35,000	-	50% of unit cost or maximum of Rs. 65,000/-
2	From Rs. 1.00 Lakh upto Rs. 10.00 lakhs	33% of unit cost or maximum of Rs. 2.00 Lakhs	Upto Rs. 50,000/-	62% of unit cost or maximum of Rs. 7,50,000/-



Eligibility criteria:

- (1) The applicants should belong to religious minority as defined in the Government Order.
- (2) They should be permanent residents of Karnataka State.
- (3) They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
- (4) Annual family income from all sources should not exceed Rs. 1.03 Lakhs in urban areas and Rs. 81,000/- in rural areas.
- (5) Project Report/Quotation.
- (6) Age of the applicants must be between 18 to 55 years.
- (7) Applicants should possess Bank Accounts in the banks having IFSC codes.

4.2. 'ARIVU' (EDUCATION LOAN SCHEME) :

Under this Scheme, education loan ranging from Rs.75,000/- per year will be sanctioned to the minority students who are desirous of pursuing professional courses like Engineering, Medical, Dental, Graduation, Post-Graduation, Ph.D, Nursing, Para Medical, B.A, B.Com, B.Sc., B.Ed., D.Ed, BBM, B.Pharma, M.A, M.Sc., M.Com, M.B.A, M.Ed, ITI and Diploma courses. Similarly, loan upto Rs.1.00 lakh for BSLP, Audiology, Aeronautics Engineering, will be sanctioned, until they complete the course. The loan has to be repaid by the students after one year of completion of the



course @ 2% service charge P.A. Applicants need to log on to www.kmdc.nic.in/arivu/2 and apply in the on-line application.

4.2.1. 'ARIVU' (CET, D-CET, PG-CET) SCHEME :

The pre-loan will be sanctioned to the minority students appear for CET, secure ranking and select seat for professional courses. The tuition fee payable by the students, will be transmitted from the Corporation to the respective colleges selected after counseling, through Karnataka Examination Authority. The students have to download the prescribed application from the Website and submit the same to the District Offices along with the required documents as specified in the application. Applicants need to log on www.kmdc.nic.in/arivu/2 and apply in the on-line application.

4.2.2. 'ARIVU' (NEET) SCHEME :

The Corporation sanctions education loan of 50% of the tuition fee or Rs. 3.50 lakhs per annum (whichever is lower) to the minority students who are appearing for NEET Examination for pursuing Medical and Dental courses. Applicants need to log on to www.kmdc.nic.in/arivu/2 and apply in the on-line application.



Eligibility Criteria :

1. The applicants should belong to religious minority as defined in the Government Order.
2. They should be permanent residents of Karnataka State.
3. They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
4. Annual family income from all sources should not exceed Rs. 6.00 Lakhs.
5. Applicants should possess Bank Accounts in the banks having IFSC codes

4.3. MICRO LOAN WITH SUBSIDY SCHEME :

• Micro Loan and Micro Subsidy Scheme:

Under this scheme the main thrust is to empower the minority women folk by extending loan facilities to the organised women groups. Scheme is implemented through Self Help Groups exclusively managed by minority women.

The Groups so organized should be of 10 to 20 members. The members, after forming Self Help Group, should select two of its Members as Group Leaders 1 & 2. They should open a bank account in the name of the Self Help Group with Group Leaders 1 & 2 as Authorized Signatories. The minority community women



residing in the city areas and rural areas who wish to start petty business like vegetable/fruit vending through push carts, kallai making, bed making, pan shop, groundnut selling, cycle repairing, gas/arc welding, vulcanizing, fish selling, tea shop, tailoring etc. will be provided loan of Rs. 10,000/- (i.e. Rs. 5,000/- as loan and Rs. 5,000/- Subsidy)) to each member of Self Help Group. The loan will be sanctioned directly to the Self Help Group, which, in turn, will further disburse loan to its members.

The loan has to be repaid in 36 monthly instalments @ 5% interest per annum. Out of this, 1% interest shall be retained with Self Help Group for management of the Group.

Eligibility Criteria :

- (1) The applicants should belong to religious minority as defined in the Government Order.
- (2) They should be permanent residents of Karnataka State.
- (3) They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
- (4) Annual family income from all sources should not exceed Rs. 1.03 lakhs in urban areas and Rs. 81,000/- in rural areas.
- (5) The Self Help Group should have minimum 10 to 20 members.
- (6) Age of the applicants must be between 18 to 55 years.



- (7) Applicants should possess Bank Accounts in the banks having IFSC codes.

4.4. SHRAMSHAKTHI LOAN SCHEME

Under this scheme, loan upto Rs.50000 will be provided to minority traditional artisans to improve their trade and technical skill at a low interest rate of 4%. The Loan includes 50% back end subsidy for prompt repayment of 50% within a period of 36 months. If he fails to repay the Loan within a period of 36 months, the back end subsidy will also be treated as a loan.

Eligibility Criteria :

- (1) The applicants should belong to religious minority as defined in the Government Order.
- (2) They should be permanent residents of Karnataka State.
- (3) They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
- (4) Annual family income from all sources should not exceed Rs. 1.03 lakhs in urban areas and Rs. 81,000/- in rural areas.
- (5) The Project Report/ Quotation
- (6) Age of the applicants must be between 18 to 55 years.
- (7) Applicants should possess Bank Accounts in the banks having IFSC codes



4.5. GANGA KALYANA SCHEME

A) Community Irrigation Scheme:

Irrigation facility is provided to the agricultural lands of minority farmers through lift irrigation scheme by utilizing the perennial source of water (rivers) in rural areas and lifting water through pipe lines. Similarly, wherever perennial water sources are not available, bore wells will be drilled underground by identifying water points through the help of expert Geologist and tanks are built for storage of water and to help flow of water through the pipes to the agricultural lands. These bore wells are maintained for five years at the cost of the Corporation and thereafter it will be handed over to the Consumer Co-operatives of the beneficiaries. Advice and assistance of the agricultural experts will be provided to enable farmers to get better yield of crops. This Scheme is a subsidy scheme. The applicants those who have totally 08 acres of land comprising 3 beneficiaries will get 2 bore wells and those who have totally 15 acres of land comprising of 5 beneficiaries will get 3 bore wells and each beneficiary should have 2 to 3 acres of land.

Under the Scheme, individual bore well will be drilled, pump/motor will be supplied and energisation will be carried out at a total unit cost of Rs.2.00 lakhs(which includes loan component of Rs.50000/- if required) to the beneficiaries holding 01 acre and 20 Guntas to 05 acres of dry land. However, in the districts of Bangalore Urban/



Bangalore Rural, Kolar, Chikballapur, Ramnagar and Tumkur where the water table is very high, the unit cost will be 3.5 lakhs which includes loan of Rs.50000/-

B) Individual Bore well:

Under this scheme for the beneficiary who holds 2 to 5 acres of land, one bore well or open well will be drilled and pump set will be supplied by KMDC. A grant of Rs.1,50,000/- will be provided as subsidy and if the beneficiary desires to obtain additional support to complete the unit, a loan upto Rs. 50,000/- can be provided to the beneficiary against security as per rules. The unit cost fixed also includes pump set and energisation. But unfortunately, no details are made available inspite of request to even auditors.

Similarly, construction of open well and pump set will be supplied at unit cost of Rs.2.5 lakhs in coastal districts.

The District Managers invites applications through local newspapers. The District Manager will scrutinise and place the proposal before the Taluk Committee headed by the MLA of respective Assembly Constituency who is the Chairman of the Committee. The list of beneficiaries selected by the Committee along with the Proceedings will be submitted by the District Managers to the Head Office of the Corporation.



Eligibility Criteria :

- (1) The applicants should belong to religious minority as defined in the Government Order.
- (2) They should be permanent residents of Karnataka State.
- (3) They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
- (4) Annual family income from all sources should not exceed Rs. 1.03 lakhs in urban areas and Rs. 81,000/- in rural areas.
- (5) They should be small and marginal farmers.
- (6) Age of the applicants must be between 18 to 55 years.
- (7) Applicants should possess Bank Accounts in the banks having IFSC codes

4.6. LAND PURCHASE SCHEME

Under the Scheme the Corporation will purchase Agricultural Land and 02 Acres of dry land or 01 Acre of wetland will be given to landless minority agricultural laboureres (farmers in rural areas. Unit cost of 10 lakhs includes 50% of subsidy and has to be repaid within 10 years in half-yearly installments @ 6% p.a.



Eligibility:

- (1) The applicants should belong to religious minority as defined in the Government Order.
- (2) They should be permanent residents of Karnataka State.
- (3) They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
- (4) Annual family income from all sources should not exceed Rs. 1.03 lakhs in urban areas and Rs. 81,000/- in rural areas.
- (5) They should be landless agricultural labourers belonging to minority communities.
- (6) Age of the applicants must be between 18 to 55 years.
- (7) Applicants should possess Bank Accounts in the banks having IFSC codes

4.7. HOUSING LOAN MARGIN MONEY SCHEME

The Corporation will provide margin money upto Rs.1 lakh at 4% interest rate p.a. to eligible beneficiaries on producing allotment letter issued by Karnataka lum Board/Rajeev Gandhi housing Corporation, etc.

4.8. SITE PURCHASE - CUM-HOUSING LOAN INTEREST SUBSIDY SCHEME (For Christians Only)

Under the Scheme, interest Subsidy of up to Rs.1.00 lakh will be provided to the housing Loan up to Rs.5.00 Lakh availed from Nationalised Banks/ Financial Institutions.

Eligibility:

- (1) They should belong to Christian Community
- (2) They should be permanent residents of Karnataka State.
- (3) They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
- (4) Annual family income from all sources should not exceed Rs. 1.03 lakhs in urban areas and Rs. 81,000/- in rural areas.
- (5) Applicants should possess Bank Accounts in the banks having IFSC codes

4.9. CHRISTIAN COMMUNITY SPECIAL DEVELOPMENT SCHEME

Under the Scheme, interest subsidy for self-employment, 'Arivu' Scheme, 'Shramashakthi' scheme, Micro Loan with Subsidy Scheme and Ganga Kalyan Scheme will be Sanctioned.

Eligibility:



- (1) They should belong to Christian Community
- (2) They should be permanent residents of Karnataka State.
- (3) They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
- (4) Annual family income from all sources should not exceed Rs. 1.03 lakhs in urban areas and Rs. 81,000/- in rural areas (In respect of 'Arivu' Scheme, the annual income shall not exceed Rs.6.00 lakhs.)
- (5) Applicants should possess Bank Accounts in the banks having IFSC codes

4.10. NEW SCHEMES IMPLEMENTED FROM 2017-2018

4.10.1. Animal Husbandry scheme

Loan of Rs.40000/- (which includes 50% subsidy) @ 3% interest per annum, will be sanctioned to the minority rural women only for purchasing domestic animals like cow, sheep, goat, poultry farm, etc., for their livelihood.

4.10.2 Taxi Drivers Welfare Scheme



Subsidy of Rs.3.00 Lakhs will be provided to the loan availed from Nationalized Banks/Financial Institutions for purchasing Taxi/ Goods vehicle.

4.10.3. Loans for Gulf Returnees

Loan of Rs.10 Lakhs @ 5% will be sanctioned for self-employment purpose to the minorities who become unemployed after final exit from Gulf Countries.

4.10.4. Small Farmers Welfare Scheme

Loan of Rs.1 Lakh @ 3% p.a will be sanctioned to the minority farmers for purchasing modern agricultural equipments like tiller, steel plough, weeding machine, pumpset, tractor etc.

4.10.5. “Mane Malige” Scheme

Loan of Rs.5 Lakhs(which includes 50% subsidy) @ 3% interest p.a will be sanctioned to the minorities who lost business



establishment and dwelling houses at the time of communal riots/ communal violence or natural calamities, for their livelihood. Similarly, the above loan will be sanctioned to the youth who are arrested by police under Goonda act, Anti-terrorist Act or other security Acts and after many years are released by the Hon, Court without conviction and become unemployed due to the 'stigma' attached thereto.

4.10.6. Training and Infrastructure Scheme

a) Automobile Workshops

Loan ranging from Rs.2 Lakhs to Rs. 5 Lakhs (which includes Subsidy ranging from Rs.70000/- to Rs1.25 Lakhs) will be sanctioned through Bank for automobile Shop.

(b) Bidri Work

Loan ranging from Rs.2 Lakhs to Rs. 5 Lakhs (which includes Subsidy ranging from Rs.70000/- to Rs1.25 Lakhs) will be sanctioned through Bank in Bidar District.

c) Channapatna Handicrafts

Loan of Rs.1.00 Lakh (which includes 50% subsidy) @3%interest p.a will be sanctioned for manufacturing Channapatna Handicraft Items.

(d) Silk Industry



Loan of Rs.1.00 Lakh (which includes 50% subsidy) @3%interest p.a will be sanctioned for sericulture activities.

Eligibility:

- (1) The applicants should belong to religious minority as defined in the Government Order.
- (2) They should be permanent residents of Karnataka State.
- (3) They should produce 'Aadhar Card', Voter ID, Ration Card for residence proof.
- (4) Annual family income from all sources should not exceed Rs. 81,000/- for domestic animals scheme, Rs.4.50 lakhs for vehicle, gulf returnees and agricultural implements schemes and Rs.6 lakhs for Mane Malige and Training and support schemes.
- (5) Applicants should possess Bank Accounts in the banks having IFSC codes
- (6)Age of the applicants must be between 18 to 45 years.

4.11. National Minorities Development & Finance Corporation:

The National Minorities Development & Finance Corporation, New Delhi has been extending loan to the religious minorities through its SCAs (State Channelizing Agencies). Karnataka Minorities



Development Corporation is the SCA of NMDFC in Karnataka. KMDC is lending loans for the following schemes of NMDFC.

1. Term Loan Scheme

Rs.50000/- to 20.00 lakhs is sanctioned as loan to project based business activities under Credit Line I at 6% p.a. Higher loan upto Rs.30 lakhs are provided at 8% p.a. under Credit Line 2. The Corporation releases loan component comprising 90% of the total project cost as NMDFC share, 05% of the project cost as KMDC share and balance 5% of the project cost has to be borne by the beneficiary.

2. Micro Finance Scheme

Loan component Rs.1 lakh-to each member of SHG without subsidy. Under Credit Line I interest is 7% p.a. and at 8% p.a. for women and 10% for men under Credit Line 2.

3. Under Educational Loan Scheme

- Loan is being provided to beneficiaries subject to a maximum of Rs.15.00 lakhs (Rs.20 lakhs for studies abroad) for Professional Courses of maximum 05 years duration at 3 % interest rate under Credit Line 1.
- Under Credit Line 2, loan is being provided upto Rs.20.00 Lakhs (Rs.30 lakhs for studies abroad) at 8 % for male



students and 5% for female students to the student pursuing job oriented studies payable in maximum 05 years after studies.

4. Virasat Scheme for Artisans

Under the Scheme, loan upto Rs.10 lakhs is provided at 5% p.a. interest rate for male artisans and 4% for female artisans for sustainable employment.

5. TARGETS AND ACHIEVEMENT SCHEMewise

The Schemes with their allotment, achievement and percentage over target in FY 2017-18 is placed below:

		Allocation		KMDC	Govt	Utilization		% Achievement	
		No	Amt			No	Amt	No	Amt
1	Arvu (Education Loan)Scheme	25000	10000	10000	10000	28426	8990.03	105.18%	
	CET Scheme					3315	1527.90		
	Total					28141	10517.93	105.18%	105.18%



2	Margin Money Loan for housing	2000	2000	2000	2000	1403	1023.00	53.15%	51.15%
3	Micro Loan and Subsidy Scheme	24000	2400	2400	2400	16497	1649.70	68.74%	68.74%
4	Self Employment Scheme	4000	3050	3050	3050	2610	2625.28	84.11%	84.11%
5	Ganga Kalyana Scheme	1930	4000	4000	4000	3120	4348.99	108.72	108.72
6.	Shramashakthi Loan Scheme	8000	4000	4000	4000	12126	3786.90	94.67%	94.67%
7	Land Purchase Scheme	100	1000	1000	1000	75	750.00	75.00%	75.00%
	Total	65030	26450	26450	26450	63972	24641.80	93.16%	93.16%

It can be seen be seen that the utilization pattern is rather erratic. Only the 'Arivu' Scheme and the 'Ganga Kalyana' Scheme can be said to be successful. But we note that the Land Purchase Scheme may not have been properly implemented, and the Government may have to utilize the machinery of revenue to find out the actual ground reality. Care should be taken for Welfare Schemes not to become Real Estate Schemes. But under the Scheme for Bore Wells under Ganga Kalyana Scheme, the statutory auditor could not find the juncture between the amount spent and the ground



level result . Even though these things were pointed out, no action seem to be taken.

But then unless, the details of beneficiaries are known, ground level penetration cannot be assessed. As noted by statutory auditor, the cloud of suspicion raised by this is colossal.

II. NEW SCHEMES:

1	Minority Farmers Welfare Scheme	1000	1000	1000	1000	221	221.00	22.10%	22.10%
2	Animal Husbandry Encouragement Scheme	2500	1000	1000	1000	1795	718.00	71.80%	71.80%
3	Mane Malige Scheme	100	500	500	500	0	0		
4	Minority Taxi Divers Welfare Scheme (Subsidy only)	500	1500	1500	1500	357	1071	71.40%	71.40%
5	Training Encouragement & Infrastructure Scheme for Auto Service, Automobile, Bidri and Structure activities	680	1000	1000	1000	506	373.55	37.36%	37.36%
6	Loan for Gulf Returnees	33	330	330	330	13	110	33.33%	33.33%
	Total	4813	5330	5330	5330	2892	2493.55	46.78%	46.78%



7	Purchase of Land for construction of Craft Park in Bidar and Channapatna		1220	1220	1220	0	0		
			6550	6550	6550	2892	2493.55	38.07%	38.07%
	Grand Total	69843	33000	33000	33000	66864	27135.35	82.23%	82.23%

Year wise data on the number of beneficiaries under the Micro Loan Subsidy Scheme is tabled below:

Name of the Scheme	No. of beneficiaries				
	2013-14	2014-15	2015-16	2016-17	2017-18
Micro Loan with Subsidy Scheme	15,584	33,001	24,825	19,433	16,497

It is to be seen that instead of increase in the number of applicants with the increase in subsidy made available, number of beneficiaries has come down from 24825 during FY 2015-16 to 19433 in FY 2016-17 and further to 16497 in FY 2017-18. **Here also, unless the alleged beneficiaries are identified, ground level reality cannot be assessed.** This needs to be examined. Ground level survey done



by us indicate that much of the amount released may not reach the actual beneficiary. So we had asked for a list of beneficiaries and their details. It was refused point blank saying that it is confidential. It may be noted that statutory auditors have also not received this list. The Director Board do not seem to have addressed this issue.

Therefore, it appears to be that inspite of the target fixed, it appears to be low in terms of population matrix. It cannot be said that the Corporation was an overwhelming success in this respect. After going through the applications and following some incidents, it is found that even though some measure of success had been obtained, the quality to be attained in enhancement of capabilities of livelihood promotion, probably much more has to be done. It appears that the Minority Welfare Department and the Directorate were promoting the Corporation going by the tone of note sheets but the ground level penetration by the Corporation seems to be sketchy. We had visited many Schools run by the Minority Community but unfortunately, many of the teachers seem to be ignorant of the specific Schemes of the Corporation.

The Corporation under the able guidance of Hon'ble Minister, Shri B.Z. Zameer Ahmed Khan and the Secretary, Smt. M.V. Savitri, IAS, has issued several promotional ventures to indicate



Government support for minority affairs from poverty to self reliance. Some of the high lights of the matrix alongwith the Schemes under study is expounded below.

Physical and Financial Achievement for the year 2013-14

(Upto 31.03.2014) :

Sl. No	State Sector Schemes	Target Physical	Target Financial	Amount allocated in the budget	Amount released from the Govt.
1	Swavalambana Margin Money Loan & Subsidy Scheme	4000	600	4500	4200
2	'Arivu' (Education Loan) Scheme	14400	3600		
3	Micro Loan and Subsidy	24000	2400	2400	2400
4	Ganga Kalyana Scheme	2300	4446	4446	4446
5	Shramashakti Loan Scheme	9000	1800	1800	1800
6	Interest	0	0	2500	2500



	Subsidy Scheme for housing				
7	Waiver of loan			1875	1875
	Total (from 2 to 6)	53700	12846	17521	17221

II CHRISTIAN DEVELOPMENT SCHEME :

1	'Arivu' (Education Loan) Scheme	3333	1000	4000	4000
2	Shramashakti Loan Scheme	5000	1000		
3	Micro Loan and Subsidy Scheme	10000	1000		
4	Interest Subsidy Scheme for housing	1334	1000		
	Total	19667	4000	4000	4000
	Grand total I+II	73367	16846	21521	21221

I. NFDFC SCHEME :

					1850
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Physical and Financial Achievement for the year 2014-15

(Upto 31.03.2015)

Sl. No.	State Sector Schemes	<u>Target Physical</u>	<u>Target Financial</u>	Amount allocated in the budget	Amount released from the Govt.
1	Swavalambana Margin Money Loan & Subsidy Scheme	4400	900	5900	5900
2	'Arivu' (Education Loan) Scheme	16667	5000		
3	Micro Loan and Subsidy	24000	2400	2400	2400
4	Ganga Kalyana Scheme	1800	2700	2700	2700
5	Shramashakti Loan Scheme	11105	2221	2221	2221
6	Interest Subsidy Scheme for housing	2500	2500	0.0	0.0
7	Waiver of loan			2835	2835
	Total (from 2 to 6)	60472	15721	16056	16056



II CHRISTIAN DEVELOPMENT SCHEME

1	'Arivu' (Education Loan) Scheme	3333	1000	4000	4000
2	Shramashakti Loan Scheme	5000	1000		
3	Micro Loan and Subsidy Scheme	10000	1000		
4	Interest Subsidy Scheme for housing	1334	1000		
	Total	19667	4000	4000	4000
	Grand total I+II	80139	19721	20056	20056

III. NDFC SCHEME :

					2000
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Physical and Financial Achievement for the year 2015-16

(Upto 31.03.2016) :

Sl. No	State Sector Schemes	Target Physical	Target Financial	Amount allocated in the budget	Amount released from the Govt.
1	Swavalambana Margin Money Loan & Subsidy Scheme	5000	1300	7500	7500
2	'Arivu' (Education Loan) Scheme	17667	5300		
3	Micro Loan and Subsidy	24000	2400		
4	Ganga Kalyana Scheme	2000	3000	7000	7000
5	Shramashakti Loan Scheme	10000	2500		
6	Interest Subsidy Scheme for housing	0.0	0.0	0.0	0.0
	Total (from 2 to 6)	58667	14500	14500	14500



II CHRISTIAN DEVELOPMENT SCHEME :

1	'Arivu' (Education Loan) Scheme	3333	1000	4000	4000
2	Shramashakti Loan Scheme	4000	1000		
3	Micro Loan and Subsidy Scheme	10000	1000		
4	Interest Subsidy Scheme for housing	1334	1000		
Total		18667	4000	4000	4000
Grand total I+II		77334	18500	18500	18500

III. NDFDC SCHEME :

					1000
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ARIVU SCHEME

Name of the Scheme	No. of beneficiaries				
	2013-14	2014-15	2015-16	2016-17	2017-18
'Arivu' Scheme	15,963	22,414	22,003	22,751	28,141



6. DEMOGRAPHICS

To understand the implication for the people of Karnataka and especially to the minority the demographic pattern of minorities in Karnataka needs to be looked into.

The minority population constitute 15.92% of the total population of Karnataka. This is less than the national average of 20.20%. Muslims constitute the largest minority group with 12.91%, Christians account for 1.87%, Jains 0.72%, Buddhists 0.15% and Sikhs 0.47%. The information available according to the 2011 census for the various districts are given below:

1. BENGALURU URBAN :

District Population	9621551
Population of Minorities 19.27%	1855032

2. BENGALURU RURAL :

District Population	990923
Population of Minorities 10.02%	99326

3. BELGAUM:



District Population	4779661
Population of Minorities 15.23%	728263

4. BELLARY:

District Population	2452595
Population of Minorities 14.03%	344205

5. BIDAR :

District Population	1703300
Population of Minorities 23.65%	402900

6. VIJAYAPURA :

District Population	2177331
Population of Minorities 17.52%	381618

7. CHIKKAMAGALUR :

District Population	1137961
Population of Minorities 11.62%	132236

8. CHITRADURGA :

District Population	1659456
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Population of Minorities 8.20%	136110
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9. DAVANGERE :

District Population	1945497
Population of Minorities 14.29%	278113

10. GADAG :

District Population	1064570
Population of Minorities 14.40%	153400

11. KALBURGI :

District Population	2566326
Population of Minorities 20.91%	536749

12. HASSAN :

District Population	1776421
Population of Minorities 08.01%	142354

13. HAVERI:



District Population	1597668
Population of Minorities 19.44%	310654

14.HUBLI :

District Population	1847023
Population of Minorities 24.19%	446819

15.KARWAR :

District Population	1438169
Population of Minorities 17.33%	249237

16. KOLAR :

District Population	1536401
Population of Minorities 18.92%	104919

17.MADIKERI :

District Population	554519
Population of Minorities 18,92%	104919

18.MANDYA :



District Population	1805769
Population of Minorities 05.00%	90535

19.MANGALORE :

District Population	2089649
Population of Minorities 32.70%	684661

20.MYSORE:

District Population	3001127
Population of Minorities 12.00%	361778

21.RAICHUR :

District Population	1928812
Population of Minorities 15.00%	289375

22.SHIMOGA :

District Population	1752753
Population of Minorities 15.46%	270939

23.TUMKUR :

District Population	2678980
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Population of Minorities 09.70%	260784
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24.UDUPI:

District Population	1177361
Population of Minorities 14.23%%	167505

25.RAMNAGAR :

District Population	1082636
Population of Minorities 11.27%	122047

26.YADGIR :

District Population	1174271
Population of Minorities 14.80%	173837

27. BAGALKOT :

District Population	1889752
Population of Minorities 13.20%	249477

28. CHIKKABALLAPUR :



District Population	1255104
Population of Minorities 12.26%	153818

29.KOPPAL :

District Population	1389920
Population of Minorities 12.17%	169130

30. CHAMRAJNAGAR ::

District Population	1020791
Population of Minorities 07.36%	75162

Total population of Karnataka	61095297
Total Population of Minorities	9600475
15.71%	

It is true that a demographic pattern need not necessarily reflect social development. But otherwise, to be equitable, some correlation between population and the opportunities made available is a must. We are not in a position to assess the economic ability of minorities. But their representation in Government related Service, we could. But to add a word of caution, we had found that except for Christians all other minorities are more involved in business



than Government Service or a job in any firm. So a partial fulfillment may also be a sufficient indicator of progress.

We were unable to get the ratio of minorities in Government service but we were able to get the information from Karnataka Minorities Commission regarding the representation of minority communities in Karnataka Government Undertaking which we think will adequately cover the requirement :

Sl. No.	Name of the Public Sector Undertaking/ Board/ Corporation	Total number of persons employed		No. of employees employed						% of working
		CADRE		Muslims	Christians	Jains	Sikhs	Buddhist	Total	
1.	Karnataka Silk Industries Corporation Ltd.	Group-A	03 09	-	-	-	-	-	-	11.1%
		Group-B	145395	02	01	-	-	-	01	6.20%
		Group-C		15	07	-	-	-	09	5.56%
		Group-D				07	-	-	-	22
2.	Karnataka Soaps & Detergents Ltd.	Group-A	69	01	-	-	-	-	01	1.44%
		Group-B	40	-	03	-	-	-	03	7.5 %
		Group-C	322	09	-	-	-	-	09	2.79%
		Group-D	57	-	-	-	-	-	-	-
3.	Karnataka Vidyuth Karkhane Ltd.	Group-A	07	-	-	-	-	-	-	-
		Group-B	11	01	-	-	-	-	01	9.09%
		Group-C	51	03	03	-	-	-	06	11.7%
		Group-D	91	03	02	-	-	-	05	5.49%
4.	The Mysore Electrical Industries Ltd.	Group-A	05	-	-	-	-	-	-	-
		Group-B	31	-	-	-	-	-	-	-
		Group-C	53	-	-	-	-	-	-	-
		Group-D	31	01	02	-	-	-	03	9.67%



5	Mysore Paints & Varnish Ltd.	Group-A Group-B Group-C Group-D	04 05 11 26	- - - 02	- - - -	- - - -	- - - -	- - - 02	7.69%
6	Karnataka State Financial Corporation Ltd.	Group-A Group-B Group-C Group-D	268 530 87 -	07 14 03 -	- 08 01 -	- 02 01 -	- - - -	07 24 05 -	2.61% 4.52% 5.74% -
7	The Hutti Gold Mines Company Ltd.	Group-A Group-B Group-C Group-D	06 170 2132 1808	- 19 408 336	- 06 117 48	- - - -	- - - -	- 25 525 384	- 14.7% 24.6% 21.2%
8	Mysore Minerals Ltd.	Group-A Group-B Group-C Group-D	27 26 405 424	01 01 05 11	- 02 04 03	- - 01 -	- - - -	01 03 10 14	3.7% 11.5% 2.46% 3.3%
9	Bangalore Electrical Supply Company Ltd.	Group-A Group-B Group-C Group-D	09 10 151 260	- - 05 10	- - - 01	- - - -	- - - -	- - 05 11	- - 3.31% 4.23%
10	Hubli Electricity Supply Company Ltd.	Group-A Group-B Group-C Group-D	323 306 3213 5990	28 57 612 1030	03 04 51 63	07 06 32 25	- - - 01 03	38 67 696 1121	11.7% 21.8% 21.6% 18.7%
11	Karnataka Power Corporation	Group-A Group-B Group-C Group-D	401 1893 2183 365	09 137 207 42	01 30 98 02	- 14 01 -	- - - -	10 181 306 44	2.49% 9.56% 14% 12%
12	Karnataka Power Transmission Corpn. Ltd	Group-A Group-B Group-C Group-D	2658 2582 18457 30687	150 209 1777 2539	31 28 296 256	18 18 70 72	- 1 1 1	199 256 2144 2869	7.48% 9.91% 11.6% 9.34%
13	Mangaluru Electricity Supply Company Ltd.	Group-A Group-B Group-C Group-D	217 189 1660 3307	09 04 86 187	10 08 79 79	01 - 06 14	- - - -	20 12 171 280	9.21% 6.34% 10.3% 8.46%



14	Mangaluru Electricity Supply Company Ltd.	Group-A	77	03	-	01	-	-	04	5.19%
		Group-B	53	01	01	-	-	-	02	3.77%
		Group-C	33929	1804	186	-	-	-	1990	5.86%
		Group-D	95	06	04	-	-	-	10	10.5%
15	D. Devaraj Truck Terminals Ltd.	Group-A	-	-	-	-	-	-	-	-
		Group-B	-	-	-	-	-	-	-	-
		Group-C	04 *	01	-	-	-	-	01	25%
		Group-D	01*	-	-	-	-	-	-	-
16	Karnataka Road Transport Corporation	Group-A	161	03	03	01	-	-	07	4.34%
		Group-B	163	01	01	-	-	-	02	1.22%
		Group-C		2115	301	86	14	02	2518	6.7%
		Group-D	37564 513	35	16	01	-	-	52	10.1%
17	Karnataka State Beverage Corporation Limited	Group-A	244	05	04	03	-	-	12	-
		Group-B								
		Group-C	190	-	-	-	-	-	-	-
		Group-D								
18	Marketing Communication & Advertising Ltd.	Group-A	03	-	-	-	-	-	-	-
		Group-B	21	01	01	-	-	-	02	9.52%
		Group-C	12	-	-	-	-	-	-	-
		Group-D	03	-	-	-	-	-	-	-
19	Mysore Sales International Limited	Group-A	35	02	01	-	-	-	03	8.57%
		Group-B	-	-	-	-	-	-	-	-
		Group-C	148	02	03	-	01	-	06	4.5%
		Group-D	33	01	02	-	01	-	04	12.1%
20	Jungle Lodges and Resorts Ltd.	Group-A	10	02	01	-	-	-	03	30%
		Group-B	06	-	-	-	-	-	-	-
		Group-C	245	11	11	-	-	-	22	8.97%
		Group-D	315	08	03	-	-	-	11	3.49%
21	Cauveri Neeravari Nigama Ltd.	Group-A	84	01	-	02	-	-	03	3.57%
		Group-B	388	12	02	-	-	-	14	3-6%
		Group-C	883	29	17	-	-	01	47	5.32%
		Group-D	441	19	04	-	-	-	23	5.21%
22	Karnataka Neeravari Nigam Ltd.	Group-A	211	10	01	03	-	-	14	6.63%
		Group-B	473	26	01	05	-	-	32	6.76%
		Group-C	1391	1811	13	17	-	-	211	15.1%
		Group-D	626	15	08	03	-	-	126	20.1%



2	Dr. B.R. Ambedkar Development Corporation Ltd.	Group-A	26	-	-	-	-	-	-	-
3		Group-B	60	-	01	-	-	-	01	1.66%
		Group-C	96	04	02	-	-	-	06	6.25%
		Group-D	17	-	-	-	-	-	=	-
2	Karnataka Rural Infrastructure Development Ltd.	Group-A	138	04	-	-	-	-	04	2.89%
4		Group-B	150	10	01	01	-	-	12	8%
		Group-C	370	09	06	02	-	-	17	4.59%
		Group-D	159	13	-	01	-	-	14	8.80%
2	Karnataka State Industrial & Infrastructure Development Ltd.	Group-A	41	-	-	01	-	-	01	2.43%
5		Group-B	26	-	-	-	-	-	-	-
		Group-C	23	01	-	-	-	-	01	4.34%
		Group-D	-	-	-	-	-	-	-	-
2	Karnataka State Small Industries Development Corporation Ltd.	Group-A	49	02	01	-	-	-	03	6.12%
6		Group-B	38	01	01	-	-	-	02	5.26%
		Group-C	75	04	01	-	-	-	05	6.66%
		Group-D	17	01	-	-	-	-	01	5.88%
2	Karnataka Cashew Development Corporation Ltd.	Group-A	06	-	-	-	-	-	-	-
7		Group-B	14	-	02	-	-	-	02	14.2%
		Group-C	33	01	-	-	-	-	01	3.3%
		Group-D	12	-	-	-	-	-	-	-
2	Karnataka Compost Development Corporation Ltd.	Group-A	01	-	-	-	-	-	-	-
8		Group-B	-	-	-	-	-	-	-	-
		Group-C	12	-	-	-	-	-	-	-
		Group-D	10	-	-	-	-	-	-	-
2	Karnataka Food & Civil Supplies Corporation Ltd.	Group-A	03	-	-	-	-	-	-	-
9		Group-B	23	-	-	02	-	-	02	8.69%
		Group-C	672	40	07	01	-	-	48	7.14%
		Group-D	113	05	01	-	-	-	06	5.3%
3	Karnataka State Agricultural Produce	Group-A	-	-	-	-	-	-	-	-
0		Group-B	-	-	-	-	-	-	-	-
		Group-C	-	-	-	-	-	-	-	-
		Group-D	-	-	-	-	-	-	-	-



	Processing & Export Corporation Ltd.									
3	Karnataka State Seeds Corporation Ltd.	Group-A	30	-	-	01	-	-	01	3.33%
1		Group-B	14	-	-	-	-	-	-	-
		Group-C	103	04	-	-	-	-	04	3.88%
		Group-D	28	-	-	-	-	-	-	-
3	Karnataka Togari Abhivrudhi Mandali Ltd.	Group-A	01	-	-	-	-	-	-	-
2		Group-B	01	-	-	-	-	-	-	-
		Group-C	05	-	-	-	-	-	-	-
		Group-D	01	-	-	-	-	-	-	-
3	Karnataka State Forest Industries Corporation Ltd.	Group-A								
3		Group-B								
		Group-C	68	03	01	-	-	-	04	5.88%
		Group-D								
3	Devaraj URS Backward Classes Development Corporation	Group-A	04	-	-	-	-	-	-	-
4		Group-B	25	02	-	01	-	-	03	12%
		Group-C	49	-	-	-	-	-	-	-
		Group-D	02	-	-	-	-	-	-	-
3	Karnataka Fisheries Corporation Ltd.	Group-A	05	-	-	-	-	-	-	-
5		Group-B	04	-	-	-	-	-	-	-
		Group-C	73	-	03	-	-	-	03	4.1%
		Group-D	23	01	02	-	-	-	03	13.4%
3	Karnataka Women Development Corporation Ltd	Group-A	04	-	-	-	-	-	-	-
6		Group-B	-	-	-	-	-	-	-	-
		Group-C	36	-	-	-	-	-	-	-
		Group-D	04	-	-	-	-	-	-	-
3	Karnataka State Handicraft Development Corporation Ltd.	Group-A	06	01	-	-	-	-	01	16.62%
7		Group-B	04	-	-	-	-	-	-	-
		Group-C	49	02	01	01	-	-	04	-
		Group-D	43	03	03	-	-	-	06	8.16% 13.9%



38	Karnataka State Textile Infrastructure Development	Group-A Group-B Group-C Group-D	03 04 04 02	- - 01 -	- - - -	- - 01 -	- - - -	- - 02 -	- - 50% -
39	Karnataka State Warehousing Corporation	Group-A Group-B Group-C Group-D	16 34 244 04	- - 12 -	- - 02 -	- 01 01 -	- - - -	- 01 15 -	- 2.94% 6.14% -
40	Shree Kanteerva Studios Ltd.	Group-A Group-B Group-C Group-D	01 - 06 -	- - - -	- - - -	- - - -	- - - -	- - - -	- - - -
41	Karnataka State Police Housing & Infrastructure Development Corporation Ltd.	Group-A Group-B Group-C Group-D	06 - 49 15	02 - 07 -	- - 01 -	01 - - -	- - - -	03 - 08 -	50% - 16.3% -
42	Karnataka State Electronics Development Corporation Ltd.	Group-A Group-B Group-C Group-D	05 28 69 03	- 02 - -	- 01 02 -	- - - -	- - - -	- 03 02 -	- 10.7% 2.89% -

Given the fact that except for Christians, many among the minorities are businessmen, the level of employment of minorities in government related services seem to be adequate and satisfactory. It may be further noted that only Muslims and Christians seek out a job either in government or related services.



7. REMARKS:

When we had requested for documents from the Corporation, on of huge bundles of Kannada photocopied documents were placed at our disposal. We believed at first that there might be genuine documents of some value and had arranged at heavy cost for these to be translated and transcribed. Since they appeared to be proximate to the Corporation and they deemed it all to be relevant, we had examine them. In fact we consider these documents of Nil value. It may be noted that this was done as we had complained to the then Secretary DPE and on instruction this had been given to us. We had placed these before a Committee of Retired Government Servants (who do not in the circumstances, wish to be named). They reported that 3pages have minimal relevance and 25 pages have slight relevance and rest of about 1000 pages is clear junk. We place even the minimal relevance ones herewith as an Annexure, not for any positive purpose, but to highlight the non-cooperation of the Corporation.

The GOs as was available in their records and is presented below.

Note – 1

GO No. MWD 73 MDC 2013 dated 10.03.2015



Proceedings of GOK: Revising the Limit of Annual Income of the beneficiaries under the Karnataka Minority Development Corporation [Excluding the Arivu (education loan) scheme]

Presently, the Limit of Annual Income of the beneficiaries under the Karnataka Minority Development Corporation with respect to Arivu (education loan) is fixed to Rs. 22,000/-.

In the meeting held on 18.09.2014 it was decided that, NMFDC and KMDC are the corporations engaged in the development of minorities, there shall be uniformity in the limits of annual income of beneficiaries of both the corporations, therefore to revise the limits of annual income on par with the NMFDC's annual income limit.

NMFDC has revised the Annual income limit to Rs. 1,03,000/- (for the persons residing in the urban areas) and Rs. 81,000/- (for the persons residing in rural areas), accordingly government was submitted with the proposal seeking for revision in the said manner.

Government vide the GO No. MWD 73 MDC 2013 dated 10.03.2015 has ordered revision accordingly as above.

Government of Karnataka has now to again bring in an equivalence in the eligible income limit on national parameters by increasing the Annual income limit to Rs. 1,20,000/- (for the persons residing in the urban areas) and Rs. 98,000/- (for the



persons residing in rural areas), accordingly as per present NMDFC guidelines .

Note – 2

GO No. MWD 57 MDC 2015 dated 16.10.2015

Proceedings of GOK: Revising the Limit of Annual Income of the beneficiaries under the Karnataka Minority Development Corporation under the Arivu (education loan) scheme from Rs. 4.50 lakhs to Rs. 6.0 lakhs.

As per the GO No. MWD 60 MDC 2014 dated 17.01.2014 and 27.08.2014 for the students who have passed the CET examination and continuing in the professional and post-graduate courses are being provided with the interest-free loan under the Arivu (Education loan) Scheme.

Income of parents of students availing loan is fixed to Rs.4.50 lakh. It was increased as per the GO No. DMD 148 BCA 2015 dated 04.06.2015 to Rs. 6.0 lakhs from existing Rs.4.50 lakhs as applicable to the candidates belonging to backward classes Category-2A, 2B and 3B, by the Department of Minority Development with respect to the schemes available under the department.



Managing Director, Karnataka Minority Development Corporation has submitted the proposal that, to enhance the limit of annual income of parents of students availing loan under the Karnataka Minority Development Corporation under the Arivu (education loan) scheme from Rs. 4.50 lakhs to Rs. 6.0 lakhs.

Considering the said proposal Government is pleased to enhance the limits accordingly.

Vide this, the Government of Karnataka had expanded the horizons of eligibility. We had, therefore, examined with the help of the Corporation, the enhancement in benefits and number of beneficiaries and according to the Corporation, this is quite appreciable.

Note-3

GO No. MWD 60 MDC 2016 dated 27.10.2016

Proceedings of GOK: Modifying the Swawalamban Margin Loan and Subsidy scheme being implemented by the Karnataka Minority Development Corporation.



This relates to a scheme whereby a subsidy is provided which is pari materia to several banking schemes being implemented by Dr. B.R. Ambedkar Development Corporation and Maharshi Valmiki Scheduled Tribes Development Corporation.

As per the GO No. MWD 36 MDC 2013 dated 10.01.2014, KMDC is implementing the Swawalamban Margin Loan and Subsidy scheme providing 20% margin loan for the business activities (Up to Rs. 5 Lakhs Unit expenses) and 5% (up to Rs. 25,000/-) as subsidy”.

Managing Director, Karnataka Minority Development Corporation has submitted the proposal to issue revised order to implement the Swawalamban Margin Loan and Subsidy scheme in the manner being implemented by Dr.B.R.Ambedkar Development Corporation and Maharshi Valmiki Scheduled Tribes Development Corporation.

Government, considering the said proposal, after detailed examination, ordered to revise the Swawalamban Margin Loan and Subsidy scheme in the manner being implemented by Dr.B.R. Ambedkar Development Corporation and Maharshi Valmiki Scheduled Tribes Development Corporation as follows:



1. 50% subsidy for the entrepreneurial activities under the Unit Expenses below Rs. 1 Lakh or up to Rs. 35,000/- maximum limit.
2. 33% subsidy for the entrepreneurial activities under the Unit Expenses above Rs. 2 Lakh or up to 33% of Unit expenses

8. RECOVERY PROCEEDURES

District Manager in the district is responsible for the recovery of the loans due, lent under different schemes in monthly installments at the prescribed rate of interest from the beneficiaries. He also tasked with the monitoring of loans. For the purpose of recovery, a notice will be served on the defaulters. In case of Non-response, legal notice will be served. There is no further information regarding any further proceedings taken if the loan is not recovered despite legal notice being sent.

Is recovery practice transparent and efficient?

These questions necessitate the comparison of recovery practices followed by the corporation with other financial systems. It would show that it has the defects as mentioned below:



1. There is no direct supervision on this issue from the Head Office.
2. In line with best practices, proper financial monitoring systems are not present.
3. Lack of proper follow up on NPAs
4. There seems to be a dearth of data on NPAs, on practices in case of a non-response to legal notice, practices to reduce litigation, time –period to classify a financial disbursement with loan component on non-repayment as NPA, recovery period(time taken to recover a loan) recovery amount to expenditure on recovery ratio, just to name a few.

9. CONSTRAINTS FACED BY MINORITIES

It is a well known fact that the educational attainment among a large portion of minorities in India is comparatively lower. This is because of the non-availability of adequate educational facilities in terms of the schools that provide education through their mother tongue. Besides, the minority community children who come through their mother tongue medium of schools face the problem of lack of continuity of the same educational stream.



After completing their primary / elementary education in their mother tongue , these children tend to drop out of school/college education on account of non-availability of high schools and colleges which provide instruction through the medium of their own languages. That largely explains why drop-out rates are very high among the children of minorities, especially Muslims.

Low Educational Status :

Minority Communities occupy a special place in the development of India. They constitute around 20% of the population and form an integral part of India's growth trajectory. Among the six minority communities—Muslims, Christians, Sikhs, Jains, Parsees and Buddhists-- the Muslim Community accounts for around 72% of the total population of minorities.

According to the 2011 census, they constitute a sizable 14.2% of the Indian population. However, despite their numerical strength, the Muslim Community is the most backward among all the minorities both in terms of education and economic means. Empowerment of this community remains a continuing challenge ever since independence.



In India, there are two models for empowerment of a minority community. One model is through economic development like the Sikhs of Punjab through mechanization of farming and business activity. Another model is through focus on education like the Christian community, who have set up many educational Institutions, thus enabling them to get quality education.

In the first model, the Sikhs of Punjab first made themselves economically strong by industrializing their areas and later established technical institutions to educate their own community children to advance their economic interests. Owing to well-planned educational and economic policies, the Sikhs now have a substantial number of skilled labourers, businessmen and industrialists all over India who can take up the cause of the community not only within India but also in the international forums. The industrial hub of Punjab makes products for national and export markets, ensuring economic prosperity and thereby empowering their community in the process.

In the second model, education serves as a tool for empowerment of the community. The Christian community has been occupying a higher status in education, much better than any other community. They, therefore, have better representation in the decision-making and implementing bodies of the country. The best managed educational institutions at all levels are still in the hands of this



community and the intellectuals coming out of their institutions are well recognized both within and outside India.

In the current scenario, the Muslim Community does not have a significant share in agriculture or industrial production. No doubt, a few Muslims are into business and wholesale trade. But a substantial number of Muslims are in the small retail sector.

Hence, empowering them through the economic development route can only be a distant possibility. We need to emphasize education as the key to their empowerment. In addition, educations will serve as a means for their social development as well. Unfortunately, the Muslim community as of now does not have significant educated population. Even among the educational Institutions run by and for the minority communities, the quality of the education in the institutions meant for Muslims does not compare well with those of the other minority communities.

The data from Government and private researchers show that at every level of education in terms of parameters whether it is caste-wise, income-wise or gender-wise, the Muslim Community is behind all other communities. Some studies, however, indicate another peculiar feature. At the primary level of the Muslim Community is as good as the others whereas moving at higher and



higher levels of education, they become more and more behind the others. Let us look at this paradox and identify the underlying issues leading to the low quality of the education now available to the Muslim Community as well as the steps taken by the State to deal with them. Hopefully that should help us to suggest a few strategies to improve the situation in the near future.

The problem also lies in non-availability of schools within easy reach for girls at lower levels of education, absence of girls' hostels, absence of female teachers and availability of scholarships as they move up the education ladder. As a consequence, Muslim women end up with lower educational attainments than men and this has resulted in a vicious circle of the younger girls not getting adequate support to pursue higher education.

Yet another reason attributed to the low level of education among the Muslims, especially at the level of high school and college levels, is poverty and the lack of resources. The circle of finance in modern days moves on interest rates whereas interest is strictly prohibited in Islam. This curtails the availability of funds for establishing institutions for the benefit of Muslims by the Muslims.

In the absence of any special allocation of funds, the poor Muslim children will have to compete with others for scholarships and even



admission to institutions of repute. The quality suffers in the bargain.

Finally lack of awareness among the Muslims themselves has been a major cause responsible for their low status in education. There is very little recognition of the fact that education, particularly of women can lead to their empowerment, particularly among the middle and lower strata of the Muslim society. The response of the community for the access of higher education to both men and women from the community has been lukewarm. With the result, a large section of ordinary Muslims has not understood the power of education and pulls through with the little income he is getting through the businesses he is engaged in. In a highly competitive modern society, the voice of the powerful in the Muslim community does not appear to be strong enough to reach either the powers that be or the poorer sections among the Muslims themselves.

While the number of Muslim girls getting enrolled into the schools has been slowly increasing over the years, it is true that many of them drop out midway. Unfortunately, some of them get married at a very early age and some others are forced to take up maintenance roles within the households, especially when they are a part of a large family.



We cannot change this without the active cooperation of the community and the only way to deal with this is through awareness creation leading to a behavior change. While Government may not be the ideal agency to promote behavior change, this role can be taken up by the community and the non-government organizations.

The government can also support better enrolment of girl children by opening “girls only” schools and ensure that facilities such as drinking water, toilets etc., are made available to them without fail. The maintenance of these facilities can be entrusted to the local community, the school development committees or the Self-help groups.

Online courses could be developed for vocational education for the benefit of girl children who are compelled to stay at home for reasons beyond their control so that they can also be usually educated and employed. Such courses may be open to all other children who have dropped out of their schools as well as willing adult Muslims who are eking their livelihoods through retail/small business now. Inclusion of courses on entrepreneurship will enhance their career prospects as well.

There exists a need for integrating the children studying in the minority community educational institutions with the rest of the



community. Conscious efforts must be made to teach them the local language and culture. Encouraging them to participate in the local sports and cultural events will also help building in them the necessary competitive spirit. In addition, as a matter of policy, these institutions must enroll at least 10% of students belonging to communities other than the one that runs the institution. Such a move will foster better inter-community understanding.

The State Level bankers conference in its 140th meeting in June 2018 has placed the following data on the performance of the Karnataka Minority Development Corporation :

Karnataka Minority Dev. Corpn. (KMDC)	Target	Achievement	Percentage
a) SEP Scheme (Unit cost upto Rs.1.00 lac)	3000	650	21.7%
b) SEP Scheme (Unit cost above Rs. 1.00 lac)	1000	1578	157.8%
c) Minorities Taxi Welfare Scheme	500	289	57.8%
d) Automobile Training & Loan	100	0	0
e) Bidari Craft Loan (For Bidar District only)	180	0	0
Total	4780	180	52.7%



But then, on a comparison, D. Devaraj Urs B.C. Development Corporation under the Chaithanya Subsidy Scheme achieved 63.2%, for tourist taxi achieved 133.6%, for vehicle purchase for Nomadic Tribes achieved 75.8%, the Karnataka State Women Development Corporation for their Udyogini Scheme, which is similar to Swavalambana Scheme, has achieved 66.30%.

Under the Central Government Scheme 'Padho Pardesh' the Indian Bank Association has granted a scheme for interest subsidy and the cost of subsidy will be borne by the Government of India. Apparently, the Committee could not take a firm decision but approved the districtwise targets of KMDC and approved Bidri Craft Loan for Bidar District only.

It cannot be denied that the Karnataka Government and its Minority welfare Department as well as the Directorate of Minority has done stellar work with 95 Morarji Desai Residential School, 304 3 matric / post matric hostels, 8 minorities model residential schools, 21 Morarji Desai PU Residential Colleges, 5 Government Muslim Residential Schools, 10 working women hostels and 100 Moulana Azad model schools. With such captive audience the requisition for benefits seems to be in proportion low. However, the Government of Karnataka is the only State Govt. in the country which had released so many incentives for development of the



oppressed. But still, the implementing arm of this policy, the KMDC may not have reached the desired levels of excellence.

The Government of Karnataka had organized several consultative in this regard to find out the reasons for non availment of benefits by members of minority communities. After examination of available applications/documents, it appears that by and large the Muslim community is basic applicants. One reason for this might be, the education and other facilities available to the Christian communities are more in its intra community environment and they may not be held as lacking in comparison with other community in their socio economic progress. Therefore, the tag of minority, for them is only of a political nature. The other non-Muslim communities, Parsis, Sikhs and Jains are a separate grouping altogether. Their socio-economic environment is not lacking, in general.

We have made extensive studies about this and come to a conclusion that it is their entrepreneurship and hard work that is the reason for their success and not because of any assistance from general society, even though the Government of Karnataka had been liberal in its attention to them. Whereas in the case of Muslim, lack of education and poverty go together.

There were some suggestions that many among the Muslims are more familiar with the language of Urdu than Kannada or English.



Therefore, some suggestion seems to be implicit in Govt. documentation particularly of the Karnataka Urdu Academy that if the teaching medium is Urdu, then more efficacy can be achieved. But then it will pave the way for social exclusivity and deny them social integration on vertical and horizontal planes. The Govt. of Karnataka on the other hand, proposes the promotion of English education. After discussing it in many a fora it seems to be a wise decision, that in this era of globalization and world citizenship, English is the binding language. It may be noted that even in China and Russia , English education is now being actively promoted. Therefore, for the Muslim community to arise out of the present morass, active study of English seems to be absolutely necessary. The KMDC with its 30 district offices can go a long way in promoting English education so as to assure and ensure global progress to be achieved at different levels of Muslim communities.

While promoting the interest of minorities it must be borne in mind that social inclusiveness and exclusiveness goes against the grain of social and national integration. The attempt must be to bring majority and minority communities together on common and socio economic platforms even though on a different percentage basis.

Dalits are victims of caste system. They find themselves at the lowest rungs of Indian society. The same is the case with Christians of Dalit background. They face same atrocities and suffer same



social boycott at the hands of the caste people in society although they seem to fair better in the areas of education. Furthermore, dalit Christians also find themselves discriminated by the Indian state which excludes them from constitutional benefits provided to Hindu, Sikh and Buddhist dalits. Within the Church, nondalit Christians treat them with disdain and marginalise them in the affairs of the Church and its institutions. It is for the above reasons, researchers focused on studying the plight of Dalit Christians vis-a-vis church, state and society. We present here a summary of the findings of a few research studies and conclude with the case study of Dalit Christians in Kolar Gold Fields, a mining town in Kolar district. Majority of the mining workers in KGF are dalits and among them dalit Christians constitute significant numbers. They together exhibit an attitude of hopelessness and resignation weighed over by caste discrimination and exploitation. We present a lengthier analysis of their condition using the structural analysis methodology. Our interest in KGF are personal since we were raised there and have personal experience as a member of Dalit Christian community in Kolar Gold Fields. But first, it is important to outline the history of dalitisation in India.

This study was undertaken by S.Japhet and his team in 1986 in a village called Harabole, which is in Kanakapura Taluk of Bangalore Rural district in Karnataka. The sociological investigation tried to find out the social conditions of Dalits after



conversion to Christianity. The study also compared their status with that of Caste Christians in the village, namely the Reddys of the Sudra caste background. It was observed that Dalit Christians continued to suffer caste discrimination both in the village social life as well as in the religious life of the Catholic Church. The converts belonging to the Madiga and Holeya sub-castes were given step-motherly treatment in the Church both by the clergy and laity belonging to the sudra caste.

The territorial division of the Dalit Christian habitation, the practice of social segregation and the restrictions imposed on them in the matter of their entry into hotels, drawing of drinking water from the wells, interdining and admission into the houses of caste Christians are sufficient evidence that the Christian Dalits are not treated as social equals by the caste Christians. This vividly establishes that caste is the central factor which controls and governs the social life and relations of the Catholics in this village.

The respondents complained to the investigator that the usual parish priest is no better than the caste Christian leaders. He treats them in almost the same way that Caste Christian feudal leaders do. Some respondents revealed that though theoretically the parish priest has ecclesiastical authority, in practice it is the caste leaders who control him and given him direction.



The fact is untouchability is practiced by Andhra Christians... it is not only the lay Christians who are guided by caste considerations. The clergy and religious men and women are no less tainted by it...catholics of Scheduled caste origin frequently allege that their higher caste priests are indifferent to ministering to them.. this indifference is shown, they maintain, in their lack of enthusiasm and interest in conducting services or in visiting them...there is evidence of heightened caste consciousness among a section of the clergy. A number of them have retained their caste surnames..."

Dalit subcaste groups have the potential to join forces to fight caste discrimination practiced against them. There is no effort or willingness on the part of church clergy and hierarchy to proactively counter caste prejudices. On the other hand, they and the lay leadership engage in caste politics to gain self-interest. It is now an acknowledged fact, that the Dalit Christians are very poorly represented in Church hierarchy, especially so in the Catholic Church. According to the latest report of the Catholic Bishops Conference of India, There are about 24 millions of Christian population in India of which Dalits constitute circa 16 millions and Tribals form circa 2 millions and together 18 millions. If you convert the figures in to ratio, 67 per cent are Dalit Christians and 8 per cent Tribal Christians and the remaining 25 per cent caste Christians. A look at the number of bishops and their percentage will tell us how deep caste minded is the church and its functioning.



There are 164 catholic dioceses in India. There are 164 bishops, 13 auxiliary bishops, 2 apostolic visitors and 48 retired bishops. Both bishops and the auxiliary bishops who are holding offices number 177. Out of these 177 bishops there are 9 Dalits, 25 tribal and rest are caste bishops. This means, out of 67 per cent Dalit Christians, bishops are only 5 per cent; out of 8 per cent tribal Christians, bishops are 14 per cent and out of 25 per cent caste Christians, bishops are 81 per cent. We don't need any other information to describe caste discrimination in the church.

A legitimate question may be raised about the validity of the studies done over a decade ago for relevance in the present. Do the relational issues identified between Dalit Christians and Non-Dalit Christians hold good even today? Indeed a few things may have changed, for instance, special segregation within the churches, inter-dining and restrictions related to drawing of water from common wells may no longer be matters of contention and conflict. Progressive legislation and increased awareness about human rights have brought about significant changes in group relations and functions in these areas. But caste prejudices and practices have a way of finding new forms of expression. Take the case of domination of one caste group over the other in running the church affairs; that still is an issue. Similarly, endogamy continues to prevail and inter caste marriages within the church are still a far cry from common. More importantly there is a widening gap with



regard to educational and economic development between caste Christians and Dalit Christians.

Sl. No.	Religion	Population In crores	2011 Percent	2001 Percent	Decadal Growth between 2001-11
1.	Hindu	96.62	79.80	80.50	16.8
2.	Muslims	17.22	14.22	13.40	24.6
3.	Christians	2.78	2.20	2.30	15.5
4.	Sikhs	2.08	1.72	1.90	8.4
5.	Buddhists	0.84	0.70	0.80	5.4
6.	Jains	0.45	0.38	0.40	6.1
7.	Others	0.79	0.68	0.70	6.1
8.	Not Stated	0.29	0.30	-	-
	Total	121.09	100	100	

In Karnataka most of the Jains are concentrated in eight (out of thirty) districts of the state viz. Belgaum, Bangalore Urban, Dharwad, Bagalkot, Mysore, Daksina Kannada Haveri and Shimoga, where more than 56 percent of them have resided in these districts and the rest have spread over in all other districts which is



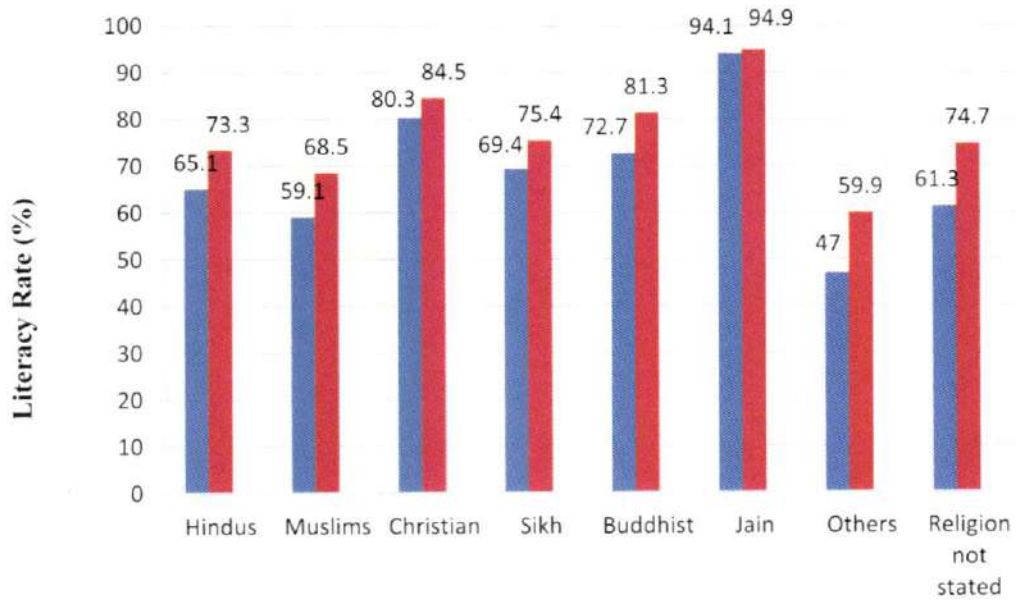
evident compared to other religious minorities, Jains are educationally advanced among all minorities in the country due to higher literacy rate among both males and females.

According to the data presented in the Lok Sabha on July 21, 2016, the literacy rate in India rose by 8.2 percentage points over the decade, from 64.8 percent in 2001 to 73 percent in 2011. Minorities have shown considerable improvement in terms of literacy rates and work participation ratio over a decade as per Census 2011. Despite improvement, Muslims still lag behind other communities with a literacy rate of 68.5 percent, compared to Hindus (73.3 percent), Christians (84.5percent), Sikhs (75.4 percent) and Jains (94.9 percent). Muslims, who comprise 14.4 percent of India's population, rank at the bottom of the higher-education ladder.

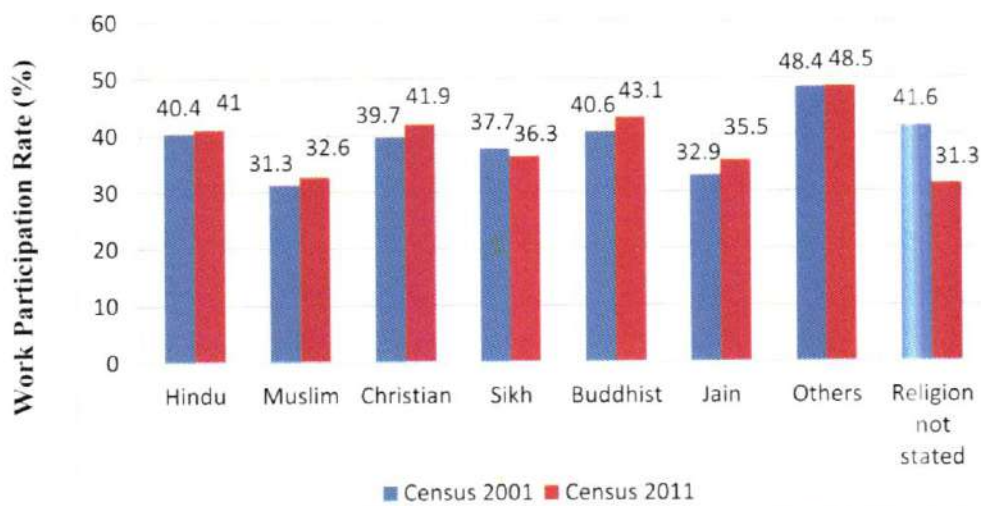
**Jains Have Highest Literacy Rates,
Muslims Lowest Work Participation Rates**

Literacy Rate





Work Participation Rate



Jains reported the maximum improvement in work-participation rate by 2.6 percentage points, from 32.9 percent in 2001 to 35.5 percent in 2011. Jains were followed by Buddhists (2.5 percentage



points), Christians (2.2 percentage points), and Muslims (1.3 percentage points). While Sikhs have seen a decline of 1.4 percentage points in work-participation rates, from 37.7 percent in 2001 to 36.3 percent in 2011 and Hindus have seen a marginal improvement by 0.6 percentage.

**10. Budget allocation and Expenditure during 2015-16
(Expenditure upto March-2016)**

(Rs. In Lakhs)

Sl. No	Schemes	Budget Allocation	Amount released	Expenditure upto March-2016	Physical Achievements
1	2	3	4	5	6
1.	Swavalamban Marjin money loan and subsidy scheme	1300.00	1300.00	1525.18	3251
2.	Arivu (Educational Loan) scheme	5300.00	5300.00	6500.20	22003
3.	Shrama Shakthi Scheme	2500.00	2500.00	4612.55	22403



4.	Ganga Kalyana Scheme	3000.00	3000.00	3715.37	3745
5.	Micro Loan & Subsidy scheme	2400.00	2400.00	2482.50	4965
6.	Christian Development Scheme	4000.00	4000.00	3157.74	17283
	TOTAL	18,500.00	18,500.00	17380.99	

During the Year 2015-16 Government has released an amount of Rs. 18,500.00 lakhs and by the end of march 2015 Rs. 2604.70 lakhs have been spend to 14927 beneficiaries.

Further details are not available.

National Minorities Development and Finance Corporation Scheme:

The Corporation has availed Rs. 1850.00 lakhs as loan from NMDCF during 2013-14 out of this, the corporation has sanctioned loan of Rs. 1879.00 lakhs to 654 Beneficiaries. During 2014-15 200.00 lakhs has been availed from NMDFC during October 2014. Out of this, the corporation has sanctioned loan of Rs.1693.00 lakhs to 339 Beneficiaries.



1. Christian Development Programme:-

For the welfare and upliftment of Christian Community in Karnataka, Government of Karnataka has initiated the implementation of various Welfare schemes from the year 2011-12. The schemes taken up for implementation are construction of Samudaya Bhavans, Renovation & repairs of Churches, Financial assistance for basic facilities to old age homes and orphanages, Skill Development Programme, Pre Coaching to Competitive Examinations, Scholarship to students studying abroad, Incentives & Bidaai Scheme. During 2015-16 Rs.7200.00 lakhs was allocated for the implementation of these Schemes and Rs. 7200.00 Lakhs has been released. A sum of Rs. 7199.63 lakhs were spent for the said programme by the end of March-2015. 19759 Beneficiaries were benefitted from the said programme. But then studies made at Bangalore, Mangalore and Coastal areas and Tamilnadu bordering areas points to, may be an apparent use of these programmes as a lure for obtaining conversion and also to contain the disillusioned. This is the largess of the State utilized for an unseen purpose.



Department during 2016-17
(Expenditure upto March-2017)
Abstract

(Rupees in Lakhs)

Department	Budget Allocation	Amount Released	Expenditure
1. Directorate of Minorities	114132.55	114132.55	112351.25
2. Karnataka State Minorities Development Corporation	25300.00	25300.00	20780.78
3. Karnataka State Wakf Board	10260.00	10260.00	7343.49
4. Karnataka State Minorities Commission	173.00	173.00	142.27
5. Karnataka State Haj Committee	2655.00	2655.00	1619.85
6. Karnataka Urudu Academy	200.00	200.00	200.00
Total	152720.55	152720.55	142437.64

In the year 2016-17 total of Rs. 152720.55 lakhs was sanctioned and released to the Minority Welfare, Haj & Wakf Department. Rs. 142437.64 lakhs has been spent.

Since we needed focus information in order to give a clearer picture of ground realities we had requested the then Secretary, DPE Smt. Renuka Chidambaram who had given the instructions to the KMDC to provide documentation. We had approached them several times



and afterwards we got a huge bundle of photocopies. Since it was in Kannada we had to get it translated and transcribed at huge cost. We had it examined with the help of retired senior government officials and who selected 31 pages out of more than a 1000 pages which had some semblance of a relevance to the corporation. These are dealt with in our report primarily to show the extent of cooperation we have received from the corporation. Only 3 pages had any actual relevance to the corporation. When it was brought to the notice of the respected Secretary Shri Kapil Mohan in our presence he directed Shri Islaudin Gadyal, the current MD, to give us all the documents. Several days we had been at the office of the KMDC from morning till evening. Finally, we had complained to the Minorities Department as well. Thereafter we presented a list of things to be issued by them starting with a list and details of beneficiaries for the last 3 years to conduct a ground level survey. The Managing Director was kind enough to give a written order to give us all the documentation. Therefore, we had kept the ground level survey team ready in all districts of the state of Karnataka at great expense for 5 days. On the 5th day, we received a negative reply from Shri Mansoor Pasha and from Shri Subramanian who were the apparent concerned officials.

Our request and their response on each of these issues is given below for a proper elucidation:



- ✓ 1. Financial statements for last 5 years (**Refused by KMDC stating that it is confidential**)
- ✓ 2. Annual report of KMDC for last 4 years (**Obtained on 11th March**)
- ✓ 3. Organization Set up of KMDC (**Obtained from Minorities Department**)
- ✓ 4. Administrative functions & responsibilities (both registered office and district offices) (**obtained from Department**)
- ✓ 5. Administrative functions & responsibilities relating to schemes performed by both registered office and district offices (**obtained from Department**)
- ✓ 6. Amount of Subsidy received by govt. scheme wise & utilized by KMDC for the last 5 years (**Refused by KMDC**)
- ✗ 7. Date of receipt of Amounts released by them the govt and interest earned on it for the last 3 years (**Refused by KMDC as confidential**)
- ✗ 8. Ledger Account of interest on subsidy (**Refused by KMDC as confidential**)
- ✗ 9. Bank Accounts Statement for the last year (**Refused by KMDC as confidential**)
- ✓ 10. Guidelines & Process in place for Identification of Beneficiaries (**Refused by KMDC**)
- ✓ 11. Process for Verification of data submitted (**Refused by KMDC**)



- ✓ 12. Process for release of loans and subsidy (**Refused by KMDC**)
- ✓ 13. Process for recovery and amount recovered and transaction numbers for the last 5 years (**Refused**)
- ✓ 14. Recovery Monitoring mechanism (**Refused by KMDC**)
- ✓ 15. New initiatives undertaken by KMDC for last 5 years (**Obtained from other sources**)
- ✓ 16. Process in place for monitoring of loan/subsidies of beneficiaries and confirmed end use (**Refused**)
- ✓ 17. Data of Non Performing Assets of various schemes and reasons for it, for the last 5 years (**Refused**)
- 18. Complete Data on all schemes, districtwise as well for past 3 years (**Refused without giving any reason**)
- 19. Complete data on NMDFC schemes allocation of funds, achievement, sharing of funds (**Obtained from other sources**)
- ✓ 20. Data on Outsourcing by KMDC (**Refused**)

Therefore, since we are unable to get proper documentation of the KMDC in spite of our best efforts we decided that we will hold a general ground level survey. We had engaged some firms to do this and we had identified certain locations so that they will be able to focus on the specific employment potential specific development



potential of a minority community, especially of the predominant community in the area. We had, therefore, given certain focal points which we assume would be predominantly occupied by members of the minority communities and living together in such a way that each of them influence the other. Thus, for example, in Mangalore we selected the area near the St. Aloysius Institution. In Karwar, we selected the area near the main market. At Bangalore, we selected the area of Tannery Road, Viveknagar, Ambedkar Nagar, Hegde nagar, Shivajinagar, Cantonment area, K.R. Market, Russell Market, Chamundi Nagar, Coles Park area etc. Several factors in relation to each community came out therefore we decided on a tangent also we descended on a Chickpet area so as to cover the Jain community as well as the Sikh community. We tried to meet with several community leaders and to elicit their opinion.

We will now start with the last among them, Parsis.

Parsi community

This community is an inclusive one, meaning that, while they interact with others, their internal interaction is much more as well as their cooperation among themselves. May be, the lack of numbers has something to do with it. We had met several people who maintained that they are not really aware of the products of KMDC. When we mentioned to them that KMDC through the Minority Development Department had stipulated in publication



that some Parsi people have also benefitted from their schemes they expressed total surprise at this. And would stipulate that normally their community takes care of their own. They have a Panchayat System whereby the needs of the community are settled among themselves. They did not deny that some exception may have happened but they were very skeptical about it. Many of them maintain that they may not need any assistance from positive discriminatory policies aimed at upliftment of Parsis. They did not deny that there may be some among them who may not be economically as well off as others but then they maintain that it will be an exception and in some cases when somebody had done something against the community in general there is a general social boycott even though not officially proclaimed.

Jain community

This community proclaims that they do not need any support from the government but the Minority Department publication shows that 88 members of the Jain community have benefitted from positive discriminatory assistance from the government for the minorities. They would submit that there appears to be some conflict in this as their internal mechanism is strong enough to provide financial assistance as well as to impose a financial discipline which will be beneficial to those in the community. They also proclaim that they do not need any assistance from the



government but they appreciate the assistance given by the government at Shravanabelagola as their participation increased the prestige of the program. Other than that, they do not think that there may be any need of any particular assistance meant for minorities.

Sikh community

We had spoken to many people from the Sikh community who are not in government service. It is pertinent to note that we had avoided people in government service in this ground level survey in respect of all communities. The Sikh community leaders maintain that they do not need these kind of assistance from the government. They had only one request. If the government could give them some land adjacent to the Ulsoor Gurudwara, they will be able to develop the school there and make it more functional. They asked only one pertinent question “have you ever seen a Sikh beggar”? They say that this symbolizes their community. Needless to say that they are very hardworking and enterprising people and quite easy to deal with as basically straight and forthcoming and meet all questions head on.

Christian community

There were some conflicts in the vision and mission of the government in providing certain specific benefits to the Christian community like building of Churches, other community



infrastructure etc. When we contacted them through the august auspices of the Archbishop of Bangalore, we were directed to a spokesperson whose name we will withhold. He maintains that their connection to the KMDC is lower even though they are fully aware of the schemes of the KMDC as they felt that the same amount of benefits which are given as loan from the KMDC can be easily available to them from the Minorities Commission and other affiliates as grants. They refuse to answer pointed questions on under what provisions these grants could be procured as this may not be open for availability to the other communities. Therefore, we held random surveys and found that they have Churches wherein help desks have been established. This is particularly so in which Tamil Christians are prevalent. Therefore, we tried to meet some of these apparent beneficiaries, who the local community would admit as having received some form of benefit from the government, but it seems to be drilled into these people (many of them new converts) that these benefits are secured for them by the Church and, therefore, it requires of them a complete obedience and compliance to the Church. The modus operandi seems to be this; instead of applicants seeking benefits, the proposed aspirants are found out and brought to the help desk by certain volunteers who are close to the Clergy and tested on the basis of their allegiance. Their details are collected and all application brought to Bangalore where a special cell exists to verify these social development



programs which are then brought into a juncture with the financier. Because of their great organization and compliance powers, no information is available as to any rejection of a proposal. When we expressed surprise at this, the spokesperson could not give us any more material but the ground level researchers thought that in many a case these benefits secured from the government work out mostly as a lure for conversion as this community is generally economically well off and as there are many organizations with support from foreign sources they may not have much difficulty in securing chances of enhancement to the members of their community. But as we have noted earlier, these kind of benefits are apparently made available to the new converts who have joined them from socially deprived communities or to contain the disillusioned into submission. But all of them sought protection of anonymity.

We had, therefore, held one more round of ground level survey and found that even though they do not proclaim that they do not want any assistance and seem to welcome more and more assistance generally it is found that as a community there may not be any need of positive discriminatory policies and financial endowments by the government to this community. It may probably defeat the purpose of equity and equality to provide any benefits to this particular community.



Muslim community

This community is really in need of a leg up. Many of them wallow in penury and poverty, ridden with superstitious beliefs controlled and contained by religious leaders, all of whom may not be bad. Our research team found persons among them saintly in nature and programmed to assist but unfortunately this is one community which is exploited in the extreme from within. The educational standards of this community is primitive in nature. The number of dropouts during the school education is the highest from this community. The lack of education for girls had blocked development of cohesive family units. The early marriage among them is another obstacle to progress. This coupled with promotion of Urdu as a medium of study had unfortunately made them into a second class citizen, however, it is pertinent and hope worthy to note that the Hon'ble Chief Minister had announced plan for universal education which will go a long way to promote global competitiveness among this community also. With painstaking effort we had gone through many an area geographically people by this community the results were saddening. Many small businessmen have heard about KMDC. They have signed papers relating to their loans from the KMDC. They had also signed



papers relating to their bank accounts. They do not know how much money the KMDC had granted to them. They were given meager amounts as some sort of a compensation the rest is pocketed by middlemen or officials as the case may be. When we asked them why they have not complained, as they all know very well it is the middlemen and officials who are taking most of their money and they are given only a pittance, their reply is that otherwise they will not get even that. When we asked for the identity of these middlemen, they refused to do so as they are scared for their lives. They were not even ready to divulge their identities and requested us not to trouble them again. We had, thus, carefully gone through whatever small financial details are available on the KMDC and find that there is a lot of conflict in it but no cross-verification was possible without assistance from KMDC which was not forthcoming.



11. FINANCIAL OVERVIEW FROM THE ANNUAL REPORT OF 2013 TO 2015

In relation to the annual report of the company during the year 2013-14 which we managed to obtain four days back. We have placed it before a group of financial experts for examination and report and their report is startling and shocking. The exception pointed out by the Auditor from 2011 onwards were ignored by the Director Board and the Annual General Body. More surprisingly, the report given by the Principal Accountant General in which he could not find out any infraction in the Corporation, is vague. Therefore, the financial report for the year 2012-13 and 2013-14 is placed to comment on it.

	2013-14	2012-13
Income	1537.68	697.96
Less Expenditure	658.08	828.37
Net Loss	-	(130.41)
Net Profit to be carried to	879.60	(130.41)



B/s		
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The Corporation has earned a net profit of Rs. 879.60 Lakhs compared to the loss of Rs. 130.41 lakhs during 2012-13. There is a marginal decrease in recovery as the Government of Karnataka has waived off loans sanctioned till 17.05.2013. A major portion of loans sanctioned after 17.05.2013 cannot be thus treated as due. Total recoveries during the year were Rs. 180.60 Lakhs.

Audit Observation	Replies
As required by Section 227(3) of the Act, we report that	
a. We have not obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit (see Annexure A)	Regarding Accounting Standards, in the opinion of the Board, AS-3 may not be applicable as it not the organization falling under the definition of Business Enterprise. Regarding AS-15, efforts will be made to comply with the same.
b. For the reasons stated in paragraph 1 of Annexure A, in our opinion proper books of account as required by law have not been kept by the Company so far as appears from our examination of those books	



<p>c. The Balance Sheet and statement of Profit and loss dealt with by this report are not in agreement with the books of account.</p>	<p>Efforts are being made to reconcile the loan control account with loan ledger and subsidiary loan accounts by outsourcing.</p>
<p>d. For the reasons stated in Annexure-A, we are of the opinion that the Balance Sheet and Statement of Profit and Loss do not comply with the Accounting Standards referred to in sub section (3c) of Section 211 of the Companies Act, 1956</p>	<p>Replies to most of the observations are included in Notes to Accounts and are applicable to commercial organisations.</p>

Basis for Adverse Opinion:

Basis for Adverse Opinion are related as detailed in Annexure-A. The effect of our observation in the said annexure to the extent quantifiable is that the result for the year would be a loss of Rs. 2,332,58,91,7555 as against profit of Rs. 8,79,59,843 now shown with consequential effect on other accounts as set out in the said Annexure.

Adverse Opinion:



In our opinion and to the best of our information and according to the explanations given to us, the financials statements do not give the information required by the Act in the manner so required and do not give a true and fair view in conformity with accounting principles generally accepted in India.

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date.

(The Company has not prepared a Cash Flow Statement as required by AS-3 read with sub section (3C) of Section 211 of the Companies Act, 1956 for us to express an opinion on the same).

Other Matters:

Based on the examination of the books and records maintained at the Head Office we have been able to **obtain reasonable assurance to report that the financial statements have been materially misstated** and have issued our audit report accordingly. The books maintained at District Offices could not be audited **as proper books are not being maintained** and statements/returns necessary for the purposes of audit. in particular, **borrower-wise details of outstanding from the District office** as per their loan ledgers were not obtained from



these District Offices though called for by us. These books have been audited by the internal auditors and in respect of their observations no written response has been given by the Management . For the reasons stated in paragraph 5/c of Annexure-A the disbursements made under the Ganga Kalyana Scheme at H.O have also remained unaudited.

The deviations in this audit report are based on test check and found to be material and pervasive resulting in the adverse opinion. In this report and its Annexures, our observations which are crucial are given in italics. Of these observations which indicate significant weaknesses in internal controls over financial reporting are given in bold italics.

Report on other Legal and Regulatory Requirements:

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of the Act, we give in the Annexure-B a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by Section 227(3) of the Act, we report that

- a) We have not obtained all the information and explanations which to best of our knowledge and belief were necessary for the purpose of our audit. (see Annexure A).



- b) For the reasons stated in Annexure A, **in our opinion proper books of account as required by law have not been kept by the Company** and its District Offices so far as appears from our examination of those books maintained at the Head Office and explanations received in respect of books maintained at District Offices and proper returns required for the purpose of our audit have not been received from the District Offices and hence these officials have not been visited by us (See paragraph 8 above).
- c) **The Balance Sheet and Statement of Profit and Loss dealt with by this Report are not found to be in agreement with the books of account.**
- d) For reasons stated in Annexure A, we are of the opinion that the Balance Sheet and Statement of Profit and Loss do not comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) As per Notification No. GSR 829 € dated 21.10.2003 issued by the Central Government the provisions of Section 274(1)(g) of the Companies Act, 1956 are not applicable to the Company.



- The opening balance as on 1.4.2013, cash and bank as submitted by 4 District Offices differed from the closing balance as on 31.3.2013 submitted by these very same District Offices and taken in the consolidated accounts. The difference of Rs. 7,77,981 has been transferred to Miscellaneous Expenses in the Statement of Profit & Loss without any details in the entries passed and proper explanation was not forthcoming from the Management (Refer paragraph 2c) of the Appendix for details).
- At Gulbarga, one bank account having balance of Rs. 8,193 as on 1.5.2013 which was not considered in the statement of receipts and payments statements at Head Office for which explanations have been called for but same not furnished. In some cases, the District Offices had not furnished the relevant details for the purposes of consolidation (Refer paragraph 2e and f) of Appendix for details).
- Balance as on 31.03.2014 as shown against District Office cash and bank balances do not match the figures as shown in the consolidation work sheet (Refer paragraph 2d of Appendix for details). Hence, the books of the H.O is also not as per the returns received from the branches.



- The receipts and payments statement of Bangalore North District is not included in the consolidated statement of receipts and payments prepared at H.O (Refer paragraph 2b of Appendix for details). Hence the difference between book balance of cash and bank as per Balance Sheet and as per the consolidated receipts and payments statements which was reported in the previous paragraph will further escalate.
- Inconsistencies were observed and clarifications were called for from review of the District Office returns for which no response has been received from the Management (Refer paragraph 2g) of Appendix for details).
- The Company is unable to furnish borrower wise details of amounts due under various loan schemes of the Company listed in Note No.13. No evidence was found of loan ledgers being computerized and updated as stated by the Company in its Note 27.3 to the financial statements.
- The Company is not found to be operating inter branch accounts in respect of funds sent/received to/from District Offices. Debits and Credits in respect there of are made to nominal account for which the funds were sent/received from H.O and differences were observed between H.O figures and



corresponding figures at District Offices in respect of remittances to/from H.O.

- Remittances to Deputy Commissioners for purposes of disbursement to beneficiaries and payments to contractors under various schemes of the company are debited to the concerned nominal account without further follow up to confirm actual disbursement to the intended payee.
- Company is accounting for cheques issued from some of the bank accounts, based on the entry in the bank statement and not based on handing over the same to the payee. Hence bank statement will be overstated and the corresponding ledger accounts, in particular loan accounts against which the payments were to be debited, are incorrect to that extent. (This is a change from the method followed in the previous financial year, where cheques were accounted based on drawal in the name of beneficiaries at HO were yet to be handed over to the beneficiaries as of 31.03.2013 and their accounts opened in the ledgers maintained at the said offices which had their own control issues. This has presented an audit issue as to whether the loans waived as outstanding as on 13.05.2013 were actually disbursed on that date as the Company has not furnished the dates on which these cheques were presented (Refer paragraph 7e below).



- Liabilities/recoveries such as towards TDS and retention moneys are not found to be recognized at the time of payment/accounting of the bills.
- Books of Account at H.O for the year 2013-14 and for the period 1.4.2014 had not been opened as on the date of commencement of our audit. The books for the year 2013-14 were opened subsequently and books for the year 2014-15 have been recently opened after April 1st 2015.

Accordingly, we are of the opinion that the Company is not maintaining proper books of account as required by law, appropriate to its nature of operations, and in a manner to prevent and detect misstatements in the financial statements on account of error and fraud.

The above deficiencies in system of book keeping which were observed since our audit for the year 2011-12 still continue though reported.

Ganga Kalyana Yojana : Rs. 50,63,78,480 –

- i) The balance is subject to reversal of wrong transfers in current and earlier years from grant to this head as stated in our Note 4 (a) (ii) above. While expenditure on the scheme is debited to provision for GK Y, the interest on grant money is taken to the Statement of Profit & Loss



for the reasons stated by the Company in its Note 14 forming part of Accounts. We are unable to comment on the adequacy of the provision now held as the information required for this purpose has not been furnished.

- ii) As on 31.3.2013 there was claim of Rs. 7.43 Crores from BESCO towards electrification of 938 bore wells made in earlier years which has not been accepted by the Company as being over and above the stipulated amount under the Ganga Kalyana Scheme. We are unable to express an opinion on the same in the absence of necessary information with the Company. Position as on 31.03.2014 in respect of such claim from BESCOs is not ascertained.
- iii) We had during the course of our audit for the year 2011-12 and 2012-13 taken up this area for audit and had observed inconsistencies including instances where the same photograph was used to support the disbursements made toward different installations under the Scheme which had been reported to the Management for follow up. Particulars of investigation (if any) made by the Management and the result there of is yet to be communicated to us. Clarification was also sought on certain comments which appear to be in the nature of



disclaimers in the reports of the geologist which were also note clarified. As per the internal auditors the ledgers which record the distribution made to each beneficiary against his entitlement which are required to be maintained at the District Offices have not been maintained. In our opinion there should be a system of periodical returns showing the beneficiary wise amount distributed at each of these offices and reconciled with the records maintained at H.O.

- iv) As proper clarification were not furnished by the Company on our observation in earlier year nor were they placed before the Board, we have not audited this area in the current audit. We are of the opinion that the disbursements under Ganga Kalyana Scheme are best subjected to a separate audit, covering the examination of books and records maintained both at H.O and District Offices which should also cover the physical verification of installations financed under the scheme. The receipts and disbursements made under the Ganga Kalyana Scheme should not have any impact of the financial statements of the Corporation as there incurred out of the subsidy received from the Government, However, there is possibility of liability to be recognized in the books if the funds are not spent in accordance with



the Scheme, on the premise that the Corporation is separate from the Government which is administering it.

Movements in provision should have been disclosed separately for each item reported under this head as required by the Revised Schedule VI. Disclosure as required by AS-15 should have been given in respect of provision made for gratuity and leave salary.

An evaluation of the Financial of KMDC :

We had placed the annual reports before a group of financial experts for their analysis. This is their reports :

Financial Analysis (Also referred to as financial statement analysis of accounting analysis or analysis of finance) refers to an assessment of the Liability, Stability and Profitability of a business, sub-business or project.

The financial analysis after assessment of the following elements of the Company :

- a. Profitability
- b. Solvency



- c. Liquidity
 - d. Stability
1. **Profitability**: It's ability to earn income & sustain growth in both short and long term. A company's degree of profitability is usually borne on the income statement, which reports on the company's results of operations.
 2. **Solvency**: It's ability to pay its obligation to creditors and other third parties in the long term.
 3. **Liquidity**: It's ability to maintain positive cash flow, which satisfying immediate obligations. Here both 2 & 3 are based on the Company's Balance Sheet, which indicate the financial condition of a business as of a given point of time.
 4. **Stability**: Is the Company's ability to remain in business in the long term, without having to sustain significant losses in the true conduct of business. Any Company's stability is based on the income statement and Balance Sheet, as well as other financial indicators etc.

Thus the financial analysts after comparing the financial ratios (of Solvency, Profitability, Growth etc.) can verify the past performance, future performance. These ratios can be calculated by the following methods:



$\text{Net Income} / \text{Equity} = \text{Return on Equity (ROE)}$

$\text{Net Income} / \text{Total Assets} = \text{Return on Assets (ROA)}$

Comparing financial ratios is merely one way of conducting financial analysis. It will give little about the Company's prospects in an absolute sense. Financial ratios are no more objective than the accounting methods employed. Changes in accounting policies or choices can yield drastically different ratio values.

The financial analysis may refer to an assessment of how effectively funds have been invested. By funds, in this context, we mean Investment & Debt. A financial analysis may also be an assessment of the value & safety of Debtors claim against company's assets.

When people carry out a financial analysis of a company. They examine the income statement and Balance Sheet. They also focus on cash flow statement.

While going through the audited Financial Statements of the Karnataka Minorities Development Corporation Limited for the past 4 years (2011-2012, 2012-13, 2014-15), the following few points are to be considered.



1. The Corporation is governed under Company's rules & regulation and has to maintain the proper books of Accounts which are required under Company's Act.
2. The Annual Report of the Corporation for the year 31.03.2015 and its financial working results for the Financial Year compared with the previous year shows a significant improvement in the profitability but subject to the verification of several other factors, details of which were not available to auditors. On the basis of the mere profitability shown in the Annual Report of the Corporation, it is very difficult to make analysis because as stated in the Audit Report, no books of accounts, no Branch Ledger, no Vouchers, No Debtor's Ledger, no Beneficiaries accounts are properly maintained, and more than that there is no Cash flow Statement for any years.

- From the outset, while going through the financial statements of the Corporation, The Minorities Development Corporation Limited's performance is very limited and Corporation has made profits from its operations, recoveries in respect of the loans provided are also not satisfactory even though the Corporation has received various grants from the State Government at regular intervals, for many Schemes like –



1. Arivu Loan Scheme
2. Shrama Shakthi Loan Scheme
3. Micro Loan Scheme
4. Housing Interest subsidy
5. Ganga Kalyana Scheme, etc.

But the true and fair view of the state of affairs of the Corporation (Company) for any financial year and subsequent analysis of the financial standings can be made only when complete details of accounts are provided.

The performance on the basis of financial statements of the Company is arrived as follows :

1. <u>Net Income for 2014-15</u>	1246.72	=	12.49
Return on Equity	99.78		
2. <u>Net Income for 2014-15</u>	1246.72	=	0.016
Total Assets	736.98		

Since the exact cash flow statements are not available for any years, it is not possible to have a clear picture of the analysis of the Company regarding Financial performance. But the irresponsibility of the Company is brazen.



In the Financial Statement submitted, it is observed that the Government Grants utilized for extending assistance to beneficiaries in the form of loans is transferred to Capital Reserve. However, Grant amount utilized during the year has not been transferred to Capital Reserve. Through the financial statements of the Corporation shows a better result but the statutory Auditors observations in various aspects has shown a decrease in Net Profit to the tune of Rs. 1,81,97,124/- from the actual net profit for 2014-15, which will have an impact on the Financial analysis also.

On the whole, the Audited Financial Statements of the Corporation for the previous four years (2011-12, 2012-13, 2013-14 and 2014-15), due to various factors, it is very difficult to give a fair Financial Analysis of the Corporation.

An evaluation in general :

The KMDC operates in certain unprecedented methodologies. Even though deputationists, some officials seem to be occupying their positions for decades together. They seem to be well entrenched in the system and the Managing Director seems to be unable to control them. But we found that there is no possibility to monitor ground level operations as it is all mired in a cloud of volume in between the district offices and the headquarters. When our research team was waiting in the ante rooms of the corporation, we found many



aspiring candidates coming to the corporation but none seemed to be satisfied . We do not know whether this is related to only 20 days or so in which we were present there and other 340 days of the year had a better glow. But on the whole, the ground level realities and the proclamations of the corporation do not match. Since documentation were unable to be sourced from the corporation and positively refused, in spite of the specific directions of 3 government secretaries, we were unable to cross-verify this fact.

Therefore, in conclusion, we have to admit to ourselves that the Karnataka Minority Development Corporation may not be in a rosy situation. Its method of functioning is deplorable. There is absolutely no transparency in its dealings. Further, when the banks insisted that the subsidy cheques must be collected by beneficiaries directly, not a single cheque could be disbursed. Thereafter, the KMDC came out with a solution to pay the amount directly to their accounts. But our respondents submit that the bank accounts are in the direct control of the middlemen and, therefore, such measures have not helped the many. But then, as it is pointed out, a portion of the people do not claim the subsidy can be understood. But if a major section do not claim this subsidy, then something is very wrong with the system.

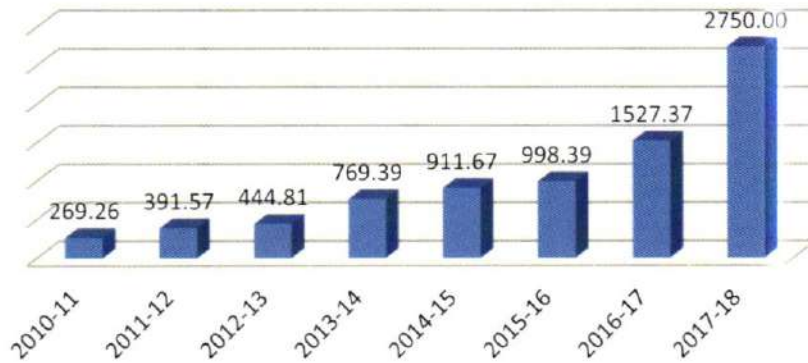
Of particular interest would be budget for minorities from 2010-2011 to 2017-18. Please see the table:



RUPEES IN CRORES

Minority Welfare Department

(RUPEES IN CRORES)



Therefore, the said question which arises from this. What happened to Rs.2750 crores allocated in this current year? From ground level realities, it does not seem to have reached the actual beneficiary. So who benefitted?

Therefore, our recommendations:

1. Since Corporation is a non banking finance company it must be made to work like any other banking company. The District Managers must be given the power and the responsibilities of selecting the beneficiaries and to justify it while the Headquarters remaining the final sanctioning authority. The elected representatives must be encouraged to recommend people to be a beneficiary and nothing more.
2. The recovery of the loan amount must be responsibility of the District Managers and in case of non recovery as in any



other nationalized banks and in case of any infractions which led to it, penalties must follow.

3. If any other Government entity is giving out grant for the same purpose as the corporation grants loans this exercise must stop immediately as it will only encourage financial irresponsibility on the part of beneficiaries.
4. The corporation must change its staff structure immediately. No employee on deputation must be allowed for more than 3 years to prevent empire building.
5. Education, education, education, must be the basic thrust of the corporation unnecessary schemes must be curtailed and restrained. The livelihood promotion schemes may be promoted but then it must reach the actual beneficiary. Thorough and regular monitoring is required for this. Officers of the corporation, therefore, must work closely with ground level government officers. In the present day reality, there may not be any need for them to be associated with elected representatives or their people.
6. A high degree of transparency must be brought into the working of the corporation. Serious steps may be taken otherwise the sovereign fund of the people of India as well as the people of Karnataka would be wasted with no results on the ground.



7. The proposal of the Hon'ble Chief Minister to have universal English education is a great blessing. There is no point in encouraging education in Urdu. That will only make these communities more inclusive. The need of the hour is global competitiveness and it can only be achieved by universal English education and development of a scientific temper. The great Mustafa Kamal Pasha is a guiding light in this regard.
8. There must be direct contact between the corporation and its beneficiaries. The middlemen of any sort must be eschewed.
9. The process of giving grants invites irresponsible spending if there are other authorities which will provide grant of the same quantum in lieu of the loan proposed by the KMDC. It appears to us, on examination of ground realities, to be very unethical. It takes away responsibility from the beneficiary. It sometimes has taken the form of an inducement for something which is not canvassed by the vision and mission of the government. This must be firmly put down.
10. The positive discrimination accrual of sovereign fund may be restricted only to Muslims as no other community seems to be in need of it.

It might be a better idea to change from inside first. The employee structure and strength must reflect multi communal pattern even though on different percentages but with commitment.



There should not be any long range operators as transparency is negated by such applications. The participation of NGOs in ground level penetration and peer responsibility will enhance the credibility of the Corporation.

Therefore, in conclusion “**we have miles to go before we rest**”.

This final report is submitted on this,

the 18th of March,2019

(Durgalekshmi Suresh)

Director

Centre for Research and Governance,

Bengaluru



ANNEXURE

List of documents given by KMDC

Para-1 to 9:

The cheques in lieu of release of margin loan amount were being sent to the banks directly, and one copy was being sent to the District Officers. But, banks were not keen on collecting the Letter of Undertaking and Pro-note. Therefore, out of said documents only 25% used to be placed before the Auditor General during the Audit process. Now, if the said responsibility is entrusted to the District Officers and if the said officers collect the Letter of Undertaking and the Pro-note on the bond paper and send to the Corporation, it will facilitate the recovery of Margin loan amount, also this will help district officers to implement the scheme effectively. Therefore, order was sought as to whether the cheques to be sent to the Bank or the District Officer.

MD ordered approving the same on 25.06

Para-10 to 12:

Margin loan amount 25% towards share capital and 25% towards the subsidy was released to every district except for Bangalore Urban District.

Para-13 to 16:

Nationalized banks have kept the applications received under the Swawalamban loan scheme, without disposing them off, MLA/



MLCs have objected the same. Letter was written to CEO to issue suitable orders.

We had asked as to why the subsidy amount released had to be transferred to the share capital. But no good response was to be had.

Para-17 to 33:

Regarding releasing the balance amount of subsidy to village in Kolar district as per the letter of Hon'ble Minister.

Para-34 to 43:

Regarding seeking approval for transferring funds from Subsidy Account to share capital account.

Approved.

Para-44-50:

The limits of loans enhanced with respect of Swawalamban Scheme from Rs. 1 lakh to Rs. 5 lakhs, letter written to CEO.

Para-51-53:



During the period between 1.3.99 and 31.5.99 margin amount and subsidy was being released from the share capital account. But, now the subsidy account is separate, therefore transfer accordingly is effected.

This is also an area where proper financial regimentation is required.

Para-54 to 58:

Releasing funds to District Officer, Bengaluru Urban district

Para-59 to 61:

Letter written to RBI query regarding considering 70 cases of previous year as auto rickshaw permits were stopped.

We could not get the copies of R.B.I. letter. But it seems to be significant.

Para-62 to 67:

Letter was received from the government seeking for providing clarification regarding issue of passbooks to the beneficiaries and approval or disposal of margin money loan application forms. Communicated accordingly.

Para-68-72:



Clarification was sought regarding the loans extended towards the auto rickshaws. Letter written to DO, BCM (U).

Para-73 to 76, Para-77 to 82

Subsidy amount was released from the share capital account from the Corporation. This appears to be a matter for C.A.G or Government Audit.

The details of transfer of subsidy amount to the share capital is as follows:

June 99	1450100
July-99	1647500
August -99	60000
September-99	768000
October -99	1186590
November-99	2379038
December-99	908500
	8399728

Transferred.



Para-83 to 88

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows:

January 2000	1307500
February 2000	1642500
August 2000	2950000

Transferred.

Para-89 to 90

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 1532400/- March-2000

Transferred.

Para-89 to 92

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 1532400/- March-2000

Transferred.



Para-93 to 95

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 452500/- April May -2000 and Rs. 230000/- June-2000

Transferred.

Para-96 and 97

Letter was received from RBI on 29.08.2000 regarding disposal of applications by the banks.

Para-98

During the years 1998-99 and 1999-2000, subsidy and margin loans is being released though bank cheques. The period available for encashment of cheques was only 6months. Some of the banks were not able to distribute the cheques to the beneficiaries which were returned to the Corporation. As per the Companies Act, the cheques received back without encashment shall be shown as funds received back. This amount was adjusted in the accounts and total amount received in this manner is as follows.



April 98 to Sep 98	2218430
Oct 98 to Sep 99	1781975
Oct 99 to Jan 2000	
	40,00,405/-

We had asked why cheques would not be encashed within 6 months period. We could not get satisfactory reply. Probably the Government should look into this. No beneficiary will be unwilling to accept cheques for 6 months.

Para-99:

Make proper entries in the account ledgers. The accounts of those beneficiaries have to be released who have not availed the same.

Take the amount to the accounts by cancelling the cheques.

The identity of the beneficiary has to be properly verified and the ground level officers must regularly monitor.

Para- 100 to 103

Subsidy amount was released from the share capital account from the Corporation during the period between 1.7.2000 and 31.10.2000. Now the details of transfer of subsidy amount to the share capital is as follows:



July 2000	923500
September 2000	80000
August 2000	2080750
October 2000	1764500
	4848750

Transferred.

Para- 104 to 110

Subsidy amount was released from the share capital account from the Corporation during the period between 1.11.2000 and 31.12.2000. Now the details of transfer of subsidy amount to the share capital is as follows:

November 2000	2050000
December 2000	2538500
	4588500

Transferred.



Note Sheet: Volume- II

Para-1 to 7:

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 13,00,000/- April-06 Rs. 270000/- May-06 Total is Rs. 1570000/-.

Transferred.

Para-8 to 11

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 3,10,000/- June-06

Transferred.

Para-12 to 14

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 8,45,000/- July-06

Transferred.

Para-15 to 17



Letter written to clarify that whether the subsidy amount is maximum Rs. 5000/- or 20% for the Unit expenses of Rs. 1,00,000/- being provided under the Margin loan and subsidy scheme by the Corporation.

Para-18 to 22

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 45,60,000/- Aug-06

Transferred.

Para-23 to 25

Matter concerning some clarification (Irrelevant to the matter of loan and subsidy)

Para- 26 to 28

Letter written to CEOs regarding the declined progress in achieving the targets under Swawalambana, Subsidy, GKY, Sharmashakti, Arivu and Land purchase schemes.

On these, our queries remain unanswered. We had thereby requested for performance audit report. However, the Corporation replied that report about employees were confidential reports.

Para-29 to 32:



Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 17,50,000/- Sep-06 Rs. 33,75,000/- Oct-06 Total is Rs. 51,25,000/-.

Transferred.

Para-33 to 37:

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 32,40,000/- Nov-06

Transferred.

Para-38 to 42:

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 64,45,000/- Dec-06

Transferred.

Para-43 to 48:

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 11239000/- Jan-07 and Feb-07

Transferred.



Para-49 to 52:

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 12757500/- Mar-07

Transferred.

Para-53 to 54:

Irrelevant (Government communication regarding some information)

Para-55 to 57:

Letter written to the government regarding waiver of interest under the Swavalambana scheme.

Para-58 to 64

Irrelevant (Some communication from the banks regarding release of funds)

After para 64 on page 8 of note sheet on page 9 it continues directly to para-66 and then to para 67 then once again after para 67 there is para 64



Therefore,

From para-66 to 64 to 65 as per the note sheet,

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 26,87,500/- April-07 to July-07

Transferred.

Once again it starts from Para-65, therefore,

Para-65 to 70

Irrelevant information (Regarding query by ICICI and HDFC banks about auto rickshaw loans)

Para-71 to 73

Inspector, Cubbonpark Police Station visited the Corporation on 14.09.07 on the complaint of MD, and sought for information.

✱ We could not get further information on these issues. ✱

Para-73 to 75

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 736000/- Aug-07

Transferred.



Para-76 to 85:

Irrelevant information (Regarding nominating CEO as Chairman of District Level Implementation Committee)

Para-86 to 88

Letter is placed for approval for implementation of Swawalambana scheme through Amanath bank.

There was some issue with this Bank. Matter could not be clarified.

Para- 89 to 92

Irrelevant information (Regarding nominating CEO as Chairman of District Level Implementation Committee)

Para-93 to 95

Irrelevant information (Bangalore district not achieving the targets of Swawalambana scheme).

Para-96 to 99

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to



the share capital is as follows: Rs. 62,60,000/- Sep-07 and Rs. 55,55,000/- Oct-07

Transferred.

Para-100

Irrelevant information (Regarding non-release of loans by SBH)

Para-101-102 are missing

Para-103 to 107:

Irrelevant information (Regarding reducing interest rates)

Para- 108 to 113

Irrelevant information (Regarding letter communication to SBH bank)

Para-114 to 117

Subsidy amount was released from the share capital account from the Corporation. The details of transfer of subsidy amount to the share capital is as follows: Rs. 13,530,000/- Nov, Dec and Jan-08

Transferred.



Para-118 to 121

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 28,211800/- Feb and March-08

Transferred.

Para-122 to 125

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 54,60,000/- April, May and June-08

Transferred.

Para-126 to 129

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 60,60,000/- July and August-08

Transferred.

Para-130 to 143

Relevant information (Regarding Deputy Commissioner as the Chairman of Committee and objections raised by the Hon'ble Minister regarding considering proposal by the District Level Committee as per the rules).



But we were unable to get full information on this.

Para 144 to 147

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 62,65,000/- Sep to Dec 08

Transferred.

Para-148 to 150

Irrelevant information (Regarding letter of Muslim Sangharsha Samithi). No further material is available.

Para-151 to 154

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 1,39,45,000/- Jan to March 2009

Transferred.

Para-151 to 153

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 1,39,45,000/- Jan to March 2009.

Para-154



Transferred Rs. 50,00,000/- from the subsidy account.

Para-155 to 156

Letter written to districts returning the proposals received in excess.

Para-157 to 161

Letter written to the districts informing their targets.

Para-162 to 165

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 5675000/- April to November 2009

Transferred.

Para-166 to 169

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 3440,000/- December and January 2010

Transferred.

Para-170 to 174



Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 4895000/- February and March 2010

Transferred.

Para-175 to 182

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs.32,50,000/- April 10 to October 2010.

Transferred.

Para-183 to 188

Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 21,80000/- February 2011

Transferred.

Para 189 to 191

Irrelevant information (Regarding increasing the subsidy amount from Rs. 5000/- to 10,000/-)

Para-192



Subsidy amount was released from the share capital account from the Corporation. Now the details of transfer of subsidy amount to the share capital is as follows: Rs. 8762500/- April 2011 to October 2011.

Para-193

AO: Please put up Bank pass sheets along with copies of FDRS

Para-194

As per the para 193 order, it is as shown below. Subsidy bank balance as on 25.11.11 Rs. 10805695/- and FD deposit is Rs. 1,90,00,000/-

Para 195 to 196

Rs. 12,62,500/- may be permitted to be transferred to the share capital account this amount has been spent from the capital account.

Para 197

As per the order in Para 196 it is mentioned as below Rs. 7500000/- vide cheque No. 848927 dated 13.10.11

Rs. 1262500 vide cheque No. 848930 dated 12.12.11.

Para-198 and 199



Irrelevant information (letter to the government)

Para-200 to 216

Irrelevant information (Regarding increase in subsidy to Rs. 25,000/-). Regarding release of Rs. 4900.00 Lakhs and 4th installment of grants letter is put up.

Para-217 to 228

Irrelevant information

Para-229 to 255

Regarding proposal by Dr. Ambedkar Development Corporation in connection to grant the seed funds.

Para-256 to 257

Regarding modification from Swawalambana margin loan and subsidy scheme to "Subsidy scheme under voluntary employment".

Para-258 to 270

Regarding receipt of proposals from the districts for release of grants.



Para-271 to 279

Proposals have been submitted to the Corporation without taking approval from the District level selection committee for the year 2016-17, file is placed to return the proposals.

On these, further material is not available.

Para-280 to 285

The matter of transferring the targets of the districts which have not achieved to the districts who have achieved the same was placed before the Board of Directors meeting dated 01.02.2017, file is placed for approval.

Para 286 to 296:

As per the para 285, the target for the State of Karnataka is Rs. 16.00 Crores under the Swawalambana loan scheme and achievement is Rs. 16.05 Crores. Therefore, the proposals received after 21.03.2017 as per this office letter No. KMDC/Swawalambana/2016-17/944 dated 16.03.2017 are kept pending in this office as the state has achieved the target, following the GO No. MWD 60 MDC 2016, Bengaluru dated 27.10.2016.

Swavalambana margin loan and subsidy scheme has been modified as Voluntary Employment Scheme. This scheme is being implemented with effect from 2017-18. Therefore file is placed for further orders by drafting the letter to return the proposals pertaining to the year 2016-17 and also to submit them once again



as per the rules following the guidelines issued under GO No. MWD 60 MDC 2016, Bengaluru dated 27.10.2016.

Approved by MD

Para- 296 to 302:

Under the Voluntary Employment Scheme for the year 2017-18 physical targets fixed for the districts have been allotted district-wise following the Census-2011, also it was instructed to allot the block-wise targets to District Manager. Constituency-wise targets were prepared.

It may be noted in this connection that these photo copied note sheets are independent and connected papers are not available.

KMDC Letter dated 29.08.2017

Regarding fixing the physical and financial targets under the voluntary employment scheme for the year 2017-18- Under the Voluntary Employment Scheme district-wise targets allotted as per the Census-2011 and it is instructed to submit the Assembly constituency-wise targets fixed to the central office.

KMDC letter No. 1255 dated 27.07.2017

As the state has achieved the targets of Rs. 16.00 Crores for the year 2016-17 and state has achieved the target, Swawalambana margin loan scheme is modified as Voluntary Employment subsidy scheme.



Letter dated 20.04.2017

To, MD, KMDC by District, Manager, Belagavi District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 15.07.2017

To, MD, KMDC by District, Manager, Mysore District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 23.05.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 23.05.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 07.06.2017



To, MD, KMDC by District, Manager, Koppal District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 29.05.2017

To, MD, KMDC by District, Manager, Koppal District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 28.04.2017

To, MD, KMDC by District, Manager, Raichur District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 22.03.2017

To, MD, KMDC by District, Manager, Belagavi District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 02.05.2017

To, MD, KMDC by District, Manager, Belagavi District



List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 20.03.2017

To, MD, KMDC by District, Manager, Mandya District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 27.04.2017

To, MD, KMDC by District, Manager, Koppal District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 18.04.2017

To, MD, KMDC by District, Manager, Koppal District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 18.04.2017

To, MD, KMDC by District, Manager, Koppal District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.



Letter dated 18.04.2017

To, MD, KMDC by District, Manager, Koppal District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 12.05.2017

To, MD, KMDC by District, Manager, Dakshina Kannada District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 31.03.2017

To, MD, KMDC by District, Manager, Bangalore Urban District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 04.04.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 28.03.2017



To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 16.01.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 04.04.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 27.03.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 27.03.2017

To, MD, KMDC by District, Manager, Bidar District



List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 28.03.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 25.04.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 25.04.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 5.04.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.



Letter dated 25.04.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 16.01.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 25.04.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 27.03.2017

To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 11.04.2017



To, MD, KMDC by District, Manager, Bidar District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 07.03.2017

To, MD, KMDC by District, Manager, Davanagere District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 27.03.2017

To, MD, KMDC by District, Manager, Davanagere District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 25.03.2017

To, MD, KMDC by District, Manager, Davanagere District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 17.04.2017

To, MD, KMDC by District, Manager, Davanagere District



List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 28.04.2017

To, MD, KMDC by District, Manager, Davanagere District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 22.03.2017

To, MD, KMDC by District, Manager, Hubli-Dharwad

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 30.03.2017

To, MD, KMDC by District, Manager, Chikkaballapur District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 28.03.2017

To, MD, KMDC by District, Manager, Bagalkot District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.



Letter dated 31.03.2017

To, MD, KMDC by District, Manager, Bagalkot District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 20.04.2017

To, MD, KMDC by District, Manager, Bangalore north District

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 31.03.2017

To, MD, KMDC by District, Manager, Kunigal

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 31.03.2017

To, MD, KMDC by District, Manager, Kunigal

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 28.04.2017

To, MD, KMDC by District, Manager, Yadgir



List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 28.04.2017

To, MD, KMDC by District, Manager, Yadgir

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 28.04.2017

To, MD, KMDC by District, Manager, Yadgir

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 11.05.2017

To, MD, KMDC by District, Manager, Yadgir

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 11.05.2017

To, MD, KMDC by District, Manager, Yadgir

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.



Letter dated 11.05.2017

To, MD, KMDC by District, Manager, Yadgir

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 30.05.2017

To, MD, KMDC by District, Manager, Yadgir

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 17.05.2017

To, MD, KMDC by District, Manager, Gulbarga

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 03.06.2017

To, MD, KMDC by District, Manager, Gulbarga

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 25.04.2017



To, MD, KMDC by District, Manager, Gulbarga

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter dated 12.04.2017

To, MD, KMDC by District, Manager, Bangalore urban district

List of beneficiaries, order copy, bank sanction letters are enclosed and submitted.

Letter of the Government (Department of Minorities Welfare, Haj and Wakf, GoK) No. MWD 98 MDC 2016 dated 02.03.2017

from Secretary to the Government to Managing Director KMDC

Seeking to submit report to the government as to which MLA constituency list has not been received with respect to the loan sanctions.

Letter of KMDC dated 16.03.2017

Transferring the targets to other districts remaining under the Swawalamban margin loan scheme.

GO No. MWD 60 MDC 2016 dated 03.01.2016



Regarding implementation of modification of Swawalamban margin loan scheme as Voluntary Employment Scheme with effect from 2017-18 as in 2016-17.

Letter of KMDC dated 12.12.2016

Secretary to the Government, (Department of Minorities Welfare, Haj and Wakf, GoK).

Requesting for permission to implement the Swawalamban margin loan scheme as Voluntary Employment Scheme with effect from 2017-18 as in 2016-17.

Letter of KMDC dated 09.08.2016

To all the District Managers- indicating that proposals are not received as per the government orders, it is instructed to submit proposals only upon due approval by the Selection Committee.

Letter of KMDC dated 09.08.2016

To the Secretary to the Government, (Department of Minorities Welfare, Haj and Wakf, GoK)

Letter is written seeking for permission to revise the Swawalamban Margin Loan and Subsidy scheme in the manner being implemented by Dr. B. R. Ambedkar Development Corporation and Maharshi Valmiki Scheduled Tribes Development Corporation as follows



1. 50% subsidy for the entrepreneurial activities under the Unit Expenses below Rs. 1 Lakh or up to Rs. 35,000/- maximum limit.
2. 33% subsidy for the entrepreneurial activities under the Unit Expenses above Rs. 2 Lakh or up to 33% of Unit expenses

Proceedings of Government of Karnataka dated 04.09.2013

(Irrelevant- Regarding enhancement of subsidy of Dr. B. R. Ambedkar Development Corporation and Karnataka Maharshi Valmiki Scheduled Castes Development Corporation).

Proceedings of Government of Karnataka dated 20.06.2014

(Irrelevant- Regarding implementation of schemes of Dr. B. R. Ambedkar Development Corporation and Karnataka Maharshi Valmiki Scheduled Castes Development Corporation).

