

## RECOMMENDATIONS

- *The Department of Commerce (DOC) may ensure that States comply strictly with the ASIDE scheme guidelines and the State Level Export Promotion Committees (SLEPCs) approve only projects demonstrating an overwhelming linkage with exports and are also as per the specified approved purposes.*
- *The DOC may urgently finalise the revised allocation criteria for funds, and ensure strict compliance with such revised criteria.*
- *The DOC should deduct amounts equivalent to diversions of funds from future allocations, or alternatively effect recoveries.*
- *Audit concurs with the DOC's proposal to deduct unutilized funds from future allocations. Where the DOC feels that specific big infrastructure projects require a longer gestation period than is possible under the system of annual Utilisation Certificates, the Guidelines in these projects should permit such deviations authorised by the DOC on valid and justifiable grounds.*
- *The DOC should ensure that interest accruing to the State Governments on ASIDE funds is either recovered or adjusted against future allocations. It should also take strict action against agencies, which do not submit utilization certificates in time. Further, the DOC should immediately take effective action to ensure leveraging of ASIDE funds with funds from the State Governments and private parties.*
- *The DOC should ensure that the DOC representatives attend all the meetings of SLEPC to ensure fair approval and proper monitoring.*
- *The DOC should improve its monitoring mechanism to ensure that all the projects are inspected physically on a regular basis and necessary timely corrective actions taken thereon.*
- *The deficiencies in the web based monitoring system may also be removed by evolving a practicable action plan.*