

Dalit Adivasi Budget Watch: 2015 to 2017

National Campaign on Dalit Human Rights-Dalit Arthik Adhikar Andolan

Analysis and Recommendations

Recommendations

1. Abolish 'post facto accounting'.
2. Set aside SCSP/TSP funds for real schemes—no notional allocations.
3. Economic Sector Schemes must be increased
4. Special focus on SC/ST women.
5. Empowered institutional mechanisms at MSJE and MoTA to oversee implementation and monitoring.
6. Reimburse denied allocations.
7. Legislate SCSP and TSP.
8. SCSP/TSP to be 25% of total Union Budget.
9. SCSP-TSP allocations in Railway Budget.
10. Accountability, participation and transparency.
11. CAG should audit SCSP, TSP schemes in 2017-18.

I. Introduction

The Scheduled Caste Sub Plan (SCSP) and Tribal Sub Plan (TSP) were formulated in 1979 and 1974, respectively, to bridge the development gap between Scheduled Castes (SCs), Scheduled Tribes (STs) and the rest of society. The principles of equitable resource distribution, social justice and inclusion were fundamentals to these policies, and the schemes under these policies are to be designed to ensure direct benefits to the SC/ST communities and initiate an equitable growth model across the country.

It was only after continuous pursuance by Dalit-Adivasi organisations that, finally, Scheduled Caste Sub Plan-Tribal Sub Plan (SCSP-TSP) funds started having unique identification codes (that is, 789 and 796), along with operationalisation of the **Jadhav Committee**¹ report for categorising ministries, which must allocate and spend sub-plan funds on priority. But even after these interventions, the critical question remained effective implementation of sub-plans as per the objectives and in accordance with newly introduced guidelines.

This study brings forth our important analysis of sub-plan for financial years 2015-16 and 2016-17 for the Union budget and 15 state budgets. This document is extensively based on this quantitative analysis.

¹ Guideline for Implementation "Scheduled Caste Sub Plan", Planning Commission (2006)



Dalits - a people, a culture, a history



We are aware that a universal framework of analysis may tend to miss the nuanced understanding of variations at the state level. But on the whole, the universal framework allows us to give an overall picture, which will be useful for various stakeholders engaging with the Union and state budgets.

Methodology

Based on our understanding of sub-plan budget analysis, there can be 5 stages of effective budget implementation: (a) allocations; (b) targeted allocations; (c) expenditure; (d) quality of schemes; and (e) actual implementation. In this document, we have dealt extensively with the first four analysis of sub-plan budgets. We have not included the physical achievement, or the implementation part, for the reason that the final part will tend to obscure a more clear understanding of the first four stages of budget implementation.

The main source of evidences gathered in this document is the detailed demand for grants (DDGs) of the Union and 15 states, which gives a very complex understanding of how the objectives of the sub-plan are largely defeated in the budget books itself and calls for specific remedial measures for ensuring that the SCSP-TSP is effectively utilised in the social and economic empowerment of the SC/ST communities.

II. Analysis

Due allocation

At present, all Union ministries and departments allocating fund under SCSP-TSP report these allocations separately under minor head code 789 and 796² in accordance with the guidelines. But at the state level, except for **Gujarat, Madhya Pradesh and Kerala**, all other studied states have opened the SCSP & TSP minor head codes. Even though some states publish separate budget books and some show allocations under specific major heads, it does not fully serve the purposes of opening minor head 789 and 796.

The SCSP-TSP policy espouses, “**earmark funds under SCSP/TSP from the Plan outlay, at least in proportion of percentage of SC/ST population under separate budget head/sub-head for each ministry/department in Union and States**”. However, over the years, the performance of the Union and state governments has been disappointing to meet this end. Our analysis shows that the Union with Delhi government performs the poorest in allocating budgetary resources in proportion to the population in 2016-17. It has miserably failed to follow the prescribed norms. As a result, one can account for substantial under allocations in various Ministries/departments.

In 2016-17, many states have improved their allocations for SCs and STs in their annual budget in comparison to previous years. However, the Union government fairs worse along with Delhi government. Union government allocated as less as 7.06% (due 16.6%) and 4.36% (due 8.6%) under SCSP and TSP, respectively, much below the due mandatory allocation.

Our analysis of SCSP across 15 states reveals that states like Delhi, Rajasthan and Jharkhand have allocated less than their population proportion of SCs. The denial amount is as high as 13.33% (Rs 2,746 crore), 9.89% (Rs 8,655 crore) and 7.56% (Rs 2,430 crore), respectively. States like Gujarat, Haryana, Odisha and Telangana have also allocated less than the required allocation for Dalits, with the denial amount crossing Rs 5,340 crore for all these states. Contrarily, in some states, there has been over allocation under SCSP. These states are Andhra Pradesh, Madhya Pradesh and Bihar, and amount is Rs 1,512 crore.

The case of TSP reveals that in most of the states the allocations were either in proportion to the population or in excess, with Jharkhand and Kerala topping the list of the states allocating Rs 1,881 crore and Rs 310 crore in 2016-17 respectively. These allocations were 5.07% and 1.32% more than the due mandatory amount. However, this did not translate into allocations being made towards programmes, in accordance with the guidelines issued by the Planning Commission. A deeper analysis of the TSP allocations shows that more than half the funds allocated under TSP are spent on schemes and programmes that are very general in nature and have no direct implications towards the development of the community in question.

Targeted allocation

As per Jadhav Committee Guidelines, the “target allocation” means that the budgetary allocations towards schemes directly benefit the SC/ST communities through focus on individual, basti/hamlet or community. Our analysis finds that as a result of major allocations made towards non-targeted schemes/programmes, a very nominal share of the SCSP-TSP is left that is allocated towards “targeted schemes”. At the Union Level, in 2016-17, only 18% of the total SCSP allocations are direct/targeted allocations. Similarly, analysis of the states revealed that in Karnataka, Jharkhand, Rajasthan and Uttar Pradesh, 12%, 20%, 30% and 20%, respectively, were direct/targeted allocations. Kerala preforms better in comparison to the other states, with 97% of allocations being direct/targeted in nature.

In the case of TSP, at the Union level, only 37% of the total TSP allocation is direct/targeted allocation, which is marginally better than SCSP. Among the states, Karnataka, Uttar Pradesh, Rajasthan and Jharkhand were allocating the least amount under targeted schemes for STs. Kerala was seen to be performing comparatively better in allocating resources towards direct/targeted schemes.

A combined analysis of allocation made under the Union budget and state budget revealed that only 23-25% of the total SCSP-TSP allocations are targeted towards the real development of SC and ST communities in India. SCSP-TSP allocations have been routinised, trivialised and converted into statistical-arithmetical exercises, which do not make a direct impact to bridge the development gap to the conditions of SCs/STs.

This trend is also reflected across the different states that were analysed. A major proportion of the fund allocated under SCSP-TSP is towards non-targeted/notional schemes. States like Odisha, Maharashtra, West Bengal, Jharkhand, and Madhya Pradesh were found to be allocating more than 80% towards non-targeted/notional schemes.

According to our analysis, the total amount for non-targeted allocation under SCSP across 15 states was Rs 1,12,358 crore, which is 76% of overall SCSP allocation in all the 15 states. Under TSP, the same allocation pattern was seen to be followed. Non-direct allocations in the listed schemes amount to Rs 62,045 crore, with no specific focused development initiatives for members of ST community. States like Jharkhand, Madhya Pradesh, Odisha, Maharashtra and West Bengal were found to be allocating significantly towards the non-targeted/notional allocation under TSP.

It is important to mention here that the policy guidelines states that “**SCSP and TSP funds should be non-divertible and non-lapsable**”. But our analysis reveals that under SCSP, out of total 294 schemes, 205 are non-direct in nature; under TSP, out of total 307 schemes, 212 schemes are non-direct in nature. In these non-direct schemes, there is also a major chance of diversion of SCSP-TSP funds for purposes that do not lead to the actual development of SCs/STs.

Social and economic services-allocation

In Statement 21 and 21A, plan allocations/outlays are segregated by three sectors. Seen through the prism of outcomes, these sectors can be classified under ‘social services’, ‘economic services’ and ‘general services’. While

general services mostly deals with administrative expenditure, we are dealing exclusively with the social services and economic services in this analysis.

Social services promote social development, and include departments like education, art and culture, medical and public health, women and child development, water supply and sanitation. Most of the schemes mentioned here render social services for members of the SC/ ST community and are oriented towards survival³. According to our analysis, the schemes within the social services for SCSP, which are oriented towards survival amounts for 75% of the sub-plan, whereas for TSP, it is 84%.

Economic services includes departments like rural development, agriculture and allied services, industry and minerals, science, technology, environment and transport. The allocation of SCSP within economic services amounts to 26% and TSP to 13%. These departments are ‘developmental’ in nature.

While social protection and social participation is considered essential for SC/ST communities, it has been ignored by planners and seriously absent in the above-mentioned three categories. As a result, there are a few sectors that have the component of social protection⁴ and provide the scope of participation⁵.

Over the years, it has been observed that this uneven distribution of budgetary allocations across schemes is mainly due to lack of effective planning and involvement of community in the budget-making process, hence not reflecting their needs.

III. Dalit and Adivasi women allocation

Further, a closer look at the gendered dimension of the budget revealed that like previous budgets, Dalit and Adivasi women received meagre amounts under the SCSP-TSP budget. The budgets under study followed the pattern set by previous budgets. Dalit and Adivasi women are neglected within the Dalit and Adivasi budgets, as well as negated in the Gender Responsive Budget.

A paltry sum of Rs 507 crore (1%) for Dalit women and Rs 539 crore (2%) for Adivasi women has been allocated from the total SCSP-TSP budget. Only the MSJE & MOTA has made allocations for SC and ST women, and there is a negligible allocation in other departments. No other ministry/department has gender-focussed allocations.

² Minor Code of 789 and 796: Minor Head Code 789 for SCSP and 796 for TSP were initiated to differentiate the Dalits and Adivasis Budgets from other sector budgets. Without this, there is a greater chance of fund diversion for purposes that are not intended in the Budget estimates (BE).

³ These include nutrition, shelter, adequate standard of living and access to healthcare.

⁴ Schemes/programmes that cover issues such as social protection for SCs/STs, safeguards in or exploitation.

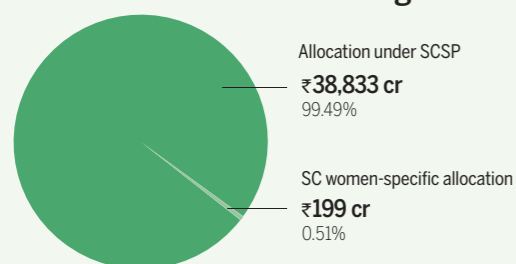
⁵ Schemes/programmes that enable people to play an active role in their communities and societies, including freedom to express opinion and to have a say in matters affecting their lives.

According to Census of India 2011, there are 914 women for 1,000 women, and SC and ST women constitute 48.4% and 49.5%, respectively, of the total SC/ST population. Therefore, 1% budgetary allocation could be termed as an economic offence against SC/ST women. Similar trends are seen across states, with both Union and State governments allocating only in 3-4 women-oriented schemes.

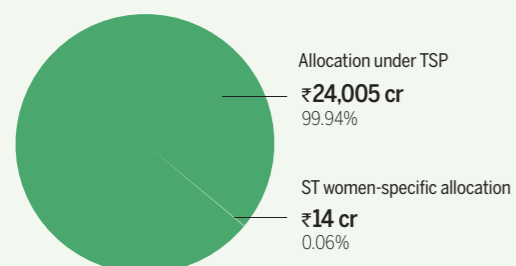
IV. Non-utilisation of SCSP and TSP fund in union

The SCSP & TSP policy guidelines mention “a dedicated unit for effective functioning may be constituted in every Central Ministry/Department for the welfare and development of SCs/STs as a nodal unit for formulation and implementation of SCSP/TSP”⁶. From our analysis it emerges that this is an important instrument necessary for optimum utilisation of funds available under SCSP-TSP.

1.1: SCSP allocation versus SC women-specific allocation in Union Budget 2016-17



1.2: TSP allocation versus ST women-specific allocation in Union Budget 2016-17



By analysing the Actual Expenditure (AE) for Union Budget of 2014-15 and 2013-14, Rs 20,513 crore and Rs 6,974 crore had remain unutilised under SCSP. In TSP, the utilisation status is equally grave at Union level. The AE of 2014-15 and 2013-14 shows that, Rs 12,427 crore and Rs 2,559 crore remained unutilised, respectively. As a result, SC/ST communities are facing multiple layers of deprivation in access

to their economic rights.

Usually, allocations under SCSP-TSP are less than the proportion of the population. Secondly, the funds that are allocated under SCSP-TSP are mainly towards non-related schemes. And lastly, the allocated fund is under-utilised.

As per CAG performance audit report No. 33 of 2015: “The Planning Commission stated (October 2014) that the provision for creation of Non-Lapsable Pool of Resources was yet to be created. Further, The Ministry of Tribal Affairs also replied (October 2014) that the Non-Lapsable Central Pool of TSP Funds (NLCPTF) had not been formulated so far and thus, that Ministry had not received any funds in this regard. Thus, the concept of transfer of unutilized TSP funds to NLCPTF remained a non-starter”. So in our common understanding, it is clear that the thousands of crores unutilised SCSP and TSP money is lapsed every year due to unavailability of “Non-lapsable Pool of SCSP/TSP Funds”.

Another reason for this huge under-utilisation of SCSP-TSP money is the nodal ministries for different sectors failed to monitor the utilisation of funds released under SCSP/TSP. At the Union Level, only 15 ministries/departments have appointed nodal officers. In many cases, where nodal departments were constituted, they did not have any role/control over formulation, implementation and monitoring programme of SCSP and TSP.

V. Recommendations

We, therefore, recommend the following:

- Abolish 'post facto accounting':** Schemes need to be planned so as to 'bridge the development gap' of SC/ST communities and not just a 'post facto accounting' of general and notional allocations made in the name of SC/STs, which do not have any direct benefit to them.
- Set aside SCSP/TSP funds for real schemes--no notional allocations:** The ministry in the budget designed for 2017-18 needs to set aside budgetary allocations proportionate to 16.6% for SCs and 8.6% for ST under SCSP-TSP. As per the guidelines, the due SCSP is approximately Rs 1,04,997 crore and due TSP is Rs 54,396 crore.
- Economic Sector Schemes must be increased:** After extensive consultation with the community at state and national level and people's SCSP-TSP budget is herewith proposed, which has an increased proportion of economic sector such as entrepreneurship, employment & skill

1.3: Sector-wise categorization of proposed scheme allocation in SCSP and TSP

	Nature of scheme	SCSP (Rs cr)	% of SCSP	TSP (Rs cr)	% of TSP
1	Education (School & Secondary)	21,000	20.00	10,846	19.94
2	Education (Higher & Professional)	15,500	14.76	7,500	13.79
3	Civic Amenities (Water, Electricity, Connectivity)	15,000	14.29	7,500	13.79
4	Land, Agriculture, Horticulture, Fisheries, Animal Husbandry	15,000	14.29	9,000	16.55
5	Women Related Schemes (Exclusive for SC/ST Women)	10,997	10.47	5,750	10.57
6	Entrepreneurship	8,000	7.62	2,500	4.60
7	Social Protection	6,000	5.71	3,000	5.52
8	Health & Family Welfare	5,000	4.76	2,500	4.60
9	Livelihood Generation & Poverty Alleviation	3,000	2.86	2,500	4.60
10	Housing	2,200	2.10	1,100	2.02
11	Employment & Skill Development	1,300	1.24	650	1.19
12	Access to Justice	1,200	1.14	800	1.47
13	Participation (Local Governance)	800	0.76	750	1.38
	Total	104,997	100.00	54,396	100.00

Sectors arranged in descending order of SCSP allocations

development and participation related schemes. (See Figure 1.3)

- Special focus for SC/ST Women:** Apart from the 10% specific allocation for women in SCSP and TSP as recommended in the above table, there should be special mechanism to prioritise women beneficiaries especially in agriculture, land and livelihood, entrepreneurship, employment & skill development, higher and professional education, social protection, housing and participation related schemes.
- Empowered Institutional Mechanism:** At the Centre and the State level, the implementation and monitoring to be entrusted to Ministry of Social Justice and Empowerment (SCSP) and Ministry of Tribal Affairs (TSP) which are sufficiently empowered to oversee effective implementation and monitoring – these should include exclusive senior Secretary, Joint Secretaries, Economic advisors, a well-equipped research and support team in each of the ministries with necessary financial allocations.
- Reimburse denied allocations:** In addition, reallocating the denied amount from 2016-17 budgets amounting to Rs 75,764.5 crore to be available for the development of SCs and STs, in addition to the budgetary allocation of 2017-18.
- Legislate SCSP and TSP:** A central legislation is

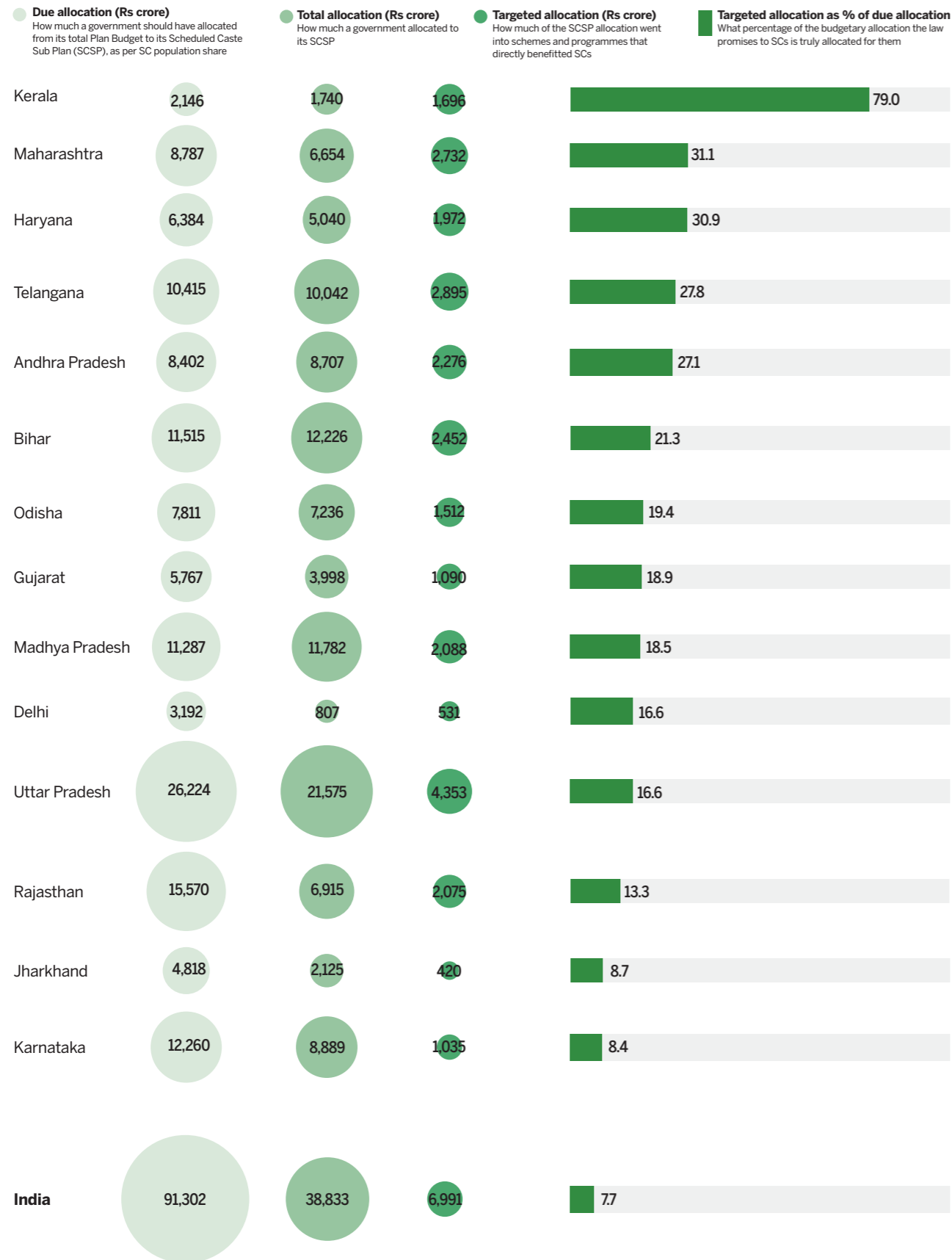
recommended clearly spelling out the duties and responsibilities of the Union and State Governments regarding budgetary allocation under SCSP and TSP.

- SCSP/TSP to be 25% of total Union Budget:** Till now the allocation under SCSP-TSP has been one-fourth of the total Plan Outlay of the Union Budget. Plan outlay has been around 30% of the total Union Budget while non-plan has been 70%. **In the merged scenario of plan and non-plan we suggest, therefore, SCSP-TSP to be at least 25% of the total union budget.** These allocations to be made as per the Jadhav Committee guidelines while allocating funds under SCSP-TSP.
- SCSP-TSP Allocations in Railway Budget:** Specific direct benefit schemes to be designed by the railway ministry targeting SC/ST community.
- Accountability, Participation and Transparency:** To have Systems in place for participation of SC and ST communities in planning and implementation, and measures of accountability and transparency, and provision of penalties for negligence.
- CAG to be directed to audit SCSP, TSP schemes in 2017-18:** CAG audited TSP in 2015. The emerging report has several recommendations for effective implementation of TSP. The ministry may issue a similar audit of SCSP.

⁶ Jadhav Committee Guidelines, 2010

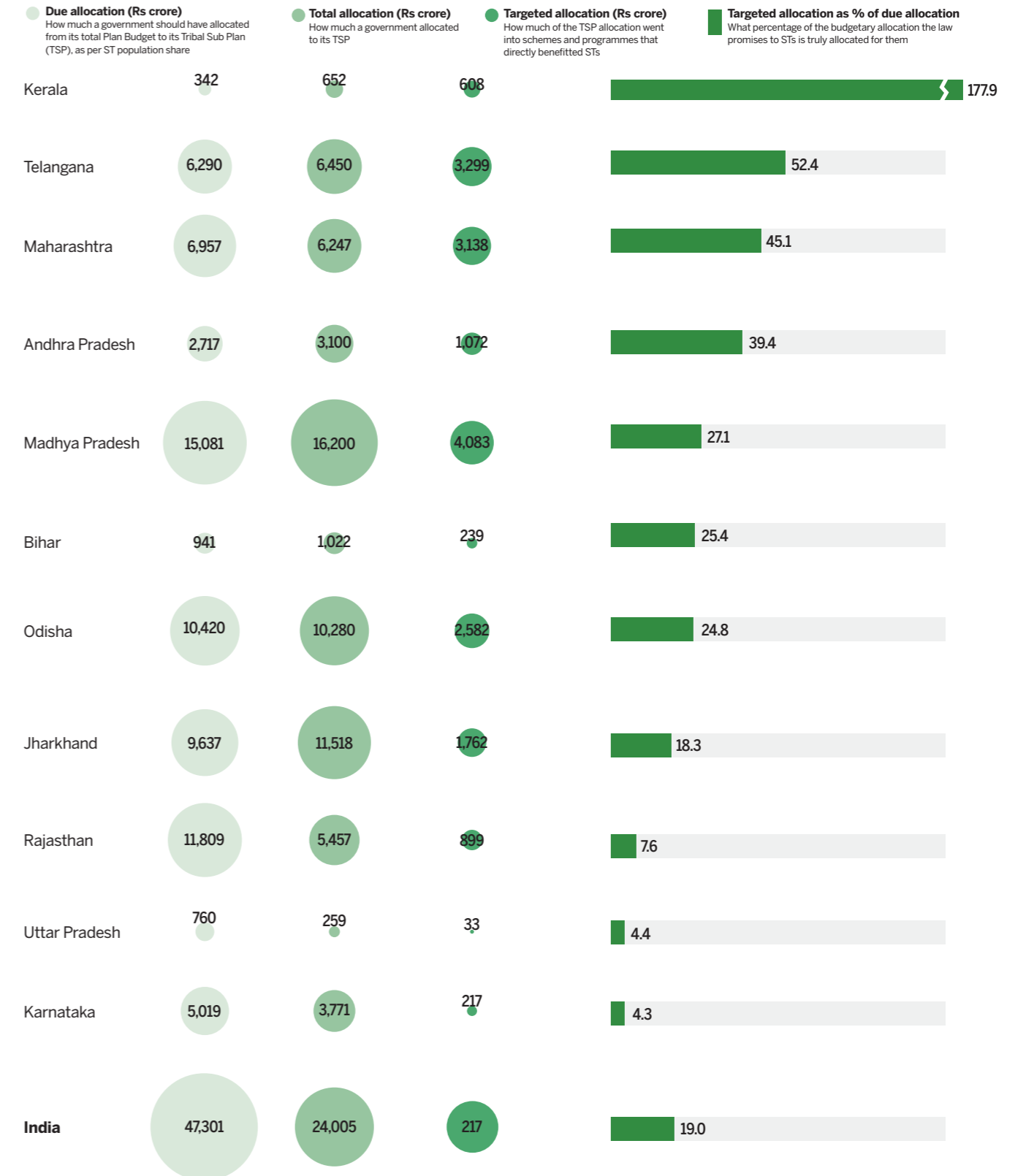
SCSP and TSP Allocations at a Glance

Scheduled Caste Sub Plan (SCSP)



Data for 2016-17
States and India arranged in decreasing order of % of targeted allocation

Tribal Sub Plan (TSP)



Data for 2016-17
States and India arranged in decreasing order of % of targeted allocation
Data for Gujarat not available; data for Delhi and Haryana not applicable

Dalit Arthik Adhikar Andolan (DAAA)

is one of the units of NCDHR working towards securing and strengthening the economic rights of Dalits and Adivasis, along with their entitlements regarding education, entrepreneurship and asset building through the Constitutional provisions of budgetary allocation. DAAA believes in strongly advocating for inclusion and promotion of Dalits in the economy of the country. It makes strategic interventions in budgeting, planning schemes and policy formulation, advocacy and research, implementation and monitoring of funds under sub plans for SC/ ST. DAAA has been analysing the Central and state Governments budget for the last 8 years, and has engaged in their evaluation. It also engages with policy formulation, and was involved in the process of drafting the 11th and 12th 5-year Plans. DAAA has been involved extensively with communities, policymakers and executives for creating awareness and effective implementation of Scheduled Caste Sub Plan and Tribal Sub Plan in many states. DAAA focuses mainly on strengthening the communities in accessing schemes and entitlements.

Document design: How India Lives, a database and search engine for public data (www.howindialives.com)

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