

# **SPECIAL COMPONENT PLAN**

**Dalit Hopes  
Betrayed ?**

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**SOCIAL WATCH - TAMIL NADU**

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## **Preface :**

The recent elections to the Indian parliament has ushered in a new government at the Centre, with lots of hope among the people of India. At the State level, the ruling party has been compelled, by its dismal results at the elections, to withdraw the series of anti-people measures that it had imposed over the last year.

The dalit parties in the State, rejected by both the major alliances, floated a “Peoples’ Front” and canvassed. Though these parties could garner sizeable number of votes in certain constituencies, they failed to make any significant impact at the elections.

“**The Scheduled Castes / Scheduled Tribes (Prevention of Atrocities) Act**”, promulgated in 1989, and “**The Special Component Plan for Dalits**”, evolved in 1980, were hoped to become powerful instruments towards the process of empowerment of dalits in the country, in socio-political and economic spheres.

These two provisions, if genuinely implemented, would have gone a long way in the path of the long-dreamt socio-economic liberation of dalits in the country. Unfortunately, the hope remains just that, betrayed by a combination of casteist perceptions, lack of political will and bureaucratic hurdles.

It is in such a background of the ongoing struggle of dalits in Tamilnadu and India for their due share in the benefits of development and greater empowerment, that Social Watch – Tamilnadu releases the present dossier. It builds on the earlier publication of the Tamilnadu Peoples’ Forum for Social Development, ”**Social Development of Dalits and Tamilnadu Govt. Budget - A Critique**” and is the revised version of the dossier, under the same title, published in April 2003.

We present this research-booklet to the Government of Tamilnadu, its policy makers and legislators as well as to the general public. We sincerely hope that this publication will lead to further debate and discussions – towards the greater social development and empowerment of dalits in Tamilnadu and in the country!

A sincere thanks to the staff members of “Social Watch – Tamilnadu” – **Mr. John Kumar, Ms. Stella, Mr. Babu, and Mr. Paulraj**. Thanks are also due to **Mr. Karuppan IAS (Retd)** and **Mr. Christudoss Gandhi IAS**, who have helped us to understand the nuances and deeper implications of the Special Component Plan.

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**"The Government is aware that the allocation for the Special Component Plan for Adi-Dravidar and Tribal Welfare is not commensurate with their total population.**

**We propose to review the progress and achievements under the Special Component Plan and Tribal Sub-Plan on a regular basis"**

**- Tamilnadu Govt Budget Speech 2001**



**"The Review of the implementation of the Special Component Plan and Tribal Sub Plan for the welfare of the Adi-Dravidas and tribals reveals discrepancies in the actual allocation of resources for the welfare of people belonging to these communities.**

**A High Level Committee has been formed to prioritize schemes based on specific requirements of the Adi-Dravidas and Tribals under the Special Component Plan and Tribal Sub Plan"**

**- Tamilnadu Govt Budget Speech 2002**

**BUT....**

**THE BUDGET SPEECHES  
of  
THE TAMILNADU GOVERNMENT  
of  
BOTH 2003-2004 and 2004-2005  
Do Not Make Even a Reference  
to This Issue!**

**WHY THIS SILENCE?**

**"We are glad and welcome that the present Government has acknowledged this..."**

**We would like to know, how far this proposal / resolution has been materialised in concrete terms.**

**We place before the Hon'ble Minister of Finance, a petition that Dalit and Tribal representatives from various parties be included in the consultation / Review team for the planning, allocation, implementation, monitoring, evaluation and appraisal of Special Component Plan and Tribal Sub-Plan."**

**- Tamilnadu Dalit Legislators Forum, 2003**



**"We welcome the resolution of the Government to review the implementation of the Special Component Plan and Tribal Sub Plan. We do appreciate that the Tamilnadu Government appoints High Level Committee to review the implementation.**

**We place before the Government to publicise / make known to legislators and the public how far this process has progressed in materialising social justice to the marginalised in the last 2 years.**

**We would like to be part of the evaluation of implementation and monitoring process of progressive realisation of all the affirmative actions of the Government for the underprivileged and marginalised lot of our state."**

**- Tamilnadu Dalit Legislators Forum, 2003**

- ↳ **What have been the actions taken by the High Level Committee?**
- ↳ **How many times has it met over the two years?**
- ↳ **What have been the decisions taken?**
- ↳ **What have been the role of dalit legislators in the High Level Committee?**
- ↳ **Are the findings and decisions of the High Level Committee available to the general public?**

## **The Promise....**

### **'SPECIAL COMPONENT PLAN FOR DALITS'**

#### **The Concept:**

Decades of planning had gone by and thousands of crores of Rupees had been spent in the name of “SC/ST Welfare”. Yet the benefits had hardly reached the people for whom they were intended, nor had a significant change in the lives of the majority of dalits happened!

It was precisely such a realization that led the Government of India to the formulation of the “Special Component Plan” (SCP). It was visualized as an effort to radically rework the whole strategy of dalit welfare and dalit empowerment.

The plan was introduced by the Central Govt. of India during the 6<sup>th</sup> Five Year Plan. And the plan was made obligatory for all the State governments and departments as well as all central govt. ministries.

**“The Sixth Five Year Plan (1980-85) marked a shift in the approach to the development of the Scheduled castes. The Special Component Plan (SCP), launched for the Scheduled castes, expected to facilitate easy convergence and pooling of resources from all the other development sectors in proportion to the population of SCs and monitoring of various development programmes for the benefit of SCs”**

**- Report of the Steering Committee on Empowerment of the Scheduled Castes, Other Backward classes and Minorities,  
Tenth Five Year Plan (2002-2007)**

### **The Objective:**

The objective of SCP is to ensure not only that sufficient funds are allocated for the welfare of dalits, but also to make sure that the funds are properly used and that effective and practical programmes towards clear goals and targets are initiated.

Generally, there are two aspects in the flow of resources to the SCP : firstly the direct flow through family-oriented and individual-oriented programmes aimed at economic development; and secondly, the flow to the programmes for dalits through provision of social services, infrastructure and other facilities.

**“The SCP is based in the philosophy that the effort for the development of SCs has to be made in every sector of the plan and by every department and agency, implementing the plan programmes. The SCP also includes modifications of policy as well as new policy orientations, intended to achieve a rapid development of scheduled castes.**

**While the central objective is the economic development to achieve a lasting solution to the socio-economic problems, the SCP is intended to comprehensively cover economic, educational and social development along with the fulfillment of minimum needs and human resources development. The measures for securing the scheduled castes full access to modern, secondary and tertiary sectors, including public services, protection and promotion of their demand over land and resources, measures for expansion of the resource base and effective protection against discriminatory practices. All these constitute into the part of SCP”**

**- Special Component Plan for SCs, Tamilnadu, Adi Dravidar and Tribal welfare, Chennai, 2003**

**Main Elements:**

The main elements of SCP, as recently stressed again by the Ministry of Social Justice and Empowerment, Government of India, are the following:

1. Out of the total plan outlay, funds allocated for the welfare of dalits should be at least as much as the percentage of their populational representation in the particular State. (That means, given the fact that dalits constitute at least 20% of the total population of Tamilnadu, a minimum 20% of the total plan outlay of Tamilnadu budget should be allocated as SCP funds.)
2. Every department of the State Government should initiate concrete steps to evolve separate programmes, in accordance with specific needs and priorities of dalits, under the SCP. And notional allocations under SCP (especially in sectors like Power, Irrigation, Education and Health) need to be avoided
3. Only those programmes specifically meant for dalits and the percentage amount of funds allocated, as per specific G.O.s, can be included in the SCP.
4. Separate Budget Heads have to be shown in the “Plan - Budget Link” Book, clearly mentioning the receipts and expenditures details of the SCP (in order to prevent diversion, underutilization and misutilization of funds earmarked for dalits).
5. The Department concerned with Dalit Welfare in the State (ie., the Adi Dravidar and Tribal Welfare Department in Tamilnadu) should act as the Nodal Agency for formulation and implementation of SCP in the State.

### **Chief Instruments:**

The three important instruments devised as vehicles for the implementation of the SCP strategy are:

1. The Special Component Plans (SCP) of the States and Central Ministries;

The targets fixed under SCP are disaggregated into district-wise and sector-wise targets. At the district level, the district collectors are responsible for coordinating the implementation of the schemes under SCP.

2. The Special Central Assistance (SCA) for the Special Component Plans of the States

**“The scheme of SCA to SCP was introduced in March 1986 with the sole objective of providing central assistance to fill up certain gaps in the State Plans’ budgetary provision for family-based income-generation programmes under SCP which are being implemented by the States/UTs for promoting economic activities amongst SCs living below the poverty line”**

**- Steering Committee on Empowerment of SCs, OBCs,  
and Minorities, Xth Five Year Plan**

SCA is given as 100% grant by the Ministry of Social justice and Empowerment to various States, to make up for any deficiency towards the implementation of the SCP in the respective State. For example, Government of India released a sum of Rs 66.72 crores as SCA to Tamilnadu during 2003-2004.

3. Scheduled Castes Development Corporations (SCDCs) in the States or the State Depts, which will play the role of Nodal Agencies, in the implementation of SCP in the States.

## **The Betrayal....**

The Special Component Plan, with all its radical and realistic perspectives, has constantly become a victim of bureaucratic indifference and resistance as well of a lack of political will. The spirit of the Plan has been consistently thwarted in its application and implementation, to the great detriment and loss of dalits.

Government agencies like the Controller and Auditor General (CAG) and the SC/ST National and State Commissions, not to speak of dalit movements and socially concerned intellectuals and forums, have continually deplored the neglect of the Special Component Plan by both the Central ministries as well as various States, including Tamilnadu.

And still the subtle sabotaging process continues, depriving, in the process, dalits of the country and the State thousands and thousands of crores of Rupees, which are legitimately due to them, year after year!

**"A major area of failure (in the sphere of dalit empowerment is in the implementation of the Special Component Plans (SCP)....**

**While, in principle it has been agreed to allocate funds for the schemes, the observation of the Ministry of Welfare, Govt. of India, "It is disheartening to note that out of total 62 union ministries / departments, only 11 had actually formulated SCP so far", speaks about the status of the implementation of SCP. It is needless to mention further about the performance of the State Government departments of various States in this regard.**

**This only establishes the fact that the finance is available and what is required is to activate the government agencies and departments to properly plan and channelise the resources for the welfare of SCs & STs"**

**- TN Working Group on SC/ST (9<sup>th</sup> Five Year Plan)**

## **The Critique....**

### **1. SPECIAL COMPONENT PLAN :**

As revealed in the Tamilnadu Government Budget Speeches of 2001-2002 and 2002-2003, the implementation of SCP in the State is far from satisfactory and not in tune with the spirit and objectives of the original programme. It was acknowledged that the allocations for the Special Component Plan for dalits in the State were not commensurate with their total population in the State.

Even a rudimentary Review of SCP in Tamilnadu would reveal vast discrepancies in the actual allocation of resources for the welfare of people belonging to these communities.

This is as much due to the basically flawed approach of the State Government towards empowerment of dalits as well as due to a lack of political will and bureaucratic indifference and resistance.

The following have been among the major criticisms and concerns:

- a. Notional Vs Actual Allocations
- b. Implementation by Departments – Lax and Cynical
- c. Approach – Faulty

### **a. NOTIONAL VS ACTUAL ALLOCATIONS:**

While the SCP demands strict criteria for working out the schemes under it with specific allocations, many departments simply claim that due benefits reach Scheduled Castes from out of their general programmes. And apart from such notional allocations and explanations, they have failed to work out special plans under the SCP.

A close look at the figures will easily reveal what a great shadow play goes on, and how, due to bureaucratic mystifying, much injustice has been done to dalits of the State.

It is important to note that, as per rules, the flow to SCP expenditure should be reflected in the annual “Plan - Budget Link” Book (the “Yellow Book”). That means that if any scheme is implemented under the SCP by the respective departments, the details about the scheme should have been entered in the annual “Plan - Budget Link” Book. Only expenditures based on “Plan - Budget Link” book are real and actual. All the others are purely notional and bogus!

Data regarding the expenditure under SCP, as revealed in the annual “Plan - Budget Link” Books, over the last few years, clearly show that the SCP is not implemented seriously in Tamilnadu and that the fund allocations under SCP in the State are not only wrong but are also highly inadequate!

A simple exercise, based on the methodology adopted earlier in a similar exercise by the State Adi Dravida Welfare Study Group, of comparing the total allocations of the various departments, the percentage of SCP expenditures to total allocations and the actual allocations found in the “Plan - Budget Link” Books, reveals the extent to which dalits have been deprived of their legitimate share of funds – literally hundreds and hundreds of crores of rupees.

The following two tables, for the two years 2003-2004 and 2004-2005, using the entries in the “Plan - Budget Link” Book of the Tamilnadu Govt. Budget 2004-2005, show the great injustice that has been inflicted on the dalits of Tamilnadu, over the last two years alone!

**Special Component Plan - 2003-2004 (Revised Estimates)**

(Rs in crore)

Department (1)	Plan Allocation (2)	Due as per SCP (3) @	As per Link Book (4)
Agriculture & Related fields	598.22	119.64	9.34
Rural Devlpmt & Land Reforms	762.34	152.47	32.79
Irrigation & Flood Control	512.66	102.53	0.00
Power and Energy	954.22	190.84	9.71
Industry & Minerals	292.76	58.55	0.00
Transport & Communications	860.97	172.19	14.20
Science,Technology & Environment	2.98	0.60	0.00
General Economic Services	34.79	6.96	0.00
Education, Sports & Arts	211.43	42.29	17.96
Health	180.23	36.05	0.00
Water Supply, Housing & Urban Development	1239.34	247.87	125.00
Information & Publicity	2.61	0.52	0.00
Welfare of SC/ST/OBC	239.10	167.37*	109.90
Labour Welfare	35.94	7.19	0.00
Social Welfare & Nutrition	875.58	175.12	31.00
Other Social & Community Services	101.61	20.32	0.00
General Services	95.41	19.08	0.00
<b>GRAND TOTAL</b>	<b>7000.19</b>	<b>1519.59</b>	<b>349.90</b>

(State schemes alone are taken into consideration)

**(Source : Plan - Budget Link, Annual Plan 2004 - 2005, GOT)**

- @ Based on the fact that dalits constitute 20% of Tamilnadu population, 20% of all plan allocations are due to dalits.
- \* Even in government circles, there is no clarity regarding the percentage of allocation to SC, ST, OBC welfare Welfare Department that shoud be allocated to dalits. We have worked on a premise that a minimum of 70% of this department should reach dalits.

**Special Component Plan - 2004-2005 (Budget Estimates)**

(Rs in crore)

No.	Department (1)	Plan Allocation (2)	Due as per SCP (3)	As per Link Book (4)
	<b>Agriculture &amp; Allied Services</b>			
1.	Crop Husbandry	348.17	69.63	8.49
2.	Research & Education	53.74	10.75	0.00
3.	Food Storage & Warehousing	0.18	0.04	0.00
4.	Soil & Water Conservation	68.75	13.75	0.00
5.	Animal Husbandry	7.18	1.44	0.57
6.	Dairy Development	1.18	0.24	0.00
7.	Fisheries	22.89	4.58	0.00
8.	Forests	105.05	21.01	0.00
9.	Investment in Agricultural Financial Institutions	8.10	1.62	0.00
10.	Co-operation	7.69	1.54	0.00
		<b>622.93</b>	<b>124.60</b>	<b>9.06</b>
	<b>Rural Development</b>			
11.	Special Programmes for Rural Development	535.08	107.02	20.00
12.	Community Development	0.00	0.00	0.00
13.	Land Reforms	344.14	68.83	0.00
		<b>879.22</b>	<b>175.85</b>	<b>20.00</b>
	<b>Irrigation &amp; Flood Control</b>			
14.	Minor Irrigation	190.13	38.03	0.00
15.	Command Area Development	13.95	2.79	0.00
	Major & Medium Irrigation & Flood Control	323.96	64.79	0.00
		<b>528.04</b>	<b>105.61</b>	<b>0.00</b>
	<b>Power</b>			
17.	Power Development	1255.53	251.11	19.36
18.	Non-Conventional Sources of Energy	5.08	1.02	0.00
		<b>1260.61</b>	<b>252.13</b>	<b>19.36</b>

No.	(1)	(2)	(3)	(4)
	<b>Industry &amp; Minerals</b>			
19.	Industries – Medium & Large	12.09	2.42	0.00
20.	Village & Small Industries	292.80	58.56	0.00
21.	Weights & Measures	0.38	0.08	0.00
22.	Mining & Metallurgical Industries	0.34	0.07	0.00
		<b>305.61</b>	<b>61.13</b>	<b>0.00</b>
	<b>Transport &amp; Communications</b>			
23.	Ports, Lighthouses & Shipping	—	—	—
24.	Roads & Bridges	1222.37	244.47	15.05
25.	Road & Inland Water Transport	15.30	3.06	0.00
		<b>1237.67</b>	<b>247.53</b>	<b>15.05</b>
	<b>Science, Technology &amp; Environment</b>			
26.	Scientific Service & Research	1.96	0.39	0.00
27.	Ecology & Environment	0.83	0.17	0.00
		<b>2.79</b>	<b>0.56</b>	<b>0.00</b>
	<b>General Economic Services</b>			
28.	Secretariat-Economic Services	46.05	9.21	0.00
29.	Tourism	19.15	3.83	0.00
30.	Economic Advice & Statistics	0.47	0.09	0.00
31.	Civil Supplies	0.32	0.06	0.00
		<b>65.99</b>	<b>13.19</b>	<b>0.00</b>
	<b>Education, Sports &amp; Arts</b>			
32.	General Education	212.27	42.45	17.96
33.	Technical Education	3.61	0.72	0.00
34.	Art & Culture	4.76	0.95	0.00
35.	Sports & Youth Services	29.54	5.91	0.00
		<b>250.18</b>	<b>50.03</b>	<b>17.96</b>
	<b>Health</b>			
36.	Medical	137.71	27.54	0.00
37.	Public Health	62.94	12.59	0.00
		<b>200.65</b>	<b>40.13</b>	<b>0.00</b>
	<b>Water Supply, Housing &amp; Urban Development</b>			
38.	Water Supply & Sanitation	758.78	151.76	137.00
39.	Housing	206.24	41.25	0.00
40.	Urban Development	327.83	65.57	0.00
		<b>1292.85</b>	<b>258.58</b>	<b>137.00</b>

No.	(1)	(2)	(3)	(4)
	<b>Information &amp; Publicity</b>			
41.	Information & Publicity	5.01 <b>5.01</b>	1.00 <b>1.00</b>	0.00 <b>0.00</b>
	<b>Welfare of SC/ST/OBC</b>			
42.	Welfare of SC/ST/OBC	256.24 <b>256.24</b>	179.36 <b>179.36*</b>	114.68 <b>114.68</b>
	<b>Labour &amp; Labour Welfare</b>			
43.	Labour & Labour Welfare	54.53 <b>54.53</b>	10.91 <b>10.91</b>	0.00 <b>0.00</b>
	<b>Social Welfare &amp; Nutrition</b>			
44.	Social Welfare	247.48	49.50	0.00
45.	Nutrition	594.02 <b>841.50</b>	118.80 <b>168.30</b>	21.60 <b>21.60</b>
	<b>Other Social &amp; Community Services</b>			
46.	Other Social & Community Services	44.21 <b>44.21</b>	8.84 <b>8.84</b>	0.00 <b>0.00</b>
	<b>General Services</b>			
47.	Stationery & Printing	0.30	0.06	0.00
48.	Public Works	152.75 153.05	30.55 30.61	0.00 0.00
	<b>GRAND TOTAL</b>	<b>8001.08</b>	<b>1728.36</b>	<b>354.71</b>

(State schemes alone are taken into consideration)

**(Source : Plan - Budget Link, Annual Plan 2004 - 2005, GOT)**

@ Based on the fact that dalits constitute 20% of Tamilnadu population, 20% of all plan allocations are due to dalits.

\* Even in government circles, there is no clarity regarding the percentage of allocation to SC, ST, OBC welfare Welfare Department that shoud be allocated to dalits. We have worked on a premise that a minimum of 70% of this department should reach dalits.

The above tables bring out clearly the scale of discrepancy between what is allocated, compared to what should have been allocated to dalits in Tamilnadu.

The difference between the figures in column 3 and those in column 4 is the amount that has been denied to dalits, ie., difference between the amount that has been allocated and the amount that has due to dalits, as per SCP stipulations.

The actual allocations are minuscule compared to what is due as per SCP stipulations, revealing the great betrayal perpetrated on the dalits of the State.

It can be seen that in just two years, 2003-2004 and 2004-2005, as much as Rs. 1170 crore in 2003-2004 and Rs. 1374 crore in 2004-2005, that is due to dalits through the SCP alone, has been denied to them.

And this has gone on year after year, in spite of repeated pleas and complaints. The following table shows the extent of discrepancies, over the last few years.

(Rs. in crore)

Year	Total Budget Outlay	Share due to dalits (min. 20%)	Share found In Budget Link Book	Amount Denied to Dalits
1997-98	4052.60	810.52	221.78	588.74
1998-99	4500.09	900.02	256.33	643.69
1999-00	5413.75	1082.75	241.92	840.83
2000-01	5807.26	1161.45	274.15	887.30
2001-02	5318.90	1063.78	153.84	909.94
2002-03	5750.06	1150.00	269.70	880.30
2003-04	7000.19	1519.59	349.90	1169.69
2004-05*	8001.08	1728.36	354.71	1373.65

(\* Budget Estimates)

Thus can be seen that vast amounts of funds, ranging from Rs 588 crores in 1997-98, Rs. 643 crores in 1998-99, Rs. 840 crores in 1999-2000, Rs. 887 crores in 2000-2001, Rs. 909 crores in 2001-02, Rs. 880 crores in 2002-03, Rs. 1170 in 2003-04 and Rs. 1374 in 2004-05 – a total of Rs. 7,143 crore - have been denied to Dalits, over the last 8 years alone.

Again the data relating to the SCP expenditure as furnished by the Adi Dravidar and Tribal Welfare (ATDW) Department of the Tamilnadu State are a vague mix of both the actual and notional. A close look at successive Performance Budget Books of the department and comparing them with figures found in the annual “Plan – Budget Link” Books (worked out in terms of percentages) lays bare the tragic situation!

### **Percentage of SCP expenditure to Total State Plan**

<b>Year</b>	<b>As per ADTW figures</b>	<b>As per Budget Link Book</b>
1991-92	18.35%	1.22%
1992-93	17.15%	1.83%
1993-94	15.95%	0.77%
1994-95	16.11%	1.05%
1995-96	15.10%	0.99%
1996-97	11.03%	4.54%
1997-98	17.77%	5.91%
1998-99	18.12%	6.21%
1999-00	19.24%	5.09%
2000-01	11.75%	3.27%
2001-02	19.00%	2.89%
2002-03	19.18%	4.60%

- Sources:**
1. Performance Budgets, Adi-Dravidar and Tribal Welfare Department, Govt of Tamilnadu, (1991- 2002).
  2. Special Component Plan for SCs: 2000- 2001, Tamilnadu, Adi Dravidar and Tribal Welfare Dept, January 2001.
  3. Annual Plan: Plan Budget Link Books (1991- 2002)
  4. Review Notes, Adi Dravidarand Tribal Welfare Dept., July 2002

**(It is another matter that even the figures given by the department fall short of the minimum -20% - that should be allocated for SCP, for most of the years!)**

At a time when false impressions such as, “There is too much money allocated for dalit welfare”, “Money allotted to dalits are increasing in a big way”, etc., are widely prevalent, the above figures raise, indeed, very serious questions!

## b. Implementation by Departments – Lax and Cynical

The Policy on SCP clearly demands that every one of the departments / ministries at both the Central and State levels, without exception, should incorporate the SCP in their budget proposals. But, few sectors in the State take note of this demand. Apart from mere notional allocations and specious explanations, most departments have failed to work out special plans under the special component plan for the Scheduled Castes. By using simple percentages, they claim that more than due share has reached the dalits, from out of the general programmes of the department.

Some departments, like those of Energy and Water Supply, have claimed inability to develop special programmes under SCP for dalits. This surely is not acceptable, as can be seen by the following statement.

**"An important operational principle to SCP is that in all sectors of plan programmes, outlays for development of SCs should be incorporated and no distinction can be drawn between the so called "indivisible and divisible" sectors, as the outlays are allowable in relation to the needs of scheduled castes"**

- SCP for SCs, 2002-2003 Tamilnadu, ADTW Dept, Chennai,

It is indeed amazing and tragic that the same Adi Dravidar and Tribal Welfare Dept, which highlights this most important operational principle of SCP, ("No distinction can be drawn between the so called indivisible and divisible sectors.") expresses its helplessness in the following manner:

**"The flow of SCP could not be arrived at, in proportion to the population of them, due to the fact that more than 50% of the State's Annual Plan is earmarked for indivisible items of expenditure"**

**“At present, the Adi Dravidar and Tribal Welfare Department is only doing the work of scrutinizing the progress report submitted by these departments. The departments concerned are formulating and implementing the schemes.**

**There is no role to Adi Dravidar and Tribal Welfare Department to play in this regard. The Adi Dravidar and Tribal Welfare Department has no mechanism to assess how far these schemes are beneficial to Scheduled Castes and Scheduled Tribes.**

**Furthermore, the fact as to whether the size of the allocation, earmarked to Scheduled Castes / Scheduled Tribes is in proportion to their population could be ascertained only from the progress reports”**

**- G.O. Ms. No 69 (dated 02.08.2002), ADTW Dept., GOT**

### c. Approach – Faulty

As mentioned above, the Special Component Plan, as operative in Tamilnadu, is built around the two basic aims of helping dalits to rise above the poverty line and to provide basic needs for them. It is obvious that this limited perspective is not only contrary to the very spirit of the Special Component Plan, as envisaged originally; it is also very faulty. Such an approach can never pave the way for the integrated social development of the dalit community.

The ideas hidden behind the approach of the Tamilnadu Government are that all dalits are below poverty line; that dalits are not capable of finding ways to meet their basic needs, given the needed support; that the dalits are not capable of taking up big challenges on their road to social development etc. etc. Even sociologically, these views are not based on facts.

## **2. SPECIAL CENTRAL ASSISTANCE (SCA) :**

### **a. Release of Grants**

As per provisions of Rule 151 of the GFR, in respect of recruiting grants, administrative ministry/department concerned should examine the annual audited statement of accounts of guarantee institutions and utilization certificate to satisfy themselves about the proper utilization of grants released for the preceding year before admitting their claim for grants-in-aid in the subsequent financial year.

A perusal of records, however, revealed that out of grants of Rs.70.00 crore released to Scheduled Castes Development Corporations (SCDCs) under the scheme of liberation and rehabilitation of scavengers on 29 March 2000, Rs.59.59 crore were released to such SCDCs who had heavy unspent balance with them as shown in the following table

**Details of Release of Grants to the SCDCs (as on 1.4.1999)**

(Rs. in crore)

S.No.	State	Amount Sought	Grant released	Unspent balance with SCDC
1.	Tamil Nadu	40.18	22.53	18.57
2.	Gujarat	22.90	11.61	11.30
3.	Madhya Pradesh	28.31	8.83	19.47
4.	Rajasthan	35.72	16.62	18.22
	<b>Total</b>	<b>127.11</b>	<b>59.59</b>	<b>67.56</b>

The SCDCs' utilization record had been poor as would be evident from the details shown above. During 1999-00, the Ministry did not release any grant to the SCDCs on the plea that they had heavy unspent balances, that they did not even prefer claims, and had not furnished utilization certificates for the previous years. Surely, the Ministry needs to exercise better control over the budgeting, sanction, release, and end use of the funds, to ensure fruitful utilization of funds earmarked by the Parliament for an important social purpose.

**b. Allocations Unspent and Surrendered back:**

CAG Reports have regularly reported about vast amounts allocated unspent and surrendered back, sometimes not even surrendered back. For example, CAG Report No. 1 of 2001 (Civil), in its review of selected grants, with regard to the Ministry of Social Justice and Empowerment, discovered persistently large unspent provisions during all the three years that it studied.

**Overall Position of Funds during 1997-2000**

(Rs. in crore)

Year	Total provision		Actual disbursement		Unspent provision	
	Revenue	Capital	Revenue	Capital	Revenue	Capital
1997-98	1546.78	293.42	1136.15	109.52	410.63	183.90
1998-99	1745.24	325.41	1247.67	313.91	497.57	11.50
1999-00	1732.14	219.02	1573.57	208.52	158.57	10.50

The Ministry surrendered Rs.594.53 crores in 1997-98, Rs.509.07 crores in 1998-99 and Rs.169.07 crores in 1999-00 on the last day of the financial year, i.e. on 31 March, without assigning reasons for the late surrender, even though the Ministry was well aware of the scheme-wise savings early enough.

### **c. Rush of Disbursements in the Month of March**

Test checks of appropriation accounts of the same Ministry revealed that major part of the total disbursement under the major heads was made in the last quarter of the year as well as in the month of March during the years 1998-99 and 1999-00.

Since the funds released in March to voluntary organizations, State/Union Territory governments and other organisations/implementing agencies cannot constructively be spent during the year, it is not possible to conclude that these funds were applied for the purpose for which these were provided for during the year.

Release of funds at the very end of the financial year was indicative of deficient financial management and was mainly to avoid lapse of budget grant.

The CAG Report (for the year ending with 31 March 2002) brings out clearly such trends over the last few years.

## Delayed Release of Grants

(Rs. in crores)

Year	Unspent opening balance available on 1 April	Amount received from GOI	Total funds available	Expenditure incurred for				Other expenditure Unspent	Central assistance available on 31 March col.4 - col. (5+6+7+9)		
				Training		Rehabilitation out of Margin Money Loan					
				out of GOI assistance	out of GOI subsidy	of GOI subsidy (49 percent)	of State Govt (51 percent)				
1	2	3	4	5	6	7	8	9	10		
1991-92 to 1996-1997											
1996-1997	NIL	3526.89	3526.89	1112.65	910.35	142.49	148.32	5.93 <sup>A</sup>	2355.47		
1997-98	2355.47	---	2355.47	4.30	224.10	38.91	40.49	---	2088.16		
1998-99	2088.16	---	2088.16	11.40	221.47	42.86	44.61	---	1812.43		
1999-2000	1812.43	---	1812.43	25.61	132.58	25.97	24.58	---	1628.27		
2000-2001	1628.27	2253.19 <sup>B</sup>	3881.46	31.80	364.70	78.24	38.71	---	34.06.72		
2001-2002	3406.72	---	3406.72	4.00	104.00	26.23	8.32	---	3272.49		
		<b>5780.08</b>		<b>189.76</b>	<b>1957.20</b>	<b>354.70</b>	<b>305.03</b>	<b>5.93</b>			

A Spent on survey of beneficiaries

B Relating to the year 1999-2000. Out of Rs. 4017.50 lakh released as Central assistance for 1999-2000, Rs. 1764.31 lakh available with TAHDCO had been adjusted and the balance of Rs.2253.19 lakh was released.

- Report of the Comptroller and Auditor General of India (for the year ended 31 March 2002) (Civil), Govt. of Tamil Nadu

**The bottlenecks which were found to be major hurdles on smooth implementation of the scheme during the Ninth Plan are as follows:**

**Unusual delay in release of SCA funds by the State Governments to the nodal departments / implementing agencies: the State Governments have not released some times, the full SCA funds to the implementing agencies; often such unspent SCA funds were diverted to other purposes leaving the earmarked / intended purposes unattended....**

**Further, lack of effective monitoring to ensure that all the ministries/ departments both at Central and State levels earmark funds under SCP and the funds received under SCP and SCA are utilized effectively and purposely, is another area of concern...**

**The Tenth Plan Working Group have strongly recommended that the SCA funds should directly be released to the implementing agencies on the pattern adopted by the Ministry of Rural Development in releasing the SCA funds directly to DRDA**

**- Steering Committee on Empowerment of SCs, OBCs,  
and Minorities, Xth Five Year Plan**

## **SCP in Tamilnadu:**

In Tamilnadu, SCP has been in implementation since 1980-81, with the following objectives, as revealed in the Performance Budget of the ADTW department:

1. To assist Scheduled Caste families to cross above the poverty line
2. To provide basic amenities and facilities in their habitations.

And in the words of the same Performance Budget,

**“With a view to achieve these objectives, the resources of more than 20 Departments are pooled and the schemes are implemented by fixing targets for each scheme. As far as possible, targets are fixed only for divisible schemes. Wherever necessary and possible higher targets are fixed to ensure greater flow of benefits to Scheduled Castes. The schemes implemented by these departments include educational advancement and socio economic development of the Scheduled Castes”.**

The SCA funds, released by the Central government every year to Tamilnadu under SCP, are routed through the Adi-Dravidar Housing and Development Corporation (TADHCO), which is the Scheduled Castes Development Corporation in the State. The TADHCO district managers and their supporting staff working in all districts are responsible for implementing schemes funded from SCA.

And, year after year, the Performance Budgets of the ADTW department neatly portray a positive picture of achievements (financial and physical) always exceeding targets set in the beginning of the Year!

## Special Component Plans 1990 - 2002

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Year	Financial		Physical	
	Target	Achievement	Target	Achievement
	(Rs. In lakhs)		(Rs. in lakhs)	
1990-91	23127	23128	200	207
1991-92	27268	29330	250	258
1992-93	29308	30044	250	258
1993-94	35361	33528	250	267
1994-95	52306	13000	333	339
1995-96	61825	48330	333	348
1996-97	65239	40854	333	336
1997-98	75223	72004	333	382
1998-99	82533	81563	333	387
1999-'00	111024	101050	333	—
2000-'01	101337	76453	333	—
2001-02	98778	74331	—	—
2002-03	110373	—	—	—

(Performance Budget, 2003-2004,

Adi Dravidar and Tribal Welfare Dept, Govt. of Tamilnadu)

Amazing, with all the fluctuations in the “achievements”, they are shown, in some years, to even exceed 100% of the targets, both in financial and physical terms! Therein lies the tragedy and the shadow play!

## **SCP in Tamilnadu - Case Studies**

The dismal failure of the Tamilnadu Government, and more specifically of the Tamilnadu Adi Dravidar Housing and Development Corporation (the Nodal agency in the State) in the proper implementation of SCP in the State is not a new discovery.

Successive Reports of Comptroller and Auditor General have consistently criticised the functioning of SCP in the State, raising very pointed questions regarding the manner in which the Special Central Assistance to SCP given by the Centre had been utilised. But all in vain, it appears!

Here, below, we reproduce excerpts from some of the recent CAG Reports, dealing with the functioning of SCP in Tamilnadu and of TAHDCO

### **A. CAG REPORT 1996 – No. 3 (CIVIL), Govt of Tamilnadu (pp 50-68)**

Implementation of the SCA schemes during 1991-92 to 1995-96 was reviewed by test-check of records of AD&TW Department of the State Secretariate and all heads of departments / agencies implementing the SCA schemes. At regional / district level, records of 33 offices were test-checked. Results of review are contained in the following paragraphs.

There were unutilised balances of Rs.27.81 crores, Rs.27.68 crores, Rs.22.55 crores and Rs.2.92 crores in 1994-95 with the Government of Tamilnadu as on 31 March of 1992, 1993, 1994 and 1995 respectively... Neither the unutilised balance was surrendered nor revalidation obtained from Government of India for utilising the fund during subsequent years.

There were variations between the figures of funds released as reported by Tamilnadu Adi Dravidar Housing Development Corporation to Government of India and those actually released in respect of 9 departments / agencies; the variation ranged between 26 to 100%.

Out of Rs.28.38 crores released during 1991-96 by Tamilnadu Adi Dravidar Housing and Development Corporation to 9 departments / agencies, the unutilised balance of Rs.8.13 crores was not refunded by these departments / agencies as of June 1996.

As against 1% of scheme expenditure admissible towards staff cost, TAHDCO incurred an excess expenditure of Rs.7.37 crores during 1990-95 and overcharged SCA funds...

Though Government of India guidelines envisaged preparation of taluk-wise list of villages in descending order of SC population through detailed household survey to facilitate a systematic and need-based programme, no such survey was conducted, indicating defective planning....

Out of 361 looms installed by incurring an expenditure of Rs 1.24 crores in 4 primary powerloom Cooperative Societies, only 154 were working. 16 looms (cost: Rs 4.78 lakhs) given to beneficiaries had been sold out and 191 looms (cost: Rs 56.91 lakhs) were lying idle.

Expenditures of Rs 15.23 lakhs incurred during October 1991 to March 1996 for purposes other than those specified in Government of India guidelines was charged to SCA funds....

Despite identification of 30 women beneficiaries to undergo training in a weaving unit established at Kamatchipuram, no training was imparted as of June 1996 as the beneficiaries were not willing to take up training due to meagre earnings resulting in non-setting up of the weaving unit even after 6 years of sanctioning of the scheme.

No data was available with both the Directorates (Adi Draviar and Tribal Welfare and Employment and Training) to find out whether the trainees got gainful employment after undergoing job-oriented training, though expenditure of Rs 2.85 crores was incurred in training 43,970 candidates during 1991-96.

Against the expenditure of Rs 774.10 crores (for covering 1055 lakh SC families) during 1985-90, Rs 1603.49 crores was incurred (for covering 23.99 lakh families) during 1990-95. However Government in AD&TW Department did not have details of number of SC families living below the poverty line during 1990-95 (June 1996). Details of number of families uplifted with the level of assistance provided during the last 15 years (1980-1995) were also not available with the department (June 1996)

**Monitoring of SCA schemes was not effective. According to GOI guidelines, State officials as well as district officials were required to ensure regular monitoring and supervision of the schemes implemented. (But) district level officers of the AD&TW Department did not maintain acquaintance records to ensure hat subsidy released had actually reached the beneficiaries.**

**Despite incurring expenditure of Rs 134.85 crores on SCa schemes during 1991-1996, Government of Tamilnadu did not conduct any evaluation of the schemes covering all departments so far.**

The above points were referred to Government in July 1996; reply had not been received (December 1996)

#### **B. CAG REPORT 1997 – No. 1 (Commercial), Govt of Tamilnadu (pp 37- 64)**

Tamilnadu Adi Dravidar Housing and Development Corporation Limited, set up (February 1974), initially with the objective of providing housing facilities to Adi Dravidars was later on entrusted (February 1975) with the task of undertaking various economic development schemes for poverty alleviation and upliftment of the standard of living of Adi Dravidars in the State. However, the scheme of construction of houses for Adi Dravidars was subsequently transferred to District Rural Development Agencies in 1989-90.

Due to absence of effective control over timely implementation of various welfare schemes, funds to the tune of Rs.36.05 crore released by the Central/State Government remained unutilised and kept in Personal Deposit Account for over two years during the period from 1992-93 to 1994-95.

Although the scheme of construction of houses for Adi Dravidars was discontinued in 1989-90, the unutilised funds of Rs. 2.49 crore had not been refunded to the Government.

But for the interest income on investment of unutilised scheme funds and on account of over-charging of SCA schemes towards administrative expenses, the cumulative profit of Rs.5.65 crore exhibited by the Company during the five years up to 1994-95 would have ended up into accumulated loss of Rs.13.27 crore...

Establishment of hosiery knitwear based industrial estates at Mudalipalayam and Ingur at the cost of Rs.23.02 crore by diversion of Special Central Assistance scheme funds defeated the basic objective of the upliftment of Adi Dravidars below poverty line in view of the requirement of a minimum contribution beyond the means of this segment. Moreover, both these estates constructed without assessing the demand potential remained idle / incomplete for want of demand.

Non-utilisation of undisbursed loans obtained from National Scheduled Castes and Scheduled Tribes Finance and Development Corporation Limited entailed avoidable payment of penal interest of Rs.1.08 crore. Further, none of the landless Scheduled Caste / Tribe was provided financial assistance against the target of 4000 under the Sericulture scheme.

Expenditure of Rs.1.91 crore incurred on 159 incomplete / non-functioning tube wells meant to provide irrigation facilities to lands belonging to Scheduled Castes proved unproductive in the absence of plan / funds for bringing them to beneficial use.

**The various economic development schemes undertaken by the Company for poverty alleviation and raising of standard of living of poor Adi Dravidars / SCs did not yield the desired results due to improper selection / non-implementation of various schemes and on account of absence of proper monitoring / evaluation to take appropriate corrective action. Drawal of funds from the State / central Government without formulation of necessary schemes left the Company with huge unutilised scheme funds. The Company was able to thrive mainly on account of non-operational income by way of interest on investment of unutilised funds and over charging towards administrative expenses under SCA schemes. Effective evaluation / monitoring and proper selection of schemes are called for to secure better results in achievement of the basic objective of upliftment of poorer sections of Adi Dravidars / SCs in the State.**

The above observations were reported to the Company and the Government in March 1997; their replies had not been received (October 1997).

### **C. CAG Report 2000, Civil, Govt of Tamilnadu (pp 109 – 110)**

#### **Promotion of Education among Adi Dravidar Girls:**

Government approved (August 1994), two new schemes

- (i) A special incentive scheme to promote literacy among girl children belonging to SC, under which poor rural SC girl children would be given a special incentive of Rs.500 per annum on successful completion of each class from standard III to V; to be implemented in 14 identified districts;
- (ii) A statewide scheme under which a monthly payment of Rs.100 would be made to poor rural SC girl children for 10 months during a year from standard VI. The Statewide scheme was to be implemented from the academic year 1995-96.

These schemes were to be implemented by Tamilnadu Adi Dravidar Housing and Development Corporation (TAHDCO) through its District Managers (DMs) in consultation with the Director of Adi Dravidar and Tribal Welfare (DADTW), the Director of Elementary Education, Director of School Education and District Collectors concerned.

Funds totalling Rs.28 crores were sanctioned and released to Personal Deposit Account of TAHDCO during 1994-95 to 1999-2000, of which TAHDCO released Rs.26.50 crores to the DMs. An amount of Rs.22.57 crore was utilised by DMS for the implementation of the scheme (February 2000).

As against 2.92 lakh SC girl-students targeted to be covered under Incentive Scheme during 1995-95 to 1999-2000, the actual coverage as of February 2000 was 2.46 lakh (84%). Under Statewide scheme, the achievement was 1.04 lakh (71%) against a target of 1.47 lakh SC girl children during the same period. In addition, in view of non-unilisation of funds 7,325 and 1,134 ST girls were also covered as per Government orders under these 2 schemes during 1997-2000 as of February 2000.

Test-check of records in the DADTW and TAHDCO revealed the following points in the implementation of the scheme.

- (i) There was delay in fixing and communicating the district-wise targets by TAHDCO by 3 to 11 months, affecting achievement of targets by the DMs every year.

- (ii) Due to poor coverage, TAHDCO extended the incentive schemes in November 1998 to all the deserving SC/ST children by collecting the list of beneficiaries from the Head Masters of the schools and paid arrears for earlier years also. However, permission of Government for changing modalities of selection and payment of arrears was not obtained. The payment of arrears for earlier years also defeated the objective of the scheme which was prevention of drop out every year. Poor achievement of targets was found by the various review meetings convened by Government to be due to lack of publicity among the District Educational Officers, non-allotment of target on the basis of drop outs, non-receipt of list of beneficiaries from the officials of Education Department, lack of cooperation / support from the officials of the District Educational Offices, non-willingness of the beneficiaries in opening savings bank accounts. However, having identified the reasons, Government did not take any concrete action for finding a solution to overcome these difficulties.
- (iii) While an amount of Rs.3.93 crore was lying unutilised with DMs as of May 2000, an amount of Rs.62.55 lakh, refunded as unutilised by 13 DMs between May and December 1999, was still remaining with TAHDCO. Besides, Rs.1.50 crore were with TAHDCO without being released to the DMs.
- (iv) In spite of Government's clarification (September 1995) that the incentive under the Statewide scheme was payable to students in VI standard only during the academic year 1995-96, Rs.27.26 lakh were paid to 2,726 ineligible students who were in VI standard during 1994-95 in Nagappattinam (2,103) and Pudukottai (623) Districts.
- (v) The unutilised amount of Rs.12.45 lakh in Virudhunagar District relating to 1995-96 was diverted for meeting the expenditure on other schemes, which was irregular.

**Though the objective of the scheme was to prevent dropouts and promote education among Adi Dravidar girls and the scheme was under implementation in the State for four years, no action was taken to assess the impact of the scheme on the drop out rate of girls.**

The matter was referred to the State Government in May 2000, but no reply had been received (February 2001).

**D. CAG Report 2002, Civil, Govt of Tamilnadu (pp 49 – 60)****Liberation and Rehabilitation of Scavengers:**

Government of India launched the National Scheme of Liberation and Rehabilitation of Scavengers in march 1992 to liberate scavengers from the existing hereditary obnoxious and inhuman occupation of manually removing night soil and filth and to provide them with alternative and dignified occupations. Out of 35,561 persons identified for rehabilitation through a survey in 1992, only 23,114 persons were rehabilitated upto March 2002. The innovative scheme of sanitary marts introduced during 1999-2000 had also not achieved the desired results. As there are no scavengers involved in manual cleaning of dry latrines in the State, assistance under the scheme is being extended for the rehabilitation of the dependents of sanitary workers, who were not eligible under the scheme.

Central assistance of Rs 32.72 crore was lying unutilised with Tamilnadu Adi Dravidar Housing and Development Corporation Limited.

Only 23,114 persons out of 35,561 identified in 1992 were rehabilitated by March 2002, due to reluctance of banks to extend loans and ineligibility of the applicants.

Physical verification revealed that 99 assets created with an assistance of Rs 24.44 lakh were not in existence; 23 assets created with an assistance of Rs 6.93 lakh could not be verified as the beneficiaries and assets were not traceable.

Only 158 sanitary marts at a cost of Rs 3.88 crore were established rehabilitating 3,074 persons, although Rs 40.17 crore of Central Assistance was sanctioned to set up 1000 sanitary marts.

**Though the State had adopted the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act 1993 (Central Act No. 46 of 1993) from 11 May 1999, the matter of framing rules and issue of notifications was still under the consideration of the Government (July 2002).**

**In December 1999, Government extended the benefit of the scheme to sweepers who were not covered under the definition of ‘scavengers’.**

The survey conducted during October-November 1992 identified 35,561 scavengers in the State. In order to rectify the omissions, GOI required the State Government to conduct a quick survey (October 1995) and a month-long survey (June 2001) for identifying the scavengers in urban and semi-urban areas; but no such re-surveys were conducted. The exact number of scavengers was, therefore, not ascertained. On the one hand, 12,447 persons identified during 1992 were yet to be rehabilitated. On the other, State Government concluded that there were no dry latrines in the State and hence all the scavengers have been rehabilitated. This was contradictory.

The above points were referred to Government in July 2002; reply had not been received (December 2002)

## **RECOMMENDATIONS**

## RECOMMENDATIONS

1. Following the Central Government and the States of Andhra Pradesh, Bihar, Madhya Pradesh, West Bengal and Gujarat, the Tamilnadu Government should set up a **Standing Tripartite Committee**, to look into serious issues of SCP, SCA etc and to review the progress of various ministries. And the findings of all reviews done by the recently constituted **Empowered Committee** must be made public.
2. In the “Empowered Committee” that has been recently constituted, **representatives of dalit legislators and credible NGOs and dalit representatives** should be included.
3. As per the Special Component Plan, every State department, without exception, should be obliged to allocate funds for SCP, and **the Adi Dravidar and Tribal Welfare Department, which is the nodal agency now, should strictly monitor all departments** on this issue. The results of such monitoring must be published in the annual Performance Budget of the department.
4. Lack of proper and relevant Statistics, about actual socio-economic and educational status of dalits, has often been at the base of the failure of many of the Government schemes. To overcome this lacuna, we recommend that **computerised data banks, at the State and districts level** be established, in close collaboration with groups working closely with dalits at the grassroots level.
5. We recommend that the Tamilnadu Government pass the needed G.O.s to ensure that **dalits too will have their rightful share in all the public auctions** of public resources, conducted by the various departments such as the Revenue Department, Public Works Department, Forest Department, the Hindu Religious Endowments Department and others.

6. Similarly, dalits should be ensured of their **due share, also, in the various Contracts and Tenders** issued by the various Govt. departments, Corporations as well as various local governments. Given the fact that in many places the dalits are physically prohibited from taking part in these contracts, the idea of a **certain reservation for dalits in auctions and contracts**, as in education and job opportunities, needs to be seriously explored.
7. We demand that an urgent initiative is taken to ensure that all the **Panchami lands in Tamilnadu**, owned by non-dalits, be identified and returned to the rightful owners, the dalits. Besides, it is also important that the Government evolve concrete programmes of loans etc, so that such returned lands can properly developed.
8. Similar to the M.P. and M.L.A. **Special development funds, special funds can be allocated to dalit constituencies**. This scheme can also be extended to corporations, municipalities and panchayats where dalits are in majority.
9. Given the fact that education upto 12<sup>th</sup> standard is free in the State, and given the miserable level of quality of education in SC/ST schools, we recommend that the State Government completely review its whole **programme of education** for dalits, in line with the principles of the Special Component Plan and give stress on higher education of dalits too.
10. We strongly recommend that the Tamilnadu Government issue immediately a **White Paper on the situation regarding the job representation of dalits** in the various departments, ministries and all levels of government – the number of seats, due for dalits, that have been denied to them, the action proposed to be taken by the government etc.

## **APPENDICES**

## Appendix 1:

### Dalits and Budget Dynamics

Budgets for Scheduled castes (dalits) in independent India have been marked by certain distinct characteristics:

1. They have remained static in exploring growth perspectives and lack in ambience.
2. They believe only in amelioration rather than in self-assurance.
3. They are founded on certain negative (and quite wrong) assumptions, e.g., “all SCs are poor”, “all are illiterates”, “all are inefficient and not adequately competent”, “all are weak”, and so on and so forth. Therefore, only spoon-feeding schemes have been conceived and are being continued ceaselessly all these 50 years of independence, without much of a change.
4. They have not recognised the strengths, potentials, excellence and intellectual quality within the SC community. Thereby they have failed to plan for exploiting the same qualities for the growth of the community. The continuing perception is that “By what they are, SCs are being exploited; otherwise inherently they have no qualities that can be exploited profitably”.
5. They believe in protectionism and not pro-activism; SCs are not being cultivated to defend themselves, but only to seek protection in the avowed security of the governments and in the condescending tolerance of the exploiting sections of the society.
6. Totally in the planning process, and largely in the execution of schemes, there is no berth for SCs either for consultation or participation. Resultantly, plans are not what are aspired by the beneficiary group, but are what are imposed on them.
7. Till date, budgetary allocations to SC sector have not been fully made as promised or as mandated.
8. In their strategic planning, it is anathema to provide scope for SCs to frog-leap others. Frog-leaping SCs, in the covert opinion of planners and bureaucrats, will lead to chaotic social upheavals.
9. None of these Budgets did consciously provide for integration of SCs in the mainstream. On the contrary, the modus operandi of programmes has been to strengthen SC's isolation and sustain their segregation.

## Appendix 2:

### **“The Maharashtra Model”**

“It has been pointed out, in the Minutes of the Governor’s Conference, that adequate funds are not earmarked for the schemes implemented for the welfare of Scheduled Castes and Scheduled Tribes, such as the Special Component plan for Scheduled Castes and Tribal Sub Plan for Scheduled Tribes; that funds earmarked for these schemes are diverted to the other schemes and that the funds are not fully utilized. In order to avoid this, some recommendations are made. Accordingly, the Adi Dravidar and Tribal Welfare Department shall act as Nodal Department with respect to Special Component plan and Tribal Sub plan. The entire fund earmarked to Special Component plan and Tribal sub plan shall be at the disposal of the nodal department and the nodal department shall be in charge of administration of funds, preparation of schemes / proposals according to the availability of funds, issuance of orders, release of funds etc. Thereby it is ensured that the benefits reach the Scheduled Castes / Scheduled Tribes. The same pattern is also adopted in the State of Maharashtra and it is known as “Maharashtra Model...”

At present, (in Tamilnadu), the fund earmarked under Special Component plan and Tribal Sub Plan do not come under the control of Adi Draviar and Tribal Welfare Department, whereas in the State of Maharashtra,funds allocated under Special Component plan and Tribal Sub plan are placed under the control of Adi Dravidar and Tribal welfare department of that State. The department is in charge of the release of funds, formulation of schemes, implementation and inspection. The same system may be adopted in Tamilnadu also...”

**- G.O. Ms. No 69, dated 02.08.2002, ADTW, Government of Tamilnadu**

**Appendix 3:****Tamilnadu Dalit Legislators Forum**

17 March 2003

TO

The Hon'ble Finance Minister  
Government of Tamilnadu  
Chennai – 600 009

Hon'ble Finance Minister Sir,

The Government of Tamilnadu has been implementing various socio-economic development programs for the benefit of Dalits in the State. The initiatives taken by the Hon'ble Chief Minister to up-lift all 'below poverty line' (BPL) population by the year 2010 is laudable. If this can be achieved, certainly Tamilnadu would be the first State in the country to have all its citizens above the poverty line. It would be possible only if meticulous planning and liberal allocation of funds is done for this purpose.

While preparing the budget proposals for the year 2003-04, you have been consulting various sections of the society such as Trade sector, Industries confederations, Non-Governmental Organisations etc; regarding matters pertaining to the overall economy of the State / Country. You are well aware that Dalits comprise of about 1/5<sup>th</sup> of the population of the State and about 1.34 cr. people in our State are BPL. The present Government's endeavour is to raise this section of people above the poverty line in a short span of time. Therefore you may be providing substantial funds through the Adi-Dravidar & Tribal Welfare Department and other departments. While such allocations are planned it would be prudent to take into consideration effective schemes and implementation strategies.

Since the Hon'ble Finance Minister has been consulting various groups, it would be beneficial to the Government as well as the Dalits if similar pre-budget consultations are held with an **Expert Group** consisting of NGOs, intellectuals and experts involved and concerned with the development of the Dalits.

We would be grateful if the Hon'ble Finance Minister could indicate a date at his convenience, prior to his budget presentation, for such consultations.

Thanking you,

Yours faithfully,

K. Paramalai MLA

C.K. Thamizarasan MLA

Thol. Thirumavalavan MLA

P.Vallalperuman MLA

K. Murugavelrajan MLA

M. Jayakumar MLA, (Convenor)

MLA's Quarters,

Government Estate,

Anna Salai,

Chennai – 600002.

## **Appendix 4:**

### **A Concrete Proposal**

#### **If Only SCP could be properly implemented!**

True to the spirit of SCP, as originally envisaged, creative programmes, coupled with a strong political will, can surely go a long way in helping majority of our dalits to break through the vicious circles of dependence and dehumanization.

It is in such a background, we present, here below, a concrete proposal towards a new budgeting for dalits. The proposal is consciously ambitious and is intended to bring about major changes. The proposal is based on suggestions and exercises undertaken by committed civil servants and policy makers as well as professionals long involved in the social development of dalits.

#### **Basic Approach:**

1. The proposal is based on the creative capabilities of dalits. Thus it runs counter to cruel, but widely prevalent, myths such as, "Dalits are not intelligent, not capable of handling big initiatives", etc.
2. Views such as, "Dalits are not capable of handling big projects," lie hidden behind much of the problems of budgeting for dalits today. This can be seen by the type of projects proposed for dalits: loans to get minor implements in agriculture; programmes of not more than Rs 1 lakh in industry; only non-formal education etc.

Such an approach, by default, makes sure that dalits continue to lie at the last rungs in the society. Unless, at least a section of dalits become big farmers, big industrialists, scientists and research workers etc., dalit community can never aim to get liberated from the vicious circle of poverty.

"Only those programmes to ensure that dalits will frog leap over others in socio-economic status can lead to their total development"

- Christudoss Gandhi IAS

### The Proposal:

As per the stipulations of the Special Component Plan for dalits in Tamilnadu, a minimum of Rs. 1000 crores per year will be allocated. This Rs 1000 crores can be effectively and creatively used to evolve programmes for the development of dalits, if two additional objectives are built-in:

1. Using the government funds as deposits for further mobilization of funds from private and other financial institutions.
2. By encouraging a spirit of entrepreneurship among the scheduled castes, to strengthen the serious involvement of private parties in the projects envisaged and to raise private savings as capital for further investment

The minimum Rs 1000 crores, available per year, can be divided into the various sectors in the following manner. According the plan below, Rs 200 crores for Agriculture, Rs 400 crores for Education, Rs 200 crores for Industrial development, and Rs 200 crores for all the other sectors are allocated.

#### **1. AGRICULTURE: (Annual Allocation – Rs 200 crores)**

##### **Objective:**

To develop small farmers, wetland farms with suffering water resources as well as big landlords among dalits.

##### **Programme:**

###### **A. 8000 small farmers**

3 acres of land will be bought per head, at today's price level, for Rs 1 lakh and given. Of these Rs 25000 will be the personal contribution, Rs 25000 as Govt grant and Rs 50,000 as Government loan. Thus by using a total amount of just Rs 60 crores (Rs 20 crores as grant and Rs 40 as loans), 8000 small farmers can be developed per year.

### B. 4000 wetland farms (with water resources)

3 acres per person of ayacut lands irrigated by dams or lakes can be bought and given. At today's market rate, 3 acres can be bought for Rs 3 lakhs, contributed in the proportion of Rs 1 lakh as Govt. loan, Rs 1 lakh as Govt. grant and Rs 1 lakh as private contribution. Thus 2000 wetland farms can be developed every year. The total expense involved on the part of the government will be just Rs 80 crores (40 crores as grant and 40 crores as loan).

### C. 400 big farmers

Not less than 20 acres, at the rate of Rs 10 lakhs per head, can be bought and supplied. The total expense can be divided in the proportion of Rs 5 lakhs as Govt. loan, Rs 2.5 lakhs as Govt. and Rs 2.5 as private contribution. Thus the Government can develop 400 big farmers per year, at a total expense of merely Rs 60 crores (Rs 20 crores as grants and Rs 40 crores as loan).

Thus, the overall annual allocation of Rs 100 crores for agriculture is as follows:

	<b>Grants</b>	<b>Loans (in Rs crores)</b>
1000 small farmers	10	20
2000 wetland farms	20	20
400 big farmers	10	20
	—	—
	40	60
	—	—

It is even possible to obtain the Rs 60 crores of loan amount, from purely private financial institutions. Or the Govt. can allocate the Rs 60 crores as money deposited in banks and other private financial institutions – for the development of scheduled castes.

**Results achieved:**

The multitudes of programmes over the last 50 years have not been able to develop any small or big farmers among the scheduled castes. But through the above alternative programme, about 12400 scheduled caste persons can become landowners over just one year.

In that case, there will really be no need to segregate them as scheduled in the general agricultural programmes. This will also enable them to function with others on an equal footing, without the pollution and stamp of caste.

**2. EDUCATION: (Annual Allocation – Rs 400 crores)**

At present, the total State budget for education is around Rs 3000 crores. If one assumes that 20% of this is available for dalits, we get a minimum of Rs 600 crores per year. Besides this, more than Rs 200 crores is being spent at present through the department of SC/ST welfare, towards the education of this section.

Given the fact that education upto 12<sup>th</sup> standard is free in the State and since the Education department is fully in charge, no separate allocation for education upto 12<sup>th</sup> standard needs to be made separately for the scheduled castes.

On the other hand, the programme here is planned towards enabling about 40,000 dalit students who have completed their 12<sup>th</sup> standard, to take up higher studies. At every level and stage, the programme needs to be planned and executed in a detailed and effective manner. Here below is just a general framework of the programme.

**Objective:**

To enable all dalit students who have completed their school studies to take up higher studies and become adequately employable.

### **Programme:**

To evolve programmes worth Rs 400 crores with the aim of creating, in one year, 10000 engineers, 10000 accountants, 15000 arts & science graduates, 2500 doctors and 2500 graduates in other fields, from among the scheduled castes.

The following table shows the main categories of all the educational expenses towards the above. The expenses have been rounded up, with the ceilings at Rs.40,000, Rs 1,00,000, Rs.20,000 etc.

<b>Serial No.</b>	<b>Course</b>	<b>Number of</b>	<b>Annual Exp.</b>	<b>Expense x</b>	<b>Total Exp.</b>
		<b>Students</b>	<b>per head</b>	<b>years of study</b>	<b>(in crores)</b>
1	Engineering	10,000	Rs. 40,000	40 x 4	160
2	Accountancy	10,000	Rs. 20,000	20 x 2	40
3	Arts/Science	15,000	Rs. 10,000	15 x 3	45
4	Medicine	2,500	Rs. 1,00,000	25 x 5	125
5	Others	2,500	Rs. 20,000	5 x 2	10
6	Research/Study abroad				20
<b>Total</b>					<b>Rs 400</b>

**Results achieved:**

The present situation of lack of availability of qualified scheduled caste persons will disappear.

There will be a sense of pride and satisfaction among the dalits that they are no less than others in intelligence or capabilities.

The scheduled castes will be able to find themselves in various professions, beside the ones ascribed to them by the caste system. This will liberate them from the cruel chains of traditional and hereditary occupations.

**3. INDUSTRIES – TRADE: (Annual allocation – Rs 200 crores)****Objective:**

To do away with the present practice of restricting economic programmes to only those who opt for investments in small industries for less than Rs 10 lakhs, and to create opportunities for investments in big industries too.

**Programme:**

Industrial projects worth Rs 90 crores per year can be devised at the proportion of 10% private contribution, 30% grants and 60% loans.

Another series of industrial projects worth Rs 90 crores can be devised at the proportion of 25% private contribution, 30% grants and 45% loans.

At the remaining Rs 20 crores, various other investments and trade projects can be worked out.

**4. OTHER PROJECTS: (Annual Allocation – Rs 100 crores)**

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“ A cursory look at successive budgets of the scheduled caste sector in the Centre as well as in any constituent State of the country will reveal that ‘change’ is an arena, planners and programme executives still fear to tread upon.

They feel safe, wearing the mantle of a status-quoist. They profess in exercising extreme caution before putting one step forward.

‘Change’ is a most dreaded word in SC budgeting process. At the same time ‘change’ is the only turn of leaf that SCs have been aspiring for centuries together.”

- Christudoss Gandhi IAS

**"Social Watch – Tamilnadu"** is a State-level Resource Centre in the Southern State of Tamilnadu, India. It is the outcome of the 8 years' experiences of the Tamilnadu Peoples' Forum for Social development.

Over the last 8 years (1995-2003), Tamilnadu Peoples' Forum for Social Development has established itself as a credible initiative in the field of Public Policy Monitoring, and especially in Budget Monitoring and advocacy. The Forum had taken up series of initiatives to ensure that the basic concerns of the marginalised of the State – dalits, tribals, women, children, small fisherfolk and unorganised labour – determine the social policy framework of the Tamilnadu Government. Its various Budget Critiques, its Tamilnadu Social development Report 2000 and other research publications have been very well received from different quarters.

"Social Watch – Tamilnadu", the new Resource Centre is intended to take forward the work of the Forum with greater intensity and professional competence and expertise. Monitoring and lobbying for changes in the public social policy of the Tamilnadu Government and its Budgets, based on the socio-economic and livelihood rights of the marginalised of Tamilnadu remains the continuing search and goal of "Social Watch – Tamilnadu".

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