

**PARLIAMENTARY STANDING COMMITTEE ON SOCIAL JUSTICE AND  
EMPOWERMENT (2018-2019)**

**Assessment of the Working of Scheme of Special Central Assistance to  
Scheduled Castes Sub Plan (Sca To Scsp)**

**SIXTY-FOURTH REPORT**

**INTRODUCTION**

The Scheduled Castes (SCs) and Scheduled Tribes (STs) are historically disadvantaged social groups and the Indian Government has been taking steps for their upliftment since the beginning. The Governmental attempts to promote the welfare of the SCs and STs can be classified into the groups of Constitutional and legislative measures and Other welfare measures and programmes. The Government has special constitutional provisions for the removal of untouchability and to promote their welfare in fields such as political representation, representation in services, economic development, socio-cultural safeguards and legal support. Additionally, the Preamble to the Constitution of India assures equality, fraternity, liberty and justice to each and every one. The Constitution of India also guarantees that the State shall not discriminate against any person based on religion, region, caste or creed. The Appointment of a National Commission for the Welfare of Scheduled Castes; Centrally Sponsored Schemes for educational upliftment; Expansion of economic opportunities; expansion of employment opportunities and reservation; Upliftment of Scheduled Castes through Five-Year Plans are some other welfare programmes by the Government.

**The Scheme of Special Central Assistance to Scheduled Castes Sub Plan (SCA to SCSP) is a Central Sector Scheme, implemented by the Ministry of Social Justice and Empowerment, that provides 100% grant funding to the States and UTs as an addition to their Scheduled Castes Sub Plan (SCSP) for the welfare of Scheduled Caste individuals who are below the poverty line through Income Generating Schemes and Schemes of Skill Development.**

**Criteria for allocation to States/UTs under the scheme**

- On the basis of the SC population of the States/UTs (40%)
- On the basis of the relative backwardness of the States/UTs (inverse of State Per Capita Domestic Product) (10%)
- On the basis of the percentage of SC families in the States/UTs covered by composite economic development Programmes. (25%)
- On the basis of the Special Component Plan to the Annual Plan as compared to the SC population percentage in the States/UTs. (25%)

**Salient Features of the Scheme of SCA to SCSP**

- Subsidy of Rs. 10000 maximum for various income generating activities
- Of the total SCA released, 15% is to be utilised for income generating economic development schemes/programmes for SC women
- 5% of the total SCA released should be dedicated to the economic development of the disabled persons of the class
- 2% of the total budget allocation to be committed to North Eastern States implementing Special Component Plan (SCP) for SCs.
- Infrastructural development in villages with more than 50% SC population is to be allocated 10% of total funds.
- 3 percent of the funds for supervision, monitoring and evaluation of the Scheme.
- SCA funds to be used in conjunction with SCSP allocations of the States/UTs.

**Thus, for the holistic development of the SCs, the Department should not only release funds to the States and UTs but also ensure effective implementation and monitoring of the scheme to reach the intended beneficiaries. This requires regular on-field assessment of the scheme.**

## CHAPTER II - ALLOCATION OF FUNDS UNDER SCA TO SCSP

The fund allocation under the scheme :

Year	Revised Estimate (Rs. in Cr)	Actual Release (Rs. in Cr)	Utilisation w.r.t RE (%)
2014-15	700	700	100
2015-16	800	800	100
2016-17	800	797.90	99.73
2017-18	800	731.27	91.40

The total number of beneficiaries under Income Generating and other Skill Development Schemes-

Year	Income Generating Schemes	Skill Development Scheme
2014-15	5,89,076	73,347
2015-16	5,73,432	69,127
2016-17	5,80,025	1,04,387
2017-18	6,15,257	91,418

The States of Bihar, Gujarat, Goa, Punjab and Maharashtra, had no allocation of funds in 2017-18. Similarly, no funds had been released from the years 2014-15 to 2017-18 to Uttarakhand and Delhi. It was stated that these States did not forward Utilization Certificates and/or Annual Action Plans within the prescribed time limit due to which no funds were released to them from the Centre. The late/non-submission of **Utilisation Certificates (UCs)** is a recurring feature of some of the States/UTs which is evident in other Schemes as well which adversely affected the development schemes and programmes in those states.

However, the Committee recommended the Department to not stop the release of funds completely for the entire year to the States and instead release notional allocation in proportions as it would hamper the schemes running in the states with higher SC populations. Along with this the States should also be prescribed a time limit and pursued vigorously to submit Utilisation Certificates and Annual Action Plans as required.

### CHAPTER III - IMPLEMENTATION OF RECOMMENDATIONS OF “TASK FORCE TO REVIEW GUIDELINES ON SCHEDULED CASTES SUB-PLAN AND TRIBAL SUB-PLAN” WITH RESPECT TO SCA TO SCSP

In 2010 the erstwhile Planning Commission set up a Task Force to review the Guidelines on Scheduled Castes Sub-Plan (SCSP) and Tribal Sub-Plan (TSP). They were assigned to re-examine and revise the Guidelines of 2005-06 issued by the Planning Commission, understand the operational difficulties in consultation with the ministries and suggest remedial action. For the SCSP and TSP, 24 and 28 Central Ministries/Departments, respectively, accepted the guidelines and recommendations related to fund allocation and implementation.

In 2017-18 post the merging of Plan and Non-Plan Expenditures, the Task Force Guidelines were revised by the NITI Aayog and obligated 41 Central Ministries/Departments to earmark funds for the welfare of SCs and STs.

Five of the Task Force's total recommendations were accepted and put into practice by the government :

- Criteria for categorizing plan expenditure under Scheduled Castes Sub-Plan.
- Classification of Ministries according to their obligation to earmark their plan outlay/expenditure under SCSP.
- Ministry-wise targets for earmarking plan outlay under SCSP.
- Placing of Earmarked Funds for SCSP under the Separate Budget Head ‘789’.
- Strengthening of Administrative Arrangements for Planning and Implementation of SCSP

The implementation of these recommendations was done in the forms of **planned expenditures on Poverty Alleviation, individual beneficiary oriented schemes** and other schemes in the SC concentrated areas. The departments implementing these schemes dedicated 15% and those

which mainly implement beneficiary oriented schemes in the primary sector (agriculture, animal husbandry etc), higher education, skill development etc. are earmarking 15% to 16.2% of their Annual Plan Outlay under SCSP. The Ministries have appointed **Nodal Officers at the level of Joint Secretary to monitor the financial progress so that they properly implement SCSP.**

The Task Force had suggested that the remaining funds from SCSP and TSP at the end of the fiscal year be transferred to two Pools called "**Non-lapsable Central Pool of SCSP Funds (NLCPSF)**" and "**Non-lapsable Central Pool of TSP Funds (NLCPTF)**" that would be established in the Public Account in a manner similar to that of the **Non-lapsable Central Pool of Resources (NLCPR) for the North Eastern Region.** The Ministry of Social Justice and Empowerment and the Ministry of Tribal Affairs may receive funds from these pools, respectively, to implement programmes for the development of SCs and STs. After taking this advice into consideration, NITI Aayog recommended that the Department of Expenditure and the Department of Economic Affairs combine these underused and unused funds from various Ministries and Departments and distribute them to nodal Ministries.

**It is essential to create a non-lapsable pool in order to prevent money from being diverted and to guarantee that funds allocated to this Scheme are used appropriately. Thus, it is advised that the Department of Social Justice and Empowerment take the lead in pursuing the Department of Expenditure and Department of Economic Affairs to take note of this suggestion and put it into action as soon as possible.**

Beginning with the Financial Year 2011–12, a **Distinct Budget Head (789) was assigned for each of the programmes included in the Scheduled Caste Sub Plan (now known as AWSC).** The Ministry of Finance has designated the money under Budget Head "789". As a result, the budget documents include the actual release for the SC welfare component as well as updated and ministry/department/scheme-specific budget allocation. There is a **plan for end-to-end processing of bank-linked loans, where the applicant or recipient can submit the application with the bare minimum of paperwork through the online portal, in order to fairly choose eligible candidates under the system of SCA to SCSP. Additional steps to create an online gateway for the Scheme as soon as possible and to put it into effect right away.**

## CHAPTER IV - MONITORING AND EVALUATION

### **Monitoring of the Scheme of SCA to SCSP**

In accordance with the Task Force's recommendations, a **Special Unit for the Welfare and Development of SCs (and STs)** may be established in each central ministry or department to serve as the nodal unit for the creation and implementation of SCSP (and TSP). The nodal unit will be in charge of seeing that the funds are distributed to the sectoral unit in the Departments to carry out the programmes specifically related to SC (and ST) development. The Department of Consumer Affairs, Department of Food Processing Industries, Ministry of Development of North-Eastern Region, and Ministry of Panchayati Raj have not made any funding to support the welfare of Scheduled Castes in the 2018–19 fiscal year. There are some State Governments which are not submitting Annual Action Plans to the Department and therefore, are unable to avail Central Assistance as the exact details of the beneficiary under the scheme remains underestimated. **The Department of Social Justice and Empowerment has been designated as the nodal agency for monitoring the financial and physical development of all Schemes under the component Allocation for Welfare of Scheduled Castes (AWSC)**, in accordance with the updated Allocation of Business Rules released in January 2017. As a result, it was suggested that nodal officers be named by all pertinent Ministries/Departments, and they have all done so. The Department has proposed to form a **Project Appraisal Committee** to appraise and approve the activities to be funded under SCA to SCSP based on the Annual Action Plans submitted by the State Governments.

**The Department was recommended to expedite the finalisation of the proposal and form Project Appraisal Committee as soon as possible. Further, to ensure the smooth operation of the Project Appraisal Committee, the Department must ensure that all States receiving Central Assistance for SCSP submit Annual Action Plans on time each year.**

### **Problem of weak State Scheduled Castes Corporations-**

The weak Scheduled Caste Corporations in the States are one of the major reasons for poor implementation of the Scheme of SCA to SCSP. The Department regularly meets with and interacts with the Principal Secretaries and other Senior Officers of the States to make sure they understand the importance of modernising the Welfare Department and bolstering the SC

Corporations. Additionally, the State Channelizing Agencies receive assistance from the National Scheduled Caste Finance and Development Corporation, which is part of the Ministry.

**The Committee urged the Department to take the issue more seriously and instructed the States/UTs to strengthen the Scheduled Castes Corporations by determining the causes of their shortcomings and taking corrective action for their improvements. In addition, the Department should create a webpage or online portal that would display the details of the beneficiaries in the Welfare Departments of each State in order to strengthen the SC Corporations and improve the implementation of the Scheme.**

### **Evaluation Study of 2013**

The Programme Evaluation Organization of Planning Commission conducted a study on the subject "**Evaluation Study on Special Central Assistance (SCA) to Scheduled Caste Sub Plan (SCSP) and Special Central Assistance to Tribal Sub Plan (TSP)**". The study was outsourced to National Institute of Rural Development (NIRD) and the Report was released in the year 2013.

The Study suggested that **guidelines for the Special Central Assistance should be elaborated** and critical gaps should not be identified at the sectoral, programme and project levels but at the level of individual schemes. Another recommendation states that the **identification of the beneficiaries should be based on the participatory need assessment survey of all the Scheduled Caste households in the village and the needs identified should form a part of the village or the Gram Panchayat Scheduled Castes Sub-Plan. Subsequently, in each of the identified schemes, one should identify the financial gaps, which cannot be met from the SCSP allocation.** A need for revision of the objectives laid down for releasing the Special Central assistance has been put forth too. In order to make the Scheme more effective and bring accountability, the contours of the Scheme have been proposed to be modified.

### **Evaluation Study of 2018**

The Department recently conducted a third party evaluation of the Scheme. The evaluation was entrusted to National Institute of Rural Development and Panchayati Raj, Hyderabad (NIRD&PR) which made important recommendations. It was suggested that a minimum threshold level below which SCA should not and cannot be allocated should be worked upon an ideal formula for which would be to make it equivalent to the percentage of the SCs with respect

to the SCSP allocation in that state. There is a need to make conjunction and convergence of different parallel schemes as a formalized practice and mainstream this across all the States/UTs. According to the evaluation study, Self Help Groups (SHGs) in four States—Karnataka, Madhya Pradesh, Tamil Nadu, and West Bengal—have received SCA subsidies. It is therefore necessary to encourage group activity among SC women's SHGs. There is a need to revise the SCA with a focus on the concept of conjunction and convergence and the subsidy component under the Scheme needs to be increased. The **Expenditure Finance Committee (EFC)** memo has been prepared to revise the current guidelines that have been recommended by the Department of Expenditure based on the recommendations/findings of the evaluation report submitted by the National Institute of Rural Development and Panchayati Raj (NIRD&PR). As a result, the Cabinet Note has been proposed and circulated for inter Ministerial consultation.

**As a result, the Committee advises the Department to take the issue more seriously and move quickly to finalise the instructions for improved and effective implementation and stricter oversight of the Scheme.**

One of the main recommendations of the NIRD&PR Evaluation Report from 2018 was to enhance funding for SCSP under SCA in order to make it more pertinent. Under the AWSC component, the BE during 2017-18 was Rs.52,392.55 crore which further increased to Rs.56,618.50 crore in the year 2018-19. The Department proposed an end-to-end processing of Income Generating Schemes in accordance with the Evaluation Report's suggestion that the SCSP's Income Generating Schemes be digitalized.

**The Department should start digitization and end-to-end processing under SCA to SCSP as soon as possible and inform the Committee of the progress. It also stated that the Evaluation Study's 2013 suggestions, such as increasing funding for infrastructure development, have not been taken into account and have been left in place.**

After the Evaluation Study of 2013 on Special Central Assistance to Scheduled Castes Sub Plan (SCA to SCSP) and Special Central Assistance to Tribal Sub-plan, the Department of Social Justice and Empowerment conducted another evaluation of the Scheme in 2018 and submitted the report in August, 2018. Several important aspects have been covered for effective/proper implementation of the scheme in the recommendations of evaluation study 2018 and most of the recommendations have been included in the Cabinet note which are under process.



## CHAPTER V- MISCELLANEOUS ISSUES

### 1) Diversion of funds

The issue of diversion of funds under the Scheme of SCA to SCSP was brought to the notice of the Committee by some of its members. There is a possibility of fund diversion under this Scheme because it covers a variety of Schemes under it, even though diversion of funds to other schemes of the Department or for other purposes has not yet occurred as reported by the Department.

**Thus, a more proactive role of the Department of Social Justice and Empowerment being the nodal department in preventing any occurrence of diversion of funds that may take place in the future.**

### 2) Allocation to North East States

The Department of Social Justice and Empowerment was pursuing some of the North Eastern States to fully utilize the allocated funds and also provided additional funds to the North Eastern States during the year 2017-18. Even though the performance of the actual release of funds to North Eastern States improved, the number of beneficiaries in the States of Assam, Sikkim and Tripura decreased in 2016-17 and have not been reported in Manipur in 2016-17. The actual release under Central Assistance to the North Eastern States has more than doubled in 2017-18 as compared to 2016-17.

**The Department should issue directions to the North Eastern States to not only utilize the allocated funds in full but to also cover the maximum number of beneficiaries under this Scheme.**

### 3) Skill Development Training Programmes under SCA to SCSP

Skill Development Programmes for SC beneficiaries are one of the major activities which are performed with the help of Central Assistance to the States for the welfare of SCs. However, some of the States failed to submit the Annual Action Plan due to which funds are not released to them and hence no beneficiaries covered under the Scheme.

**It is urged that the Department treats this Scheme seriously, pursues the States/UTs aggressively, and instructs them to submit Annual Action Plans on time in order for the Central Assistance to be released annually and the benefits of the Schemes are received by the beneficiaries.**

#### 4) Safai Karamcharis

The Safai Karamcharis/Manual Scavengers belong to the section of society which need immediate welfare measures and this stratum of society is extremely imperative for the survival of any civil society. However, there are very few Schemes run by the Department for the welfare of Safai Karamcharis and Manual Scavengers in particular and the proposal to provide subsidy to the Safai Karamcharis is under process.

**Thus introduction of more schemes related to the welfare of Safai Karamcharis and Manual Scavengers, expediting the procedure to finalise the proposals and implementing the schemes to provide subsidy to the Schedule Caste Safai Karamcharis at the earliest is highly recommended.**

