

EVALUATION REPORT ON UTILISATION OF FUNDS UNDER ARTICLE 275(I) - A REVIEW

1. The Study

With a view to bring economic, social and educational development of tribals in the country, Government of India committed under the constitution vide article 275(1) to provide grants-in-aid to the State Governments to meet capital and recurring expenditure for the development schemes undertaken by them for the purpose of promoting the welfare of the Scheduled Tribes.

At the instance of Ministry of Welfare, the Programme Evaluation Organisation undertook the study to assess the implementation and performance of the scheme with regard to flow of funds and manner of their utilisation.

2. Objectives of the Study

The main objectives of the study were as under:

- i) to ascertain the flow of funds under Article 275(1), and
- ii) to examine the extent and manner of utilisation of funds available under Article 275(1) by the State Governments.

3. Sample Size/Criteria for Sample Selection

8 States having the ITDP programmes namely, Andhra Pradesh, Bihar, Gujarat, Madhya Pradesh, Maharashtra, Rajasthan, Orissa and Meghalaya were selected for the study.

4. Reference Period

The reference period for the study was from 1992-93 to 1995-96.

5. Main Findings

1. At the state level there was a Tribal development Department headed by the Secretary. The Commissioners and ITDP Project Officers were directly responsible for identifying planning and monitoring of the schemes.
2. The funds were mostly released by the states to the line departments under all tribal development programmes.

3. The Central Government released the funds under Article 275(1) to the States in proportion to their shares in tribal population in two/three instalments- first instalment in April-May and the last in December-January during the financial year. It was observed that the flow of funds from the State to the project authorities were not as per guidelines. The States were normally not adhering to the guidelines for releasing of the funds.
4. It was observed that the States generally utilised a large part of the grant in areas already covered by TSP. Most of the States had used the funds for infrastructure facilities like irrigation, roads, bridges, school buildings and the like while the funds were to be utilised in resettlement of tribals practising shifting cultivation, development of forest villages and medical assistance to the tribals suffering from specific diseases etc.
5. The State neither followed the instructions fully as provided in the guidelines for identifying and planning of schemes under tribal development nor did they involve the grass-root level organisation in planning about knowing the local conditions.

6. Major Suggestions

1. In order to improve the utilisation of funds, the State Governments should be advised to avoid delays in releasing of the funds.
2. The State Governments should be allowed to formulate specific schemes keeping in view the objectives of the grant.
3. The money available under the grant should not be released directly to the line departments who spend a large part of their budgets on infrastructure projects etc. It would be better alternative if this money is released through the Department of Welfare for appropriate utilisation according to the felt needs of the people and areas and after examining how and to what extent these needs can be addressed.
4. The other alternative could be to adopt the Maharashtra model and give more administrative authority to the ITDP officers in the formulation and implementation of all the schemes for tribal development.
5. The beneficiary oriented schemes for tribal development should be identified and implemented through local level institutions, particularly through the cooperatives of tribal beneficiaries.