

THE SCHEDULED TRIBE COMPONENT (PLANNING,
ALLOCATION AND UTILIZATION OF FINANCIAL
RESOURCES) BILL, 2024

By

ADV. GOWAAL K. PADAVI, M.P.

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Bill No. 271 of 2024

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to provide for the proper and adequate allocation of central funds in the tribal Component in proportion to the location, population and problems of the Scheduled Tribes spread across the country and to overcome the fluctuations, the variations, to keep track of receipts and expenditures and to seek maximum utilization of funds that has been laid down in Scheduled Tribe Component outlay over the years.

WHEREAS, promoting amongst the citizens equality, fraternity and assuring dignity of an individual is enshrined as one of the goals in the Preamble of the Constitution of India;

AND WHEREAS, the welfare of the Scheduled tribes is of utmost importance and for promoting and appreciation of their fundamental rights enshrined in part III of the Constitution;

AND WHEREAS, the discrepancies seen in allocation and expenditure of the funds of Central plan outlay in the Tribal Component for country of India over the years has not improved the conditions of Scheduled Tribes of India;

AND WHEREAS, with a view to ensure there is allocation of tribal funds which is to be provided to Scheduled Tribes in the scheduled areas of the country of India;

BE it enacted by Parliament in the Seventy-fifth Year of the Republic of India as follows:—

Short title,
extent and
commencement.

1. (1) This Act may be called the Scheduled Tribe Component (Planning, Allocation and Utilization of Financial Resources), Bill, 2024.

(2) It extends to the whole of India;

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(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Definitions

2. (1) In this Act, unless the context otherwise requires,—

(a) “Department” means a Government Department entrusted with the implementation of the tribal component or schemes for the development of the Scheduled Tribes;

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(b) “Gaps in development” means differences in development indicators of the Scheduled Tribes when compared to the state averages, as may be prescribed particularly relating to human and economic development;

(c) “General Schemes” means schemes included in the annual Plans of the Departments which benefit all social groups including the Scheduled Tribes;

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(d) “Government” means, the Government of India;

(e) “Nodal Agency” means the committee headed by Minister of Tribal Affairs;

(f) “Nodal Department” means Tribal Affairs Department of Tribal Affairs Ministry;

(g) “Notification” means notification published in the India Gazette and the word, “Notified” shall be construed accordingly;

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(h) “Prescribed” means prescribed by rules made under the Act;

(i) “National Council” means the National Council for Development of the Scheduled Tribes constituted under section 13;

(j) “Scheduled Tribes” shall have the meanings assigned respectively under clause (25) of Article 366 and Article 342 of the Constitution of India;

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(k) “Tribal Component” means the Plan approved by the National Council for inclusion in the Annual Plan of the Department to bridge the gap in development of Scheduled Tribes and shall include the Scheduled Tribe component of general schemes;

(l) “Tribal Component Fund” means a portion of the Total outlays of the Nation, in a financial year, as earmarked under section 3;

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(m) “Tribal Component Schemes” means the Tribal Component schemes included in the Tribal Component of the Departments;

(n) “Scheduled Tribe habitation” means any habitation where population of Scheduled Tribes is not less than 40% of the total population.

(o) “Scheduled Tribe Component” means Tribal Component (earlier called TSP);

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(p) “Tribal Advisory Council (TAC)” means Council constituted under the Fifth Schedule of the Constitution of India;

	<p>3. The Central Government shall, in every financial year, earmark in such manner as may be prescribed, a portion of the total outlays of the Scheduled Tribe Component which shall be proportionate to the Scheduled Tribe population of the country, to be called as Tribal Plan Fund:</p>	Earmarking of the Tribal Component from Plan outlays.
5	<p>Provided that in case of unspent amount out of allocation in a particular financial year, the same may be added to the next year allocation, but shall not be carried further beyond that year:</p> <p>Provided further that, the Fund to be earmarked shall be determined at least three months prior to the commencement of the next financial year:</p>	
10	<p>Provided also that, the Tribal Component Fund outlay shall be revised according to Central annual Plan final outlay:</p> <p>Provided also that the expenditure of the Tribal Component fund shall be accounted for in the manner, hereafter specified in this Act.</p>	
15	<p>4. The Nodal department shall, for every financial year, communicate, in the manner prescribed, to the other department, a tentative plan out layout of Tribal Sub Plan Fund as earmarked under section 3 for preparation of respective department-wise Tribal Sub-Plan.</p>	Communication of plan outlays earmarked as Tribal Component to the department.
20	<p>5. The Sub-Plans of the departments shall include only such schemes that secure direct and quantifiable benefit to the Scheduled Tribes individuals, Scheduled Tribes households or the/Scheduled Tribes habitations or Tribal areas and that have the potential to bridge the gaps in the development, following the norms laid down in this Act and the rules made there under.</p>	Schemes to be included under the Tribal Sub-plans.
	<p>6. The departments shall ensure coverage of the Scheduled Tribes in the ongoing general schemes consistent with their eligibility for the same.</p>	Obligation to cover the Scheduled Tribes in general schemes.
25	<p>7. On receipt of communication under section 4, each department, shall after estimating the gaps in the development of the Scheduled Tribes, prioritize the development needs of the Scheduled Tribe through a consultative process, as may be prescribed, and shall formulate Tribal Component schemes and prepare the Sub-Plans comprising of the Tribal Component schemes within the Centre Plan priorities communicated under section 4.</p>	Formulation of Tribal Component schemes and preparation of sub-plans by the Department.
30	<p>8. Each Department, excluding the departments separately notified under this Act, shall submit, each year to the Nodal Department, the Sub-Plans comprising of the Tribal Component Schemes proposed to be included in the annual plans, for appraisal by the Nodal Agency concerned, within such time frame and in such format, as may be prescribed.</p>	Submission of sub-plans proposed to be included in the Annual plan for appraisal.
35	<p>9. The Nodal Agency for Tribal Sub-Plan, shall take up appraisal of the Tribal Component schemes respectively submitted by departments, to ensure conformity with the provisions of this Act.</p>	Appraisal of the Tribal component scheme by the Nodal Agencies.
	<p>10. The annual Tribal Component approved by the National Council shall be included in the Demands for Grants of the departments under the relevant head of account for the Tribal Sub-Plan.</p>	Budget allocations.
40	<p>11. There shall be an exclusive Secretary in Ministry of Finance, Department of Finance for performing the functions relating to budget implementation and allocation according to the provisions of this Act within the overall discipline of the ways and means, whose position shall be determined by the Finance Department.</p>	Tribal sub-plan wing in Finance Department.
	<p>12. The National Council shall be formed and to meet as decided,—</p> <p>(1) Within one month, after the commencement of this Act, the Government shall, by notification, constitute a Council under the Chairperson of Prime Minister, to be</p>	Constitution of National Council for Development of Scheduled Tribes.

known as the National Council for Development of Scheduled Tribes to exercise the powers conferred and to perform the functions assigned to it under the Act and the rules made there under;

(2) The Council should invite all Chief Minister and Tribal Ministers of the State and Members of Parliament from the Scheduled Tribes constituencies as member of the National Council; 5

(3) The National council shall meet at least two times in a year;

Functions of
the National
Council.

13. The National Council shall,—

(a) advise the Central Government on all the policy matters relating to Tribal Sub-Plan; 10

(b) suggest measures for proper planning and implementation of the schemes by the departments;

(c) approve the Annual Tribal Component proposals of the Departments;

(d) consult Tribal Advisory Council of all states constituted under Fifth Schedule of the Constitution for suggestions and recommendations at least four times in the financial year; and 15

(e) perform such other functions as may be prescribed.

Constitution of
Nodal Agency.

14. A Nodal Agency headed by the Union Minister of Tribal Affairs, shall be constituted in the manner prescribed, for Tribal Component and shall exercise the powers conferred and perform the functions assigned under this Act; 20

Nodal
Departments.

15. The Tribal Department or whatsoever name called in each State shall act as Nodal Departments to perform its functions and exercise its powers under the Act.

Functions of the
Nodal Agency.

16. The Nodal Agency, in consultation with the respective Nodal Department shall perform the following functions, namely—

(a) evaluate and appraise the Tribal Component proposed by the departments for ensuring conformity to the provisions of this Act; 25

(b) prepare the Centre Tribal Component for placing before the National Council for Development of Scheduled Tribes for consideration and approval;

(c) review the implementation and monitoring of the Tribal Sub-Plan programme;

(d) identify impediments and suggest measures for overcoming the impediments; 30

(e) co-ordinate with the departments for preparation of the State level and district level Tribal Sub-Plan;

(f) maintain transparency in expenditure; maintain scheme wise; district wise, village wise and beneficiary wise details as may be prescribed;

(g) set up a web portal for tracking the progress of the implementation, expenditure, output and outcome indicators as may be prescribed of Tribal Sub-Plan; and 35

(h) facilitate at least annual social auditing of expenditure of Tribal Component funds and facilitate analysis of improvement in Human Development. Index against the projections for the State and district:

Provided that the directions of the Nodal Agency shall be binding on the Departments. 40

Norms for
allocation
of the Tribal
Sub-plan Fund
to the Tribal
Component
Schemes.

17. The Nodal Agency, while indicating allocation of the Tribal Sub-Plan Fund to the Tribal Component schemes shall follow the following norms namely,—

(1) for schemes exclusively benefiting the Scheduled Tribes individuals or Scheduled Tribes households, one hundred per cent. of scheme cost shall be allocated and accounted for under Tribal Component fund; 45

(2) for schemes benefiting the Scheduled Tribe habitations, one hundred per cent. of scheme cost shall be allocated and accounted for under the Tribal Component fund:

Provided that in case of other habitations, the cost shall be allocated and accounted for under or Tribal Component in proportion of the population of the Scheduled Tribes;

5 (3) for general social sector schemes, which includes education, health, women and child, labour, physically handicapped included in the Sub-Plans, benefiting the Scheduled Tribes individuals or Scheduled Tribes households, along with others, the scheme cost shall be allocated and accounted for under Tribal Sub-Plan, in proportion Scheduled Tribe population.

10 **18.** The schemes that fulfill the norms laid down in the Act shall be recommended by the Nodal Agency for inclusion in the annual financial proposals of the departments and aggregated for placing before the National Council for Development of the Scheduled Tribes for consideration and approval as pre-budget process.

Recommendation by the Nodal Agency and the Nodal Department.

15 **19.** The Government shall provide required Technical and other staff to the Nodal Department with an Administrative and Technical Support Unit as may be prescribed, to perform the functions and discharge the duties assigned to it and to assist the Nodal Agency.

Administrative and technical support to the Nodal Department.

20. The departments as identified by the National Council may establish a Component Support Unit, as may be prescribed to manage the respective Tribal Sub-Plan.

Department Level Sub-Plan Support Unit.

20 **21. (1)** The Constitution Divisional Monitoring Committee under the Tribal Commissioner as chairperson in each ATC division of the state shall be responsible for the implementation of Tribal Component at the divisional and project office level tribal Members of the Legislature and the Parliament belonging to the respective division shall be the members of the Divisional Monitoring Committee;

Implementation of the Tribal component schemes at Divisional Level.

25 (2) The Divisional Monitoring Committee of each division shall review the implementation of the Tribal Component periodically;

(3) The Divisional Monitoring Committee shall give priority to the inaccessible, remote and hilly areas of the Tribal dominated region followed by the other Tribal dominated regions and no funds shall be diverted to the non-tribal areas of the State.

30 **22. (1) There shall be a Project Office (P.O.) Level Committee under the Tribal Legislature or Member Parliament or any Tribal member of local bodies as chairperson in each district, which shall be responsible for implementation of tribal sub-plan;**

Constitution of a P.O. level Committee.

(2) The P.O. Level Committee must first give priority to the inaccessible, remote and hilly areas of the Tribal dominated region followed by the other Tribal dominated regions. Also, no funds must be diverted to the non-tribal areas of the State;

35 (3) This Committee must also give directions to the head departments of implementing authorities to follow the same provision as mentioned above.

40 **23.** The respective departments of Government shall take such measures as may be necessary, for institutional strengthening at State level and District level by providing necessary guidelines, staff and training to the staff in the manner prescribed, for effective implementation and monitoring.

Necessary measures to be undertaken by respective departments of Government.

24. There shall be constituted an Evaluation Committee to observe and Study all the overall aspects in the interest of development of Tribals keeping in mind the economic, social educational upliftment of the Scheduled Tribes.

Constitution of an Evaluation Committee.

(1) The committee shall submit a report every 5 years;

45 (2) The Committee shall consist of –

(a) Anthropologist;

(b) Economist;

	(c) Retired Justice;	
	(d) IAS officer;	
	(e) five tribal M.L.A.	
	(f) tribal Member of Parliament (Two members); and	
	(g) other Tribals issue related Experts.	5
Transparency and accountability.	25. (1) Each department shall ensure transparency and accountability at all levels in the implementation of Tribal Component schemes;	
	(2) Each department shall, host the documents, as may be prescribed in public domain.	
Incentives and penalties.	26. (1) Government appropriate shall formulate an scheme, to award incentives for commendable performance and disincentives for proven negligence and lack of due diligence, in discharge of responsibilities under this Act by any functionary or official concerned:	10
	Provided that disciplinary action shall be governed by the relevant service/disciplinary rules applicable to the Government officials and functionaries.	
	(2) Whoever being a public servant, willfully neglects his duties required to be performed by him under the Act, shall be punished with imprisonment for a term which may extend up to one year.	15
Annual Report to be placed before State Legislature.	27. The Nodal agency shall place before the National Legislature, an Annual Report on outcome of implementation of Tribal Component containing department-wise achievements and the un-utilized, funds during the financial year under report.	20
Power to remove difficulties.	28. (1) If any difficulty arises in giving effect to the provisions of the Act, the Government may, by order, make such provisions or give such directions not inconsistent with the provisions of the Act as may appear to it to be necessary or expedient for the removal of the difficulty:	
	Provided that no such power shall be exercised after the expiry of a period of two years from the commencement of this Act;	25
	(2) Every order made under this section shall be laid, as soon as it is made, before each House of the State Legislature.	
Power to make rules.	29. (1) The Government may, by notification in the Gazette, make rules for carrying out all or any of the provisions of this Act;	30
	(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:	
	(a) Determination of gaps in development of the Schedule Tribes;	
	(b) Year marking of Tribal Component Funds from the plan outlays;	
	(c) Identification of Tribal Component Schemes and preparation of Sub-Plans by the departments;	35
	(d) Preparation of budget proposal of Tribal Component for appraisal by the Nodal Departments;	
	(e) Strengthen the Finance Department for monitoring expenditures under the Tribal Sub-Plan;	40
	(f) Constitution of, and transaction of business in the State Council for development of Scheduled Tribes; the qualification, disqualification and other allowances to the non-official members of the State Council;	
	(g) Constitution of Nodal Agencies for Tribal Sub-Plan;	

(h) Maintenance of a web portal by the Nodal Agency;

(i) Constitution of Administrative and Technical Support Unit in respective Nodal Agency;

(j) Department for Tribal Sub-Plan;

5 (k) Constitution of Component Support Unit at department level;

(l) Constitution of Divisional Monitoring Committees and the connected matters;

(m) Constitution of P.O. Level Committee and the connected matters;

(n) Constitution of Evaluation Committee and the connected matters;

10 (o) Institutional strengthening at State, Divisional, District and sub-district level for ensuring effective implementation, awareness, mass contact programme, social audit and monitoring of Tribal Sub-Plan; and

(p) Procedures for ensuring transparency and accountability in the implementation of Tribal Sub-Plan.

15 (3) Every rule made under this Act shall, immediately after it is made, be laid before, the Legislature of the State, if it is in session and if it is not in session, in the session immediately following for a total period of fourteen days which may be comprised in one session or in two successive sessions and if, before the expiration of the session in which it is so laid or the session immediately following the Legislature agrees in making any modification in the rule or in the annulment of the rule.

STATEMENT OF OBJECTS AND REASONS

In pursuance of Article 244(1), Fifth Schedule (4) and Article 46 of the Constitution of India it is considered necessary to provide for earmarking a portion of Centre plan outlay for the Tribal Sub-Plan:

(i) To provide for the proper and adequate allocation of Central plan outlay for the Tribal Component in proportion to the location, population and problems of the Scheduled Tribes spread across the vast Country of India and to overcome the fluctuations, the variations, to keep track of receipts and expenditures and to seek maximum utilization of funds that has been laid down in Tribal Component outlay over the years;

(ii) The Tribal Ministry was set up in 1999 after the bifurcation of Ministry of Social Justice and Empowerment, since then less efforts have been taken to better the conditions of the Tribals. For it is the need of the hour to make available Financial Resources to inaccessible, remote areas and hilly regions which have been deprived of the financial aid from the Centre by innumerable reasons. It is also a major concern of the Centre to make sure that necessary and neglected Tribals areas are given priority at the earliest. It is of urgent necessity to pass this legislation to overcome the defect and fallacy in the executive orders passed by the Centre regarding the Financial Tribal Component which have allocated funds in a haphazard manner, in the past. This particular legislation can provide impetus to the allocation of the financial resources in more expeditious manner. There is also a further need of proper Planning and avoiding of Under-allocation, Misallocation, Under-utilization, Misutilization of the financial funds meant for genuine Tribals in Tribal areas. At the same time to prevent and prohibit the allocation and utilization of funds in non-tribal areas of the country. Also Keeping in mind, to make such allocated funds non-divertible to any other issue not concerning the Tribals or matters attached therewith; Also, to spend for the schemes directly benefiting the Scheduled Tribes population;

(iii) For the development of Tribal People the outdated schemes should be wiped out & new schemes should be introduced and implemented. Such schemes should be self-reliant or life oriented according to the needs of the Tribals own image, genius and tradition. Data should not be collected by mere statistics or amount of funds spent but rather by the quality of human character that is evolved. The Central Government or the Executives should avoid imposing anything on the Tribal people and let the Tribal People develop along the lines of their own genius. At the same time, Government should try to encourage in every way the Tribals own tradition and culture;

(iv) For matters connected there with or incidental thereto; and

(v) The Bill is intended to achieve the above objectives.

Hence this Bill.

NEW DELHI;
November 12, 2024

GOWAAL K. PADAVI

FINANCIAL MEMORANDUM

Clause 11 of the bill provides for the appointment of Secretary in finance with expertise in the finance and related functions of the Tribal Affairs Ministry. Clause 12 provides for Constitution of National Council for development of Scheduled Tribes. Clause 22 provides for Constitution of a P.O. level Committee. Clause 23 provides for Constitution of an Evaluation Committee. The Bill, therefore, if enacted, would involve expenditure from the Consolidated Fund of India. It is likely to involve recurring expenditure of about Rs. five crore per annum.

A non-recurring expenditure of about Rupees Twenty Crore is also likely to be involved.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 28 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. As the rules will relate to the matters of detail only, the delegation of legislative power is of a normal character.

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to provide for the proper and adequate allocation of central funds in the tribal Component in proportion to the location, population and problems of the Scheduled Tribes spread across the country and to overcome the fluctuations, the variations, to keep track of receipts and expenditures and to seek maximum utilization of funds that has been laid down in Scheduled Tribe Component outlay over the years.

(Adv. Gowaal K. Padavi, M.P.)