

**GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA**

UNSTARRED QUESTION NO:3679
ANSWERED ON:23.12.2004
MEETING OF NATIONAL DEVELOPMENT COUNCIL
Barman Shri Ranen

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the Government is aware that Planning Commission in pursuance of the decisions taken in the National Development Council meeting held on December, 21, 2002 to set up an empowered Sub-Committee of the National Development Council on finance and administrative empowerment of PRIs with Minister of Rural Development as its Chairperson;
- (b) if so, the details thereof;
- (c) the number of sittings of the said Committee have been held so far in the State of West Bengal;
- (d) the decisions/recommendations/observations made in the aforesaid sittings particularly for the State of West Bengal; and
- (e) the follow up action taken so far in this regard?

Answer

ANSWER MINISTER OF PANCHAYATI RAJ (SHRI MANISHANKAR AIYAR)

(a) & (b) On 31st March, 2003, an Empowered Sub-Committee on Financial and Administrative Empowerment of Panchayati Raj Institutions was set up by Planning Commission in pursuance to the decision taken in the National Development Council, with the Minister of Rural Development as the Chairperson and the Minister of Finance and Company Affairs, Deputy Chairman, Planning Commission, Minister of Social Justice & Empowerment, Minister of Tribal Affairs and Chief Ministers of Assam, Bihar, Gujarat, Karnataka, Kerala, Madhya Pradesh, Punjab and Rajasthan as its members.

The Terms of Reference of the Sub-Committee include, inter alia :

- (i) to review the action taken by State Governments for empowerment of Panchayati Raj Institutions (PRIs) as per 73rd Constitution Amendment Act so that they can function as effective institutions of local self-governments;
- (ii) to work out modalities for strengthening the financial domain of the PRIs through transfer of resources from the Centre and State Governments;
- (iii) to assess the capacity of the PRIs to raise revenues and other resources and to develop an action plan in this regard;
- (iv) to analyse the capability of PRIs at different levels to absorb the financial allocation made to the PRIs under different schemes and to develop a framework to ensure fiscal discipline and financial . accountability at different levels of PRIs;
- (v) to indicate measures needed to be taken to ensure administrative control of the PRIs over the State Government functionaries dealing with subjects listed in the Xth Schedule of the Constitution;
- (vi) to evolve a framework for preparation and projectisation of local plans that reflect the felt needs and aspirations of the people so that development process becomes a people's movement;
- (vii) to assess the training requirements and work out training models/pattern for elected PRI functionaries and Government officials including the PRIs staff; and

(viii) to work out a mechanism for linking the Central assistance to State with progress on empowerment of PRIs. Two meetings of the Committee have already been held under the Chairmanship of Minister (RD) at New Delhi on 26th June, 2003 and 7 August, 2003.

(c) No meeting of the Empowered Sub Committee has been held in the State of West Bengal.

(d) & (e) Does not arise.