

**GOVERNMENT OF INDIA  
PANCHAYATI RAJ  
LOK SABHA**

UNSTARRED QUESTION NO:2770  
ANSWERED ON:19.03.2008  
ALLOCATION OF FUNDS TO STATES DIVISIONS  
Bhagora Shri Mahavir;Pradhan Shri Dharmendra

**Will the Minister of PANCHAYATI RAJ be pleased to state:**

- (a) the State-wise and district-wise details of the funds released under Backward Region Grant Fund scheme during the last three years and the basis on which funds are released;
- (b) whether the funds are being utilised as per prescribed norms;
- (c) if so, the details thereof; and
- (d) the details of mechanism to monitor the utilisation of funds?

**Answer**

MINISTER OF PANCHAYATI RAJ(SHRI MANI SHANKAR AIYAR)

(a): The Backward Regions Grant Fund Programme (BRGF) was approved in the financial year 2006-07. The Programme has three components, namely, Special Plan for Bihar, Special Plan for the KBK districts of Orissa and the district component covered by the Backward Districts Initiative of the Rashtriya Sam Vikas Yojana(RSVY) subsumed into the Backward Regions Grant Fund Programme from 2006-07. Special plans for Bihar and the KBK districts of Orissa are handled by the Planning Commission. The allocation under the district component of BRGF consists of two funding windows (a) funds for capacity building of Panchayati Raj Institutions and (b) an untied developmental grant. A statement showing the funds released under these three components, State-wise and district-wise from 2005-06 onwards is annexed.

(b) and (c): The BRGF provides for untied grants which can be used to meet gaps in human development, infrastructural development and development in the productive sector. The emphasis in the programme is on participative planning through Panchayats and Municipalities so that the goals and outcomes reflect the perceived and the felt needs of the people. Since a plethora of schemes can be taken under BRGF, no norms have been prescribed at the central level. The norms prescribed by the State Governments are followed for the preparation of estimates, quality of work, etc. for the various works and schemes undertaken in the programme. Progress Reports for works completed under RSVY have been satisfactory.

(d): The guidelines of BRGF prescribe that regular physical and financial audit of the works under the scheme shall be carried out at the end of each financial year, in each district. The guidelines of the programme also provide for creation of a Review Committee, constituted by the District Planning Committee, at the district level. There is provision of peer reviews up to Intermediate Panchayat level and issue of utilisation certificates by Gram Sabhas to ensure social audit at grassroots level.