

**GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA**

UNSTARRED QUESTION NO:3786

ANSWERED ON:16.12.2011

EXPENDITURE FOR PANCHAYAT

Singh Shri Rajiv Ranjan (Lalan);Yadav Shri Dinesh Chandra

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether an amount of Rs.90,000 crore is proposed to be spent by around 2,50,000 panchayats annually for social welfare in the country;
- (b) if so, the facts in this regard;
- (c) whether the desired results are not forthcoming despite spending of this huge amount every year;
- (d) if so, the reaction of the Government thereto; and
- (e) the corrective steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF PANCHAYATI RAJ (SHRI V. KISHORE CHANDRA DEO)

(a)&(b): There is no such proposal with the Ministry of Panchayati Raj. However, there are three major programmes/sources of Central Government from which funds are routed through Panchayats are: -

(i) Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) - Minimum 50% of the total annual allocation (current year allocation is Rs. 40000 crore) is to be spent by the Gram Panchayats as per MGNREG Act.

(ii) Backward Regions Grant Fund (BRGF) - Total annual allocation of untied grant of Rs. 5050 crore is distributed among the 250 backward districts which is spent by Panchayati Raj Institutions and Urban Local Bodies (allocation between PRIs and Urban Local Bodies is made by the State Governments) for infrastructure development and capacity building of elected representatives.

(iii) Thirteenth Finance Commission - Untied Grant under Thirteenth Finance Commission (tentative current allocation Rs. 9136 crore) is spent by the Panchayati Raj Institutions as per their felt need.

(c)to(e): Under various Centrally Sponsored Schemes and ACAs, Panchayati Raj Institutions do create social infrastructure and employment in the rural areas. However, the impact of these development schemes varies from State to State and scheme to scheme. Appropriate amendments and revisions of the scheme guidelines are made from time to time by various Ministries keeping in view the feedback regarding the impact of these programmes.