

STANDING COMMITTEE ON RURAL DEVELOPMENT

(2009-2010)



FIFTEENTH LOK SABHA

**MINISTRY OF PANCHAYATI RAJ
DEMANDS FOR GRANTS (2009-10)**

[Action taken by the Government on the recommendations contained in the Fourth Report of the Standing Committee on Rural Development (Fifteenth Lok Sabha)]

THIRTEENTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

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MINISTRY OF PANCHAYATI RAJ

[Action taken by the Government on the recommendations contained in the Fourth Report of the Standing Committee on Rural Development (Fifteenth Lok Sabha)]

Presented to Lok Sabha on 29.07.2010

Laid in Rajya Sabha on 29.07.2010



LOK SABHA SECRETARIAT

NEW DELHI

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**COMPOSITION OF THE STANDING COMMITTEE
ON RURAL DEVELOPMENT (2009-2010)**

Shrimati Sumitra Mahajan - *Chairperson*

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2. Shri Kunvarjibhai Mohanbhai Bavalia
3. Shri Sanjay Dhotre
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26. Shri P.R. Rajan
27. Shri Arjun Singh
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30. Miss Anusuiya Uikey

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- | | | |
|-------------------------|---|---------------------|
| 1. Shri A. Louis Martin | - | Joint Secretary |
| 2. Shri V.R. Ramesh | - | Director |
| 3. Shri A.K. Shah | - | Additional Director |

* w.e.f. 15 April, 2010

** Re-nominated w.e.f. 3 May, 2010

@ Consequent upon retirement of Shri Bhagwati Singh, MP, Rajya Sabha from membership of Rajya Sabha w.e.f. 4 July, 2010.

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2009-2010) having been authorised by the Committee to submit the Report on their behalf, present the Thirteenth Report on the action taken by the Government on the recommendations contained in the Fourth Report of the Standing Committee on Rural Development (Fifteenth Lok Sabha) on Demands for Grants (2009-10) of the Ministry of Panchayati Raj.

2. The Fourth Report (Fifteenth Lok Sabha) was presented to Lok Sabha on 17 December, 2010. The replies of the Government to all the recommendations contained in the Report were received on 16th March, 2010.
3. The replies of the Government were examined and the draft Report was considered and adopted by the Committee at their sitting held on 7th July, 2010.
4. An analysis of the action taken by the Government on the recommendations contained in the Fourth Report of the Committee (Fifteenth Lok Sabha) is given in Appendix-II.

NEW DELHI;
20 July, 2010
29 Asadha, 1932 (Saka)

SUMITRA MAHAJAN
Chairperson,
Standing Committee on Rural Development

CHAPTER - I

REPORT

This Report of the Committee on Rural Development (2009-10) deals with the action taken by the Government on the recommendations contained in their Fourth Report on Demands for Grants (2009-10) of the Ministry of Panchayati Raj which was presented to Lok Sabha on 17 December, 2009.

2. Action taken replies have been received from the Government in respect of all the 31 recommendations which have been categorised as follows:

- | | | |
|-------|-------------|---|
| (i) | Chapter II | Recommendations which have been accepted by the Government : |
| | | Para Nos.: 2.3, 2.4, 3.7, 3.9, 3.10, 3.14, 3.15, 3.18, 4.10, 4.11, 4.16, 4.30, 4.34, 4.37, 4.40, 4.52, 4.61, 4.65, 4.68, 4.69, 4.80, 4.87, 5.7 and 5.15 |
| (ii) | Chapter III | Recommendations which the Committee do not desire to pursue in view of Government's replies : |
| | | Para No. 4.6 |
| (iii) | Chapter IV | Recommendations in respect of which replies of the Government have not been accepted by the Committee : |
| | | Para Nos.: 3.8, 4.23 and 4.24 |
| (iv) | Chapter V | Recommendations in respect of which final replies of the Government are still awaited : |
| | | Para Nos. : 4.15, 4.47 and 5.11 |

3. **The Committee desire that final reply in respect of recommendations (paragraph nos. 4.15, 4.47 and 5.11) for which only interim reply has been given by the Government should be furnished within three months of the presentation of the Report.**

4. **The Committee will now deal with action taken by the Government on some of these recommendations in the succeeding paragraphs.**

A. INCREASE IN ALLOCATION OF FUNDS TO MINISTRY OF PANCHAYATI RAJ TO MEET THE NEED OF INFRASTRUCTURE FOR PANCHAYATS

[Recommendation Serial No.4 (Para No. 3.8)]

5. The Committee had recommended as under :-

“The Committee’s examination has revealed that the Ministry is getting flow of funds under two categories - one under Backward Region Grant Funds (BRGF) and the Other Schemes like Rashtriya Gram Swaraj Yojana (RGSY), e-Panchayats etc. The Committee also find that actual flow of funds for Panchayats in the country started at the end of the Tenth Plan with the arrival of Backward Region Grant Scheme in 2006-2007 with an outlay of Rs.1925 crore (RE) that has risen to the present level (2007-2008 onwards) of Rs.4670 crore. Excluding this amount a small allocation of Rs.110 crore for Other Schemes is being made available to Ministry to take care of 24 lakh of Panchayats. In Committee’s view the total amount of Rs.4780 crore provided during 2009-2010 is inadequate for the Panchayats in the country from any yardstick let alone their upliftment in view of emerging demands. Since Panchayats are being given more power, more funds need to be released for infrastructural purposes. The Committee, therefore, recommend that sufficient funds commensurate with the task involved should be made available.”

6. The Ministry in the action taken reply have stated as under :-

“Ministry of Panchayati Raj have been regularly pursuing with the Planning Commission to provide adequate funds for the various schemes of Ministry of Panchayati Raj.”

7. **The Committee in their earlier recommendation had called for more allocation of funds to the Panchayats for utilization in infrastructural purposes keeping in view the responsibilities and powers being given to them. The Committee had felt that allocation of Rs.4780 crore during 2009-10 is grossly inadequate for upliftment of Panchayats. The Ministry of Panchayati Raj in their action taken reply has stated that they have been regularly pursuing the Planning Commission to provide adequate funds for the various schemes of Ministry. The Committee recommend to the Planning Commission to adequately increase the allocation to the Ministry of Panchayati Raj so that it could fulfill its responsibilities to provide necessary infrastructure to Panchayats.**

B. LOW UTILISATION OF AVAILABLE FUNDS IN THE ELEVENTH FIVE YEAR PLAN BY THE MINISTRY

[Recommendation Serial No. 5(Para No. 3.9)]

8. The Committee had recommended as under :-

“While the funds being made available to the Ministry are not adequate in the opinion of the Committee, the trend so far during Eleventh Plan shows that the utilization of even these funds has not been encouraging as compared to Tenth Plan (2002-2007). The Committee find that as against the total allocation of Rs.24,226.37 crore the actual expenditure during first two years of the Plan viz. 2007-2008 and 2008-2009 is Rs.7680.81 crore only. The Committee apprehend that with the present rate of utilization the Eleventh Plan outlay may not be utilized fully. They, therefore, recommend that all efforts need to be made to utilize at least the available funds fully. “

9. The Ministry in the action taken reply have stated as under :-

“Ministry of Panchayati Raj will make all efforts to utilize the funds allocated during the Eleventh Five-Year Plan.”

10. **The Committee had pointed out the trend of low utilization of available funds during the first two years of the Eleventh Five Year Plan and recommended that all necessary efforts be made to utilise the available funds fully. The Ministry in their action-taken reply have stated that they will make all efforts to utilise the funds allocated during the Eleventh Five Year Plan. The Ministry of Panchayati Raj have not spelt out the specific steps taken or proposed to be taken to ensure full utilization of funds allocated to the Ministry. The Committee would await information in this regard.**

C. LONG TERM PERSPECTIVE PLAN FOR THE PANCHAYATS

[Recommendation Serial No. 6 (Para No. 3.10)]

11. The Committee had recommended as under :-

“The Committee have been informed that the Ministry of Panchayati Raj now proposes to have the allocation for three big schemes of BRGF,

RGSY and e-governance enhanced in a big way for the remaining years of the Eleventh Plan and beyond. For instance for BRGF quantum of funds is proposed to be hiked from present level of Rs.4670 crore in 2009 to Rs.7300 crore in 2010-2011 and Rs.9300 crore in 2011-2012. Similarly, for RGSY the Ministry is planning to have the existing allocation of Rs.40 crore increased to Rs.1000 crore during 2010-2011 and doubling the same in 2011-2012. Likewise for e-governance the Ministry has a proposal to increase the present allocation of Rs.24 crore in 2009-2010 to Rs.1000 crore in 2010-2011 and Rs.1500 crore by 2011-2012. The Committee feel that aforesaid enhancement of funds for one-two years in major schemes of the Panchayats is not going to comprehensively address the requirements of Panchayats in the country. The utilization of available funds purposefully is most essential. The Committee also desire that a long term perspective plan for Panchayats in the country be drawn up bringing out clearly the present state of Panchayats and their likely role and responsibilities by 2020.”

12. The Ministry in the action taken reply have stated as under :-

“Recommendation of the Committee is accepted.”

13. **The Committee in their earlier recommendation had felt that purposeful utilization of available funds is more necessary than the proposal for enhancement of funds for a few years in the current five year plan as it is not going to address the requirement of Panchayats in the country comprehensively. The Committee had also desired the Ministry to draw up a long term perspective plan in this regard. The Ministry in their action-taken reply have stated that the recommendation of the Committee is accepted. The Ministry’s reply is, however, silent as to whether any action has been initiated to draw up the perspective plan. The Committee feel that the Ministry ought to be pro-active in implementing recommendations of the Parliamentary Committee. They would like the Ministry to initiate necessary action to prepare a long term perspective plan under intimation to the Committee.**

D. REDUCTION OF ALLOCATION UNDER BRGF SCHEME

[Recommendation Serial Nos. 7 & 8 (Para Nos. 3.14 and 3.15)]

14. The Committee had recommended as under :-

“While examining the requirement of funds during the previous two years viz. 2007-2008 and 2008-2009 of the Ministry, the Committee are constrained to note that funds available under BRGF have been significantly lowered at RE stage from Rs.4670 crore to Rs.3597.50 crore during 2007-2008 and from Rs.4670 crore to Rs.3890 crore during 2008-2009. Non-receipt of enough proposals for claiming BRGF funds from State Governments and delay in constitution of District Planning Committees (DPCs), a pre-requisite for claiming BRGF funds in different States like U.P, Gujarat, Maharashtra etc. have been attributed as reasons for drastic reduction of funds at Revised Estimates stage. Besides, non-submission of district plans by various States like Sikkim, Tamil Nadu, J&K etc. in 2007-2008 and failure to claim grants in 2008-2009 by the States of Karnataka, Kerala and Mizoram have been the reasons advanced by the Ministry for lowering of funds.”

“The Committee feel that the aforesaid reasons of non-receipt of proposals/non-submission of district plans were very well within the domain of the Ministry. In their opinion being the nodal Ministry it is incumbent upon the Ministry of Panchayati Raj to have track on above issues with the States. The Committee, therefore, conclude that had the Ministry taken timely interventions, aforesaid reduction could have been avoided. The Committee, therefore, feel that a mechanism be evolved for taking care of these issues so that no reduction of budgeted amount is required to be made at revised estimates in future. The Committee, therefore, strongly recommend that such issues should be vigorously pursued with the State Governments. The concrete action taken in this regard should be communicated to the Committee.”

15. The Ministry in the action taken reply have stated as under :-

“The Ministry in the current financial year actively pursued with the States to get the district plans approved and submit their proposals by the mid of second quarter. As a result the Ministry achieved substantially high expenditure level in the third quarter. By December 31, 2009, the Ministry has achieved the expenditure level of Rs.3240 crore which is approximately 69 per cent of the BE allocations for 2009-10.

The Ministry has advised and pursued with the States to complete their district plan process for 2010-11 by January 31, 2010 and expedite implementation of the programme, so that funds could be released in first and second quarters of the 2010-11.

16. The Committee in their earlier recommendation had voiced concern regarding lowering of funds available under BRGF at RE stage during 2007-08 and 2008-09. They were not satisfied with the reasons put forwarded by the Ministry like non-receipt and late submission of proposals of district plans by the States etc. The Committee had recommended the Ministry to devise a mechanism so that no reduction of budgeted amount is required to be made at revised estimate in future. The Ministry in their action-taken reply have stated that matter has been pursued with the State Governments to get their district plans approved and submit their proposal. The Ministry claimed that due to its efforts it has been able to achieve expenditure level of 69 per cent of the BE allocation for 2009-10 by 31st December, 2009. The Ministry has also stated that it has advised the States to complete preparation of district plans for 2010-11 by January 31, 2010, so that funds could be released in first and second quarter of 2010-11. The Committee find that the Ministry has not mentioned about any effort made on its part for constitution of District Planning Committees in different States as recommended. The Ministry has also failed to evolve a mechanism for time bound action in case States failed to follow all requisite steps to claim funds under BRGF. The Committee would like the Ministry to take all efforts to fully utilise available funds to avoid reduction of funds at RE stage.

E. ADEQUATE ALLOCATION TO THE MINISTRY FOR INCLUSIVE GROWTH

[Recommendation Serial No. 9 (Para No. 3.18)]

17. The Committee had recommended as under :-

“As regards availability of funds before the Ministry during the current year 2009-2010, the Committee are constrained to note that an amount of Rs.6720 crore as proposed by the Ministry has been drastically reduced to Rs.4780 by the Planning Commission. The Committee after perusing scheme-wise proposed *vis-à-vis* agreed amount, are constrained to note that for BRGF as against the proposed amount of Rs.6000 crore only Rs.4670 crore have been approved. Similarly, for other schemes as against the proposed amount of Rs.720 crore only Rs.110 crore has been approved. The scheme of the Department have tremendous impact on increasing capacity building thereby improving rural infrastructure. The

Committee, therefore, strongly recommend to the Department to take up the matter with the Planning Commission for providing adequate allocation commensurate with the requirements with a view to achieve inclusive growth so that the benefit are shared by the poorest of poor in the country.”

18. The Ministry in the action taken reply have stated as under :-

“Ministry of Panchayati Raj is regularly pursuing Planning Commission at the highest level to allocate requisite funds to achieve the desired goals of ‘inclusive growth by strengthening Panchayati Raj Institutions’.”

19. **The Committee in their earlier recommendation on enhanced allocation for BRGF scheme has recommended the Ministry to take the matter with the Planning Commission so that it could get more funds. The Ministry in their action-taken reply have stated that it is regularly pursuing Planning Commission at the highest level to allocate requisite funds to achieve the desired goal. The Committee had noted that the Ministry has not been able to get adequate enhancement of funds under BRGF scheme in 2010-11 budget. The Committee recommend the Planning Commission to enhance the allocation to the Ministry under BRGF scheme so that there are enough funds available for the development of backward regions of the country.**

F. ABSENCE OF PROPER TECHNICAL KNOWHOW AND PERSONNEL IN PANCHAYATS

[Recommendation Serial No. 11 (Para No. 4.10)]

20. The Committee had recommended as under :-

“The Committee are constrained to note that in the absence of proper technical knowhow and personnel the Sarpanchs in different States are facing difficulties in running the different rural development programmes like NREGA and that in many cases the Panchayat Secretary generally does not guide the Gram Sabha properly. Not only this the expected cooperation from Government functionaries like BDOs/Junior Engineers is also not forthcoming owing to large responsibility of covering more than one Gram Sabhas given to these Government officers. All these

revelations have been candidly admitted before the Committee by the Secretary, Panchayati Raj while assuring necessary remedial steps. The Committee trust that these issues will be taken care of by the nodal Ministry for appropriate action. They would like to be informed of the precise remedial steps taken in this regard.”

21. The Ministry in the action taken reply have stated as under :-

“Ministry of Panchayati Raj is of the firm view that until requisite infrastructure and manpower is provided to the Gram Panchayats, they may not be able to function as local self government. Though, State Governments are required to provide infrastructure and manpower to Panchayats, but due to lack of resources, the requirement of the Panchayats are being met partially. In view of this, Ministry of Panchayati Raj have already issued instructions to the State Government to construct Panchayat Ghar with adequate space by dovetailing funds from NREGA, BRGF and other Schemes of the Central/State Governments. Ministry of Panchayati Raj is also preparing a proposal to provide assistance to the State Governments for providing Panchayat infrastructure and required manpower.”

22. **The Committee in their earlier Report has recommended that necessary steps should be taken to remove the problems of technical knowledge and personnel faced by the elected representatives in PRIs for implementation of various schemes for rural development. The Ministry in their action-taken reply have stated that they have issued instructions to the State Government to use the funds available under Centrally Sponsored Schemes like NREGA, BRGF etc. for this purpose. They have also informed that they are preparing a proposal to provide assistance to the State Governments in this regard. The Committee would like to know how soon the proposal will be prepared. The Committee would also like to be apprised of the salient features of the proposal.**

G. CAPACITY BUILDING OF PANCHAYATS

[Recommendation Serial Nos. 15 & 16 (Para Nos. 4.23 and 4.24)]

23. The Committee had recommended as under :-

“The Committee are constrained to note that the Ministry of Panchayati Raj does not even have the basic data about the number of elected representatives of Panchayats trained in different States. In Committee’s opinion a sorry state of affairs is currently prevailing over this vital aspect relating to training of Panchayat functionaries in the country. The Committee find from the State-wise details made available to them that in almost all the States figures are not available with the Ministry. In the absence of necessary data, the Committee would wonder how the claims of the Ministry that out of 28.8 lakh elected representatives a total of 11.95 lakh elected representatives have been trained can be relied upon. The Committee expressed their concern over the under achievement of targets with regard to the training of elected representatives. The Committee, strongly recommend that all initiatives should be taken to ensure that fixed targets for training of Panchayat functionaries in the country are achieved and make the training programme more effective.”

“In view of the foregoing the Committee feel that business like approach is essential on the issue of training of elected representatives in different States. The Committee are also of the view that Ministry’s claim that within one year the remaining elected representatives would be trained provided the enhanced funds of Rs.1000 crore are made available under RGSY is also not based on any assessment particularly when everything is vague and inconclusive on the issue of training in different States. The Committee, therefore, feel that before asking for higher funds, the Ministry has to put its own house in order to take care of higher funds in future. They, therefore, desire that the Ministry should without any delay make realistic assessment of the elected representatives in PRIs who are yet to be trained so that it can gear itself to the task accordingly. According to the Ministry it has advised the Planning Commission to introduce integrated district planning through Centrally Sponsored Schemes/State Sector Schemes. Planning Commission is stated to have proposed a scheme for planning units at State and District level for which the inter Ministerial consultations are in progress. They recall that more or less a similar scheme was also floated by the Ministry last year but it could not see the light of the day. The Committee, therefore, feel that instead of charting out a flip-flop approach, a time bound programme for training of PRI functionaries on the pattern of ‘Bharat Nirman’ should be prepared so that Panchayats in the country can work as a unit of self Governments in the real sense.”

24. The Ministry in the action taken reply have stated as under :-

“The Ministry has collected information from all the States and UTs regarding the number of elected representatives, the number of trained under different programmes, etc. This information has been placed on the website of Ministry of Panchayati Raj.

All the States and UTs have been advised to prepare and implement the training programme for the elected representatives and functionaries of the Panchayati Raj Institutions as per the National Capacity Building Framework (NCBF). More details in this regard may please be seen in reply to para 4.24.

(a) The Ministry has adopted the National Capability Building Framework (NCBF) as the framework for undertaking the Capacity Building & Training activities for the Elected Representatives and Functionaries of PRIs.

(b) In order to take-up the Capacity Building and Training activities as per the NCBF in a Mission Mode, the Ministry visualized holding of three Regional Workshops. Accordingly three Regional Workshops were organized in September, 2009 at Gangtok, Goa and Shimla covering all the States and UTs. The States were impressed to give thrust to the CB&T activities through preparation of integrated Perspective Plans for CB&T covering BRGF, RGSY as well as other schemes, for the current year and the next year. 11 States have already finalized their Perspective Plans while other States are in the process of doing so. The Workshops also provided a platform for States to come together, exchange ideas, communicate their success stories as well as difficulties and deliberate on issues of common concern.

(c) The Ministry has also taken a new initiative for Public Private Partnership in CB&T where in the services of NGOs, Private Organisations as well as Academic Institutions are sought to be utilised for CB&T activities. The Ministry had organised a PRIs CB&T Business Meet on 07-01-2010 at New Delhi where well over 100 organisations participated. The process is being carried forward in consultation with the State Governments/ UTs.

(d) The Ministry expects that these initiatives will help in bringing CB&T of PRIs in focus at the State level leading to better coverage and improvement in the quality of trainings. During the last five years, over 28 lakh Elected Representatives/Functionaries of PRIs have been provided training. With the new initiatives, the situation should improve further.”

25. The Committee has recommended the Ministry to prepare a time bound programme for training of PRI functionaries on the pattern of 'Bharat Nirman' to achieve targets for training of elected representatives and also to make training more effective. The Ministry in their action-taken reply have stated that they have collected the information regarding number of trained elected representatives. According to the Ministry, they are working in mission mode adopting National Capacity Building Framework (NCBF) and they have organized three regional workshops in which States were impressed upon the preparation of integrated perspective plan for capacity building and training and also for taking initiative for public private partnership in capacity building and training. The Committee are dismayed to note that the Ministry has furnished most of the already known information and it is yet to take any concrete step to streamline training programme in the whole country. The Committee, therefore, feel that the Ministry is not serious in implementing the recommendation of the Committee on capacity building and it must come up with specific time bound training programme for Panchayats functionaries so that they can understand Government machinery, programmes and its process to achieve the aim of inclusive governance as recommended by them earlier.

H. CONSTRUCTION OF PANCHAYAT BUILDINGS

[Recommendation Serial No. 21 (Para No. 4.47)]

26. The Committee had recommended as under :-

"The Committee are unhappy to note that even after five years of creation of the Ministry there are as many as 68000 Panchayats without their own Panchayat Buildings and another 58,000 Panchayat Bhavans across the country require major repairs. The Ministry is stated to have come up with a three years plan to build Panchayat Bhavans with increased funds. Simultaneously the Ministry has been impressing upon the States to utilise the BRGF funds first for building Panchayat Ghars. As recommended by the Committee in a previous chapter, a holistic and long term plan is necessary for solving this problem related with infrastructure of the Panchayats in the country. The Committee desire that the construction of Panchayat buildings in all the 68,000 Panchayats which do not have a building should be taken up in the right earnest so that each Panchayat in the country has a building of its own within the next three years. The Committee have also been informed assigning the Panchayats an exclusive role to handle the NREGA scheme is being

contemplated. The Committee welcome this development and desire that further details in this regard be furnished to them.”

27. The Ministry in the action taken reply have stated as under :-

“BRGF funds which are substantially untied are being used for building Panchayat Ghars. During 2008-09 & 2009-10 more than 5000 Panchayat Ghars were sanctioned. Under RGSY which has a small component of Infrastructure Development, 1016 Panchayat Ghars have been sanctioned from 2006-07 to till date in various States. Enhanced allocation for the component has been requested next year.”

28. **The Committee in their earlier Report had recommended the Ministry of Panchayati Raj to take the initiative to complete the construction of Panchayat buildings in next three years keeping in view the slow pace of construction of Panchayat buildings in the country. The Ministry in their action-taken reply have stated that 6,016 Panchayat Ghars have been sanctioned in various States till date. They note that the Ministry of Rural Development has come up with Bharat Nirman Rajiv Gandhi Sewa Kendra to construct a office complex including a meeting hall and two room at the Gram Panchayat level as infrastructure support to Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP) in all the Panchayats within the next three years. It shows that the Ministry of Panchayati Raj is not very serious towards recommendation of the Committee and it is still going slow in this matter while other Ministry is taking the initiative. They note similar facilities can be constructed in the BRGF districts numbering 250 and also in the remaining RGSY districts. Thus, there is need and willingness on the part of the Ministry of Panchayati Raj to dovetail the funds in this regard. The Committee while reiterating their earlier recommendation would like expeditious completion of rest of Panchayat buildings in all Panchayats of the country within next three years.**

I. SURVEILLANCE OF BRGF SCHEME

[Recommendation Serial No. 30 (Para No. 5.11)]

29. The Committee had recommended as under :-

“The Committee’s examination has revealed that even the achievement of major BRGF objective of removal of imbalances is in doubt. The Ministry has concurred with the Committee’s view that for proper implementation of BRGF scheme at Gram Sabha level certain degree of surveillance from the Ministry is needed. In this connection the Committee have been informed that a Committee viz. Ramachandran Committee is already looking into various aspects of BRGF including the issue of its restructuring. The Committee have been informed that by December, 2009 the Committee was likely to submit its Report. The Committee would like to be informed of the findings of the Ramchandran Committee. They also desire that expeditious action on these findings should be taken including restructuring of BRGF, so that the various difficulties being faced in the implementation of the programme can be removed.”

30. The Ministry in the action taken reply have stated as under :-

“The report of the National Advisory and Review Committee on BRGF, Ramachandran Committee, is yet to be submitted.”

31. **The Committee while examining the performance of the implementation of the BRGF scheme had felt that certain degree of surveillance is required to achieve the target of the removal of imbalances in the country. The Committee were informed in this connection that Ramchandran Committee which was already looking into various aspects of BRFG scheme was likely to submit the Report by December, 2009. The Ministry in their action-taken reply in March, 2010 have stated that the Ramachandran Committee is yet to submit its Report. It is not clear whether the Ramchandran Committee has been given extension of time for submission of its Report. The Committee would like the Ministry of Panchayati Raj to impress upon the Ramchandran Committee to complete its task expeditiously and present its Report within its extended timeframe.**

Chapter II

RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Serial Nos. 1 and 2, Para Nos. 2.3 and 2.4)

The Committee are glad to note that the Statement by the Minister under Direction 73A of 'Directions by the Speaker' showing the status of implementation of recommendations of the Standing Committee on Rural Development contained in the Thirty Eighth Report has been made within the stipulated period. The Committee trust that in future also the Ministry would be abiding by the above Direction by the Speaker.

The Committee have been informed that the recommendations of the Committee are reviewed from time to time with the intent to ensure their implementation in review meetings as also in Quarterly Review Meetings (QRMs) with State Panchayati Raj Departments. The Committee, are, however constrained to find that in the case of majority of the recommendations, the Statement has merely reproduced from the action taken replies submitted three months after presentation of the Report. The Committee feel that this defeats the very purpose of the Statement which should depict the progress made in the implementation of the recommendations of the Committee. The Committee, therefore, desire that in future instead of repeating the action taken replies in the Minister's Statement, the precise status of implementation of the recommendations should be indicated in the Statement made under Direction 73 A. This will enable the Committee to understand the progress of work done in a more focused manner.

Reply of the Government

The recommendations of the Committee are noted. Action Taken on the Recommendations of the Committee was reviewed in the meeting of Secretaries of State Governments.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 3, Para No. 3.7)

The Committee are constrained to note that the important Ministry of Panchayati Raj that has been assigned the pioneering role of looking after all the responsibilities of Panchayati Raj Institutions (PRIs) throughout the country covering around 24 lakh Panchayats with 2.8 million elected Panchayati Raj representatives has not been receiving necessary funds since its inception in 2004 commensurate with the task and challenges before the Ministry. They find that an amount of Rs.4780 crore has been made available during 2009-2010 to the Ministry even after the two historic legislations of 73rd Constitution (Amendment) Act of 1992 and the Panchayats (Extension to Scheduled Areas) Act (PESA) of 1996 have come into operation in the country. The

Committee observe that during the Tenth Plan (2002-2007) the total funds to the tune of Rs.2080 crore were available to the Ministry. These have gone up to Rs. 24,226.37 crore during Eleventh Plan period (2007-2012). The Committee recommend that keeping in view the stupendous task and responsibilities of over 2.8 million elected representatives in the country a countrywide study is necessary for making the Ministry more purposeful and action oriented.

Reply of the Government

Ministry of Panchayati Raj have already awarded a country-wide study to reputed organization i.e. Institute of Rural Management Anand (IRMA). The Report of the study is expected by the end of March, 2010.

Recommendation (Serial No. 5, Para No. 3.9)

While the funds being made available to the Ministry are not adequate in the opinion of the Committee, the trend so far during Eleventh Plan shows that the utilization of even these funds has not been encouraging as compared to Tenth Plan (2002-2007). The Committee find that as against the total allocation of Rs.24,226.37 crore the actual expenditure during first two years of the Plan viz. 2007-2008 and 2008-2009 is Rs.7680.81 crore only. The Committee apprehend that with the present rate of utilization the Eleventh Plan outlay may not be utilized fully. They, therefore, recommend that all efforts need to be made to utilize at least the available funds fully.

Reply of the Government

Ministry of Panchayati Raj will make all efforts to utilize the funds allocated during the Eleventh Five-Year Plan.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.10 of Chapter I of the Report)

Recommendation (Serial No. 6, Para No. 3.10)

The Committee have been informed that the Ministry of Panchayati Raj now proposes to have the allocation for three big schemes of BRGF, RGSY and e-governance enhanced in a big way for the remaining years of the Eleventh Plan and beyond. For instance for BRGF quantum of funds is proposed to be hiked from present level of Rs.4670 crore in 2009 to Rs.7300 crore in 2010-2011 and Rs.9300 crore in 2011-2012. Similarly, for RGSY the Ministry is planning to have the existing allocation of Rs.40 crore increased to Rs.1000 crore during 2010-2011 and doubling the same in 2011-2012. Likewise for e-governance the Ministry has a proposal to increase the present allocation of Rs.24 crore in 2009-2010 to Rs.1000 crore in 2010-2011 and Rs.1500 crore by 2011-2012. The Committee feel that aforesaid enhancement of funds

for one-two years in major schemes of the Panchayats is not going to comprehensively address the requirements of Panchayats in the country. The utilization of available funds purposefully is most essential. The Committee also desire that a long term perspective plan for Panchayats in the country be drawn up bringing out clearly the present state of Panchayats and their likely role and responsibilities by 2020.

Reply of the Government

Recommendation of the Committee is accepted.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.13 of Chapter I of the Report)

Recommendation (Serial Nos. 7 and 8, Para Nos. 3.14 and 3.15)

While examining the requirement of funds during the previous two years *viz.* 2007-2008 and 2008-2009 of the Ministry the Committee are constrained to note that funds available under BRGF have been significantly lowered at RE stage from Rs.4670 crore to Rs.3597.50 crore during 2007-2008 and from Rs.4670 crore to Rs.3890 crore during 2008-2009. Non-receipt of enough proposals for claiming BRGF funds from State Governments and delay in constitution of District Planning Committees (DPCs), a pre-requisite for claiming BRGF funds in different States like U.P, Gujarat, Maharashtra etc. have been attributed as reasons for drastic reduction of funds at Revised Estimates stage. Besides, non-submission of district plans by various States like Sikkim, Tamil Nadu, J&K etc. in 2007-2008 and failure to claim grants in 2008-2009 by the States of Karnataka, Kerala and Mizoram have been the reasons advanced by the Ministry for lowering of funds.

The Committee feel that the aforesaid reasons of non-receipt of proposals/non-submission of district plans were very well within the domain of the Ministry. In their opinion being the nodal Ministry it is incumbent upon the Ministry of Panchayati Raj to have track on above issues with the States. The Committee, therefore, conclude that had the Ministry taken timely interventions, aforesaid reduction could have been avoided. The Committee, therefore, feel that a mechanism be evolved for taking care of these issues so that no reduction of budgeted amount is required to be made at revised estimates in future. The Committee, therefore, strongly recommend that such issues should be vigorously pursued with the State Governments. The concrete action taken in this regard should be communicated to the Committee.

Reply of the Government

The Ministry in the current financial year actively pursued with the States to get the district plans approved and submit their proposals by the mid of second quarter. As a result the Ministry achieved substantially high expenditure level in the third quarter. By December 31, 2009, the Ministry has achieved the expenditure level of Rs.3240 crore which is approximately 69 per cent of the BE allocations for 2009-10.

The Ministry has advised and pursued with the States to complete their district plan process for 2010-11 by January 31, 2010 and expedite implementation of the programme, so that funds could be released in first and second quarters of the 2010-11.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.16 of Chapter I of the Report)

Recommendation (Serial No. 9, Para No. 3.18)

As regards availability of funds before the Ministry during the current year 2009-2010, the Committee are constrained to note that an amount of Rs.6720 crore as proposed by the Ministry has been drastically reduced to Rs.4780 by the Planning Commission. The Committee after perusing scheme-wise proposed *vis-à-vis* agreed amount, are constrained to note that for BRGF as against the proposed amount of Rs.6000 crore only Rs.4670 crore have been approved. Similarly, for other schemes as against the proposed amount of Rs.720 crore only Rs.110 crore has been approved. The scheme of the Department have tremendous impact on increasing capacity building thereby improving rural infrastructure. The Committee, therefore, strongly recommend to the Department to take up the matter with the Planning Commission for providing adequate allocation commensurate with the requirements with a view to achieve inclusive growth so that the benefit are shared by the poorest of poor in the country.

Reply of the Government

Ministry of Panchayati Raj is regularly pursuing Planning Commission at the highest level to allocate requisite funds to achieve the desired goals of 'inclusive growth by strengthening Panchayati Raj Institutions'.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.19 of Chapter I of the Report)

Recommendation (Serial No. 11, Para No. 4.10)

The Committee are constrained to note that in the absence of proper technical knowhow and personnel the Sarpanchs in different States are facing difficulties in running the different rural development programmes like NREGA and that in many cases the Panchayat Secretary generally does not guide the Gram Sabha properly. Not only this the expected cooperation from Government functionaries like BDOs/Junior Engineers is also not forthcoming owing to large responsibility of covering more than one Gram Sabhas given to these Government officers. All these revelations have been candidly admitted before the Committee by the Secretary, Panchayati Raj while assuring necessary remedial steps. The Committee trust that these issues will be taken care of by the nodal Ministry for appropriate action. They would like to be informed of the precise remedial steps taken in this regard.

Reply of the Government

Ministry of Panchayati Raj is of the firm view that until requisite infrastructure and manpower is provided to the Gram Panchayats, they may not be able to function as local self government. Though, State Governments are required to provide infrastructure and manpower to Panchayats, but due to lack of resources, the requirement of the Panchayats are being met partially. In view of this, Ministry of Panchayati Raj have already issued instructions to the State Government to construct Panchayat Ghar with adequate space by dovetailing funds from NREGA, BRGF and other Schemes of the Central/State Governments. Ministry of Panchayati Raj is also preparing a proposal to provide assistance to the State Governments for providing Panchayat infrastructure and required manpower.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.22 of Chapter I of the Report)

Recommendation (Serial No. 12, Para No. 4.11)

On the issue of making available technical support to Panchayats the Committee have been informed that based on the findings of World Bank team in eight States with problem large BRGF districts, a view has come up that Panchayats can perform better independently without Governments' support or other technical support. In Committee's opinion the findings of the World Bank team may hold good for selective areas only. Considering dismal infrastructure available with Panchayats in general in the country, the Committee feel that desired technical knowhow and personnel be made available to Panchayats so that these can function in a vibrant manner.

Reply of the Government

The Ministry is releasing funds under the capacity building component of BRGF and Rashtriya Gram Swaraj Yojana (RGSY) for facilitating training and capacity building programmes for elected representatives and functionaries of Panchayats. The programme guidelines of the BRGF provide a Capability Building Fund of Rs.250 crore per annum (i.e. Rs.1 crore for each of the 250 BRGF districts per annum) which will be used primarily to build capacity of local bodies. Also 5% of the development grant component of BRGF money can be earmarked by the States for augmenting staff for the PRIs. However, this provision is not being utilized in many of the States. The matter is, however being pursued with the States.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 14, Para No. 4.16)

Another related issue that came up before the Committee is of filling up of large number of vacancies of Panchayat Secretary and Gram Sewaks in Panchayats. The Committee feel that this issue can be suitably addressed by the nodal Ministry itself by taking up the matter with the State Governments. They would, therefore, like that the Ministry to take desired action in this regard.

Reply of the Government

Letters have been sent on 5th January, 2010 to the Principal Secretaries/Secretaries, Panchayati Raj Departments of all States requesting them to furnish information regarding vacancies of Panchayat Secretary and Gram Sewaks in Panchayats and to draw up an action plan for filling these vacancies.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 17, Para No. 4.30)

The Committee regret to note that the important aspect of training of elected representatives of PRIs is beset with various constraints like non-submission or delay in submission of capacity building plans, late arrival of funds at nodal agency level etc. Besides the noble programme of 'National Capacity Building Framework' (NCBF) has also not come up to the expectations. The Committee have also been informed that in order to accomplish the task, faster training would be done through private partnership basis. The experience of States like West Bengal and Andhra Pradesh on the training aspect have been forwarded to other States for their benefit. The Committee appreciate the good work done by these States. They, however, desire that nodal Ministry should first of all address all constraints coming in the way of training and utilise the NCBF for the above purpose of capacity building. The Committee also recommend that a follow up from different States be obtained on the extent to which they have adopted the approach of West Bengal and Andhra Pradesh which has been circulated by the Ministry. The Committee may also be apprised of the same.

Reply of the Government

(a) The Ministry has already requested the States for a follow up on the extent to which they have adopted the approach of West Bengal and Andhra Pradesh. The committee would be apprised of the responses in due course.

(b) Unlike in the previous years, during the current year the Ministry has already achieved the expenditure levels prescribed under Cash Management System till December, 2009 under the Capacity Building component of BRGF and RGSY.

(c) The Elections of PRIs in various States are held in different years. The Training activities for ERs of PRIs are generally related to the Election cycle, receiving thrust immediately after elections and tapering off around six months before the next elections. The data for number of ERs of PRIs trained during the last five years (enclosed as **Annex**) shows that a total of 28 lakh ERs/Functionaries have been provided training under various schemes.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 18, Para No. 4.34)

The Committee are constrained to note that expected progress has not been made on the issue of simplification of decentralized planning under BRGF through introduction of the software 'Plan Plus'. In this connection the Committee are constrained to note that only 70,000 planning units in 250 BRGF have adopted the software in three years period from 2007-2008 to 2009-2010. The Committee have been informed that full potential of the software will be realized once all sectoral schemes are routed through it. The Committee feel that the initiative is quite good however its coverage is far from satisfactory. They desire that the matter of routing all the schemes through the software be taken up expeditiously with all concerned for its optimal utilization.

Reply of the Government

The Ministry has persuaded the States to ensure that all the local plans and the district plans under the BRGF are uploaded and approved through the Plan Plus software. The NIC on the request of the Ministry conducted various State level workshops for building the capacities of the implementation authorities in use of the software. The Ministry has also requested the States to conduct district level workshops with the trained persons (in State level workshops) functioning as resource persons. The use of PlanPlus software in BRGF is showing an upward trend. The Ministry has taken up with Planning Commission to route all Centrally Sponsored Schemes through the PlanPlus software.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 19, Para No. 4.37)

On the issue of training of increased number of women elected representatives in Panchayats in the country, if the legislation relating to 50% reservation for women in PRIs is enacted, the Committee have been informed that the increased number of women members will be taken care of jointly under 'National Capacity Building Framework' (NCBF) and Panchayat Mahila Shakti Abhiyan. The Committee find that as admitted by the Secretary, Panchayati Raj the task is mammoth. The Committee, therefore, recommend that a study/survey be undertaken in advance to identify the correct number of women representatives of PRIs in different States who would be required to be trained as there is complete absence of data in this regard.

Reply of the Government

The Bill to increase the reservation for women in PRIs from 30% to 50% is under reference to the Standing Committee on Parliament of Rural Development. When the Legislation is finally enacted, there will be a substantial increase in the number of women representatives in PRIs and there will be need of augmenting facilities/ additional efforts for the capacity building of such Elected Women Representatives (EWRs). This Ministry has called for a meeting of the Nodal Officers/ representatives of State Panchayati Raj Departments etc. concerned with the implementation of the PMEYSA at New Delhi on 10.3.2010 in which, inter-alia, the issues relating to the status of training and sensitizing the EWRs will be discussed. The exact modalities in which these EWRs could be trained can be worked out in this meeting.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 20, Para No. 4.40)

The Committee appreciate the idea of setting up a National Institute for Panchayati Raj for imparting training of PRI functionaries across the country instead of individual efforts of different SIRDs in this regard. The Committee recommend that in order to have a coordinated approach on training of PRI functionaries as well as officials involved in the implementation of all rural development schemes, this kind of national level institute be set up expeditiously as currently National Institute of Rural Development (NIRD) is already pre occupied with other works relating to rural development.

Reply of the Government

The Ministry has taken action to prepare the Detailed Project Report for setting up a National Resource Centre for Panchayati Raj.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 22, Para No. 4.52)

The Committee are constrained to note that on the issue of Centrality of PRIs in Centrally Sponsored Schemes not much progress has been made over the years. In this connection, the Committee find that on 19 January, 2009 a circular has been issued by the Ministry to different Ministries urging them to give Central role to Panchayats in their different schemes run by these Ministries. In this connection the Committee have been informed by Secretary, Panchayati Raj that desirable headway has not been made on this issue. The Committee recommend that a task force under the Chairmanship of Secretary Panchayati Raj be set up on the issue of giving central role to Panchayats in the different schemes run by the Ministries. The Committee may hold inter-Ministerial consultations with different Ministries as also with Planning Commission and should submit their findings within three months time suggesting specific action required on the part of all the authorities/agencies involved in order to achieve this objective of strengthening the Panchayats.

Reply of the Government

Ministry of Panchayati Raj has written to the Cabinet Secretariat requesting that the Committee to review the modifications to be made in the existing Guidelines of CSSs to identify a domain for the PRIs may be revived and a review undertaken of the action taken by various Ministries on the Committee's recommendations.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 23, Para No. 4.61)

The Committee are constrained to note that the two issues of devolution of functions, functionaries and finances from different States to Panchayats and Activity Mapping which have been outlined by the Ministry as major areas during Eleventh Plan have not progressed on expected lines as mandated by the Constitution and as recommended by the Committee from time to time. The Committee have analysed the position with regard to devolution in their earlier reports and expressed serious concern on the slow pace of devolution in the country. The analysis of the aforesaid data reveals that no significant improvement has taken place and *status quo* has been maintained for most of the States. The Committee are dismayed to note that the progress on exercise of Activity Mapping which started way back in 2005 in 24 different States could not progress well during the last four years. For instance it has been completed in only 6 States of Kerala, Karnataka, West Bengal, Sikkim, Tripura and Arunachal Pradesh. Further in another 12 States of Assam, Bihar, Madhya Pradesh, Uttar Pradesh, Tamil Nadu, Chhatisgarh, Andhra Pradesh, Orissa and Punjab it is partially completed. In remaining 5 States of Rajasthan, Uttarakhand, Maharashtra, Manipur and Goa it is at interim stage. In this connection the Committee have been informed by the Secretary, Panchayati Raj that for necessary devolution of 3 Fs to Panchayats two things are essentially required one every State has to open a Panchayat window in their budget and second the Planning Commission should link a portion of their central assistance to State plans. In Committee's opinion the views expressed by the Secretary, Panchayati Raj are relevant and the matter should be taken up with Planning Commission and with State Governments earnestly and effectively in order to achieve devolution in remaining period of the Eleventh Plan.

Reply of the Government

The issue is being taken up by Ministry of Panchayati Raj.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 24, Para No. 4.65)

The Committee are constrained to note that the Panchayat Empowerment and Accountability Scheme that envisages incentivizing States for empowering PRIs based on devolution index has also not progressed well. For instance only ten States of Madhya Pradesh, West Bengal, Tamil Nadu, Kerala, Karnataka, Sikkim, Himachal Pradesh, Haryana, Chhattisgarh and Assam could get the benefit of this scheme, whereas the remaining States are far behind. The Committee feel that in many States the nodal agencies might not conceptually clear about the scheme. The Committee, therefore, recommend that all necessary steps should be taken to encourage the States to take benefits of the scheme. This would also help in quickening the pace of devolution.

Reply of the Government

Ministry of Panchayati Raj, Government of India has engaged Indian Institute of Public Administration (IIPA), New Delhi to prepare a Report on Devolution Index (DI) 2009-10. The Index will form the basis for ranking the States/UTs for the Panchayat Empowerment & Accountability Incentive Scheme (PEAIS).

A letter has been sent on 19.1.2010 specially drawing the attention of States to the Scheme and requesting them to take benefit of PEAIS.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 25, Para No. 4.68)

The Committee find that with regard to District Planning Committee's (DPCs) there are three tasks before the Ministry. One relates to constitution of DPCs in Uttarakhand and Jharkhand, second pertains to professionalizing all the DPCs and third mass training for decentralized planning. The Committee are constrained to note that DPCs have not been constituted in Uttarakhand. The Committee recommend that the matter of constitution of DPCs be taken up with Uttarakhand Government. As for DPCs in Jharkhand, the Committee were informed that the elections are to held in the State. The Committee recommend that soon after the formation of Government the issue of early constitution of DPCs should be taken up with State Government of Jharkhand.

Reply of the Government

The Ministry of Panchayati Raj is seized of the necessity of formation of District Planning Committee under the system of PRIs and their effective and meaningful functioning across the country. The States have been repeatedly advised to ensure and tone up the functioning of PRIs at all level. As regards the formation of DPCs in the

States of Jharkhand it is stated that the election in the PRIs could not be held because of the litigations related to certain specific issues keeping in view the demography and other factors relating to that State. Since the legal cases have now been settled, it is reasonably expected that the State Government will take expeditious action to hold the elections of PRIs and the DPCs will soon be in place for effective working.

As regards the position about the State of Uttarakhand, it is stated that they have also been addressed on the point of non-constitution of District Planning Committee in the States. They have been requested on 12.1.2010 to ensure that requisite progress is made in the constitutions of DPCs.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 26, Para No. 4.69)

As regard, professionalizing DPCs, the Committee find that the process of integrated planning at district level was started way back in August, 2006. However, it took three years for the Ministry to even sanction funds to the National Institute of Rural Development for organizing training of trainers on District Planning and for organizing orientation programme for Technical Support Institutes (TSIs). The Committee are of the opinion that serious efforts need to be made in this regard if the concept of Integrated District Plan is to succeed. They also desire that details of work done about professionalizing DPCs in terms of trainers trained, empanelling of reputed organizations as Technical Support Institutes (TSIs) etc. in different BRGF States be furnished to them.

Reply of the Government

It is stated that two courses relating to Training of Trainers were conducted by National Institute of Management, Hyderabad. The first course was held from 14-18 September, 2009 on "Participatory Planning Process and Orientation Manual for Integrated District Planning". The second course was held between 3-7 September, 2009 at Guwahati. The programme was attended by Faculty Members of SIRDs, officers of the States Planning Board and officers of the Panchayati Raj Department of different States. The first course was attended by 15 participants from the States of Andhra Pradesh, Assam, Chhattisgarh, Maharashtra, Orissa and Tamil Nadu. The second course was attended by 11 participants from Assam, Arunachal Pradesh, Meghalaya, Mizoram and Orissa. In addition to this, it is also submitted that the Ministry has been considering to take intensive as well as extensive action for involving the PRIs in formulation of effective integrated plans at different levels including those by the DPCs. The Ministry has initiated action for engaging a competent and highly professional agencies which may organize comprehensive pointed and effective workshops / training courses at National, State, District and Block levels to sensitize and train the officers and staff of the Panchayat Department of State Government and those working in PRIs at different level down the line to make them professionally competent for framing respective integrated plans.

Regarding the BRGF districts, the Ministry of Panchayati Raj and Planning Commission together identified Technical Support Institutes (TSIs) with a long term interest in district planning and constituted a panel of such institutions from which States were requested to choose institutions to assist the district planning process involving Panchayats and Municipalities in preparing plans and DPCs in consolidating these plans. An allocation of Rs. 25 crore at the rate of Rs. 10 lakh per BRGF district was released to States for the purpose of engaging experts and the TSIs. The TSIs have assisted the planning entities concerned in preparation of District Plans. The State Governments have been suggested to engage TSIs for 2009-10 and onwards and funds under the capacity building component of BRGF can be utilised towards their engagement cost.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 27, Para No. 4.80)

The Committee find that Panchayats (Extension to Scheduled Areas) Act (PESA), 1996 empowering Gram Sabhas with special powers in 9 PESA States of Andhra Pradesh, Madhya Pradesh, Maharashtra, Rajasthan, Orissa, Gujarat, Himachal Pradesh, Jharkhand and Chhattisgarh has not progressed on expected lines. Some States are yet to amend the subject laws like those relating to money lending, forest, excise etc. Consequently compliance remains incomplete perfunctory and formal in most States as has been admitted by the Ministry. Not only that, the Committee are dismayed to learn that vital issues like ownership of minor forest produce, planning and management of minor water-bodies etc. which have been duly recognized in PESA as the traditional rights of tribals living in the scheduled areas, have still not received the required attention. Powers statutorily devolved upon Gram Sabhas and Panchayats have also not been matched by corresponding transfer of funds and functionaries, resulting in the non-exercise of such powers. The Secretary, Ministry of Panchayati Raj has contended before the Committee that empowerment of Gram Sabhas and Panchayats is also necessary in order to solve the problem of naxalism prevalent in central India. The Committee, therefore, recommend the Ministry to follow up vigorously with the PESA State Governments to take all measures necessary for implementation of PESA in letter and spirit. The Committee would like to be informed of the efforts made by the Ministry in this regard.

Reply of the Government

Action taken by Ministry of Panchayati Raj in respect of implementation of PESA:

(1) This Ministry has again written to the all the 9 PESA States in Jan. 2010 to amend the subject laws e.g Land Acquisition, money lending, forest, excise in compliance with PESA .For this the Ministry has requested the States to hold a consultation workshop with other line departments concerned with the subject laws. Such workshops have so far been held in Rajasthan, Orissa & Maharashtra. Workshops are also planned for the other States.

(2) Indian Law Institute has undertaken a Study of Central Acts where modifications are to be carried out to bring them in conformity with PESA. These Central Acts are mines & Minerals (Developments and Regulation) Act, 1957, the Forest Act 1927, The Forest

Conservation Act, 1980. The ILI Report has been examined and has been sent to the Ministry of Mines and Ministry of Environment and Forests for comments.

(3) This Ministry has drafted the Model Rules under PESA which may be used as a framework the Rules to be framed by the States. The Model Rules have been forwarded to the State Secretaries/Principal Secretaries for comments.

(4) Pursuant to the B.D.Sharma Committee Report on Model Guidelines to vest Gram Sabha with Powers under PESA, the Gram Sabha Niyam Samhita was prepared and sent to the PESA States for comments.

(5) PESA States have also been requested to include a section on implementation of PESA in the Governors Annual Report on Schedule V areas.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 28, Para No. 4.87)

The Committee are constrained to note that release position in respect of Twelfth Finance Commission Grants to different States for supplementing the resources of Panchayats has not been encouraging as per latest figures. In this connection the Committee note that out of the total of Rs.20,000 crore recommended by the Twelfth Finance Commission, the actual releases has been only around Rs.14,522 crore so far indicating a big gap of around Rs.5478 crore. The Committee find from the State-wise releases during 2008-2009 that in respect of many States like Arunachal Pradesh, Assam, Goa, Punjab, Tripura, Uttarakhand both 1st and 2nd Installments have not been released. Further, in respect of States of Kerala, Madhya Pradesh, the second installment was not released. In this connection the Committee recall that the issue of expeditious releases of Twelfth Finance Commission Grant was also recommended by the Committee last year also (para 3.57 of 38th Report). In view of huge amount of Rs.5478 crore lying unspent as also non-release of 1st and 2nd installments in respect of States referred above, the Committee strongly recommend that the Ministry should adopt a pro-active approach in this regard so that unreleased amount is made available to Panchayats. If the grants are not optimally used, the whole purpose is defeated. The Committee would, therefore, recommend that the Ministry should take stringent measures to ensure that cent percent funds are utilized to get the intended results.

Reply of the Government

As per the latest position, out of Rs.20, 000 crore recommended by the Twelfth Finance Commission, the actual releases has been around Rs.17,613 crore. The States who have availed all the 10 installments are Andhra Pradesh, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. States who have availed 9 installments are Bihar, Chattisgarh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Nagaland, Orissa and Sikkim. The other States are being reminded to claim their remaining installments.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 29, Para No. 5.7)

The Committee note that BRGF is facing a large number of constraints in implementation like time consuming process in transfer of funds from State Governments to implementing agencies, absence of technical staff at DPCs, difficulty in convergence of all schemes at DPC level specially in the case of financially weak DPCs etc. The Committee have been informed about various remedial measures like faster transfer of funds to Panchayats, helping States to identify the technical support to DPCs etc. The Committee desire that Ministry should deal with the problems coming in the way of implementation of BRGF in a more resolute manner.

Reply of the Government

The Ministry has issued a circular proposing imposition of penal interest at the RBI rate in cases of delay of transfer of BRGF funds from the State Governments to the implementation authorities. This provision is being incorporated in all sanction orders of funds release to the States.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 31, Para No. 5.15)

The Committee note that funds are being given for capacity building of Panchayats under BRGF at the rate of Rs.1 crore per district per year. Thus for 250 BRGF districts Rs.250 crore are being given. On the contrary in 350 non-BRGF districts for capacity building, Rs.40 crore only are being allocated. The Committee concur with the Ministry's view that amount given under RSGY is grossly insufficient for training requirements. The Committee, therefore, recommend that the issue of up-scaling of funds for non-BRGF districts be examined in consultation with the Planning Commission.

Reply of the Government

The Ministry of Panchayati Raj has sought for up scaling the allocation for RGSY to Rs. 100 crore for the year 2010-2011 but as per the approved budget allocation, an amount of Rs. 50 crore only has been provided for the scheme.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Chapter III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

Recommendation (Serial No. 10, Para No. 4.6)

The Committee have been informed that various guidelines with regard to conduct of Gram Sabha meetings in a proper manner have been issued. However, they have a feeling that all of them are not being followed in letter and spirit leaving much to be desired. In this connection the Committee have also been informed about various initiatives like sending of advisories to State Governments in the form of circular issued in January, 2009 in this behalf. The Committee recommend that in order to ensure proper implementation of such Guidelines, some methodology like presence of officials of the Panchayati Raj Ministry when Gram Sabha meetings are in progress in some of the selective States be evolved. This would also enable the Ministry to have an idea of the actual activities of Gram Sabhas in the country and take further steps to strengthen the Gram Sabha which is the backbone of democracy.

Reply of the Government

State Governments have been advised to hold regular Gram Sabha meetings in the presence of officials of the State Governments, District & Block Administration.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Chapter IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Serial No. 4, Para No. 3.8)

The Committee's examination has revealed that the Ministry is getting flow of funds the under two categories - one under Backward Region Grant Funds (BRGF) and the Other Schemes like Rashtriya Gram Swaraj Yojana (RGSY), e-Panchayats etc. The Committee also find that actual flow of funds for Panchayats in the country started at the end of the Tenth Plan with the arrival of Backward Region Grant Scheme in 2006-2007 with an outlay of Rs.1925 crore (RE) that has risen to the present level (2007-2008 onwards) of Rs.4670 crore. Excluding this amount a small allocation of Rs.110 crore for Other Schemes is being made available to Ministry to take care of 24 lakh of Panchayats. In Committee's view the total amount of Rs.4780 crore provided during 2009-2010 is inadequate for the Panchayats in the country from any yardstick let alone their upliftment in view of emerging demands. Since Panchayats are being given more power, more funds need to be released for infrastructural purposes. The Committee, therefore, recommend that sufficient funds commensurate with the task involved should be made available.

Reply of the Government

Ministry of Panchayati Raj have been regularly pursuing with the Planning Commission to provide adequate funds for the various schemes of Ministry of Panchayati Raj.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.7 of Chapter I of the Report)

Recommendation (Serial No. 15 Para No. 4.23)

The Committee are constrained to note that the Ministry of Panchayati Raj does not even have the basic data about the number of elected representatives of Panchayats trained in different States. In Committee's opinion a sorry state of affairs is currently prevailing over this vital aspect relating to training of Panchayat functionaries in the country. The Committee find from the State-wise details made available to them that in almost all the States figures are not available with the Ministry. In the absence of necessary data, the Committee would wonder how the claims of the Ministry that out of 28.8 lakh elected representatives a total of 11.95 lakh elected representatives have been trained can be relied upon. The Committee expressed there concern over the under achievement of targets with regard to the training of elected representatives. The

Committee, strongly recommend that all initiatives should be taken to ensure that fixed targets for training of Panchayat functionaries in the country are achieved and make the training programme more effective.

Reply of the Government

The Ministry has collected information from all the States and UTs regarding the number of elected representatives, the number of trained under different programmes, etc. This information has been placed on the website of Ministry of Panchayati Raj.

All the States and UTs have been advised to prepare and implement the training programme for the elected representatives and functionaries of the Panchayati Raj Institutions as per the National Capacity Building Framework (NCBF). More details in this regard may please be seen in reply to para 4.24.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.25 of Chapter I of the Report)

Recommendation (Serial No. 16 Para No. 4.24)

In view of the foregoing the Committee feel that business like approach is essential on the issue of training of elected representatives in different States. The Committee are also of the view that Ministry's claim that within one year the remaining elected representatives would be trained provided the enhanced funds of Rs.1000 crore are made available under RGSY is also not based on any assessment particularly when everything is vague and inconclusive on the issue of training in different States. The Committee, therefore, feel that before asking for higher funds, the Ministry has to put its own house in order to take care of higher funds in future. They, therefore, desire that the Ministry should without any delay make realistic assessment of the elected representatives in PRIs who are yet to be trained so that it can gear itself to the task accordingly. According to the Ministry it has advised the Planning Commission to introduce integrated district planning through Centrally Sponsored Schemes/State Sector Schemes. Planning Commission is stated to have proposed a scheme for planning units at State and District level is for which the inter Ministerial consultations are in progress. They recall that more or less a similar scheme was also floated by the Ministry last year but it could not see the light of the day. The Committee, therefore, feel that instead of charting out a flip-flop approach, a time bound programme for training of PRI functionaries on the pattern of 'Bharat Nirman' should be prepared so that Panchayats in the country can work as a unit of self Governments in the real sense.

Reply of the Government

(a) The Ministry has adopted the National Capability Building Framework (NCBF) as the framework for undertaking the Capacity Building & Training activities for the Elected Representatives and Functionaries of PRIs.

(b) In order to take-up the Capacity Building and Training activities as per the NCBF in a Mission Mode, the Ministry visualized holding of three Regional Workshops. Accordingly three Regional Workshops were organized in September, 2009 at Gangtok, Goa and Shimla covering all the States and UTs. The States were impressed to give thrust to the CB&T activities through preparation of integrated Perspective Plans for CB&T covering BRGF, RGSY as well as other schemes, for the current year and the next year. 11 States have already finalized their Perspective Plans while other States are in the process of doing so. The Workshops also provided a platform for States to come together, exchange ideas, communicate their success stories as well as difficulties and deliberate on issues of common concern.

(c) The Ministry has also taken a new initiative for Public Private Partnership in CB&T where in the services of NGOs, Private Organisations as well as Academic Institutions are sought to be utilised for CB&T activities. The Ministry had organised a PRIs CB&T Business Meet on 07-01-2010 at New Delhi where well over 100 organisations participated. The process is being carried forward in consultation with the State Governments/ UTs.

(d) The Ministry expects that these initiatives will help in bringing CB&T of PRIs in focus at the State level leading to better coverage and improvement in the quality of trainings. During the last five years, over 28 lakh Elected Representatives/Functionaries of PRIs have been provided training. With the new initiatives, the situation should improve further.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.25 of Chapter I of the Report)

Chapter V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation (Serial No. 13, Para No. 4.15)

The Committee find at present Panchayat functionaries like Gram Pradhans and members of Panchayats are not being provided remuneration as in the case of members of other elected bodies. In this connection the Committee have been informed by the Secretary, Panchayati Raj that this issue alongwith manpower and buildings for Panchayat Ghars were among those submitted before the 13th Finance Commission whose award is yet to be announced. The Committee have also been informed that financial implications have been discussed with Principal Secretary Panchayati Raj. The Committee would await the 13th Finance Commission Report before making detailed comments in this regard.

Reply of the Government

The report of Thirteenth Finance Commission has been submitted to the President and is under consideration.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Recommendation (Serial No. 21, Para No. 4.47)

The Committee are unhappy to note that even after five years of creation of the Ministry there are as many as 68000 Panchayats without their own Panchayat Buildings and another 58,000 Panchayat Bhavans across the country require major repairs. The Ministry is stated to have come up with a three years plan to build Panchayat Bhavans with increased funds. Simultaneously the Ministry has been impressing upon the States to utilise the BRGF funds first for building Panchayat Ghars. As recommended by the Committee in a previous chapter, a holistic and long term plan is necessary for solving this problem related with infrastructure of the Panchayats in the country. The Committee desire that the construction of Panchayat buildings in all the 68,000 Panchayats which do not have a building should be taken up in the right earnest so that each Panchayat in the country has a building of its own within the next three years. The Committee have also been informed assigning the Panchayats an exclusive role to handle the NREGA scheme is being contemplated. The Committee welcome this development and desire that further details in this regard be furnished to them.

Reply of the Government

BRGF funds which are substantially untied are being used for building Panchayat Ghars. During 2008-09 & 2009-10 more than 5000 Panchayat Ghars were sanctioned. Under RGSY which has a small component of Infrastructure Development, 1016 Panchayat Ghars have been sanctioned from 2006-07 to till date in various States. Enhanced allocation for the component has been requested next year. (The Administration Division may comment on the assignment of exclusive role to Panchayats to handle the NREGS and provide the material to the Committee and construction of Gram Panchayats Ghars).

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.28 of Chapter I of the Report)

Recommendation (Serial No. 30, Para No. 5.11)

The Committee's examination has revealed that even the achievement of major BRGF objective of removal of imbalances is in doubt. The Ministry has concurred with the Committee's view that for proper implementation of BRGF scheme at Gram Sabha level certain degree of surveillance from the Ministry is needed. In this connection the Committee have been informed that a Committee *viz.* Ramachandran Committee is already looking into various aspects of BRGF including the issue of its restructuring. The Committee have been informed that by December, 2009 the Committee was likely to submit its Report. The Committee would like to be informed of the findings of the Ramchandran Committee. They also desire that expeditious action on these findings should be taken including restructuring of BRGF, so that the various difficulties being faced in the implementation of the programme can be removed.

Reply of the Government

The report of the National Advisory and Review Committee on BRGF, Ramachandran Committee, is yet to be submitted.

(No. G-20012/2/2009-Parl. Date: 15.3.2010 MINISTRY OF PANCHAYATI RAJ)

Comments of the Committee

(Please see Paragraph No.31 of Chapter I of the Report)

NEW DELHI;
20 July, 2010
29 Asadha, 1932 (Saka)

SUMITRA MAHAJAN
Chairperson,
Standing Committee on Rural Development

APPENDIX I**COMMITTEE ON RURAL DEVELOPMENT (2009-2010)****EXTRACTS OF THE MINUTES OF THE TWENTIETH SITTING OF THE COMMITTEE HELD
ON WEDNESDAY, THE 07 JULY, 2010**

The Committee sat from 1500 hrs. to 1630 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi

PRESENT

Shrimati Sumitra Mahajan - *Chairperson*

Members**Lok Sabha**

2. Shri Sanjay Dhotre
3. Shri H.D. Kumaraswamy
4. Shri Sidhant Mohapatra
5. Shri Gobinda Chandra Naskar
6. Shri P.L. Punia
7. Shri A. Venkatarami Reddy
8. Shri Jagdish Sharma
9. Shri Jagdanand Singh
10. Shri Makansingh Solanki
11. Shri Kodikkunnil Suresh
12. Shrimati Usha Verma
13. Shri Ramesh Vishwanath Katti

Rajya Sabha

14. Shri Ganga Charan
15. Shri P.R. Rajan
16. Shrimati Maya Singh

Secretariat

- | | | |
|-------------------------|---|---------------------|
| 1. Shri A. Louis Martin | - | Joint Secretary |
| 2. Shri A.K. Shah | - | Additional Director |

2. The Chairperson welcomed the members to the sitting of the Committee convened for consideration of Memoranda containing draft Reports of the Committee on action taken by the Government on the recommendations contained in four Reports on Demands for Grants (2009-10).

APPENDIX II
[Vide Para 4 of the Introduction]

**ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE
RECOMMENDATIONS CONTAINED IN THE FOURTH REPORT OF THE STANDING
COMMITTEE ON RURAL DEVELOPMENT
(15TH LOK SABHA)**

I.	Total number of recommendations :	31
II.	Recommendations that have been accepted by the Government :	24
	Para Nos. : 2.3, 2.4, 3.7, 3.9, 3.10, 3.14, 3.15, 3.18, 4.10, 4.11, 4.16, 4.30, 4.34, 4.37, 4.40, 4.52, 4.61, 4.65, 4.68, 4.69, 4.80, 4.87, 5.7 and 5.15	
	Percentage to total recommendations	77.42
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies :	1
	Para No.: 4.6	
	Percentage to total recommendation	3.22
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee :	3
	Para Nos. : 3.8, 4.23 and 4.24	
	Percentage to total recommendations	9.68
V.	Recommendations in respect of which final replies of the Government are still awaited :	3
	Para Nos. : 4.15, 4.47 and 5.11	
	Percentage to total recommendation	9.68