

+

15

**STANDING COMMITTEE ON
RURAL DEVELOPMENT
(2010-2011)**

FIFTEENTH LOK SABHA

MINISTRY OF PANCHAYATI RAJ

*[Action Taken by the Government on the recommendations contained
in the Sixth Report (Fifteenth Lok Sabha) on Demands for Grants
(2010-11) of the Ministry of Panchayati Raj]*

FIFTEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

+

FIFTEENTH REPORT

STANDING COMMITTEE ON
RURAL DEVELOPMENT
(2010-2011)

(FIFTEENTH LOK SABHA)

MINISTRY OF PANCHAYATI RAJ

*[Action Taken by the Government on the recommendations contained
in the Sixth Report (Fifteenth Lok Sabha) on Demands for Grants
(2010-11) of the Ministry of Panchayati Raj]*

Presented to Lok Sabha on 03.03.2011

Laid in Rajya Sabha on 03.03.2011



LOK SABHA SECRETARIAT
NEW DELHI

March, 2011/Phalguna, 1932 (Saka)

CRD No. 15

Price : Rs. 168.00

© 2011 BY LOK SABHA SECRETARIAT

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Fourteenth Edition) and printed by M/s. The Indian Press, Delhi-110 033.

CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE (2010-2011).....	(iii)
INTRODUCTION.....	(v)
CHAPTER I Report.....	1
CHAPTER II Recommendations which have been accepted by the Government	21
CHAPTER III Recommendations which the Committee do not desire to pursue in view of the Government's replies.....	46
CHAPTER IV Recommendations in respect of which replies of the Government have not been accepted by the Committee.....	50
CHAPTER V Recommendations in respect of which final replies of the Government are still awaited	52

ANNEXURES

I. Guidelines for Delineation of role and responsibilities of Panchayati Raj Institutions (PRIs) in CSSs/ACASs.....	57
II. Guidelines for the devolution of Functions, Funds and Functionaries (3Fs) to the Panchayati Raj Institutions (PRIs) through Activity Mapping.....	70
III. Guidelines for Panchayat Finances.....	106
IV. Guidelines on Manpower for the Panchayati Raj Institutions (PRIs).....	113
V. Details of District Panchayats in different States/UTs...	123
VI. Guidelines on Construction of Gram Panchayat (GP) Buildings and Bharat Nirman Rajiv Gandhi Sewa Kendras (BNRGSK).....	128

	PAGE
VII. Furnishing of Action Taken Replies on the recommendations contained in the Sixth Report of the Standing Committee on Rural Development on Demands for Grants (2010-11) of Ministry of Panchayati Raj.....	132
VIII. OM of MoPR regarding Constitution of National Advisory-cum-Review Committee on BRGF.....	134
IX. Recommendations of NARC on BRGF and response of MoPR.....	137
X. OM of Planning Commission regarding Constitution of Consultancy Evaluation-cum-Monitoring Committee (CEMC) for monitoring the Evaluation Study of the Scheme of Backward Districts Initiative (BDI) and Backward Region Grant Fund (BRGF).....	147
XI. Criteria for <i>Inter se</i> Distribution of BRGF Fund across States.....	149
XII. Circular of MoPR about role of DPC/HPC in approval of BRGF Annual Plan for 2010-11 for BRGF.....	153
XIII. Rashtriya Gram Swaraj Yojana grants released during 2009-10.....	155

APPENDICES

I. Extracts of Minutes of the sitting of the Committee held on 6 January, 2011.....	156
II. Extracts of Minutes of the sitting of the Committee held on 7 February, 2011.....	158
III. Analysis of the Action Taken by the Government on the recommendations contained in the Sixth Report of the Committee (15th Lok Sabha).....	160

COMPOSITION OF THE STANDING COMMITTEE ON
RURAL DEVELOPMENT
(2010-2011)

Shrimati Sumitra Mahajan—*Chairperson*

MEMBERS

Lok Sabha

2. Shri Pulin Bihari Baske
3. Shri Kunvarjibhai Mohanbhai Bavalia
4. Shri Sanjay Dhotre
5. Shri Sandeep Dikshit
6. Shri Manikrao Hodlya Gavit
7. Shri H.D. Kumaraswamy
8. Shri Raghuvir Singh Meena
9. Shri Sidhant Mohapatra
10. Shri Gobinda Chandra Naskar
11. Shri Rakesh Pandey
12. Shri P.L. Punia
13. Shri A. Venkatarami Reddy
14. Shri Jagdish Sharma
15. Shri Navjot Singh Sidhu
16. Shri Jagdanand Singh
17. Dr. Sanjay Singh
18. Shri Makansingh Solanki
19. Shri Kodikkunnil Suresh
20. Shrimati Usha Verma
21. Shri Ramesh Vishwanath Katti

Rajya Sabha

22. Shri Mani Shankar Aiyar
23. Shri Ganga Charan
24. Sardar Sukhdev Singh Dhindsa
25. Dr. Ram Prakash
26. Shri P.R. Rajan
27. Shri Arjun Singh
28. Shrimati Maya Singh
29. Shri Mohan Singh
30. Miss Anusuiya Uikey
31. Dr. (Smt.) Kapila Vatsyayan

SECRETARIAT

- | | | |
|----------------------|---|----------------------------|
| 1. Shri Brahm Dutt | — | <i>Joint Secretary</i> |
| 2. Shri Shiv Singh | — | <i>Director</i> |
| 3. Shri A.K. Shah | — | <i>Additional Director</i> |
| 4. Shri Sumesh Kumar | — | <i>Executive Officer</i> |

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2010-11) having been authorised by the Committee to submit the Report on their behalf, present the Fifteenth Report on the action taken by the Government on the recommendations contained in the Sixth Report of the Standing Committee on Rural Development on Demands for Grants (2010-11) of the Ministry of Panchayati Raj.

2. The Sixth Report was presented to Lok Sabha on 16 April, 2010. The replies of the Government to all the recommendations contained in the Report were received on 22 September, 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 7 February, 2011.

4. An analysis of the action taken by the Government on the recommendations contained in the Sixth Report of the Committee is given in **Appendix-III**.

NEW DELHI;
25 February, 2011

6 Phalgun, 1932 (Saka)

SUMITRA MAHAJAN,
Chairperson,
Standing Committee on Rural Development.

CHAPTER I

REPORT

This Report of the Committee on Rural Development (2010-11) deals with the action taken by the Government on the recommendations contained in their Sixth Report on Demands for Grants (2010-11) of the Ministry of Panchayati Raj which was presented to Lok Sabha on 16 April, 2010.

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

Chapter II	Recommendations which have been accepted by the Government: Para Nos.: 2.5, 3.9, 3.16, 3.17, 4.10, 4.25, 4.29, 4.37, 4.42, 4.62, 4.63, 4.78, 4.85, 5.17, 5.20, 5.35, 5.48, 5.49, 5.50 and 5.55.
Chapter III	Recommendations which the Committee do not desire to pursue in view of Government's replies: Para Nos.: 4.79, 5.16, 5.18 and 5.19.
Chapter IV	Recommendations in respect of which replies of the Government have not been accepted by the Committee: Para No.: 4.50
Chapter V	Recommendations in respect of which final replies of the Government are still awaited: Para Nos. : 4.5, 4.36, 4.54, 4.80, 5.26 and 5.27.

3. The Committee further desire that final reply in respect of Para Nos. 4.5, 4.36, 4.54, 4.80, 5.26 and 5.27 for which only interim

replies have been given by the Government and in respect of recommendations/observations contained in Chapter-I of this Report should be furnished to them within three months of presentation of the Report to Parliament.

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

A. Unspent Balance

Recommendation (Serial No. 2, Para No. 3.9)

5. The Committee had recommended as under:—

“The Committee are disturbed to note that huge unspent balances of Rs. 5062.77 crore as on 28.02.2010 were left with the implementing agencies in six different schemes being implemented by the Ministry. The unspent balance for six other schemes is not available with the Ministry which shows lack of sufficient monitoring of the releases made by them. Not only the total unspent balance in six different schemes equals the budgetary allocation of the Ministry in 2010-11 BE, they feel, instead of ensuring that the amount is spent for the purpose it has been sanctioned in the budget, the Government is mindlessly releasing the funds for the implementing agencies at the fag end of the year and have become a mute spectator for the huge unspent balances. The Committee strongly feel that there is need for planned outflow of funds throughout the year with proper monitoring of expenditure. They apprehend that such a practice might have been the reason for the Revised Estimate 2009-10 of the Ministry being reduced by Rs. 1000 crore. The Committee while expressing serious concern over the trend of huge unspent balance would like to strongly recommend that the Government should analyse the position State and Union territory-wise and take suitable corrective measures accordingly so that funds flow to the States in time. The Committee should also be kept apprised of the follow-up action taken in this regard.”

(Recommendation Para No.3.9)

6. The Ministry in their Action Taken Reply have stated as under:—

Sanctions and utilization reported (as on 31.08.2010), are given in the table below:

(Amount in Rs. crore)

Year	Funds Sanctioned	Utilization reported	Utilization/ Release (%)
2007-08	2618.09	2566.38	98.02
2008-09	3029.15	2787.40	92.02
2009-10	3534.96	2035.97*	57.60
2010-11	2091.67	*	NA
Total	11273.87	7389.75	80.48

(*) Utilization Certificate not yet due.

“As may be seen in the table above, the utilization reported is to the extent of 98.02% of the funds sanctioned during 2007-08 and 92.02% in respect of funds sanctioned during 2008-09. In respect of grants sanctioned during 2009-10, the UCs are due by 31.03.2011 as provided under the GFR. However, States are at liberty to submit UCs even before that date. Accordingly, MoPR has so far received UCs worth Rs. 2035.97 crore which works out to 57.6% of the funds sanctioned during 2009-10.

It is true that the Ministry of Finance (MoF) had reduced the allocation for BRGF under 2009-10 owing to slow pace of expenditure during the first half of the financial year. In fact, MoF had indicated its inclination to cut the allocation by as much as Rs. 2000 crore owing to slow pace of expenditure. However, after the Ministry informed the MoF about the reasons for the slow pace of the expenditure in the initial months, which was mainly due to the General Elections to the Lok Sabha that were held in May, 2009, and also showed the improved pace of releases from October, 2009 onwards, the Ministry of Finance reduced the cut

by Rs.1000 crore. Finally, the allocation for the Ministry as a whole was reduced by Rs.1000 crore, which was reflected entirely in the BRGF.

As regards the observation of the Committee regarding release of funds at the fag end of the year, it is submitted that the Ministry has been striving to achieve an even flow of sanctions in line with the Monthly Expenditure Plan indicated by the Ministry of Finance under the Cash Management Scheme (CMS).

However, the releases to States under BRGF are incumbent upon receipt of annual plans, utilization certificates, audit reports and progress reports. Some States delay in submission of one or more of these documents, which leads to delay in release of their entitlements by the Ministry. As stated above, owing to the sustained efforts of the Ministry, the pace of sanctions has improved during 2010-11. However, the Ministry is still finding it difficult to procure the relevant documents from five States, namely, Assam, J&K, Meghalaya, Tamil Nadu and Uttarakhand. In respect of Assam, J&K, Meghalaya and Tamil Nadu, the documents mentioned before have not been received in full whereas in respect of Uttarakhand the DPCs have not been constituted. The Ministry has constantly been reminding these States for taking the suitable action to facilitate release of funds. In respect of other States, the situation is well under control. Owing to the sustained efforts of the Ministry, during 2010-11 sanctions under BRGF as on 31.08.2010 have been of the order of Rs. 2091.67 crore, which is about 41.42% of the annual allocation under BRGF and is in line with the fund flow expected under the CMS.”

(Reply to Recommendation Para No. 3.9)

7. The Committee while taking note of the efforts made by the Ministry of Panchayati Raj for planned outflow of funds to the States would like the Ministry to vigorously take up the issue of non-submission of Utilization Certificates with the defaulting States so that pendency could be resolved without harming the interest of people of States.

B. Role of Gram Sabha and holding their meetings four times in a year

Recommendation (Serial No. 5, Para No. 4.5)

8. The Committee had recommended as under:—

“The Committee note with concern that the Ministry of Panchayati Raj does not have requisite information regarding holding of four Gram Sabha meetings in a year or holding of Mahila Sabha and Ward Sabha meetings in the different States and Union territories across the country. Maharashtra is the only State which has reported organizing Mahila Sabha meetings before Gram Sabha meeting. Information in this respect is yet to be collected from other States/ Union territories. The Committee feel that by merely circulating a Circular on 2.10.2009 regarding holding of the regular Gram Sabha meetings and declaring 2009-10 as the ‘Year of Gram Sabha’ does not complete the enormous task entrusted to the Ministry of Panchayati Raj. The Committee, therefore, urge the Ministry to find out the details of holding of Gram Sabha, Mahila Sabha and Ward Sabha meetings in all States and Union territories without any further delay. They also desire the Ministry to circulate a model format regarding conduct of Gram Sabha meetings to each Gram Panchayat in the country and inform the Committee accordingly.”

(Recommendation Para No. 4.5)

9. The Ministry in their Action Taken Reply have stated as under:—

“The States and UTs were sensitized *vide* Circulars dated 2.10.2009 about the importance of activating Gram Sabhas, Mahila Sabhas, Ward Sabhas etc. It was also indicated that the good practices that provide for people’s assemblies below the Gram Sabha such as Ward Sabhas, Mahila Sabhas and Bal Sabhas should be promoted and the Ward Sabhas etc. need to meet before the Gram Sabha meetings. In this context “Monitoring Format for Gram Sabhas” was also circulated to the States/UTs in which General Information

about the Village Panchayat and also the details about functioning, meetings etc., of Gram Sabha could be incorporated. To ascertain the position about the activities undertaken by the States/UTs in this behalf, all States/UTs have been requested to intimate the position and also indicate the reasons for not holding the meetings of the Mahila Sabhas before the meeting of the Gram Sabhas in the concerned cases.”

(Reply to Recommendation Para No. 4.5)

10. The Committee while noting non-availability of requisite information with the Ministry regarding holding of four Gram Sabha meetings in a year or holding of Mahila Sabha and Ward Sabha meetings in the country had urged the Ministry to find out details of holding of these meetings in all States and UTs and to circulate a model format regarding conduct of Gram Sabha meeting to each Gram Panchayat in the country. The Ministry in their reply, while referring to its earlier Circulars of ‘Monitoring Format’ for Gram Sabhas, to States/UTs have also stated that all States have been requested to intimate the position and indicate reasons for not holding the meetings of the Mahila Sabha before the meeting of Gram Sabhas. The Committee while urging the Ministry to expedite the compilation of relevant data would like to suggest that online system for monitoring and holding of these meetings should be developed so that more transparency and accountability could be ensured in the functioning of PRIs.

C. Number of rural districts in the country *vis-à-vis* the District Panchayats

Recommendation (Serial No. 9, Para No. 4.36)

11. The Committee had recommended as under:—

“It is quite surprising to find that the Ministry of Panchayati Raj do not have information on the exact number of District Panchayats in the country as on date. The Committee note with concern that 619 different rural districts have only 543 District Panchayats. In this age of super connectivity and information technology, the

Ministry of Panchayati Raj is still maintaining the information in this regard which was last collected during 2007-08. While expressing their dissatisfaction over the way in which the Ministry of Panchayati Raj is maintaining the information on number of District Panchayats, Intermediate Panchayats, Village Panchayats and number of villages in the country, the Committee, strongly recommend that the Ministry should always maintain the updated information in this regard with them.”

(Recommendation Para No. 4.36)

12. The Ministry in their Action Taken reply have stated as under:—

“All the States/UTs were requested to furnish information regarding ‘details of rural districts that do not have District Panchayats’ *vide* our letter dated 25.03.2010. Four subsequent reminders dated 30.03.2010, 26.04.2010, 01.06.2010 and 15.7.2010 also have been sent requesting to furnish the requisite information immediately.

In this regard, requisite information has been received only from 18 out of 25 States and 5 out of 6 UTs so far. Details from the remaining 7 States (Assam, Gujarat, Jammu & Kashmir, Orissa, Rajasthan, Tamil Nadu and Goa) and 1 UT (Dadra & Nagar Haveli) are yet to be received.

A consolidated statement in respect of 18 States and 5 UTs is enclosed as at **Annex-5**. We are pursuing with the defaulting 7 States and one UT to provide the relevant information and the same will be provided immediately after receipt of the requisite information from them.

The Ministry of Panchayati Raj has developed an online facility *viz.* National Panchayat Directory, which is part of National Panchayat Portal, where States can feed and update the information (such as name, parent local body, constituent villages etc.) relating to Panchayats at different tiers. With a view to ensure availability of updated information, an advisory has also been issued to States/UTs

for online uploading of the latest information on this online directory.”

(Reply to Recommendation Para No. 4.36)

13. The Committee had recommended the Ministry to maintain updated information on number of District Panchayats, Intermediate Panchayats, Village Panchayats and number of villages. The Committee have now been informed in the action taken reply that the requisite information has been received only from 18 out of 25 States and 5 out of 6 Union Territories. The Committee are at a loss to understand, how the Ministry would effectively function in the absence of basic data. They, therefore, reiterate their recommendation that necessary steps be taken to maintain the updated information. On the issue of development of online facility where States can feed and update the information relating to Panchayats at different tiers, the Committee would like to be apprised of the further progress made in this regard.

D. Panchayat Ghar buildings in different States

Recommendation (Serial No. 12, Para No. 4.50)

14. The Committee had recommended as under:—

“The Committee note that the Capacity Building and Training of Elected Representatives is one of the important aspects of the Panchayati Raj system in the country. They are surprised to find that the Ministry of Panchayati Raj do not have information even about the number of Panchayat Ghar buildings in the States of Arunachal Pradesh, Jammu & Kashmir, Meghalaya, Mizoram, Nagaland, Uttarakhand and in all Union territories of the country except Delhi and Chandigarh as on date. The Committee also cannot understand how in the absence of such basic information as also information regarding availability of electricity in the Panchayat Ghar/Office/Bhawans, the Ministry ambitiously plans for computer connectivity to Panchayats. The Committee,

therefore, recommend that the Ministry should obtain the latest information regarding number of Panchayat Ghars in all States and Union territories and inform them accordingly. The Ministry may also in consultation with other Ministries draw up a Plan under which Panchayat Ghars for all the Panchayats can be constructed by pooling resources of different Centrally Sponsored and Central Sector Schemes together in a time bound manner. In view of the proposed 50 per cent reservation to women in Panchayati Raj Institutions at three levels and the fact that such reservation for women has already been made in States like Bihar, Chhattisgarh, Himachal Pradesh, Kerala, Madhya Pradesh, Rajasthan and Uttarakhand, it should also be ensured that the Panchayat Ghars have the provision for office space and basic amenities like toilets etc.”

(Recommendation Para No. 4.50)

15. The Ministry in their Action Taken reply have stated as under:—

“Ministry has been encouraging the State Governments to give priority for the construction of Panchayat Ghars availing funds from the various available sources including MGNREGS, BRGF and RGSY. A circular dated 21st January, 2010 has been issued in this regard (**copy at Annex-6**). M/oRD has also included construction of Panchayat Ghars as eligible item of work under the MGNREGS.”

(Reply to Recommendation Para No. 4.50)

16. The Committee have been informed by the Ministry that they had issued a Circular encouraging the State Governments to avail funds available under BRGF and RGSY schemes to construct Panchayat buildings on priority basis. The Committee strongly feel that merely issuing Circular would not serve the purpose. The Committee fail to understand as to how the progress would be monitored by the Ministry in the absence of latest information regarding number of Panchayat

Ghars in all States and Union Territories. Needless to say that capacity building of Panchayati Raj Institutions cannot be made in the absence of Panchayat Ghars. They, therefore, reiterate that the construction of Panchayat Ghars be given top priority and compilation of latest information regarding number of Panchayat Ghars be done at the earliest.

E. Accountability and Transparency

Recommendation (Serial No. 13, Para No. 4.54)

17. The Committee had recommended as under:—

“The Committee observe that the Ministry of Panchayati Raj do not have information on constitution and functioning of Ward Sabhas and Mahila Sabhas in different Panchayats. They also note that except in Jharkhand, Pudducherry and Tripura, Standing Committees of Gram Panchayats are reportedly constituted. The Committee find that only in Maharashtra, Mahila Sabhas precede the Gram Sabha meetings. Therefore, the reason for not holding the Mahila Sabha meeting before the Gram Sabha may be obtained from the States other than Maharashtra and all Union territories expeditiously and the Committee be informed accordingly. The Committee would like the Ministry to collect the detailed information immediately”

(Recommendation Para No. 4.54)

18. The Ministry in their Action Taken reply have stated as under:—

“The States and UTs were sensitized *vide* circulars dated 2.10.2009 about the importance of activating Gram Sabhas, Mahila Sabhas, Ward Sabhas etc. It was also indicated that the good practices that provide for people’s assemblies below the Gram Sabha such as Ward Sabhas, Mahila Sabhas and Bal Sabhas should be promoted and the Ward Sabhas etc. need to meet before the Gram Sabha meetings. In this context “Monitoring Format for Gram Sabhas” was also circulated to the States/UTs in which General Information

about the Village Panchayat and also the details about functioning, meetings etc. of Gram Sabha could be incorporated. To ascertain the position about the activities undertaken by the States/UTs in this behalf, all States/UTs have been requested to intimate the position and also indicate the reasons for not holding the meetings of the Mahila Sabhas before the meeting of the Gram Sabhas in the concerned cases.”

(Reply to Recommendation Para No. 4.54)

19. The Committee note that merely requesting the States/UTs through a routine Circular to intimate the position and also indicate the reasons for not holding the meetings of the Mahila Sabha before the meeting of the Gram Sabha will not suffice. What is really needed is to make the States/UTs accountable towards their responsibilities in this regard. The Committee desire the Ministry to be more pro-active in making the States/UTs accountable and would like to suggest the Ministry to utilize the online system.

F. Allocation and utilisation of funds recommended by the Thirteenth Finance Commission

Recommendation (Serial No. 18, Para No. 4.80)

20. The Committee had recommended as under:—

“The Committee recommend that Ministry of Panchayati Raj should impress upon the Ministry of Finance to issue detailed guidelines immediately regarding allocation and utilisation of funds recommended by the Thirteenth Finance Commission to the States and Union territories.”

(Recommendation Para No. 4.80)

21. The Ministry in their Action Taken reply have stated as under:—

“Implementation of 13th FC recommendations has commenced from the fiscal year 2010-11. Pending issue of necessary guidelines

on release and utilisation of Grant, Ministry of Finance has already released the first instalment of Basic Grant for PRIs amounting to Rs. 2821.72 crore. In addition, an amount of Rs. 79.90 crore has also been released under 'Special Area Basic Grant' for the Schedule V & VI areas and areas where Part IX and IXA do not apply. Share of Basic Grant has not been released to Jharkhand and J&K due to non-existence of elected Panchayats in these States."

(Reply to Recommendation Para No. 4.80)

22. The Committee are perturbed to know that necessary guidelines on release and utilisation of grants to PRIs as recommended by Thirteenth Finance Commission are yet to be issued by the Ministry of Finance. The Committee are of the considered view that in the absence of guidelines it would be difficult for PRIs to effectively utilise funds meant for development of Panchayats. The Committee would like the Ministry to convey the concern of the Committee to the Ministry of Finance for issuing necessary guidelines immediately.

G. Concurrent evaluation of the schemes being implemented on or before 2004

Recommendation (Serial No. 19, Para No. 4.85)

23. The Committee had recommended as under:—

"The Committee have been informed that no concurrent evaluation of any single scheme has yet been initiated by the Ministry in six years of its existence. They feel continuance of implementation of schemes from one plan to the other without finding out its real impact and benefits through the system of independent and impartial concurrent evaluation is not a sign of good governance. They, therefore, recommend that the Ministry should ensure that each of the schemes being implemented by it is evaluated concurrently during the Eleventh Five Year Plan itself."

(Recommendation Para No. 4.85)

24. The Ministry in their Action Taken reply have stated as under:—

“This Ministry had requested the Planning Commission to undertake measurement of the outcomes with reference to the objectives and the financial expenditure and evaluate the BRGF programme. In early 2009 the Planning Commission had opined that it would be too early to evaluate the programme at this stage.

Thereafter, the Ministry had approached the World Bank for undertaking an independent review cum evaluation of the BRGF. Accordingly a World Bank Mission was sent to eight key States in July 2009 for evaluating the implementation of the programme in two districts of each of these States. The Mission has submitted their report in March 2010. The Ministry has taken several actions with respect to the recommendations of the Mission and also forwarded the Report to the States for taking necessary action.

The Ministry has also set up a National Advisory cum Review Committee (NARC) in May, 2009 under the Chairpersonship of Shri V. Ramachandran, with the following Terms of Reference:

- (a) Assess the extent to which objectives of BRGF have been fulfilled.
- (b) Review the quality of programme management at Central, State and District levels.
- (c) Assess the quality of district plans, frequently occurring deficiencies, aspects of capacity building, planning process, role of Training Support Institutions etc.
- (d) Adequacy of monitoring mechanism.
- (e) Need for modification in the objective and design of BRGF including the Block as Unit for BRGF funding.

A copy of the OM No. N-11019/538/2007- Pol.I (Vol.II) dated 26.05.2009, constituting the NARC is at **Annex-8**. The Committee

has submitted its First report in early July 2010. Recommendations of the Committee and response of MoPR is at **Annex-9**.

The Planning Commission have *vide* their OM No.PEO/16(98)/2010/TC dated 24.02.2010 (copy enclosed **Annex-10**) constituted a Consultancy Evaluation-cum-Monitoring Committee for Evaluation of the BRGF. The terms of reference of the Committee are as follows:

- (i) To provide guidance on preparation of study design including the objectives of the study, methodology, instrument of observation etc.
- (ii) To guide in shortlisting institution for outsourcing of the study.
- (iii) To provide guidance on identification and development of appropriate input, activity, output, outcome and impact indicators for assessment of the performance of the implementation of the scheme.
- (iv) To ensure the quality of data collection, organization of the collected data, analysis of the data, drafting of the report, etc.

This Committee met in July 2010 to discuss the draft TOR for the study. The institutions/ agencies to conduct the evaluation are being identified to conduct study.

Evaluation of RGSY:

The scheme of Rashtriya Gram Swaraj Yojana (RGSY) was evaluated by M/s Santek Consultants and M/s Council for Training & Research in Ecology & Environment (CTREE) in 2007 before its continuation during the 11th Plan period. M/s Santek Consultants had concluded that training interventions on a sustainable basis are essential to comprehensively build the

capacity of Panchayati Raj Institutions (PRIs). In many Panchayats, the members have begun to understand the complexities of their responsibilities thereby regular training will assist them in fulfilling the aspirations of their constituencies. According to the findings of report the impact of training was multi-dimensional *viz.*: solving local problems through participatory decision making, responsive handling of public grievance, equipping participants with operational skills required for day-to-day performance of functions devolved to Panchayats, understating the planning and implementation aspects of rural development programmes more clearly. The training programmes have made a significant impact in terms of awareness and sensitization over the Elected Women Representatives. The agency recommended/ suggested that Scheme should not merely be confined to training programmes, but should also include the components like improving infrastructure at Panchayat level, IT interventions, monitoring and evaluation of programme. The training strategy should be a composite mix of various interventions like interactive satellite training, face to face training, networking, community mobilisation, Panchayati Raj TV Channel. The first and initial training should be provided to the newly elected representatives within 2-3 months of their election. Subsequently, every year there should be a follow up on training of PRIs. Duration of training for 1-2 days is not sufficient for effective implementation of programme. Hence, the report recommended 3-4 days of training programme. It also recommended that the content of training and processes of training programme should be relevant to the ground reality.

M/s CTREE had submitted State-wise reports. They have also given some common suggestions for improving the training programme. Some of these suggestions are:

- Matters related to village revenue administration should be discussed emphatically in the course of training to the GP level elected representatives and functionaries.

- Separate and easy to understand training modules be designed for illiterate elected representatives, as the expected benefits were not seen reflected among them.
- Experienced and former Panchayati Raj Representatives should be involved as trainers in a greater way besides the conventional trainers.
- The CEO-ZP should be made accountable for the attendance of the elected members.
- To avoid duplication and overlapping of the training programmes, a training policy in a well coordinated approach be structured.
- The training to the PRI elected members and functionaries be made more need based with more focus on available resource utilization. For better and cost-effective training of Panchayati Raj, more efforts be made to utilize mass media for their capacity building.
- Local NGOs, those having need based infrastructure and network in the villages may be assigned for generating awareness, organizing workshops and training at the Panchayat level.
- The training programme for the GP level elected representatives should not be scheduled or organized during agricultural cultivation period that vary from region to region in the State.
- The participants other than functionaries should be provided actual travelling allowance and compensation for days consumed during training.

Many recommendations of M/s Santek Consultants and M/s CTREE were incorporated during framing of guidelines of

RGSY Scheme in the first year of 11th Five Year Plan. The duration of training programme has been kept for a period of 03 days of elected representatives of PRIs and 05 days for Central and State level functionaries. In order to augment the training infrastructure, this Ministry has provided financial assistance to States for establishment of distance learning facility *via* satellite. Further, the financial assistance was provided to establish training institutes and resource centres in respect of the Hilly States and States of North East Region. The provision of reimbursing the travel expense on actual Rail/Bus fare was made for the elected representatives only in the guidelines of RGSY Scheme.

The MoPR has now decided to undertake a *fresh evaluation of RGSY* through an expert agency identified by the UNDP under its Capacity Development for Local Governance (CDLG) Project. The selected agency (CTRAN) has been assigned the task in July 2010 and expected to complete the same within 3 months.”

(Reply to Recommendation Para No.4.85)

25. The Committee in their Sixth Report had recommended the Ministry for concurrent evaluation of each of the schemes being implemented by it to find out its real importance and benefits. The Ministry in their action taken reply have stated that they have taken several actions on the recommendations of independent review-cum-evaluation study on BRGF undertaken by World Bank Mission. The Ministry have also informed the Constitution of Consultancy Evaluation-cum-Monitoring Committee by the Planning Commission for evaluation of the BRGF alongwith the changes brought in the RGSY scheme on the basis of evaluation done by M/s Santek Consultants and M/s Council for Training & Research in Ecology & Environment (CTREE) in 2007 before its continuation during the Eleventh Plan period. Further, the Ministry have informed that they have assigned the task of fresh evaluation of RGSY to M/s CTRAN selected by the UNDP which is expected to complete the study within 3 months. The Committee

while appreciating recent efforts of the Ministry for concurrent evaluation of the BRGF and RGSY Schemes would also like the Ministry to initiate similar evaluation of other schemes such as PMEYSA, RBH etc. They also like to be apprised of the findings of the evaluation study of BRGF and RGSY Schemes.

H. Performance of BRGF

Recommendation (Serial No. 24, Para No. 5.20)

26. The Committee had recommended as under:—

“The Committee also recommend that the role of District Planning Committee (DPC) and the High Power Committee (HPC) should change from approval of plans under BRGF to preparation, guidance, co-ordination and support to the local planning process and strengthening of horizontal co-ordination between PRIs and line departments. Further, technical capacity of DPCs may be strengthened. The Ministry may consider empowering the States to allow PRIs to choose the service that is most useful for them under the capacity building component.”

(Recommendation Para No. 5.20)

27. The Ministry in their Action Taken reply have stated as under:—

“The Ministry has already advised the State Governments on the role the DPCs and HPCs should perform (a copy of the circular dated 07.10.2009 in this regard is placed at **Annex-12**). Regarding strengthening technical capacity of DPCs, the Ministry had forwarded the list of Technical Support Institutions (TSIs) to the States with the suggestion to engage them for strengthening capacities of local bodies and DPCs in Plan preparation and consolidation under the BRGF. The Planning Commission had proposed to launch a scheme for support to planning process at the National, State and District levels which will include strengthening capacities of the DPCs. The Ministry had supported the proposal

of the Planning Commission. However, in April 2010 the Planning Commission had informed that though there was no budget allocation for the scheme in 2010-11, yet the scheme would be better handled by the MoPR. Accordingly *the MoPR has submitted an EFC Memorandum to the Ministry of Finance on 12.08.2010 on the Scheme for Support to Planning Process at National, State, District and Sub-District Levels.* The Ministry has examined the proposal to transfer a part of the Capacity Building grants to the ZPs for using it as per their perceived requirements and found it difficult do so for the following reasons:

- (a) The BRGF is an Additional Central Assistance (ACA) to the State Plans.
- (b) State Governments during the review meeting held on 23.04.2010 unanimously opposed (except for Andhra Pradesh) the proposal for transfer of Capacity Building funds to the Districts bypassing the State Governments.”

(Reply to Recommendation Para No. 5.20)

28. The Committee had earlier recommended for change of the role of District Planning Committees (DPCs) and the High Power Committees (HPCs) for approval of plans under BRGF to preparation, guidance, co-ordination and support to the local planning process. They had also recommended for strengthening the capacity of DPCs and empowering States to allow PRIs to choose the service that is most useful for them under the capacity building component. The Ministry in their action taken reply have stated that while advising the State Governments on the role of DPCs and HPCs, a list of Technical Support Institutions (TSIs) to the States which could be engaged for strengthening capacities of local bodies and DPCs in Plan preparation was also forwarded. They have also informed the Committee about submission of an EFC Memorandum to the Ministry of Finance on the scheme for support to the Planning Process at the National, State, District and Sub-District

levels as proposed by Planning Commission. The Ministry have further stated about opposition of States (except for Andhra Pradesh) on the proposal for transfer of Capacity Building funds to the District by-passing the State Government and nature of BRGF as additional Central assistance to the State plans. The Committee would like to mention that they have never recommended transfer of funds to the Districts by-passing the States. What the Committee had desired was to define the precise role of District Planning Committees and High Powered Committees. The Committee would also like to be apprised of salient features of proposal of the Ministry on the Scheme for support to the planning process at National, State, District and Sub-District levels.

CHAPTER II

RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Serial No. 1, Para No. 2.5)

The Committee note that the Government is not implementing the direction 73 A of the Directions by the Speaker, Lok Sabha, in the right spirit. As per the said direction, the Minister concerned should make the Statement on action-taken by the Government on their recommendations once in six months. The Committee observe that none of the Statements were laid within the stipulated six-months period. Besides, the Statements laid, did not indicate the status of action taken on the recommendations which had been categorised as interim reply in the action-taken Reports of the Committee. The Committee, therefore, desire that action taken by Government on the recommendations categorized as interim be intimated to them without any further delay. The Committee also desire that, in future, the Government should review the previous recommendations made by the Committee and intimate the Committee about the stage of their implementation before presentation of the Demands for Grants for the next financial year. Further, the Statement laid should not merely be a reproduction of action taken notes and should reflect the effective implementation of recommendations made by the Committee in different States and Union territories.

Reply of the Government

In regard to the direction 73A of the Directions by the Speaker, Lok Sabha, it may be reiterated that sincere efforts are made by the Ministry to lay the Statement on action taken by the Government on the recommendations of the Committee within the stipulated period.

The Ministry of Panchayati Raj has reviewed the previous recommendations made by the Committee in their Reports in the periodical meetings of the Chief Secretaries/Secretaries of State Governments/UTs. The Ministry would continue to review the same and intimate the status to Committee.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 2, Para No. 3.9)

The Committee are disturbed to note that huge unspent balances of Rs. 5062.77 crore as on 28.02.2010 were left with the implementing agencies in six different schemes being implemented by the Ministry. The unspent balance for six other schemes is not available with the Ministry which shows lack of sufficient monitoring of the releases made by them. Not only the total unspent balance in six different schemes equals the budgetary allocation of the Ministry in 2010-11 BE. They feel, instead of ensuring that the amount is spent for the purpose it has been sanctioned in the budget, the Government is mindlessly releasing the funds for the implementing agencies at the fag end of the year and have become a mute spectator for the huge unspent balances. The Committee strongly feel that there is need for planned outflow of funds throughout the year with proper monitoring of expenditure. They apprehend that such a practice might have been the reason for the revised estimate 2009-10 of the Ministry being reduced by Rs. 1000 crore. The Committee while expressing serious concern over the trend of huge unspent balance would like to strongly recommend that the Government should analyse the position State and Union territory-wise and take suitable corrective measures accordingly so that funds flow to the States in time. The Committee should also be kept apprised of the follow-up action taken in this regard.

Reply of the Government

Sanctions and utilization reported (as on 31.08.2010), are given in the table below:

Amount in Rs. Crore

Year	Funds Sanctioned	Utilization reported	Utilization/ Release (%)
2007-08	2618.09	2566.38	98.02
2008-09	3029.15	2787.40	92.02
2009-10	3534.96	2035.97*	57.60
2010-11	2091.67	*	NA
Total	11273.87	7389.75	80.48

(*) Utilization Certificate not yet due.

As may be seen in the table above, the utilization reported is to the extent of 98.02% of the funds sanctioned during 2007-08 and 92.02% in respect of funds sanctioned during 2008-09. In respect of grants sanctioned during 2009-10, the UCs are due by 31.03.2011 as provided under the GFR. However, States are at liberty to submit UCs even before that date. Accordingly, MoPR has so far received UCs worth Rs. 2035.97 crore which works out to 57.6% of the funds sanctioned during 2009-10.

It is true that the Ministry of Finance (MoF) had reduced the allocation for BRGF under 2009-10 owing to slow pace of expenditure during the first half of the financial year. In fact, MoF had indicated its inclination to cut the allocation by as much as Rs. 2000 crore owing to slow pace of expenditure. However, after the Ministry informed the MoF about the reasons for the slow pace of the expenditure in the initial months, which was mainly due to the General Elections to the Lok Sabha that were held in May 2009, and also showed the improved pace of releases from October 2009 onwards, the Ministry of Finance reduced the cut by Rs. 1000 crore. Finally, the allocation for the Ministry as a whole was reduced by Rs. 1000 crore, which was reflected entirely in the BRGF.

As regards the observation of the Committee regarding release of funds at the fag end of the year, it is submitted that the Ministry has been striving to achieve an even flow of sanctions in line with the Monthly Expenditure Plan indicated by the Ministry of Finance under the Cash Management Scheme (CMS).

However, the releases to States under BRGF are incumbent upon receipt of annual plans, utilization certificates, audit reports and progress reports. Some States delay in submission of one or more of these documents, which leads to delay in release of their entitlements by the Ministry. As stated above, owing to the sustained efforts of the Ministry, the pace of sanctions has improved during 2010-11. However, the Ministry is still finding it difficult to procure the relevant documents from five States, namely, Assam, J&K, Meghalaya, Tamil Nadu and Uttarakhand. In respect of Assam, J&K, Meghalaya and Tamil Nadu, the documents mentioned before have not been received in full whereas in respect of Uttarakhand the DPCs have not been

constituted. The Ministry has constantly been reminding these States for taking the suitable action to facilitate release of funds. In respect of other States, the situation is well under control. Owing to the sustained efforts of the Ministry, during 2010-11 sanctions under BRGF as on 31.08.2010 have been of the order of Rs. 2091.67 crore, which is about 41.42% of the annual allocation under BRGF and is in line with the fund flow expected under the CMS.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Comments of the Committee

(Please *see* Paragraph No. 7 of Chapter 1 of the Report)

Recommendation (Serial No. 3, Para No. 3.16)

The Committee are not at all happy with the financial practices of the Ministry since its inception in May, 2004. They find that between 2004-05 and 2008-09, Rs. 3715.81 crore was surrendered as compared to the budget estimates. Not only that, total funds amounting to Rs. 97.35 crore have also been re-appropriated between 2006-07 and 2009-10, which is not a standard financial practice. Another disturbing feature is that the Ministry has never achieved the monthly expenditure plan since 2007-08, the information about which has been made available to the Committee. The monitoring mechanism of the Ministry is also found to be not having adequate information with regard to proper monitoring of funds released to the various State Governments, Union territory administrations and the Panchayats at different levels. The Committee, therefore, recommend suitable corrective measures may be initiated in each of the aforesaid matters and they be apprised accordingly.

Reply of the Government

Regarding the BRGF, the budgetary allocations were reduced at RE stage by Rs. 1825 crore in 2006-07, Rs. 1072.50 crore in 2007-08, Rs. 780 crore in 2008-09, and there was hundred per cent achievement against the RE budget allocations. In 2006-07, the scheme was transferred by

the Planning Commission in August-September, 2006 and the Prime Minister launched the Programme at Barpeta (Assam) in February, 2007. Consequently there was less expenditure and substantial reduction at RE stage. In 2007-08 and 2008-09, some States did not have District Planning Committees (DPCs) for consolidation of local plans into District Plans, which is a necessary condition for release of Development Grants under BRGF.

In 2009-10, though the expenditure was lesser in first two quarters, owing to the General Elections to the Lok Sabha, from the third quarter the pace of implementation had picked. Consequently, the Ministry had achieved the targets of Cash Management Scheme (69% of Budgetary allocation) by the third quarter of 2009-10. However, the Ministry of Finance still decided to reduce the allocation of Ministry of Panchayati Raj at RE stage.

In 2010-11 for further improvement in programme planning and management, the following steps have been taken:

- (i) States have been advised to submit their Action Plans latest during the first quarter of 2010-11;
- (ii) States have been advised to enter the Progress Reports online on Plan Plus;
- (iii) State Level Workshops have been convened to discuss the progress of previous years and Annual Plans of the current year;
- (iv) Suitable Advisories have been issued to States for improving programme planning and management; and
- (v) An all India Review was conducted for various programmes of MoPR on 23rd April 2010.

These efforts have improved the pace of funds release during 2010-11. As on 12-08-2010 the Ministry has sanctioned Rs. 1641.74 crore.

As regards the re-appropriation of funds amounting to Rs. 97.35 crore, it is clarified that an amount of Rs. 41.07 crore was re-appropriated during 2006-07 to 2009-10 for North-Eastern States which is mandatory and is just

a formality to re-appropriate the funds from non-functional heads to the function heads. The detail is as under:—

Re-appropriation for NE States (mandatory 10% of BE)

Year	Amount (in crores)
2005-06	4.94
2006-07	7.50
2007-08	10.00
2008-09	8.30
2009-10	10.33
Total	41.07

It is further stated that a National Convention of Presidents of Zilla Parishads and Panchayat Samitis was held on 22nd–24th April, 2008 at Burari Ground, Delhi in which about 8000 elected representatives of all the 3-tiers of PRIs participated to commemorate Panchayati Raj Divas and sensitization programmes. Hon'ble PM addressed the Convention with very fruitful results. It was an event of National importance which necessitated the re-appropriation of Rs. 22 crore in the year 2007-08 and 2008-09. This was done with the approval of Ministry of Finance under the Scheme of Media & Publicity to meet out the committed liabilities for holding the said Convention. It is also relevant to mention that a scheme namely Technical Support for Capacity Building and Training of Functionaries of District Planning Committees and Zilla Parishads having a budget of Rs. 25 crore could not be implemented as the scheme could not get approved as no new scheme was allowed under the instructions of Ministry of Finance and the amount has to be re-appropriated to other schemes on need basis. In this way, the amount of Rs. 75 crore was re-appropriated during the period 2005-06 to 2009-10 which was fully justified. The remaining amount of Rs. 22.35 was a normal re-appropriation among the schemes during the 5 years to meet a need base requirement keeping in view the small budget of the Ministry. The Ministry has tried its best to adopt standard financial practice.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 4, Para No. 3.17)

The Constitution (73rd Amendment) Act, 1992 came into effect from 1992 and the Ministry of Panchayati Raj was made a separate Ministry in 2004. The Committee feel that in order to give fillip to the upliftment of Panchayati Raj Institutions in the country, the allocation for the Ministry of Panchayati Raj which is a little above Rs. 5000 crore during 2010-11 BE is too little. Notwithstanding the poor performance and monitoring of implementation of the schemes by the Ministry of Panchayati Raj, the Committee feel that attention to the desired extent has not been paid by the Planning Commission for upliftment of Panchayats at all the three levels as reflected in the meager allocation to the said Ministry year after year. In order to implement the historic legislation of the Constitution (73rd Amendment) Act, 1992 in its letter and spirit, they recommend strongly that this concern of the Committee be taken up at the highest level so as to have the allocation of the Ministry in the coming years substantially increased.

Reply of the Government

The concerns of the Committee have been conveyed to the Planning Commission. It is also mentioned that at the time of the approval of the Annual Plan 2010-11, Secretary (Panchayati Raj) has taken up this matter with the Planning Commission. However, the allocation for the Ministry was marginally increased *i.e.* from Rs. 110 crores to Rs. 120 crores under the Central Plan. For Annual Plan 2011-12, the Planning Commission will be persuaded to increase the Plan Outlay for the Ministry keeping in view the recommendation of the Committee.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 6, Para No. 4.10)

The Committee note with concern that the mandatory provisions of Part IX of the Constitution, which was inserted by the Constitution (73rd Amendment) Act, 1992 remain to be implemented as on date in Jharkhand, Jammu & Kashmir and Uttarakhand. Even after knowing this state of affairs in these States, the Ministry is yet to initiate any concrete

measures in this regard. They, therefore, recommend that the defaulter States may be impressed upon to adhere to the provisions of Part IX of the Constitution without any further delay. Action taken in this regard may be intimated to the Committee.

Reply of the Government

It is stated that the Government of Uttarakhand have informed that they are in the process of forming District Planning Committees (DPCs) in the State. State Government of Jharkhand has started the process for holding election of PRIs as the pending litigation has been settled.

J&K Government have its own Panchayat Raj Act, but due to unavoidable circumstances election could not be held in the State.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 7, Paragraph No. 4.25)

The Committee are concerned to note that important aspects of Panchayati Raj like devolution of 3Fs *viz.* Functions, Functionaries and Finances, existence of Parallel Bodies in all States and Union territories of the country etc. have not been given due importance so far by the Ministry in spite of repeatedly being emphasised by this Committee in their various Reports. They strongly recommend that the Ministry should urge all State Governments and Union territory administrations to take decisive steps to devolve 3Fs *viz.* Functions, Functionaries and Finances, in that order to Panchayats at appropriate levels before resorting to any other step and thereafter take concrete immediate steps to abolish the existence of Parallel Bodies. The Committee note that the study of Devolution Index (DI), has been assigned to the Indian Institute of Public Administration (IIPA) whose report was expected by 28.02.2010. They, therefore, urge the Ministry to expedite the said study to know the exact devolution in all the States and Union territories.

Reply of the Government

1. The Ministry of Panchayati Raj has been making all efforts to ensure that 3Fs (Functions, Funds and Functionaries) are devolved to

Panchayats as envisaged in Article 243G of the Constitution read with its Eleventh Schedule. Detailed guidelines were issued *vide* letter No. N-11019/681/08-Pol. dated 19.1.2009 (*Copy enclosed at Annex-1*) to the Central Ministries and the States/UTs to amend their scheme guidelines. For devolution of 3Fs through activity mapping also, guidelines were issued *vide* letter No.-N-11011/59/2006-Pol.-I(Pt.) dated 1.12.2009 (*copy enclosed at Annex-2*). Guidelines on [Panchayat Finances, and Manpower for Panchayati Raj Institution were also issued to States/UTs *vide* letter No.M-11011/16/2009-P&C(AR) dated 9.4.2009 and No.M-11011/162/2008-P&C(AR) dated 23.10.2009] (*copies enclosed at Annex-3 & 4*).

2. MoPR also emphasized that parallel bodies should not be established to the detriment of PRIs.

Devolution Index Report from IIPA

The report on Devolution Index (DI) for the year 2009-10 was received from IIPA. Incentive funds were released to the following qualified States:—

- First Prize (Top 2 States): Kerala & Karnataka Rs.2.50 crore each.
- Second Prize (Next 2 States): Tamil Nadu & West Bengal: Rs. 1.50 crore each.
- Third Prize (Next State): Maharashtra: Rs. 1.00 crore.
- Best performing North-East State: Sikkim.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 8, Paragraph No. 4.29)

The Committee note with concern that the mandatory provisions of the PESA, 1996 remain to be fully implemented in all the nine States *viz.* Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Orissa, Maharashtra, Madhya Pradesh and Rajasthan on some pretext or the other even after fourteen years since this Act was implemented. They note

from the reply of the Ministry that the major violations in these States relate to the aspects of minor forest produce, village market and money lending. They regret to point out that even after knowing this state of affairs, the Ministry is yet to initiate any concrete measures. The Committee, therefore, recommend that the defaulter States may be impressed upon to implement the provisions of the PESA, 1996 without further loss of time and the Committee be apprised accordingly.

Reply of the Government

Action taken for implementation of PESA had been indicated in the reply made on the point contained in the List of Points for oral evidence of representatives of the Ministry on Demands for Grants 2010-11 to the Committee held in March 2010. In addition, the following steps have been taken:

1. Field visits have been made to Chhattisgarh, Orissa, Andhra Pradesh and Jharkhand to look into implementation of PESA. During the field visits, discussion were held with officials of State Departments concerned with PESA implementation *viz.* Panchayati Raj, Revenue, Excise, Environment and Forest and Mining, and suggestions were made to bring relevant amendments in provisions, where required, make rules and take steps towards implementation.
2. Comprehensive Guidelines on implementation of PESA have been issued on 21.5.2010 to all nine PESA States.
3. A meeting was held on 5th July, 2010 with PESA States and Central Ministries concerned to further impress the need for implementation of PESA and speed up its implementation.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 10, Paragraph No. 4.37)

The Committee note that District Planning is one of the important functions of the planning process in the country. The devolution of

Functions, Functionaries and Finances (3Fs) is one of the main backbone of the grassroots planning process which is also in conformity with the provisions of article 243ZD of Part-IXA of the Constitution. They find that the Ministry of Panchayati Raj has so far not been able to impress upon the States and Union territories to constitute and functionalize District Planning Committees (DPCs) in all districts of the country. They, therefore, urge the Ministry to vigorously persuade all the States and Union territories to immediately constitute and functionalize the DPCs without any further delay. For this purpose, the Ministry may consider linking the formation of DPCs with the release of funds of different schemes, so that the States and Union territories may be impressed upon to constitute these Committees.

Reply of the Government

It is stated that the Government of Uttarakhand have informed that they are in the process of forming District Planning Committees (DPCs) in the State. State Government of Jharkhand has started the process for holding election of PRIs as the pending litigation has been settled.

At Present, funds under the scheme of BRGF are not provided to the States where DPCs have not been constituted.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 11, Paragraph No. 4.42)

The Committee note with concern that out of 180 Centrally Sponsored Schemes and over 800 Central Sector Schemes being implemented by various Ministries/Departments of the Government of India, the activity mapping showing the centrality of Panchayats has been made in the guidelines relating to only 28 schemes as on date. Interestingly, the Committee have found that even though the Ministry of Panchayati Raj is implementing 9 different Centrally Sponsored/Central Sector Schemes, the centrality of Panchayats has not been made available for the schemes being implemented by the Ministry themselves. Further, since only in respect of

28 schemes the centrality of Panchayats has been mentioned by 8 different Ministries/Departments of the Government of India, it is evident that a gigantic task still lies before all the Ministries if they aim to provide such facilities in each of the Centrally Sponsored/Central Sector schemes. They, therefore, urge the Ministry of Panchayati Raj to initiate measures at the highest level in consultation with the Planning Commission/Ministry of Finance and Cabinet Secretariat, so that the centrality of the Panchayats can be established in all the Centrally Sponsored and Central Sector Schemes within a stipulated time period. They also recommend that to begin with the Ministry of Panchayati Raj should first of all clearly demarcate the role of each tier of Panchayats in all the schemes being administered by them within a month.

Reply of the Government

The directions given by the Committee have been noted for compliance. In fact, MoPR has already requested Cabinet Secretariat to revive the Review Committee, which may have dialogue with the Ministries/Departments administering CSSs/ACAs. The Committee will be apprised of further action taken in this regard.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 14, Paragraph No. 4.62)

The Committee are concerned to note that the Ministry of Panchayati Raj has received complaints that spouses or male relatives of Elected Women Representatives act as *de-facto* Pradhans/Pramukhs and also interfere in the functioning of the PRIs. The Committee apprehend that such instances may not be only limited to the Women Representatives but also to the weak Pradhans/Pramukhs of the Gram Panchayats. They note that the Ministry has issued only two circulars so far, to the effect that the relatives of Women Representatives may not attend Panchayat meetings by proxy. However, no concrete action has been taken by the Ministry of Panchayati Raj so far in this regard. The Committee urge that the desired initiatives may be taken in this matter.

Reply of the Government

Steps are being taken to encourage Elected Women Representatives (EWRs) for active participation in the Panchayats Meeting through Awareness Generation. State Governments have also been requested *vide* our communication No.H-11016/2/2010-RBH dated 16th July, 2010 (**copy enclosed at Annex-7**) to take effective measures to curb proxy attendance by the relatives and encourage the Women Representatives and other Weaker Sections for their active participation.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 15, Paragraph No. 4.63)

The Committee are concerned to note that the Ministry of Panchayati Raj is not giving due importance to the Women's Empowerment as is evident from the reply that the performance of the Panchayat Mahila Evam Yuva Shakti Abhiyan (PMEYSA) scheme is not that successful so far. Even, though as per the reply, the PMEYSA is being implemented in 25 States/Union territories, the Ministry is considering to modify the scheme due to its non-satisfactory performance. The Committee, therefore, urge the Ministry to find out the reasons as to why the PMEYSA has not been successful so far, take suitable measures on their findings, consult the Panchayats at the three levels before venturing on modifying the said scheme.

Reply of the Government

It is stated that the consultations had been held with the concerned representatives of States/UTs about the various aspects of the implementation of Panchayat Mahila Evam Yuva Shakti Abhiyan (PMEYSA) *inter-alia* the bottlenecks that impede the smooth implementation of this programme in achieving the desired results. Various measures are under consideration including the review of the issues relating to the women empowerment and for giving a fillip to the capacity building and training of elected women representatives.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 16, Paragraph No. 4.78)

The Committee are concerned to note the reply furnished by the Ministry of Panchayati Raj that as on date the Ministry do not have the information on the utilisation of funds recommended by the Tenth (1995-2000) and Eleventh (2000-2005) Finance Commissions. They further note that Rs. 18610.89 crore has reportedly been released out of the Rs. 20,000 crore grant as recommended by the Twelfth Finance Commission (2005-2010) against which the States have furnished utilisation certificate of Rs. 14588.50 crore. The Committee find that as per the existing practice the Ministry of Finance releases the funds, while the role of Ministry of Panchayati Raj is confined to monitoring the funds recommended by different Finance Commissions. The Committee in this regard desire that as far as practicable one nodal Ministry may be entrusted with the task of releasing, implementing as well as monitoring the grants recommended by the Finance Commissions.

Reply of the Government

Ministry of Panchayati Raj (MoPR) is in agreement with this recommendation of the Committee that as far as practicable one nodal Ministry may be entrusted with the task of releasing, implementing as well as monitoring the grants recommended by the Finance Commission. In this regard, MoPR is of the view that as the Central Finance Commission grants are special purpose grants (as distinct from the general purpose grants), these should be administered by the line Ministry concerned to ensure targeted deployment of the grants and effective oversight over timely transfer, proper fund use and expected outcome. In the case of grants to PRIs, MoPR is suitably placed to handle this responsibility.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 19, Paragraph No. 4.85)

The Committee have been informed that no concurrent evaluation of any single scheme has yet been initiated by the Ministry in six years of its

existence. They feel continuance of implementation of schemes from one plan to the other without finding out its real impact and benefits through the system of independent and impartial concurrent evaluation is not a sign of good governance. They, therefore, recommend that the Ministry should ensure that each of the schemes being implemented by it is evaluated concurrently during the Eleventh Five Year Plan itself.

Reply of the Government

This Ministry had requested the Planning Commission to undertake measurement of the outcomes with reference to the objectives and the financial expenditure and evaluate the BRGF programme. In early 2009 the Planning Commission had opined that it would be too early to evaluate the programme at this stage.

Thereafter, the Ministry had approached the World Bank for undertaking an independent review cum evaluation of the BRGF. Accordingly a World Bank Mission was sent to eight key States in July 2009 for evaluating the implementation of the programme in two districts of each of these States. The Mission has submitted their report in March 2010. The Ministry has taken several actions with respect to the recommendations of the Mission and also forwarded the Report to the States for taking necessary action.

The Ministry has also set up a National Advisory cum Review Committee (NARC) in May, 2009 under the chairpersonship of Shri V. Ramachandran, with the following Terms of Reference:

- (a) Assess the extent to which objectives of BRGF have been fulfilled.
- (b) Review the quality of programme management at Central, State and District levels.
- (c) Assess the quality of district plans, frequently occurring deficiencies, aspects of capacity building, planning process, role of Training support Institutions etc.
- (d) Adequacy of monitoring mechanism.

- (e) Need for modification in the objective and design of BRGF including the Block as Unit for BRGF funding.

A copy of the OM No. N-11019/538/2007- Pol.I (Vol.II) dated 26.05.2009, constituting the NARC is at **Annex-8**. The Committee has submitted its First report in early July 2010. Recommendations of the Committee and response of MoPR is at **Annex-9**.

The Planning Commission have *vide* their OM No.PEO/16(98)/2010/TC dated 24.02.2010 (copy enclosed **Annex-10**) constituted a Consultancy Evaluation-cum-Monitoring Committee for Evaluation of the BRGF. The terms of reference of the Committee are as follows:—

- (i) To provide guidance on preparation of study design including the objectives of the study, methodology, instrument of observation etc.
- (ii) To guide in shortlisting institution for outsourcing of the study.
- (iii) To provide guidance on identification and development of appropriate input, activity, output, outcome and impact indicators for assessment of the performance of the implementation of the scheme.
- (iv) To ensure the quality of data collection, organization of the collected data, analysis of the data, drafting of the report, etc.

This Committee met in July 2010 to discuss the draft TOR for the study. The institutions/agencies to conduct the evaluation are being identified to conduct study.

Evaluation of RGSY:

The scheme of Rashtriya Gram Swaraj Yojana (RGSY) was evaluated by M/s Santek Consultants and M/s Council for Training and Research in Ecology and Environment (CTREE) in 2007 before its continuation during the 11th Plan period. M/s Santek Consultants had concluded that training

interventions on a sustainable basis are essential to comprehensively build the capacity of Panchayati Raj Institutions (PRIs). In many Panchayats, the members have begun to understand the complexities of their responsibilities thereby regular training will assist them in fulfilling the aspirations of their constituencies. According to the findings of report the impact of training was multi-dimensional *viz*; solving local problems through participatory decision making, responsive handling of public grievance, equipping participants with operational skills required for day-to-day performance of functions devolved to Panchayats, understating the planning and implementation aspects of rural development programmes more clearly. The training programmes have made a significant impact in terms of awareness and sensitization over the Elected Women Representatives. The agency recommended/suggested that Scheme should not merely be confined to training programmes, but should also include the components like improving infrastructure at Panchayat level, IT interventions, monitoring and evaluation of programme. The training strategy should be a composite mix of various interventions like interactive satellite training, face to face training, networking, community mobilisation, Panchayati Raj TV Channel. The first and initial training should be provided to the newly elected representatives within 2-3 months of their election. Subsequently, every year there should be a follow up on training of PRIs. Duration of training for 1-2 days is not sufficient for effective implementation of programme. Hence, the report recommended 3-4 days of training programme. It also recommended that the content of training and processes of training programme should be relevant to the ground reality.

M/s CTREE had submitted State-wise reports. They have also given some common suggestions for improving the training programme. Some of these suggestions are:—

- Matters related to village revenue administration should be discussed emphatically in the course of training to the GP level elected representatives and functionaries.
- Separate and easy to understand training modules be designed for illiterate elected representatives, as the expected benefits were not seen reflected among them.

- Experienced and former Panchayati Raj Representatives should be involved as trainers in a greater way besides the conventional trainers.
- The CEO-ZP should be made accountable for the attendance of the elected members.
- To avoid duplication and overlapping of the training programmes, a training policy in a well coordinated approach be structured.
- The training to the PRI elected members and functionaries be made more need based with more focus on available resource utilization. For better and cost-effective training of Panchayati Raj, more efforts be made to utilize mass media for their capacity building.
- Local NGOs, those having need based infrastructure and network in the villages may be assigned for generating awareness, organizing workshops and training at the Panchayat level.
- The training programme for the GP level elected representatives should not be scheduled or organized during agricultural cultivation period that vary from region to region in the State.
- The participants other than functionaries should be provided actual travelling allowance and compensation for days consumed during training.

Many recommendations of M/s Santek Consultants and M/s CTREE were incorporated during framing of guidelines of RGSY Scheme in the first year of 11th Five Year Plan. The duration of training programme has been kept for a period of 03 days of elected representatives of PRIs and 05 days for Central and State level functionaries. In order to augment the training infrastructure, this Ministry has provided financial assistance to States for establishment of distance learning facility *via* satellite. Further, the financial assistance was provided to establish training institutes and resource centres in respect of the Hilly States and States of North East Region. The provision

of reimbursing the travel expense on actual Rail/Bus fare was made for the elected representatives only in the guidelines of RGSY Scheme.

The MoPR has now decided to undertake a fresh evaluation of RGSY through an expert agency identified by the UNDP under its Capacity Development for Local Governance (CDLG) Project. The selected agency (CTRAN) has been assigned the task in July 2010 and expected to complete the same within 3 months.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Comments of the Committee

Please *see* Paragraph No. 25 of Chapter-I of the Report

Recommendation (Serial No. 21, Paragraph No. 5.17)

The Committee also find that the Ministry has not been able to adhere to the monthly expenditure plan under BRGF since inception of the scheme in 2005-06. They apprehend that this might have been one of the reasons for the reduction in the revised estimates for the BRGF over that of the budget estimates during the preceding years. They, therefore, recommend that suitable corrective measures in the implementation of BRGF may be initiated this year and the Committee may be apprised accordingly.

Reply of the Government

This point is amply covered in the response to Paras 3.9 and 3.16.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 24, Paragraph No. 5.20)

The Committee also recommend that the role of District Planning Committee (DPC) and the High Power Committee (HPC) should change from approval of plans under BRGF to preparation, guidance, coordination and support to the local planning process and strengthening of horizontal coordination between PRIs and line departments. Further, technical capacity

of DPCs may be strengthened. The Ministry may consider empowering the States to allow PRIs to choose the service that is most useful for them under the capacity building component.

Reply of the Government

The Ministry has already advised the State Governments on the role the DPCs and HPCs should perform (a copy of the circular dated 07.10.2009 in this regard is placed at **Annex-12**).

Regarding strengthening technical capacity of DPCs, the Ministry had forwarded the list of Technical Support Institutions (TSIs) to the States with the suggestion to engage them for strengthening capacities of local bodies and DPCs in Plan preparation and consolidation under the BRGF.

The Planning Commission had proposed to launch a scheme for support to planning process at the National, State and District levels which will include strengthening capacities of the DPCs. The Ministry had supported the proposal of the Planning Commission. However, in April 2010 the Planning Commission had informed that though there was no budget allocation for the scheme in 2010-11, yet the scheme would be better handled by the MoPR. Accordingly the MoPR has submitted an EFC Memorandum to the Ministry of Finance on 12/08/2010 on the Scheme for Support to Planning Process at National, State, District and Sub-District Levels.

The Ministry has examined the proposal to transfer a part of the Capacity Building grants to the ZPs for using it as per their perceived requirements and found it difficult do so for the following reasons:

- (a) The BRGF is an Additional Central Assistance (ACA) to the State Plans.
- (b) State Governments during the review meeting held on 23/04/2010 unanimously opposed (except for Andhra Pradesh) the proposal for transfer of Capacity Building funds to the Districts by passing the State Governments.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Comments of the Committee

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

Recommendation (Serial No. 27, Paragraph No. 5.35)

The Committee note with concern that only Rs. 85 lakh has been released by the Ministry during 2009-10 so far out of the budget estimates of Rs. 3.60 crore for the Panchayat Mahila Evam Yuva Shakti Abhiyan (PMEYSA) which reflects poor financial achievement of the scheme by the Ministry in different States and Union territories. They also find that non-availability of proper training institutes in various parts of the country may be a hindrance for implementing this scheme. They also note that the Ministry is not utilizing the services of reputed NGOs and the training institutes of Government of India. While recommending for retrospection by the Ministry for better implementation of this scheme, the Committee recommend that the Ministry may consider involving reputed training institutes of Government of India like the National Institute of Public Cooperation and Child Development (NIPCCD) and reputed NGOs in different States for training the functionaries and office bearers of different Panchayati Raj Institutions.

Reply of the Government

The actual expenditure under the scheme of PMEYSA during the year 2009-10 is Rs. 2.40 crore. The performance of the scheme was reviewed by the Secretary, Panchayati Raj in a meeting held on 10.3.2010 with the representatives of State Governments, Conveners PMEYSA and Nodal Agencies and communications have been issued to them for taking suitable action on various aspects of PMEYSA including the Capacity Building and training of Elected Women Representatives (EWRs).

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 28, Paragraph No. 5.48)

The Committee note with concern that during 2009-10 the utilisation of funds meant for the training and capacity building component of the

Rashtriya Gram Swaraj Yojana (RGSY) has not been satisfactory as they were informed that only 69 per cent of the funds have been released under the Yojana so far and only 1.37 lakh elected representatives and functionaries of Panchayati Raj Institutions (PRIs) have been trained by States and NGOs upto 31 December, 2009 *i.e.* 14.29 per cent of the physical targets for providing training to Elected Representatives and officials has been achieved till December, 2009. The Committee feel that even though there is a larger need for training and capacity building the Ministry has not been able to successfully release the funds to the implementing agencies at the first instance, resulting in poor financial achievement. The Committee, therefore, recommend that suitable corrective measures for better performance of the scheme may be initiated and the Committee be apprised accordingly.

Reply of the Government

During 2009-10 the BE of Rs. 45 crore was slightly reduced due to internal re-appropriation. The RE of Rs. 44.23 crore was fully released to the Implementing Agencies.

The figures for numbers of ERs of PRIs trained are provided by the Implementing Agencies generally with a time lag since training programmes are conducted in most of the States in decentralized manner at various levels. The Ministry has sought to correct this practice by introducing a system of online reporting of progress wherein the data regarding Physical/Financial progress of the scheme would be uploaded by the Implementing Agencies themselves which would be available to the Ministry for monitoring as well as to general public for viewing. The system has been started but would take some time for stabilizing.

Efforts are also being made to make the system of release of funds to the Implementing Agencies more effective. During 2010-11, as on 18-08-2010, Rs. 27.05 crore, *i.e.* 54.11% of the allocation has been released, out of which Rs. 18.30 crore is under Training Component and Rs. 8.75 crore is under Infrastructure Development Component.

During 2009-10, 2.94 lakh Elected Representatives and 51000 Functionaries of PRIs have been provided training by the States/UTs

as per the report received in respect of 28 States and 2 UTs. During current year, 42253 Elected Representatives have been trained upto July, 2010 as reported by 12 States. Information is being collected from all the States.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 29, Paragraph No. 5.49)

In so far as performance of the infrastructure development component of RGSY is concerned, the Committee have found from the reply that Rs. 5 crore only was provided for betterment of infrastructure development during 2009-10 which has reportedly been fully utilized. The Committee feel that this amount is too meagre for this important component of the RGSY and recommend that it should be substantially increased.

Reply of the Government

The allocation for Infrastructure Development Component has been raised from Rs. 5 crore in 2009-10 to Rs. 10 crore in 2010-11. The matter would be taken up again with the Planning Commission while sending proposals for Annual Plan 2011-12.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 30, Paragraph No. 5.50)

The Committee note the reply of the Ministry that only seven States have been covered under RGSY and no gender specific data is being maintained for this scheme. The Committee recommend that gender specific information of beneficiaries in each of the States and Union territories along with the information on beneficiaries of the weaker sections may be given in the next Outcome Budget of the Ministry.

Reply of the Government

During the year 2009-10, RGSY funds were released to 16 States as per details at **Annexure-13**. The Ministry had requested all the States to

compile gender specific information of beneficiaries as also information on beneficiaries of weaker sections. As on 12.08.2010, it has been reported by 9 States that 10794 numbers of Women ERs and 17195 ERs from weaker sections (SC/ST/OBC) have been covered in the training programmes.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 31, Paragraph No. 5.55)

The Committee note with concern poor financial performance of the Action Research and Research Studies during 2009-10 in which they were informed that the financial achievement under the scheme was only 17.04 per cent. They also note that no specific physical targets are fixed under the scheme. The Committee find that out of 19 identified themes, the Ministry has sanctioned 11 studies whereas 5 themes have been deferred and another 2 studies have been dropped. This proves that all is not well with implementation of Action Research and Research Studies. The Committee, therefore, urge the Ministry to initiate suitable corrective measures for better implementation of scheme during 2010-11.

Reply of the Government

The scheme is formulated to guide the Ministry in formulation of appropriate policies as also to identify and remove the gaps in the effective implementation of the provisions of Part IX of the Constitution. The objective of the Action Research and Research Studies is primarily to provide financial support for proposals that aim at in-depth analysis of long-term issues, impacts and experiences in Panchayati Raj across the country and evaluate the programmes implemented by the PRIs in the States.

During the year 2009-10, out of the 19 themes identified, studies on 14 themes have been sanctioned to various research organizations/institutions, two themes have been dropped since the Ministry has already got the information and data. Three themes have been deferred as it was found that the objectives of the said themes were more or less on the same lines as to the ToRs of two studies sanctioned in the past. Therefore, it was decided

that before a decision is taken on the said three themes, the Ministry should wait and request the concerned organization to submit the report in order to avoid the duplication of work. In addition to these 19 themes, 4 more studies were sanctioned based on the needs of the concerned divisions of this Ministry.

So far financial achievement is concerned, out of Rs. 1.75 crores (R.E.) for the year 2009-10, an amount of Rs. 1.61 crores were spent, which is about 92 per cent.

During the current financial year, Ministry is in the process of identifying new themes based on the requirements of the Ministry.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

CHAPTER III

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

Recommendation (Serial No. 17, Paragraph No. 4.79)

The Committee note that the report of the Thirteenth Finance Commission (2010-15) has since been submitted to the President of India and the same is under consideration for implementation. They also note the reply that the recommendations made by the State Finance Commissions play an important role in the award of the Central Finance Commission for augmentation of resources of the PRIs. The Committee also note that as on date no final decision regarding implementation of the recommendations of the Thirteenth Finance Commission has been made. They urge the Government to initiate measures for implementation of the said recommendations of the Finance Commission immediately. Further they also desire that the Government should find out ways and means for more effective utilisation of recommendations made by the different State Finance Commissions.

Reply of the Government

Based on the Cabinet approval, the Ministry of Finance has already issued an Explanatory Memorandum/Action Taken Report on 25th February, 2010 regarding the acceptance of the recommendations of the 13th Finance Commission. A letter dated 14th May, 2010 from Secretary, Panchayati Raj has already been issued to the Chief Secretaries of all States for taking preparatory action on the implementation of the recommendations of the 13th FC and particularly operationalisation of the conditions prescribed for drawl of the Performance Grant Component as well as other measures suggested by the 13th FC for strengthening the local bodies framework.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 20, Paragraph No. 5.16)

The Committee are concerned to note that the financial achievement of the BRGF has been reduced from 99.99 per cent in 2008-09 to 88.28 per cent in 2009-10. The fact that no physical targets are fixed under the scheme and expenditure is not up to the mark as admitted by the Secretary, gives the impression that the BRGF being implemented in 250 districts of 27 different States is losing its momentum. Non-fixing of physical targets year after year have resulted in improper assessment of the scheme. The Committee are also constrained to note that the capacity building component of the BRGF has not been used properly in almost all the States and there is no linkage between the funds given at the National Level, State Level and the Zila Parishad Level. The Committee, therefore, strongly recommend that the Ministry of Panchayati Raj should find ways and means to have a linkage for capacity building at all these levels and fix some physical targets for the scheme and the objectives of the Programme may be suitably restructured to show a clear logical framework (from inputs to impacts) with specific results, indicators and progress measures so that BRGF can be assessed properly.

Reply of the Government

There was 100% achievement against the budgetary allocation (RE Stage) in 2009-10 as well, by 31.03.2010. BRGF is intended mainly to provide untied grant to the local bodies. Since the BRGF Programme envisages preparation of plans by local bodies, integration of local plans into District Plans by the DPCs and final approval of the District Plan by the State High Powered Committee, fixing of physical targets for implementation by the Ministry will be against the spirit of decentralization and participatory planning. The Ministry has set annual targets for itself towards receiving, processing and consequently releasing funds against 250 District Plans from all the BRGF districts and 27 capacity building plans. Monitoring the performance of about 1 lakh Planning Units at the local body level *vis-à-vis* targets fixed by them would be a difficult proposition for the Ministry at current stage. The Ministry has, therefore, developed a web-based monitoring system on Plan Plus whereby the performance of planning units could be assessed online against the targets fixed in their respective Plans.

Under the capacity building component of BRGF, the Ministry releases funds to the States who in turn transfer the same to the nodal agencies (usually, the SIRDs) for implementation of training programmes and provision of training infrastructure. The Ministry had earlier set the target of covering all the elected representatives of PRIs for at least one training course during their five year tenure. For 2010-11 MoPR has advised the States to provide at least one training of 3 days duration to each elected representatives of the PRIs. The Ministry in this regard has also advised the States for availing/pooling resources available under various schemes such as the Capacity Building Component of BRGF, Rashtriya Gram Swaraj Yojana (RGSY), MGNREGS, etc.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 22, Paragraph No. 5.18)

The Committee also observe that one of the reasons for slower implementation of the programme as admitted by the Ministry is delayed transfer of funds from the State Governments to the implementing entities, *e.g.* Panchayats. They also note that the Ministry has invoked provision of charging penal interest from the State Governments for cases of delayed transfer of Grants from States to the Panchayats. The Committee find that the Ministry of Panchayati Raj has not fixed responsibility themselves for delay in releasing of grants.

Reply of the Government

The Ministry of Panchayati Raj has fixed target of 15 days to complete the processing of proposals received from the State Governments complete in all respects and has been observing these norms.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

Recommendation (Serial No. 23, Paragraph No. 5.19)

The Committee also note that at present the Ministry displays district-wise entitlement under BRGF in advance whereas the State Governments have been given the task to inform the Panchayati Raj Institutions about their

entitlement during the financial year. They also note that as per the guidelines of the scheme the State Government should indicate the normative formula for the allocation of BRGF funds to each PRIs. The Committee find that this is not being done in most of the cases rendering the system to be ineffective from the point of view of the Panchayats. They are of the opinion that Ministry of Panchayati Raj can obtain the normative formula from the respective State Governments and place the allocation of each Panchayat on their website at the beginning of the financial year. Action taken in this regard may please be intimated to the Committee at the earliest.

Reply of the Government

The formula accepted by the various States for *inter se* allocation of the BRGF funds among the local bodies, is given in tabular form in **Annexure-11**.

[Ministry of Panchayati Raj, OM No.G-20012/3/2010-B&F,
dated 22.9.2010]

CHAPTER IV

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

Recommendation (Serial No. 12, Paragraph No. 4.50)

The Committee note that the Capacity Building and Training of Elected Representatives is one of the important aspects of the Panchayati Raj system in the country. They are surprised to find that the Ministry of Panchayati Raj do not have information even about the number of Panchayat Ghar buildings in the States of Arunachal Pradesh, Jammu & Kashmir, Meghalaya, Mizoram, Nagaland, Uttarakhand and in all Union territories of the country except Delhi and Chandigarh as on date. The Committee also cannot understand how in the absence of such basic information as also information regarding availability of electricity in the Panchayat Ghar/Office/Bhawans, the Ministry ambitiously plans for computer connectivity to Panchayats. The Committee, therefore, recommend that the Ministry should obtain the latest information regarding number of Panchayat Ghars in all States and Union territories and inform them accordingly. The Ministry may also in consultation with other Ministries draw up a Plan under which Panchayat Ghars for all the Panchayats can be constructed by pooling resources of different Centrally Sponsored and Central Sector Schemes together in a time bound manner. In view of the proposed 50 per cent reservation to women in Panchayati Raj Institutions at three levels and the fact that such reservation for women has already been made in States like Bihar, Chhattisgarh, Himachal Pradesh, Kerala, Madhya Pradesh, Rajasthan and Uttarakhand, it should also be ensured that the Panchayat Ghars have the provision for office space and basic amenities like toilets etc.

Reply of the Government

Ministry has been encouraging the State Governments to give priority for the construction of Panchayat Ghars availing funds from the various

available sources including MGNREGS, BRGF and RGSY. A circular dated 21st January, 2010 has been issued in this regard (**copy at Annexure-6**). MoRD has also included construction of Panchayat Ghars as eligible item of work under the MGNREGS.

[Ministry of Panchayati Raj, OM No. G-20012/3/2010-B&F,
dated 22.9.2010]

Comments of the Committee

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

CHAPTER V

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

Recommendation (Serial No. 5, Paragraph No. 4.5)

The Committee note with concern that the Ministry of Panchayati Raj does not have requisite information regarding holding of four Gram Sabha meetings in a year or holding of Mahila Sabha and Ward Sabha meetings in the different States and Union Territories across the country. Maharashtra is the only State which has reported organizing Mahila Sabha meetings before Gram Sabha meeting. Information in this respect is yet to be collected from other States/Union Territories. The Committee feel that by merely circulating a circular on 2.10.2009 regarding holding of the regular Gram Sabha meetings and declaring 2009-10 as the 'Year of Gram Sabha' does not complete the enormous task entrusted to the Ministry of Panchayati Raj. The Committee, therefore, urge the Ministry to find out the details of holding of Gram Sabha, Mahila Sabha and Ward Sabha meetings in all States and Union Territories without any further delay. They also desire the Ministry to circulate a model format regarding conduct of Gram Sabha meetings to each Gram Panchayat in the country and inform the Committee accordingly.

Reply of the Government

The States and UTs were sensitized *vide* circulars dated 2.10.2009 about the importance of activating Gram Sabhas, Mahila Sabhas, Ward Sabhas etc. It was also indicated that the good practices that provide for people's assemblies below the Gram Sabha such as Ward Sabhas, Mahila Sabhas and Bal Sabhas should be promoted and the Ward Sabhas etc. need to meet before the Gram Sabha meetings. In this context "Monitoring Format for Gram Sabhas" was also circulated to the States/UTs in which General Information about the Village Panchayat and also the details about functioning, meetings etc., of Gram Sabha could be incorporated. To ascertain the position about

the activities undertaken by the States/UTs in this behalf, all States/UTs have been requested to intimate the position and also indicate the reasons for not holding the meetings of the Mahila Sabhas before the meeting of the Gram Sabhas in the concerned cases.

Comments of the Committee

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

Recommendation (Serial No. 9, Paragraph No. 4.36)

It is quite surprising to find that the Ministry of Panchayati Raj do not have information on the exact number of District Panchayats in the country as on date. The Committee note with concern that 619 different rural districts have only 543 District Panchayats. In this age of super connectivity and information technology, the Ministry of Panchayati Raj is still maintaining the information in this regard which was last collected during 2007-08. While expressing their dissatisfaction over the way in which the Ministry of Panchayati Raj is maintaining the information on number of District Panchayats, Intermediate Panchayats, Village Panchayats and number of villages in the country, the Committee, strongly recommend that the Ministry should always maintain the updated information in this regard with them.

Reply of the Government

All the States/UTs were requested to furnish information regarding 'details of rural districts that do not have District Panchayats' *vide* our letter dated 25.03.2010. Four subsequent reminders dated 30.03.2010, 26.04.2010, 01.06.2010 and 15.7.2010 also have been sent requesting to furnish the requisite information immediately.

In this regard, requisite information has been received only from 18 out of 25 States and 5 out of 6 UTs so far. Details from the remaining 7 States (Assam, Gujarat, Jammu & Kashmir, Orissa, Rajasthan, Tamil Nadu and Goa) and 1 UT (Dadra & Nagar Haveli) are yet to be received.

A consolidated statement in respect of 18 States and 5 UTs is enclosed as at **Annexure-5**. We are pursuing with the defaulting 7 States and one UT to provide the relevant information and the same will be provided immediately after receipt of the requisite information from them.

The Ministry of Panchayati Raj has developed an online facility *viz.* National Panchayat Directory, which is part of National Panchayat Portal, where States can feed and update the information (such as name, parent local body, constituent villages etc.) relating to Panchayats at different tiers. With a view to ensure availability of updated information, an advisory has also been issued to States/UTs for online uploading of the latest information on this online directory.

Comments of the Committee

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

Recommendation (Serial No. 13, Paragraph No. 4.54)

The Committee observe that the Ministry of Panchayati Raj do not have information on constitution and functioning of Ward Sabhas and Mahila Sabhas in different Panchayats. They also note that except in Jharkhand, Pudducherry and Tripura, Standing Committees of Gram Panchayats are reportedly constituted. The Committee find that only in Maharashtra, Mahila Sabhas precede the Gram Sabha meetings. Therefore, the reason for not holding the Mahila Sabha meeting before the Gram Sabha may be obtained from the States other than Maharashtra and all Union Territories expeditiously and the Committee be informed accordingly. The Committee would like the Ministry to collect the detailed information immediately as is the case in each State and Union Territory and inform them accordingly.

Reply of the Government

The States and UTs were sensitized *vide* circulars dated 2.10.2009 about the importance of activating Gram Sabhas, Mahila Sabhas, Ward Sabhas etc. It was also indicated that the good practices that provide for people's assemblies below the Gram Sabha such as Ward Sabhas, Mahila Sabhas and Bal Sabhas should be promoted and the Ward Sabhas etc., need to meet before the Gram Sabha meetings. In this context "Monitoring Format for Gram Sabhas" was also circulated to the States/UTs in which General Information about the Village Panchayat and also the details about functioning, meetings etc., of Gram Sabha could be incorporated. To ascertain the position about the activities undertaken by the States/UTs in this behalf all States/UTs have been requested to intimate the position and also indicate the reasons for not

holding the meetings of the Mahila Sabhas before the meeting of the Gram Sabhas in the concerned cases.

Comments of the Committee

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

Recommendation (Serial No. 18, Paragraph No. 4.80)

The Committee recommend that Ministry of Panchayati Raj should impress upon the Ministry of Finance to issue detailed guidelines immediately regarding allocation and utilisation of funds recommended by the Thirteenth Finance Commission to the States and Union Territories.

Reply of the Government

Implementation of 13th FC recommendations has commenced from the fiscal year 2010-11. Pending issue of necessary guidelines on release and utilization of Grant, Ministry of Finance has already released the first instalment of Basic Grant for PRIs amounting to Rs. 2821.72 crore. In addition, an amount of Rs. 79.90 crore has also been released under 'Special Area Basic Grant' for the Schedule V & VI areas and areas where Part IX and IXA do not apply. Share of Basic Grant has not been released to Jharkhand and J&K due to non-existence of elected Panchayats in these States.

Comments of the Committee

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

Recommendation (Serial No. 25, Paragraph No. 5.26)

The Committee are concerned to note that the financial achievement of the Rural Business Hub Scheme during 2009-10 was only 32.78 per cent, whereas during 2008-09 the financial achievement for the scheme was 96 per cent. Further, even though 219 Memoranda of Understanding have been signed across 20 States during 2009-10 no information on functioning of any of the Rural Business Hubs (RBHs) could be provided. Therefore, the Committee cannot but conclude that the performance of RBH is not at all satisfactory. The Committee have their own doubts as to the time period within which the Ministry can establish and functionalize the RBH in each BRGF district of the country.

Reply of the Government

The financial achievement of the scheme of RBH during 2009-10 is 91%. It is further stated that after careful consideration, this Ministry has taken decision to have the scheme of RBH evaluated by an independent agency and accordingly after processing the matter as per the prescribed formalities, the assignment was given to an independent agency. The matter will be examined *inter alia* for taking suitable remedial measures with reference to their report.

Recommendation (Serial No. 26, Paragraph No. 5.27)

The Committee apprehend that the slow progress made in the implementation of RBH may result in delaying the technical support and marketing linkages that are much needed for providing and promoting rural areas and rural enterprises. They also note from the reply of the Ministry that it has not been fairly successful in getting viable RBH projects so far. The Committee, therefore, recommend the Ministry to find out the reasons for this slow progress and initiate necessary corrective steps in the implementation of the scheme immediately and intimate them accordingly.

Reply of the Government

The financial achievement of the scheme of RBH during 2009-10 is 91%. It is further stated that after careful consideration, this Ministry has taken decision to have the implementation of the scheme of RBH evaluated by an agency and accordingly after processing the matter as per the prescribed formalities, the assignment was given to an independent agency. The matter will be examined *inter alia* for taking suitable remedial measures with reference to their report.

NEW DELHI;
25 February, 2011

6 Phalguna, 1932 (Saka)

SUMITRA MAHAJAN,
Chairperson,
Standing Committee on Rural Development.

ANNEXURE I

No. N-11019/681/08-Pol.I

Government of India
Ministry of Panchayati Raj

Krishi Bhavan,
New Delhi-110001.

Dated: 19th January, 2009

From: A.N.P. Sinha,
Secretary.

To: Secretaries,
All Ministries/Departments of Government of India.

***Subject: Delineation of role and responsibilities of Panchayati Raj
Institutions (PRIs) in CSSs/ACASs.***

Sir,

According to Art. 243 of the Constitution, State legislatures are to *inter alia* endow Panchayats with such powers and authority as may be necessary (i) to enable them to function as institutions of Local Self Government (LSG), (ii) to prepare plans and schemes for economic development and social justice, and (iii) implement them *including* those in relation to 29 matters listed in the Eleventh Schedule (Annexure-I). These Constitutional provisions have, however, not been used as an effective trigger to make Panchayats function as institutions of LSG. While most States have strong Panchayati Raj Acts that purport to devolve extensive powers, functions and responsibilities on Panchayats, there persists in many States, weak administrative action in regard to *actual* transfer of Functions, Funds and Functionaries (3Fs) to the Panchayati Raj Institutions (PRIs).

2. The Union Government has a critical role to play in the devolution of 3Fs upon the PRIs, because of its basic responsibilities to ensure governance in accordance with the Constitutional provisions and also because of the increasingly large fiscal transfers it makes to the States in the functional domain of the PRIs, mainly through Centrally Sponsored Schemes (CSSs) and Additional Central Assistance Schemes (ACASs). Every scheme

guideline is a potential vehicle to carry the message of strengthening Panchayats as envisaged by the Constitution and the impact of such signals cannot be underestimated.

3. Doubts are often expressed about the capacity and accountability of PRIs. This is a vicious circle since, unless 3Fs are devolved, the PRIs would not be able to prove their comparative advantage. Empowering Panchayats, with clear roles and authority assigned to different levels through activity mapping, is a strong incentive to build capacity and also to get other pre-requisites for effective performance into place. This is amply proved by the implementation of NREGA through the Panchayats, which after some initial difficulties has now stabilized. This Ministry (MoPR) is working at addressing the overarching elements of capacity for PRIs which include, *inter alia*, necessary trained manpower, a simple & robust accounting & auditing system, providing IT facility & connectivity for all aspects of e-Governance, seamless transfer of funds and real time tracking of expenditure, and training elected representatives & official functionaries on their roles & responsibilities including and especially in implementation & monitoring of schemes. The memorandum submitted by this Ministry to the 13th Finance Commission, even if partially accepted, would go a long way in enabling PRIs financially, administratively and otherwise to perform their functions meaningfully and smoothly.

4. It is widely recognized that most of the schemes exist in silos, planned and implemented as stand alone schemes, without any horizontal convergence or vertical integration, resulting in multiple district plans — unrelated to each other and often mutually conflicting — prepared without any integrated vision or perspective. The existing mechanism of implementation is also not very effective, efficient and economical. Ownership, operation & maintenance of the assets & services that are created, levy of user charges and such issues remain unresolved.

5. The much needed convergence of related schemes & resources is possible only through the mechanism of constitutionally mandated decentralised and holistic planning through LSGs and the District Planning Committees (DPCs). The Guidelines issued by Planning Commission on August 25, 2006 go a long way in this direction. The Eleventh Plan document also seeks to substantially empower and use PRIs as the 'primary means of delivery of

essential services that are critical to inclusive growth' (para 1.147). It details several steps such as activity mapping, creation of Panchayat sector windows in the State & Central budgets, and IT enabling of Panchayats as key steps in this direction.

6. Through his D.O. letter dated November 8, 2004, Cabinet Secretary had conveyed to all Union Secretaries dealing with CSSs, the Prime Minister's directive that they should review their respective schemes in the light of Article 243(G) read with the Eleventh Schedule with a view to incorporating in the schemes, the import of the Constitutional provision in letter and spirit. MoPR was required to be consulted in this exercise and the same was to be completed within two months. Cabinet Secretary again reminded the Secretaries in 2005 and 2006. Since progress made by the Ministries/Departments in this regard was not satisfactory, a Committee was set up by the Cabinet Secretariat in August, 07 (copy at Annex-II) to review the existing Guidelines so as to ensure and enhance the centrality of PRIs in the planning and implementation of CSSs. The report of the Committee has been furnished to the Ministries concerned. But the progress in the matter is slow.

7. The departmental CSS and ACAs guidelines have not taken a consistent approach to institutional structures for implementation. Therefore, they could be panchayat-friendly, panchayat-parallel, panchayat-ignorant or panchayat-unfriendly, often depending upon the personal experience of the designer rather than on the constitutional position in regard to Panchayats. Quite often, they are ambivalent. While on the one hand they might leave the engagement of Panchayats optional on the ground that local government is a State subject, on the other hand, they also might contain rigid conditionalities such as the setting up of district missions etc., which can turn the clock back on Panchayati Raj. We also, however, have schemes that have incentivized States to devolve more powers and responsibilities to the Panchayats. We believe that if the scheme guidelines follow certain key principles of devolution of 3Fs to the PRIs, States would follow these in respect of their own schemes.

8. Any direct and upfront involvement of PRIs in the planning and implementation of CSSs/ACAs, that is otherwise done through departmental

structures, does impact outcomes positively by making interventions more appropriate, location-responsive and user-friendly. The scheme guidelines, therefore, need to be modified to (a) provide centrality to PRIs (which would also enhance the coverage & outreach), and (b) specify roles & functions of different levels of Government, including the three tiers of the PRIs, through detailed Activity Mapping.

9. Improperly designed Activity Mapping, however, could leave local governments both confused and ill equipped to perform functions and open them to criticism. Activity Mapping implies that subjects are not sought to be devolved wholesale. Subjects need to be unbundled into activities and assigned to different levels of government on the basis of clear principles of public finance and public accountability, and above all, the governance principles of Subsidiarity, Democratic Decentralisation, and Citizen-Centricity. The result of good activity mapping would be to clearly identify where competency, authority and accountability lie. Contrary to persisting notions, there is little gain or loss of power through Activity Mapping. On the contrary, it helps the key players in understanding their respective roles and responsibilities clearly. Good activity mapping would permit higher levels of government to concentrate more on policy making, legislation, system building, addressing issues of equity & regional imbalance and in more effectively discharging oversight responsibilities.

10. An indicative model format of Activity Mapping is given at Annex-III. Once the Activity Mapping is conceptualized, the scheme guidelines need to address the following aspects:—

- (a) Annual action plan of the scheme to flow out from the participatory & holistic decentralised Plan of the concerned tier.
- (b) Every activity assigned to a specific level of Panchayat to be supported with appropriate authority over functionaries and powers to handle finances.
- (c) Provision of sufficient untied/flexible funds for addressing specific local needs and also for meeting the additional administrative expenses of PRIs on account of the scheme.

- (d) Specific mode and time line by which funds are transferred, the entities that handle funds and the system of utilisation report. Seamless and time bound flow of funds to the expenditure levels or just-in-time delivery of funds would both require IT for electronic tagging and tracking of funds.
- (e) Specific measures to build competencies at the appropriate level with training programmes, modalities of training, basic core content and pedagogy, FAQs, self learning tools, IEC literature etc. 1-2% of the total funds could be earmarked as non-divertible for the purpose.
- (f) The method by which accountability will be measured and enforced.
- (g) How data on the planning and implementation of the scheme will be placed in the public domain through *suo moto* disclosures, its process and periodicity.
- (h) Details of the annual audits and evaluation mechanisms prescribed.
- (i) Systems for financial accountability taking care not to violate specific financial rules and guidelines.
- (j) System of performance based rewards for Panchayats, as done in the case of Rural Sanitation Programme (Nirmal Gram Puraskar).

11. Often, Parallel Bodies (PBs) are created for supposedly speedy implementation and greater accountability. However, there is little evidence to show that such PBs have avoided the evils including that of partisan politics, sharing of spoils, corruption and elite capture. 'Missions', in particular often bypassing mainstream programmes, create disconnect, duality, and alienation between the existing and the new structures and functions. In addition, there are issues of continuity beyond the life of CSSs/ ACASs, subsequent operation & maintenance and continued accountability. PBs usurp the legitimate space of PRIs and demoralize the PRIs by virtue of their superior resource endowments, though such resources are available only during the lifetime of schemes. Arguments such as protection of funds from diversion have now weakened since advances in core banking systems,

treasury computerization and connectivity can enable instantaneous, seamless and just-in-time transfer of funds directly to the implementing PRI. Expenditures by PRIs can also be monitored on a real time basis thus doing away with the need for intermediate parallel bodies to manually transfer funds and collect, pool and analyse data on expenditures. Ministries should, therefore, rapidly phase out such PBs from their schemes. If necessary, the technical & professional component of these PBs could be retained as Cells or Units within the PRIs, for carrying out their technical & professional functions.

12. In conclusion, it is requested to kindly do the activity mapping urgently in conformity with the above suggestions, amend scheme guidelines accordingly and give effect to these from 1.4.09. We are available for any assistance in the matter. Action taken may be conveyed to us at the earliest.

Yours faithfully,

Sd/-
(A.N.P. Sinha)

Copy to :

- (a) Chief Secretaries, All States/UTs.
- (b) Principal Secretaries/Secretaries, Departments of Finance/Planning/
Panchayati Raj, All States/UTs.

Appendix I of Annex-1

¹ELEVENTH SCHEDULE
(Article 243G)

1. Agriculture, including agricultural extension.
2. Land improvement, implementation of land reforms, land consolidation and soil conservation.
3. Minor irrigation, water management and watershed development.
4. Animal husbandry, dairying and poultry.
5. Fisheries.
6. Social forestry and farm forestry.
7. Minor forest produce.
8. Small scale industries, including food processing industries.
9. Khadi, village and cottage industries.
10. Rural housing.
11. Drinking water.
12. Fuel and fodder.
13. Roads, culverts, bridges, ferries, waterways and other means of communication.
14. Rural electrification, including distribution of electricity.
15. Non-conventional energy sources.
16. Poverty alleviation programme.
17. Education, including primary and secondary schools.
18. Technical training and vocational education.
19. Adult and non-formal education.
20. Libraries.

21. Cultural activities.
22. Markets and fairs.
23. Health and sanitation, including hospitals, primary health centres and dispensaries.
24. Family welfare.
25. Women and child development.
26. Social welfare, including welfare of the handicapped and mentally retarded.
27. Welfare of the weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.
28. Public distribution system.
29. Maintenance of community assets.]

¹Added by the Constitution (Seventy-third Amendment) Act, 1992, s. 4 (*w.e.f.* 24.4.1993).

Annexure II of Annex-1

No.503/9/2/2007-CA-IV
CABINET SECRETARIAT
RASHTRAPATI BHAVAN

New Delhi, dated the 8th August, 2007

ORDER

Government has decided to constitute a Committee with the following composition to review modifications to be made in the existing guidelines for Centrally Sponsored Schemes to ensure the centrality of Panchayati Raj Institutions in the planning and implementation:

- (i) Secretary (C&PG), Cabinet Secretariat — Co-Chairperson
- (ii) Secretary, M/o Panchayati Raj — Co-Chairperson
- (iii) Secretary of the Administrative Ministry/Department concerned with the Centrally Sponsored Scheme.

2. The Committee will review action taken to modify guidelines for Centrally Sponsored Schemes in the light of Article 243(G) read with the Eleventh Schedule of the Constitution in pursuance of Cabinet Secretariat's D.O. letter No. 563/9/2/2004-CA-IV dated 8.11.2004.

3. This issues in supersession of Order of even number dated 26th July 2007.

Sd/-
(C.S. Kedar)
Joint Secretary to the Govt. of India
Tel: 23011964

To
Secretary, M/o Panchayati Raj,
Secretary (C&PG), Cabinet Secretariat,

Copy to:—

Principal Secretary to the Prime Minister.

Sd/-
(C.S. Kedar)
Joint Secretary to the Govt. of India
Tel: 23011964

Annexure IIA of Annex-1

MOST IMMEDIATE

**CABINET SECRETARY
NEW DELHI**

D.O. No. 563/9/2/2004-CA-IV

November 8, 2004

B.K.CHATURVEDI

Dear Secretary,

Prime Minister has directed that all Ministries which are operating Centrally Sponsored Programmes be requested to review their respective schemes in the light of Article 243(G) read with Eleventh Schedule with a view to incorporating in the schemes, the import of constitutional provisions in letter and spirit. Ministry of Panchayati Raj may also be consulted in undertaking the exercise. This revised exercise may be completed in the next two months. Ministries/Departments are requested to strictly adhere to the time limit in carrying out the review.

2. I shall be grateful if you could take them up expeditiously and send status report to us.

With regards,

Yours sincerely,

Sd/-
(B.K.Chaturvedi)

Secretary,
Department of

INDICATIVE FORMAT FOR ACTIVITY MAPPING

Broad function	Specific Activity	Central Govt.	State Govt.	DPCs	Panchayati Raj Institutions District Inter-mediate	ULBs	GS/GP Stg./Comm.	SHG, CBO, etc.		
1	2	3	4	5	6	7	8	9	10	11
A. Functions										
Framing Scheme	<ul style="list-style-type: none"> Objective, design, Standards etc. 									
Planning	<ul style="list-style-type: none"> Building data base Preparation of macro plans Preparation of micro plans Approval of micro plans Consolidation of plans 									
Asset Creation and Operation	<ul style="list-style-type: none"> Identification of project/land/site 									

1	2	3	4	5	6	7	8	9	10	11
	<ul style="list-style-type: none"> • Payment of salary etc. • Disciplinary control • Attendance monitoring • Performance evaluation 									
	C. Funds									
	Financial approval, Accounting and audit	<ul style="list-style-type: none"> • Untied/flexible funds • Financial approval • Authorization to release • Reporting of expenditure • Expenditure review • Maintenance of accounts • Quick audit 								

Abbr.: **DPC**-District Planning Committee, **ULB**-Urban Local Body, **GS**-Gram Sabha, **Stg. Comm.**-Standing Committee, **SHG**-Self Help Group, **CBO**-Community Based Organisation.

ANNEXURE II

No. N-11011/59/2006-Policy 1(Pt.)
Government of India
Ministry of Panchayati Raj

Krishi Bhavan, New Delhi-110 001.

Dated: 1st December, 2009

From: A.N.P. Sinha,
Secretary.

To: Chief Secretaries,
All States/UTs.

Subject: Guidelines for the devolution of Functions, Funds and Functionaries (3Fs) to the Panchayati Raj Institutions (PRIs) through Activity Mapping.

Sir,

It may please be recalled that this Ministry had issued a comprehensive advisory on 19.1.09 (copy enclosed as **Annex-I** may be seen at **Main Annex-1**) to the Union Ministries regarding delineation of role and responsibilities of the Panchayati Raj Institutions (PRIs) in CSSs/ACAs. It *inter-alia* elucidated:—

- (a) Constitutional provision, relating to the responsibilities of the PRIs in the planning and implementation of schemes;
- (b) Critical role of the CSSs/ACAs in devolution of 3Fs upon the PRIs (it included an indicative activity matrix);
- (c) Comparative advantages of PRIs over the departmental structures in the planning, implementation and monitoring of schemes;
- (d) PRIs and District Planning Committees (DPCs) as the appropriate mechanism for convergence of plethora of schemes, pooling of resources and better outcomes;
- (e) Essential features that scheme guidelines should incorporate; and

- (f) Disadvantages of creating parallel bodies to the exclusion/dilution of the role of the PRIs and its Committees.

In fact, these apply to the State Govt. schemes and functions too.

Need for Activity Mapping

2. It may be reiterated that Article 243G read with the Eleventh Schedule stipulates that States may, by law, endow the Panchayats with such powers and authority as may be required **to enable them to function as institutions of self-government**. Such laws may also endow powers and responsibilities upon Panchayats for the preparation and implementation of plans for economic development and social justice including in relation to the 29 matters listed in the Eleventh Schedule.

3. While across the key sectors, the State Panchayat laws mandate a role for the Panchayats, in most cases the law is ambiguous enough to allow for both decentralized and centralized modes of programme/service delivery to co-exist. The *de-facto* situation does not match the *de-jure* situation. In some cases, where the States have clearly devolved such responsibilities to the Panchayats, these are either (a) still largely being provided in a top-down manner through the State civil service machinery or (b) the ability of Panchayats to deliver these is limited because of the deficient financial and administrative powers and therefore services continue to fail the citizen.

4. Clarity on the role and responsibilities of the Panchayats of different tiers is provided by the Activity Mapping which, thus, becomes an important step in the devolution of functions to the Panchayats. It may be recalled that a Task Force on the Devolution of 3Fs to the Panchayats had submitted its report in 2001(available on our website: <http://panchayat.nic.in>). Some States had undertaken the Activity Mapping prior to the 2001 report and some are in the process of reviewing the Activity Mapping done earlier in the light of considerable changes that have taken place during the intervening period. The need to carry out a detailed review of the Activity Mapping and update the same is evident. The State-wise status of the Activity Mapping, as available with us is at **Annexure II**. The correct position if different may be intimated to us.

5. Further, the 2nd ARC in its Sixth Report relating to the Local Governance, has recommended that there should be a clear cut delineation of functions for each level of the local governance. This is not a one time exercise and has to be done continuously while working out locally relevant socio-economic programmes, restructuring organizations and framing subject matter laws (Para 3.3.17.a).

Steps in Activity Mapping

6. It may be noted that the Activity Mapping does not imply that the subjects are devolved wholesale. The Subjects or Sectors need to be unbundled and assigned to the different levels of Government on the basis of clear principles of public finance and public accountability, and above all, the governance principles of Subsidiarity, Democratic Decentralization and Citizen-Centricity. The result of good Activity Mapping would be to clearly identify where competence, authority and accountability lie. Good Activity Mapping would permit higher levels of Government to concentrate more on policy making, legislation, system building, addressing issues of equity and regional imbalances and effectively discharging oversight responsibilities.

7. The first step towards activity mapping is the unbundling of each sector into services, activities and sub-activities to a level of dis-aggregation that is consistent with the devolution. For example, Rural Education, Health, Drinking Water and Sanitation are Sectors. Rural Health would include services for Immunization, Vector Control, Primary Health Care. Similarly, Education would include services such as Primary, Secondary and Tertiary Education and Vocational Training. Services can be further unbundled into activities. For example—

- (a) The key activities in the delivery of drinking water may include the development of water supply systems, their O&M, and monitoring of their implementation. The essential sub-activities may include formulation of specific water supply schemes, technical appraisal and approval of the scheme, awarding contract, monitoring and supervision of the progress including quality control.

- (b) The Basic education could be unbundled into activities such as identifying and recruiting persons with appropriate teaching skills, monitoring teacher attendance, procuring & maintaining an inventory of educational materials & equipments, setting up school buildings with adequate drinking water & sanitation facilities, repairing & maintaining existing schools and ensuring an even spread of teachers, wherever necessary.
- (c) The Functions in the horticulture sector could be unbundled into activities such as identifying the most appropriate product in a given soil and temperature milieu, procurement of seeds with provision for timely supply, organizing production in nurseries, technical assistance through functionaries concerned, pest control, provision of price and marketing information and post-harvesting support.

8. There is generally a strong case for giving the Gram Panchayats the responsibilities of asset creation/operation/maintenance, while involving it in the planning process through the Gram Sabha; giving the middle tiers responsibilities for human capital development; and giving higher levels of Government the responsibility of policy, standards and monitoring of outcomes.

9. The detailed Activity Map prepared by Kerala State (available on our website: <http://panchayat.nic.in>) could be a good reference for the Activity Mapping. The States could consider adopting this with suitable modifications taking into account the wide diversity in their size (area & population), devolution of functions, relationship between the 3 Tiers, capacity of PRIs, terrain, climate, etc. Along with the activities to be devolved, some Institutions would have to be transferred to the Panchayats for maintenance and upkeep. An illustrative list of these Institutions is at **Annex-III**. *Finally, the Activity Map will need to be issued in the form of a detailed Government Order (GO).*

Transfer of Functions to the PRIs

10. Pursuant to the GO suggested above, each Line Department will need to issue orders for transfer of specific Schemes, which should be

relatable to the individual Heads of Account in the State Budget. Moreover, since long established codes prescribing technical standards and approval processes (such as the PWD code), circulars, OMs, transfer orders etc., would have tendency towards continued implementation of the devolved functions through the Line Departments, the Departments would need to issue consolidated revised guidelines for the schemes to be implemented through the Panchayats. The role and action to be taken by the institutions, officials and non-officials at different levels should be clearly mentioned in these guidelines. Moreover, the devolution should not be limited to the planning and promotional responsibilities but also the implementation. Parallel Bodies should not be created to implement the subjects devolved to the Panchayats and the existing ones should either be phased out or made technical units of the Panchayats for the reasons stated in para 11 of the letter dt. 19.01.2009.

Matching devolution of funds

11. For PRIs to perform the functions assigned to them effectively, they must be fiscally capable. Accordingly, in conformity with the devolution of functions, a Panchayat sector window should be opened through the insertion of an appropriate budget line in the budgets of the relevant Line departments. This would ensure the flow of funds for undertaking devolved activities to the appropriate level of Panchayats. This task should best be done as a part of the Budget exercise. However, it would also be possible to do this during mid-year with the approval of the State Legislature.

Matching devolution of functionaries

12. Currently, the administrative obligations of the Panchayats are fulfilled generally through the staff deputed by the State Government. The Panchayats do not have effective authority over the deputed staff or the authority to hire, transfer or take disciplinary action. Moreover, devolution of Functionaries need to be carried out to the appropriate level of the Panchayats according to the functional devolution. It would be necessary to create posts in the Panchayats and develop Cadre & Recruitment Rules to specify the terms and conditions of appointment or deputation, as the case may be. An illustrative list of functionaries to be devolved to PRIs is at **Annex.-IV** (available on our website). Our guidelines dt. 23rd October, 09 on Manpower for the PRI may also be referred to.

Role of the Gram Sabha and Committees

13. Realizing the importance of a vibrant Gram Sabha, the first Round Table of State Panchayati Raj Ministers at Kolkata on 24-25th July, 2004 (**Annex.-V**), *inter-alia*, recommended that the Gram Sabhas may be empowered through entitlement to all the information required for making the elected Panchayats answerable, approve plans and programmes (including budgets) prepared by the Gram Panchayats, authorize issuance of Utilization Certificates and identification of beneficiaries. *Gram Sabhas should in fact be given power and functions in accordance with Art. 243A of the Constitution to enable them to make the elected Panchayats answerable to the people.*

14. Further, the activity matrix annexed with our letter dated 19.1.2009, while indicating the broad functions along with specific activities under each function, also gives scope for assignment of activities to the District Planning Committees, Urban Local Bodies, Gram Sabhas, Standing Committees of the Gram Panchayat, etc. besides the 3 tiers of PRIs. This format may be used suitably so as to have a co-relation with the State level Activity Mapping.

Expectation

15. It is expected that the Activity Map and the consequential executive instructions, prepared in the aforesaid manner, would be an important trigger for the devolution of 3Fs to PRIs in the letter and spirit of the Constitution. It would also lead to effective planning, convergence and implementation of the plethora of Schemes/Programmes of the States and Central Government for better outcomes. We would be extending all assistance to the States, if they so wish, in this endeavour. A format for assessing/reporting progress on the Activity Mapping is available at our website.

Yours faithfully,

Sd/-
(A.N.P. Sinha)

Copy to: Principal Secretary, Panchayati Raj/Finance/Planning/Urban Development Departments, All States/UTs for follow up please.

Annexure II of Annex-2

**Devolution of Functions through Legislations and Activity Mapping
(Based on the information furnished by the State Governments and records of the Ministry)**

State	Transfer of matters listed in the Eleventh Schedule to the Panchayats through Legislation				Subjects Covered under Activity Mapping/ State Government Orders				Comments
	Zila Parishad	Mandal Parishad	Gram Panchayat		ZP	MP	GP		
1. Andhra Pradesh	1	23	21	The State act also contains general provisions that enables it to entrust through rules, powers and functions relating to all matters in the Eleventh Schedule	12	10	12	On the State Panchayati Raj Act: The AP Panchayati Raj Act has established the Panchayat system as a hierarchy, with the ZP at the top. Therefore, although only one clear original power relating to a matter listed in the Eleventh Schedule has been given to the ZP (to establish, maintain or expand secondary, vocational and industrial schools), it has also been given approval, coordination, planning and supervision powers over Mandals and powers to advise the Government. Comments on Activity Mapping: Government issued 9 Orders between January-March, 2008, devolving activities to the three levels of Panchayats as indicated.	
2. Assam	Zila Parishad	Anchalik Panchayat	Gram Panchayat		ZP	AP	GP	The State undertook a revised activity mapping exercise and published it <i>vide</i> its Notification bearing number PDA336/2001/Pr-III/32 dated 25 th June 2007. As per this notification, 21 functions listed in the 11th Schedule have been devolved to the 3 tier PRIs. It has also made provision in the State Budget to provide substantial funds to PRIs through a new budget line.	
	25	27	28		21	21	21		
3. Arunachal Pradesh	Zila Parishad	Anchal Samiti	Gram Panchayat					The Arunachal Pradesh Panchayati Raj Act, 1997 devolves all the 29 subjects, listed in the Eleventh Schedule, to atleast one of the tiers of Panchayats in the State.	
	25	28	28				29	The executive order for devolution of 29 subjects of Activity Mapping was issued on 21 st October, 2008 for devolution of 29 subjects covering 20 departments. There is overlap of some of the functions devolved to different tiers of Panchayats.	
4. Bihar	Zila Parishad	Panchayat Samiti	Gram Panchayat		Zila Parishad	Panchayat Samiti	Gram Panchayat	As per the Bihar Panchayati Raj Act, 2006, all the functions of the Eleventh Schedule have been devolved to either of the tiers of Panchayats. The State Government had issued executive orders in respect of 28 matters and only the subject "Technical training and vocational education has been excluded". The State propose to revisit the activity mapping aimed at greater devolution of functions, functionaries and funds to the Panchayat.	
	25	26	25		23	24	27		
5. Chhattisgarh								The Activity Mapping has been prepared for 27 subjects excluding drinking water supply and forests. The executive orders with respect to operationalizing Activity Mapping are yet to be issued in Chhattisgarh.	
		29							
6. Goa	Zila Panchayat	Village Panchayat						Out of 29 subjects to be devolved to Panchayats, 6 subjects have been transferred through legislation and 18 subjects have been covered under Activity Mapping. 18 matters are devolved to the Gram Panchayats while 7 matters are devolved to the Zila Panchayats. There is an overlap in assignment of responsibility between the two tiers.	
	7	18							
7. Gujarat								Following the process of Activity Mapping in Gujarat, out of 29 matters listed in the 11th Schedule, 14 have been fully transferred, 5 matters have been partially transferred.	
		15					19		

	Zila Parishad	Panchayat Samiti	Gram Panchayat	ZP	PS	GP	On the State Panchayati Raj Act: The Haryana Panchayati Raj Act has established the Panchayat system as a hierarchy, with the ZP at the top. It states, <i>inter alia</i> that ZP shall advise, supervise and co-ordinate the functions of the Panchayat Samitis in the district.	
							On Activity Mapping: In February 2006, an activity mapping was released by the Government through which activities of 10 departments, namely, Irrigation, Food and Supplies, Education, Public Health Department, Women and Child Development, Social Justice and Empowerment, Health Department, Animal Husbandry, Agriculture, and Forest Department. The ten departments cover ten matters listed in the Eleventh Schedule.	
8. Haryana	Only advisory, supervision and coordination powers	27	25	10	9	8		On the State Panchayati Raj Act: In respect of ZPs and PSs, the Act gives specific powers to the General body and its Standing Committees. Both have been reckoned in the overall devolution to the body. On Activity Mapping: A general notification on devolution of functions issued for 15 departments in July, 1996. However, only 8 departments have issued orders in 2001-02.
9. Himachal Pradesh	Zila Parishad	Panchayat Samiti	Gram Panchayat	ZP	PS	GP		No elections held to Panchayats.
10. Jharkhand	Zila Panchayat	Intermediate Panchayat	Gram Panchayat		0			Activity Mapping has been completed in accordance with the recommendations of the GOI task force, in August 2003.
11. Karnataka	Zila Panchayat	Taluk Panchayat	Gram Panchayat	ZP	TP	GP		Activity Mapping (Responsibility mapping) has been incorporated into the law through an amendment and matches legislative devolution. The responsibility mapping undertaken is now being revisited by the State.
12. Kerala	District Panchayat	Block Panchayat	Gram Panchayat	ZP	TP	GP		On the State Panchayati Raj Act: The MP Act, apart from devolving powers and responsibilities to the three Panchayat levels, has also devolved 18 matters to Gram Sabhas. On Activity Mapping: Executive orders have been issued for 25 matters. The State is revisiting Activity Mapping.
13. Madhya Pradesh	Zila Parishad	Janpad Panchayat	Gram Panchayat		25			Devolution in Maharashtra is derived from The Bombay Village Panchayats Act, 1958 and The Maharashtra Zila Parishads and Panchayat Samitis Act, 1961. Except the subject Non-Conventional Energy Sources, all other subjects of XIth Schedule are broadly covered in these legislations. It was reported that activities devolved to Panchayats are listed in the legislations itself.
14. Maharashtra	7	17	8		28			

15.

16.

17.

18.

19.

20.

21.

22. Uttar Pradesh	Zila Panchayat	29	Panchayat Samiti	29	Gram Panchayat	29	16	<p>The UP Panchayati Raj Act 1947 and The UP Kshetra Panchayats and Zila Panchayats Act, 1961 provide for devolution of functions.</p> <p>Functions relating to 12 departments have been transferred to Panchayats. Activity Mapping is still under the consideration of the Government.</p>
23. Uttara-khand	Zila Panchayat	29	Panchayat Samiti	29	Gram Panchayat	29	14	<p>The UP Panchayati Raj Act 1947 and The UP Kshetra Panchayats and Zila Panchayats Act, 1961 providing for devolution of functions are applicable in the State as the State legislation on Panchayati Raj is under preparation.</p> <p>The Activity Mapping of 11 departments related to 14 subjects was released in August 2005. However, the Government has not issued the necessary notifications to operationalize the Activity Mapping. Cabinet Sub-Committee has been constituted to consider the Activity Mapping and the outcome is awaited.</p>
24. West Bengal	Zila Parishad	18	Panchayat Samiti	29	Gram Panchayat	28	18	<p>The State Government has devolved all 29 functions included in the 11th Schedule to the 3 tier PRIs. Activity Mapping has been completed for 28 subjects accepting technical and vocational education. As per orders dated 7.11.05, 25.7.06 and 29.10.07, 9 departments have so far issued necessary matching orders. 3 departments have opened separate Panchayat Window for transferring funds to the PRIs.</p>

Annexure IIA of Annex-2

STATUS OF DEVOLUTION OF FUNCTIONARIES TO
PANCHAYATI RAJ INSTITUTIONS IN
VARIOUS STATES/UTs.

Sl. No.	State	Devolution of Functionaries
1	2	3
1.	Andhra Pradesh	Only General staff given, departmental staff answer to departments.
2.	Assam	Activity Mapping Notification issued by the State provides for devolution of functionaries matching to the devolution of functions to Panchayats.
3.	Arunachal Pradesh	Only skeleton staff given.
4.	Bihar	Only General staff given, departmental staff answer to departments.
5.	Chhattisgarh	Sahayak Gram Panchayat Adhikari, Gram Panchayat Adhikari, Clerical and Class IV cadres of Education Tribal Health and 7-8 other departments declared as dying cadres and new recruitment to these cadres is undertaken directly by the Panchayats. Chhattisgarh has been particularly successful in recruitment of new Shiksha Karmis at the level of the Janpad Panchayats. More than 30,000 teachers have been so recruited into local level cadres.
6.	Goa	Village Panchayats can appoint employees other than Secretary or Gram Sevak using Panchayat funds. In ZPs, CEO and Adhyaksha of ZP have full control over ZP staff.

1	2	3
7.	Gujarat	2.2 lakh employees devolved to Panchayats, mainly on deputation from State Government to Panchayat level post, covering 11 departments.
8.	Haryana	Activity mapping of Feb. 2006 devolves staff through deemed deputation in respect of 3 departments.
9.	Himachal Pradesh	Staff is with State Government. Panchayats are appointing authority for 6 types of employees of group C&D category. In addition, Panchayats can report on physical attendance in respect of 2 categories of people.
10.	Jharkhand	No elections held to Panchayats.
11.	Karnataka	Staff of all departments for which functional devolution undertaken, devolved to Panchayats on deputation. GPs can appoint Panchayat staff, except Panchayat secretary. All transfers within the district done by Committee headed by CEO of ZP.
12.	Kerala	Staff of 14 departments transferred to Panchayats, with disciplinary control and career review (through CRs) transferred to them.
13.	Madhya Pradesh	All Class III village level functionaries converted into dying cadres and fresh recruitments undertaken by Panchayats. These include Panchayat secretaries, primary school teachers, anganwadi workers etc.
14.	Maharashtra	All Group III and IV Panchayat level functionaries to be appointed by Zila Panchayats. New amendment in 2003 brings all village level officials under the Village Panchayats.

1	2	3
15.	Manipur	Staff of the Government are posted to Panchayats and continue under the control and superintendence of the Government.
16.	Orissa	Officials of departments are to report to Panchayats in respect of transferred schemes. Panchayats do not make any appointments of their own.
17.	Punjab	Seven departments propose to delegate powers of supervision to Panchayats. In Health department, the powers of outsourcing the running of PHCs has been devolved to Panchayats. Recently, in education department, powers of recruitment of teachers has been given to Panchayats.
18.	Rajasthan	Officials of 8 departments placed with each Panchayat through deputation from Government.
19.	Sikkim	Staff on deputation from the Government. Panchayat secretary elected by the members. Draft Panchayati Raj service rules prepared by the State and is under examination by line departments.
20.	Tamil Nadu	At GP level, part-time clerks can be appointed by the Panchayat president. ZPs and Block Panchayats have no control over line department staff.
21.	Tripura	Staff in respect of 21 departments deputed to Panchayats from the Government, with Panchayats exercising powers of payment of salaries, grant of leave, writing of CRs and disciplinary action.

1	2	3
22.	Uttar Pradesh	GPs have power of verification of attendance of all village level workers. Village level functionaries of some departments were transferred to Gram Panchayats in 1999, but they were subsequently withdrawn.
23.	Uttarakhand	In January 2005, executive orders were issued transferring powers of seeking information and supervision over employees of 14 departments to Panchayats.
24.	West Bengal	EO of the Zila Parishad made appointing authority for all posts except group D posts at GP level, for which EO of Panchayat samiti is the appointing authority. This has been done by the WB Panchayat Amendment Act 2006. Each GP has 6 sanctioned posts.

Annexure IIB of Annex-2

STATUS OF DEVOLUTION OF FUNDS TO PANCHAYATI RAJ
INSTITUTIONS IN VARIOUS STATES/UTs.

Name of the State	Status of Devolution of Funds
1	2
Andhra Pradesh	Grants are being released by State Government to Panchayats either (a) directly transferred through the treasury, or (b) transferred by the GOI directly to the parallel bodies at the district level. Funds, including State contribution to Centrally Sponsored Schemes are sent by the line department concerned into the personal accounts of the Panchayats either to treasury accounts or Bank Accounts as the case may be. TFC grants are also being released to PRIs as per guidelines.
Arunachal Pradesh	The schemes of the Department of Rural Development <i>i.e.</i> IAY, SGSY, NREGS and Total Sanitation Programme are implemented through DRDA. Under NREGS, GPs prepare project proposals and send them to block level at which projects are also prepared and combined with GPs plans and sent to DRDA. The governing body of DRDA places these project proposals before Zilla Parishad after approval. DRDA is concerned with monitoring of the scheme.
Assam	Funds of schemes such as MPLAD, Member of Legislative Assembly Constituency Development, Self Sufficiency Scheme and Central Rural Sanitation Procaine Schemes, implemented through Anchalik Panchayats. Development grants under various Government

	sponsored programmes implemented through Gaon Panchayats. TFC grants are also being released to PRIs as per guidelines.
Bihar	The funds of Centrally sponsored schemes like the NREGS are transferred to Panchayats as per instruction of the Schemes. 50% of the total fund is made available to the GP, 30% to Panchayat Samities and 20% to Zilla Parishad. TFC grants are also being released to PRIs as per guidelines.
Chhattisgarh	The allocations of funds are based on the 1998 order by which each department whose functions are devolved, have been earmarking schemes relating to these functions and devolved funds relating to these schemes into the concerned budget head. The funds of Rs.103674.61 millions for 12 departments have been earmarked for the year 2008-09.
Goa	Matching grants linked to tax collection, grants in lieu of octroi, salary/establishment grants, grants to weaker Panchayats for strengthening administration, grant-in-aid for rural infrastructure, DRDA grants, Centrally sponsored schemes grants are devolved to PRIs. TFC grants are also being released to PRIs as per guidelines.
Gujarat	The funds pertaining to functions devolved are being transferred to PRIs. In all, Panchayats were devolved Rs. 2880.40 crore, which also include Rs. 293 Crore of additional devolution consequent to the State Finance Commission's recommendation. TFC grants are also being released to PRIs as per guidelines.

1	2
Haryana	The funds pertaining to functions devolved to PRIs, Centrally Sponsored Schemes <i>i.e.</i> DDP and IWDP are being transferred to PRIs. TFC grants are also being released through banking channels to PRIs as per guidelines.
Himachal Pradesh	The funds pertaining to Centrally Sponsored Schemes and Member of Legislative Assembly Constituency Development fund are being released to PRIs. TFC grants are also being released to GP, PS & ZP in the ratio of 75:15:10 on the basis of per capita population as per guidelines.
Jammu and Kashmir	TFC grants is being released to PRIs as per recommendation of Finance Commission. Funds under SGRY are being earmarked to the extent of 50% of the total availability of individual Panchayats. The State Government has been contributing matching share under various Centrally Sponsored Schemes like IAY, SGSY, NREGA, IWDP & DPAP, where consequently the schemes are being implemented through PRIs.
Jharkhand	Panchayat elections have not been held in the State due to court case pending in Supreme Court. However, it is reported that there is a strong system of traditional Panchayats functioning in other areas in the form of Manki-Munda and the Parha system. During 2005-06, the State Government decided to allot Rs. 50,000/- each to the traditional Panchayats. In the absence of elected Panchayats, the issue of sending of untied funds to Panchayats does

	<p>not arise. TFC grants are not being given to Panchayats, as election to Panchayats have not been held.</p>
Karnataka	<p>The funds pertaining to functions devolved to PRIs, Centrally Sponsored Schemes <i>i.e.</i> NREGA and other Centrally Sponsored Schemes are being transferred to PRIs. TFC grants are also being released through banking channels to PRIs as per guidelines.</p>
Kerala	<p>The State initiatives of devolving Funds to Local Self Government Institutions (LSGI) are a significant initiative towards fiscal decentralization. The untied funds allocated under three main categories are Development expenditure, Maintenance of assets and Traditional Functions to LSGI. Development funds are released in 10 equal installments on the first working day of the month from May to February Funds for implementing Centrally Sponsored Schemes <i>i.e.</i> PMGSY, Rural Health Mission, Sarva Sikksha Abhiyan, Rashtriya Krishi Vikas Yojana, NREGA and TFC grants are also being released to PRIs.</p>
Madhya Pradesh	<p>The funds pertaining to functions devolved are being transferred to PRIs. The funds under Centrally Sponsored Schemes <i>i.e.</i> NREGA, mid-day meal, old age pension, Indira Awas Yojna etc. are being released to PRIs directly and all such programmes have a direct accountability of the Sarpanch. DRDA continue to exist as separate and distinct bodies with the President of Zila Parishad as its Chairman. Funds</p>

	<p>pertaining to rural development programmes are channelised through the DRDA. The schemes like SGSY, IAY, PSYSVBY and SSPY are being handled by DRDA. TFC grants are also being directly transferred to PRIs through Electronic Clearing system wherever possible.</p>
Maharashtra	<p>The funds pertaining to function devolved to PRIs, Centrally Sponsored Schemes and TFC grants are being released to PRIs.</p>
Manipur	<p>The funds pertaining to functions devolved to PRIs, development schemes like Mahila Shakthi Abhiyan, Hariyali Scheme etc. and NREGA and TFC grants are also being released to PRIs as per guidelines.</p>
Orissa	<p>The funds pertaining to functions devolved to PRIs, State Plan Schemes (for development of rural poor, unemployed youth and accommodate to poor people through Rural Housing Programme), Centrally Sponsored Plan Schemes (NREGA etc.), Central Plan Schemes (IYA etc.) and TFC grants are also being released to PRIs as per guidelines.</p>
Punjab	<p>The funds pertaining to functions devolved to PRIs, Centrally Sponsored Schemes, Gram Panchayat have little or no control and independence in utilization of their funds because lack of control over function and functionaries at Gram Panchayat level. Gram Panchayat simply follow the instructions from Block Development Officer and Panchayat Officer. TFC grants are also being released to PRIs as per guidelines.</p>

1	2
Rajasthan	The funds pertaining to function devolved to PRIs, and Centrally Sponsored Schemes and State grants are being released to PRIs. TFC grants are also being released through banking channels to PRIs as per guidelines.
Sikkim	Budget of Rs. 1818 lakh were earmarked to Panchayats in 18 departments during the 2007-08. Each Gram Panchayat and Zilla Panchayat receives the untied block grant of Rs. 10 lakh and Rs. 60 lakh respectively. The State has secured only 1st installment of Rs. 1.30 crore for the year 2005-06. High Level Committee constituted as per guidelines of Finance Commission has approved to utilize the grant <i>i.e.</i> 20 lakh for creation of Data base, Rs. 10 lakh for maintenance of Accounts of PRIs and Rs. 1270 lakh for O&M cost for civic services.
Tamil Nadu	The funds pertaining to function devolved to PRIs are being released. To ensure adequate fund to weaker Village Panchayats, State Government has proposed to allocate a minimum grants of Rs. 3 lakh to each Village Panchayat. The Panchayat Union Council can sanction and executive works up to Rs. 10 lakh from their general funds without any external approvals. However, for Centrally Sponsored and State Schemes, prior administrative approval of DC is necessary. TFC grants are also being released to PRIs as per guidelines.
Tripura	Devolution of funds of line departments, only part funds relating to Lift Irrigation Scheme of

the PWD (Water Resource) Deptt. have been transferred to PRIs. Some funds of Primary Schools of the School Education Deptt., Social Welfare and Social Education Deptt. and Pension funds were being transferred to PRIs. Untied funds are renamed as Panchayat Development Fund and are transferred to three tier PRIs in the ratio of 20:30:50. DRDAs implement the programmes of the Ministry of RD and CSS after the approval of Gram Panchayats. The State has secured only 1st installment of Rs. 5.70 crore for the year 2005-06 of TFC grants. TFC grants are also being transferred to PRIs similarly to Panchayat Development Funds.

Uttar Pradesh

The funds pertaining to function devolved to PRIs, Centrally Sponsored Schemes and State grants are being released to PRIs. TFC grants are also being released to PRIs as per guidelines.

Uttarakhand

The funds pertaining to minor irrigation and watershed departments have completely been devolved to PRIs. Untied funds are being given to Gram Panchayats, Keshetra Panchayats and Zilla Panchayats. TFC grants are also being released to PRIs as per guidelines.

West Bengal

The State Government provides financial support to the Panchayat bodies to discharge the responsibilities entrusted upon them. Funds are provided by the State Government for meeting establishment cost including salary and pension of the employees of Panchayat bodies

and honorarium or remuneration and traveling allowance of elected functionaries. The other major source of fund available to the Panchayats is those, which are released by the Centre and State Government for implementation of various Programmes/Schemes. TFC grants are being released to Gram Panchayats, Panchayat Samitis and Zilla Parishad in ratio of 60:20:20.

Dadra and Nagar
Haveli

Funds are being transferred to Panchayats as grants-in-aid. Only Village Panchayats are empowered to collect taxes and also utilize completely. Panchayats have received Rs. 46.85 lakhs as untied funds in 2006-07.

Daman and Diu

Matching with the devolution of function to the district Panchayat, simultaneous devolution of finances for implementation at the Panchayat level has been carried out. A separate sector for District Panchayat has been carved out in the annual budget of UT, which contain both plan and non-plan heads. In addition the funds received under the Central plan schemes concerning the 29 matters of the 11th Schedule are also directly transferred to the district Panchayat for implementation.

Lakshadweep

The funds pertaining to functions devolved to PRIs are being received by Panchayats from various departments over the last 5 years. Village Panchayats receive annual untied grants of Rs. 5 lakhs which can be utilized only after Panchayats have submitted their plan for the same and the Director of Panchayat have

	<p>approved the plan. The District Panchayats receives annual untied grant of Rs. 20 lakhs which can be spent only after the DPC chaired by Collector approves the plan for the same. However, District Panchayats can spend, at their discretion, up to Rs. 25 lakhs from the tax revenue.</p>
Andaman and Nicobar Islands	<p>Tied and Untied funds provided by Andaman and Nicobar Islands are utilized by the Panchayats with flexibility in case of untied funds. Untied funds are released in the ratio of 15:15:70 to Zila Parishad, Panchayat Samitis and Gram Panchayat. Sectoral Funds for road and water are distributed in the ratio of 1/3rd of the total provision to all the three tiers. Grant-in-aid released by the Administration is used for all the developmental activities, maintenance of created assets, infrastructure, office expenses etc.</p>
Chandigarh	<p>There are only 13 villages with 12 Gram Panchayats in UT Chandigarh. Therefore, activity mapping could not be undertaken for Panchayats. However, schemes of Rural Development Department are being implemented through the Panchayats and funds for implementing these schemes are released to Panchayats by drawing from the State exchequer and then the Panchayats utilize the funds by maintaining their own bank accounts.</p>
Puducherry	<p>Financial assistance in the form of tied and untied grants-in-aid are being given the PRIs. With respect to financial autonomy, the</p>

Commune Panchayats have been empowered to incur expenditure towards the execution of civil works upto a limit of Rs. 10 lakhs for each work and Village Panchayats are empowered to incur expenditure of Rs. 1 lakh towards the execution of civil works for each work. For Centrally Sponsored Schemes *i.e.* Sarva Shiksha Abhiyan, Village Education Committees and School Level Committees have been re-constituted for implementation of the scheme by appointing Village Panchayat President as the President of the Committee. Under NRHM, UT Health and Family Welfare Department have constituted four Committees which, *inter alia*, include Commune Panchayat Councillor as the representative of the Commune Panchayats. National Rural Employment Guarantee Scheme is proposed to be implemented *w.e.f.* 1.4.2008 through Village Panchayats.

Annexure III of Annex-2

DETAILS OF INSTITUTIONS TO BE TRANSFERRED TO PRIs

Sl. No.	Name of the Department	Institutions to be transferred		
		Gram Panchayat	Block Panchayat	District Panchayat
1	2	3	4	5
1.	Agriculture		Office of the Assistant Director, Agriculture	(i) Soil Testing Lab (ii) District Marketing Office (iii) District farms
2.	Animal Husbandry	(i) Veterinary Dispensary (ii) ICDP Sub Centre	(i) Veterinary Poly Clinic (ii) Zonal Artificial Insemination Centre	(i) District Veterinary Hospital and Training Centres (ii) Mobile Veterinary Dispensary / farm unit (iii) Clinical Lab not attached with District Veterinary Hospital (iv) ICDP Area Office
3.	Public Health	(i) Primary Health Centre / Rural Dispensary (ii) Maternity and Child Welfare Centre (iii) Sub Centre	(i) Block level Primary Health Centres (ii) Community Health Centre (iii) Taluk Hospital / Govt. Hospital	District Hospitals
4.	Indian System of Medicine (Ayurveda)	Ayurveda Hospital / Dispensary	Taluk Ayurveda Hospital	District Ayurveda Hospital
5.	Homoeopathy	Homoeo Dispensary / Hospital	Taluk Homoeo Hospital	District Homoeo Hospital

1	2	3	4	5
6.	General Education	Govt. Pre Primary School, Lower Primary School, Upper Primary School	—	High School, LP/UP School attached with High School, Higher Secondary School, Teachers Training Centre and Special School
7.	Scheduled Caste / Scheduled Tribe Development	Balavadi, Balavadi Feeding Centres, Nursery School, Seasonal Day Care Centre, Midwifery Centres, Dormitory	(i) Block level Scheduled Caste Development Office (ii) Tribal Extension Office (iii) Pre matric hostel	—
8.	Rural Development	Rural Development Office	Block Development Office	—
9.	Social Welfare	Anganwadis	Care Homes and Old age Homes	—
10.	Fisheries	—	—	Fisheries School
11.	Industries	—	—	District Industries Centre

Annexure IV of Annex-2

DETAILS OF FUNCTIONARIES TO BE TRANSFERRED TO PRIs

Sl. No.	Name of the Department	Officers to be transferred		
		Gram Panchayat	Block Panchayat	District Panchayat
1	2	3	4	5
1.	Agriculture	Agricultural officer and auxiliary posts	One post of Assistant Director and auxiliary posts	(i) Principal Agricultural Officer and auxiliary posts (ii) Two posts of Deputy Director and auxiliary posts (iii) District soil conservation officer and auxiliary posts (iv) One Assistant executive Engineer and connected posts (v) Officers and staff of Mobile soil testing laboratory, District sales counter, District agriculture farm
2.	Animal Husbandry	Officers and staff of Veterinary Sub Centre, Veterinary Dispensary/Hospital and ICDP sub centres	Officers and staff of Veterinary Poly Clinic, Mobile farm unit, Mobile veterinary dispensary	(i) District Animal Husbandry officer and auxiliary posts (ii) Officers and staff of ICDP area office, Mobile Veterinary Dispensary, Mobile farm unit, clinical laboratories not attached to District Veterinary centres

1	2	3	4	5
3. Dairy Development Department	One Dairy Extension Officer and auxiliary posts (this unit should be created in one of the Gram Panchayats in the Block and should cover all the Gram Panchayats in the block)	Block Level Dairy Extension Officer and auxiliary posts	(i) Deputy Director and auxiliary posts	
4. Fisheries Department	One Fisheries Sub Inspector (in the Gram Panchayat wherever necessary)	Nil	(i) District level Officer (Deputy Director) and auxiliary posts (ii) Teachers and other staff fisheries schools	
5. Industries	Nil	Industries Extension Officer	Manager and staff of District Industries Centre	
6. Rural Development	Two Village Extension Officers (including lady VEO)	The post of Block Development Officer and auxiliary posts	One post of Assistant Development Commissioner and the District Women's Welfare Officer and auxiliary staff, All functionaries of DRDA	
7. Social Welfare	Officers and staff of Day care centres and Anganwadis (ICDS Supervisor, Anganwadis worker/ helper etc.)	Officers and staff of Child Development Project Office, Old Age Homes Care Homes and similar other institutions	District Social Welfare Officer, District Programme Officer and auxiliary posts	
8. Cooperation	Nil	Nil	One Assistant, Registrar and One clerk	

1	2	3	4	5
9.	SC Development	Officers and staff of Balawadies, Balawadi-cum-feeding centres, Seasonal day care Centre and dormitories of the respective places.	Block Level SC Development Officer and Staff of pre-matric hostels	District SC Development Officer and auxiliary posts
10.	ST Development	Officers and staff of Balawadies, Medical Unit, nursery schools, midwifery centres of the respective places. Tribal Extension Officers.	Tribal Extension Officer	ITD Project Officer and auxiliary posts
11.	Health Services (Allopathy)	Medical Officers and other staff of PHCs / Govt. Dispensary and sub-centres	Medical Officers and staff of Block Level PHC/ CHC / Taluk Hospital / Govt. Hospital	(i) District Medical Officer and auxiliary posts (ii) Medical Officers, Supt. and all other staff of District Hospitals
12.	Health Services (Homoeo)	Medical Officer and staff of Government Homoeo dispensaries and hospitals of the respective places	Medical Officers and auxiliary posts of Taluk Hospital	(i) District Medical Officer and auxiliary posts (ii) Medical Officers, Supt. and all other staff of District Hospitals
13.	Health Services (ISM)	Medical Officer and staff of Ayurveda dispensary and hospitals of the respective places	Medical Officers and auxiliary posts of Taluk Hospital	(i) District Medical Officer and auxiliary posts (ii) Medical Officers, Supt. and all other staff of District Hospitals

1	2	3	4	5
14.	General Education	Headmasters, teachers and other staff of Primary Schools	Nil	(i) District level Officer and auxiliary posts (ii) District and Assistant Educational Officers and auxiliary posts (iii) Teachers and connected posts of High Schools, Special Schools and Teachers Training Institutes
15.	Higher Secondary Education	Nil	Nil	(i) Teachers and connected posts of Higher Secondary/ Vocational Higher Secondary Schools
16.	Technical Education	Nil	Nil	All staff of Tailoring and Garment making centres and Tailoring Trade Centres
17.	Public Works Department/ Irrigation Department	Assistant Engineer and auxiliary posts (One AE for two Gram Panchayats)	Assistant Executive Engineer and auxiliary posts	One Executive Engineer and auxiliary posts
18.	Public Health	Medical Officer and staff of Primary Health Centre/ Rural Dispensary, Maternity and Child Welfare Centre and Sub-Centre	Medical Officer and staff of Block level Primary Health Centres, Community Health Centres and Taluk Hospital/ Govt. Hospital	District Medical Officer and staff of District Hospitals
19.	Khadi and Village Industries Board	Nil	Nil	District Project Officer and Staff

Annexure-V of Annex-2

**FIRST ROUND TABLE OF MINISTERS-IN-CHARGE OF
PANCHAYATI RAJ—KOLKATA**

24-25th July, 2004

Effective Devolution of Functions:

- (I) The Constitution (Article 243G) provides for “devolution”, that is, the empowerment of Panchayati Raj Institutions (PRIs) to function as institutions of self-government for the twin purposes of (i) making plans for economic development and social justice for their respective areas, and (ii) implementing programmes of economic development and social justice in their respective areas, for subjects devolved to the PRIs, including those listed in the Eleventh Schedule, and subject to such conditions as the State may, by law, specify. Therefore, the key objective is to ensure that Panchayati Raj Institutions function as institutions of self-government rather than as mere implementing agencies for other authorities in respect of such functions as may be devolved on them;
- (II) While devolution must eventually comprise the entire range of subjects provided for in the State legislation in a time-bound manner, States/UTs may prioritize their devolution programme to ensure that for such functions as are prioritized, there is full and effective devolution in empowering PRIs as institutions of self-government in respect of these functions;
- (III) To this end, the essential step is the identification of activities related to the devolved functions with a view to attributing each of these activities to the appropriate tier of the 3-tier system. To the extent possible, there should be no overlapping between tiers in respect of any given activity;
- (IV) In determining the tier of the Panchayati Raj System to which any given activity is to be attributed, the principle of subsidiarity must, to the extent possible, be followed. The principle of subsidiarity

states that any activity which can be undertaken at a lower level must be undertaken at that level in preference to being undertaken at any higher level;

- (V) On the basis of the identification of activities relating to devolved functions, and through the application of the principle of the subsidiarity, States/UTs may review/undertake time bound activity mapping with a view to completing this exercise within the fiscal year 2004-05;
- (VI) The activity mapping model as evolved in the Ministry of Rural Development in the Report of the Task Force on Devolution of Powers and Functions upon Panchayati Raj Institutions, and the information provided about existing State-wise activity mapping in the Fact Sheets presented to the Round Table, might be drawn upon by State Governments/UT Administrations for preparing their respective activity mapping exercises;
- (VII) The Union Ministry of Panchayati Raj could, on request, furnish technical assistance and expertise to State Governments/UT Administrations to accomplish activity mapping within the time-frame indicated;
- (VIII) With a view to promoting a measure of irrevocability of devolved functions, devolution may be routed through legislative measures or, alternatively, by providing a strong legislative framework for devolution through executive orders.

Effective Devolution of Functionaries

- (I) The devolution of functionaries to the Panchayati Raj Institutions should be patterned on the activity mapping of activities related to devolved functions;
- (II) Where the devolved activity requires the deputation of State Government officials to assist the elected PRI in planning or implementing the devolved activity, the officials concerned must be primarily responsible to, and under the disciplinary supervision and control of, the elected authority;

- (III) With a view to building a cadre of officials and technocrats specialized in the devolved functions of the PRIs, State Governments/UT Administrations may consider instituting a Panchayati Raj Administrative and Technical Service, with the State Government discontinuing further recruitment of staff to State services for such devolved functions;
- (IV)
 - (i) Reconceiving the role of District Rural Development Agencies (DRDAs) as an important instrument for Panchayati Raj development through the progressive merger of DRDAs with the District Panchayats. The technical expertise and other facilities of the DRDAs should become available to all tiers of the PRIs under the overall responsibility and disciplinary control of the elected authority in the PRIs at the appropriate level;
 - (ii) The activities of the reconceived DRDAs with respect to the three tiers of the Panchayati Raj system should be patterned on the activity map for the devolution of functions, functionaries and funds so that all the three tiers of PRIs have equitable access to the resources, expertise, facilities and manpower of the DRDAs.

Effective Devolution of Finances

- (I) The “sound finances” of the Panchayats is a Constitutional obligation enjoined on the States by Article 243-I. In pursuance of this Constitutional obligation, the States and the Centre, in a true spirit of fiscal federalism, should work together to strengthen the finances of the elected local bodies;
- (II) To this end, the devolution of finances to the three tiers of the Panchayati Raj System should be patterned on activity mapping for the devolution of functions and functionaries, thus securing effective devolution of powers to the PRIs through the linking of the devolution of finances to the devolution of functions and functionaries;

- (III) On the basis of the principles adumbrated above, the State Governments might attempt to prepare a road map, to be made effective as soon as possible, and, in any case, by the end of the next fiscal year 2005-06, which might include the following components:—
- (i) Devolution, tier-wise and based on activity mapping of:
 - (a) Planning;
 - (b) Budgeting;
 - (c) Provisioning of finances.
 - (ii) Inclusion of a PRI component in the budget of each State/Central Government department based on activity mapping;
 - (iii) Provision of progressively larger untied funds, tier-wise, to the Panchayats by State/Central Governments;
 - (iv) Provision of untied grants from the Planning Commission to the PRIs, tier-wise, based on activity mapping;
 - (v) Tier-wise allocations, based on activity mapping of the PRIs, of hitherto unallocated grants, if any, made by previous Finance Commissions, and a pre-determined pattern for the tier-wise allocation within a time bound framework of grants from the 12th and future Finance Commissions;
 - (vi) A schedule, to be determined by each State Government/UT Administration, of the time-frames within which State Finance Commissions should prepare their reports; for the submission of State Finance Commission recommendations, along with Action Taken Reports (ATRs), to the Legislature; and for the executive to act on recommendations/ATRs endorsed by the State Legislature;
 - (vii) Steps to encourage PRIs to raise their own resources, especially through the provision to “appropriate” revenues raised by them for their own purposes (Article 243-H).

Gram Sabhas

- (I) Article 243-A of Part IX of the Constitution provides for the establishment of Gram Sabhas to “exercise such powers and perform such functions at the village level as the Legislature of a State may, by law, provide”;
- (II) A strong system of Gram Sabhas is the indispensable foundation of good governance through Panchayati Raj;
- (III) Based on the two principles stated above, State Governments may review the extant legislation to determine the legislative and other steps which remain to be taken to ensure that the “powers” and “functions” mentioned in Article 243A of the Constitution are adequately incorporated in the State legislation. In particular, the following points may be examined:—
 - (i) The need for constituting Sabhas below the Gram level (such as Gram Sansad, Upa-Gram Sabha or Ward Sabha, by whatever name called) with the aim of ensuring that the adult population in each ward is given the opportunity of conveying to the Gram Sabha their views on issues coming up for consideration as also holding the elected Ward representative responsible to the adult population in each Ward;
 - (ii) The periodicity of meetings of Gram Sabhas and Ward Sabhas;
 - (iii) Provision for full and satisfactory consultation with special or disadvantaged categories of the population, such as women, SC/ST, landless labourer etc;
 - (iv) Provision for Mahila Sabha meetings, comprising all the adult women of a Ward/Gram Panchayat area, to deliberate upon, and decide the modalities of, expressing their views in the Gram/Ward Sabhas;
 - (v) Endowing the Gram/Ward Sabha with meaningful empowerment through such measures as:
 - (a) Right/entitlement to all the information required for the Gram/Ward Sabhas to contribute to transparent and

good governance, as well as to make the elected Panchayat truly answerable to the Gram/Ward Sabha;

- (b) Approve before implementation commences, plans and programmes (including budgets) for economic development and social justice prepared by the Gram Panchayat;
 - (c) Authorize the issuance of utilization certificates of funds allocated for the plans, projects or programmes of the Panchayat;
 - (d) Identification of beneficiaries.
- (vi) Such social audit measures may also be appropriately institutionalized at the Block and District levels.

ANNEXURE III

No. M-11011/16/2009-P and C (AR)

Government of India
Ministry of Panchayati Raj

Krishi Bhavan, New Delhi-110001

Dated: 9th April, 2009

From: A.N.P. Sinha, Secretary.

To: Chief Secretaries,
All States/UTs.

Subject: Panchayat Finances

Sir,

The 2nd Administrative Reforms Commission (ARC), in its 6th Report titled 'Local Governance — An inspiring journey into the future' has drawn the following broad conclusions on Panchayat Finances:

- Panchayats are heavily dependent on grants from Union and State Governments.
- A major portion of grant from the Centre and States is scheme specific.
- Panchayats have limited discretion and flexibility in incurring expenditure.
- In most of the critical Eleventh Schedule matters like primary education, healthcare, water supply, sanitation and minor irrigation even now, the State Government is directly responsible for implementation of the relevant programmes and hence expenditure.
- Internal resource generation at the Panchayat level is weak. This is partly due to a thin tax domain and partly due to Panchayats' own reluctance in collecting revenue.
- Overall, a situation has been created where Panchayats have responsibility but grossly inadequate resources.

Fiscal Decentralization

2. There is thus an imperative need for an effective fiscal decentralization so as to ensure that the finances available with the Panchayats match the transferred functions based on activity mapping for the devolution of 3Fs. Further, there is a need to re-orient the regulatory and policy regime and give the Panchayats more tax handles as also to ensure that the taxation powers given are effectively exercised since generating own revenue is the best way to increase autonomy, efficiency, credibility and accountability of Panchayats. Moreover, fiscal decentralisation needs to be viewed as a comprehensive system. Beginning with the assignment of expenditure and revenue responsibility.

3. The Twelfth Finance Commission, on the basis of some studies, has suggested measures such as making it obligatory for PRIs to levy certain taxes, prescribing minimum revenue collection, levy of user charges, higher efficiency in tax collection, economy in expenditure and transparency in functioning.

Constitutional Provision on Panchayat Finances

4. The taxation power of the Panchayats essentially flow from Article 243H, which reads as under:

“the Legislature of a State may, by law

- *authorize a Panchayat to levy, collect and appropriate such taxes, duties, tolls and fees in accordance with such procedure and subject to such limits;*
- *assign to a Panchayat such taxes, duties, tolls and fees levied and collected by the State Government for such purposes and subject to such conditions and limits;*
- *provide for making such grants-in-aid to the Panchayat from the Consolidated Fund of the State; and*
- *provide for constitution of such funds for crediting all moneys received, respectively by or on behalf of the Panchayat and also for the withdrawal of such moneys therefrom as may be specified in the law.“*

5. Article 243-I of the Constitution mandates setting up of State Finance Commission (SFC) with the objective of reviewing the financial position of the Panchayats and making recommendations as to the principles which should govern:

- distribution between the States and Panchayats of the net proceeds of the taxes, duties, tolls and fees,
- determination of taxes, duties, tolls and fees to be assigned to Panchayats,
- grants-in-aid to the Panchayats, and
- measures needed to improve the financial position of the Panchayats.

We are separately issuing model guidelines on Composition of SFCs, ToRs, Formats of the reports, Assessment and Projection of revenue and expenditure, Award, etc.

Tax domain of PRIs and its Operationalization

6. A study of State Legislations indicates that the Village Panchayat finances include more than 60 taxes and fees including octroi, property/house tax, profession tax, land tax, taxes/tolls on vehicles, entertainment tax/fee, license fee, tax on non-agricultural land, fee on registration of cattle, sanitation/drainage/conservancy tax, water tax, lighting tax, education cess and tax on fairs and festivals. Panchayat resources could also be augmented through innovative tax/non-tax measures e.g., fee on tourist vehicles, special amenities, restaurant, theatre, cyber cafe.

7. Further, all common property resources vested in the Panchayats need to be identified, listed and made productive for revenue generation. Panchayats could be empowered to collect cess on the royalty and additional/special surcharge from minor minerals, forest produce and other natural resources since the financial, ecological and health impact of such activities is felt maximum in the surrounding areas and inhabitants.

8. As stated earlier, there is an urgent need to strengthen the assessment and collection apparatus and the Panchayats need to be more

imaginative and assertive in tapping their revenue resources. The State Governments should focus on prescribing band of rates for such taxes and levies, mentoring, strengthening and incentivising Panchayats.

Devolution of Funds to PRIs to be generally untied

9. Funds to PRIs are being transferred under a number of budget heads, often in packets of small allotments against a plethora of agency functions *vis-a-vis* Central and State schemes. This appears to be confusing. The budget indexing and accounting procedure for allocation of funds to the PRIs, therefore, needs to be simplified and made user and audit friendly. There should also be a separate Panchayat window in the State Budget.

10. Except for the Centrally Sponsored Schemes (CSSs) and Additional Central Assistance (ACAs) Schemes serving national priorities/objectives and purpose specific programmes of the States, all allocations to PRIs should be untied so that the PRIs have the flexibility to plan and implement their programmes in accordance with the local priorities. The scheme guidelines should contain only a brief description of the objectives and expected outcomes. I have separately written to all the Union Secretaries with copy to you on 19.01.09 for ensuring centrality of PRIs in the implementation of CSS and ACA schemes (copy annexed).

11. Ministry of Panchayati Raj is providing largely untied funds to the States for PRIs under Backward Regions Grant Fund (BRGF). BRGF intends to (a) promote decentralized, participative and holistic planning process, as an essential condition for getting BRGF grant, (b) bridge the critical gaps in development not met through the existing inflows, and (c) build capacity of PRIs and official functionaries. However, due to the inadequate capacity in observance of the prescribed processes, expenditure and reporting systems, this Ministry is not in a position to utilize the entire annual allocation.

Market Borrowing

12. Strong PRIs need to be encouraged within the State Government guidelines to borrow from the market on the strength of their credit viability for infrastructure and income generating projects. Once these projects start showing positive results, the financial institutions would be inclined to step up lending.

Transfer of Funds

13. Transfer of funds to the PRIs without delay and diversion through electronic tagging and tracking and placing information on the State website would ensure better financial health, put pressure on Panchayats to be more accountable and efficient and reduce parking and corruption. TFC grants are already being transferred electronically to PRIs by many States.

Account and Audit System

14. The need for having a simple and robust accounting and reporting system for the PRIs is evident. We are working along with the Comptroller and Auditor General of India, on such a system, having appropriate MIS/DSS window, covering both the agency and core functions of PRIs. Suitable advisory on Account and Audit (formal and social) is being issued separately. The proposed e-PRI Project of this Ministry, which would also house PRIA Soft (PRI Accounting System Software), should facilitate the process.

Incentive for better performance

15. Providing incentive is an effective tool for motivating individuals and institutions for better performance. Accordingly, PRIs showing higher revenue collection including adopting innovative steps, should be suitably rewarded *viz.* by linking some part of the award of the Finance Commissions to the revenue generation efforts. The existing Panchayat Empowerment and Accountability Incentivisation Scheme (PEAIS) would be modified for greater weightage to the revenue efforts. State should also have their own incentive/award mechanism.

Fiscal Responsibility Regime

16. This Ministry has drafted model Bill on Fiscal Responsibility Regime for the PRIs (copy enclosed) with the following major objectives: Medium term fiscal plan, Principles of Financial Management, Transparency in Financial Management, Principle of audit of accounts, Adherence to audit report and Measures to enforce compliance. The States may like to enact the model Bill with modifications as appropriate.

Staffing and Capacity Building

17. The above efforts may not bear outcomes if not supplemented by providing the PRIs with adequate manpower, mentoring and guidance. The States should, therefore, strengthen the administrative and enforcement capacity of Panchayats through proper staffing including outsourcing, frequent training programmes comprising well-structured modules (possibly with the help of ICAI), simple guidelines etc. Sufficient funds are available for 250 BRGF districts under BRGF and for non-BRGF districts under RGSY.

Action Plan

18. Last, but not the least, the most important question is how and where to start. I would suggest the following:

- Prepare details about assessed tax, collection made and arrears, in respect of each tax and non-tax revenue, for each level of Panchayats, through the permanent SFC Cell in the State Government.
- Analyse Data collected for identifying broad trends among Panchayats and for identifying champions and innovations. Compile such good practices.
- Undertake a campaign to overcome the large slack in revenue collection.
- Prepare a compendium of the relevant legal provisions and executive orders in respect of the administration of taxes by PRIs, incentivisation programmes, innovations, recommendations of the SFC etc.
- Assist the SFC to lead policy work for (a) exploring appropriate tax and non-tax revenue assignments, (b) ways and means of administering and enforcing them including manpower and training and (c) achieving a greater linkage between revenue collection and spending decisions at the local level.
- Rationalise the number and type of Taxes, and assign atleast a few important taxes to each level of Panchayat.

- Re-examine the current rates of taxation and consider an upward revision, remove maximum limits fixed on tax as also the conditionalities that hamper or restrict taxation powers of Panchayats. Do not abolish taxes in Panchayat domain (e.g. some States have abolished house tax).
- Incentivise tax efforts of Panchayats by reworking the formulae for devolution of funds and also provide for disincentives for non-performing PRIs.
- Fix user charges on a rationale basis and incentivise/deincentivise PRIs for enforcement.

Role of MoPR

19. The Ministry of Panchayati Raj would, on its part, assist the States in designing local solutions, designing training programmes, developing software solutions for tax management and networking with champions. It would also undertake analysis of the State trends to identify initiatives and drives, conduct periodical experience sharing workshop, support policy studies on local taxation particularly on ascertaining taxation capacity and designing incentive packages.

20. In conclusion, the sound finances of the Panchayats is a Constitutional obligation and in pursuance thereof, the States and the Centre, in a true spirit of fiscal federalism, should work together to strengthen finances of the PRIs. I would, therefore, be looking forward to expeditious action on the suggestions above and apprising us of the progress and difficulties.

Yours sincerely,

Sd/-

(A.N.P. Sinha)

Copy to: Principal Secretaries of Finance Department/Panchayati Raj Department, all States/UTs.

Copy to: Secretaries, Ministry of Finance (Department of Expenditure)/ Planning Commission, Ministry of Urban Development.

No. M-11011/162/2008-P&C(AR)

Government of India
Ministry of Panchayati Raj

Krishi Bhavan, New Delhi-110 001.

Dated: 23rd October, 2009

From: A.N.P. Sinha,
Secretary.

To: Chief Secretary,
All States/UTs

Subject: Guidelines on Manpower for the Panchayati Raj Institutions (PRIs).

Sir,

The 73rd Amendment to the Constitution in 1993 has ushered in an important chapter in the process of democratic decentralization in the country. The PRIs have consequently become a permanent tier of self government at the local level with, *inter alia*, specific role in planning and implementation of programmes for economic development, service delivery and social justice, particularly in relation to 29 matters listed in the 11th Schedule. The 11th Plan stipulates substantial empowerment and use of the PRIs as the primary means of delivery.

2. However, even after 15 years of the Amendment, the PRIs are generally yet to come up as the effective units of self-governance due to several reasons, a key reason being inadequate capacity of the PRIs, which has two facets, namely, their organizational capacity and capability of the officials and elected representatives. All the same, their responsibility are increasing progressively due to their role in the planning and implementation of NREGA, BRGF, MDM, SSA, NRHM, TFC and so on.

3. The issue of capacity of the PRIs was deliberated upon in the 1st Round Table of Ministers in-charge of Panchayati Raj held at

Kolkata on 24th-25th July, 2004 where the following resolutions were adopted:—

- (i) Devolution of functionaries to the PRIs should be patterned on the mapping of activities related to the devolved functions.
- (ii) Where deputation of State Government officials is required to assist the PRIs in planning or implementing the devolved activity, the officials concerned must be primarily responsible to, and be under the disciplinary supervision and control of the elected authority.
- (iii) With a view to building a cadre of officials and technocrats specialized in the devolved functions of the PRIs, States/UTs may consider instituting a Panchayati Raj Administrative and Technical Service, with the States/UTs discontinuing further recruitment of staff to State services for such devolved functions.
- (iv) Reconceiving the role of District Rural Development Agencies (DRDAs) as an important instrument for PRIs development through the progressive merger of the DRDAs with the District Panchayats. The technical expertise and other facilities of the DRDAs should become available to all tiers of the PRIs under the overall responsibility and disciplinary control of the elected authority.

4. The 2nd Administrative Reforms Commission (ARC), in its 6th Report titled 'Local Governance—an inspiring journey into the future', has made the following recommendations on this issue:—

- (i) Panchayats should have power to recruit personnel and to regulate their service conditions subject to such laws and standards as laid down by the State Government. Evolution of this system should not be prolonged beyond three years. Until then, the Panchayats may draw upon, for defined periods, staff from departments/agencies of the State Government, on deputation.

- (ii) In all States, a detailed review of the staffing pattern and systems, with a zero-based approach to PRI staffing may be undertaken over the next one year in order to implement the policy of PRI ownership of staff. The Zila Parishads, particularly, should be associated with this exercise.

5. Further, in a good paper on 'Administrative Decentralization for Effective Functioning' of the PRIs, some specific measures have been suggested as listed at Annex.-I.

6. Logically, for the subjects listed in the 11th Schedule and others that have been devolved, the Panchayats should have the power to (i) recruit personnel, (ii) regulate their service conditions, and (iii) exercise control over them, subject to such laws and standards as may be laid. However, due to several factors such as (i) service conditions of the existing employees, (ii) lack of enabling administrative and legislative environment for transferring the State Govt. employees to the Panchayat Cadre, (iii) resistance from the existing employees etc., there would be problems in implementing this arrangement. Therefore, the following transitional and permanent arrangements with a definite time line are suggested.

- (i) A quasi Gram Panchayat (GP) Cadre of field level functionaries, whose work is vital to the GP and whose work touches the lives of people at large, should be created. This would include: Panchayat Secretary, Accountant, Technical Assistant, Computer Operator, Teachers, ANMs, Anganwadi Workers, Agricultural Assistants, Livestock Assistant, Motor Pump Mechanic, Electricity department Linemen etc.
- (ii) If the area of operation of these functionaries is a GP, they should be fully answerable to the GP though recruited by the District Panchayat. Eligibility, service conditions and recruitment procedure for this group could be specified by the State Government without diluting the authority of GPs.
- (iii) The existing staff on these posts should be allowed to continue till they superannuate or are promoted. The resultant vacancies should be filled by GP cadre alone.

- (iv) The District Panchayat Cadre (DP Cadre) could comprise of officials that have jurisdiction over areas larger than a GP. Employees of the DP cadre would supervise the work of the functionaries at the GP level. Examples of this would be: Extension Officers, junior engineers etc. Some employees listed above for the GP cadre could also fall in this cadre. The DP cadre could be constituted by a judicious mix of direct recruitments and promotion from the GP Cadre. Only those found to be meeting expected standards measured in quantifiable terms should be considered for promotion. Perhaps entering the DP cadre from GP cadre could get more than one promotion within the DP Cadre, before he/she can move to the next level.
- (v) State Cadre: Ideally, even Class I and II officers should belong to DP Cadre. However, during the transition period, this cadre could be a State Cadre and people from this cadre should be posted on deputation to the District/Intermediate Panchayats.
- (vi) The possible promotional channel could be illustrated as follows: The levels/nomenclature would evidently be State specific.
 - (a) Panchayat Secretary (GP Cadre) → Village Development Officer (DP Cadre) → Extension Officer (Panchayat) (DP Cadre) BDO → (State Cadre) Further → promotions as per the State policy.
 - (b) Anganwadi Worker (GP Cadre) → Mukhya Sevika (DP Cadre) → ACDPO (DP Cadre) → CDPO (State Cadre) → State Directorate/Commissionerate.
 - (c) Agriculture Asstt. (GP Cadre) → Extension Officer (Agr.) (DP Cadre) → Agriculture Officer (DP Cadre) → State Cadre

7. As evident, the Panchayat should normally have four categories of staff :

- (i) Core staff for its internal processes: Secretary, Accountant, Technical Assistant and Computer Operator. Given the ever

increasing responsibilities and complexity of the task in the GP, it would be desirable to create a post of Panchayat Development Officer with a degree in Business Administration Rural Management or a similar degree;

- (ii) Scheme Specific Staff: for example, NREGA provides (a) for GP—Gram Rozgar Sewak; (b) for Block Panchayats—one Programme Officer, a pool of few Technical Assistants to service GPs; Computer Assistants and Accountant; and (c) for District Panchayats Works Manager with Technical assistant, IT Manager with Computer Assistant, Accounts Manager with Accounts Assistant, Coordinator for social audit and grievance redressal.
- (iii) Functional Staff: such as Teachers, ASHA, Anganwadi workers.
- (iv) Contractual skilled workers: such as Motor Mechanic, Hand Pump Mechanic, Electrician.

8. It is well recognised that the size of Panchayats varies widely from State to State and, therefore, the core and other staff strength, mode of selection, appointment etc., may not be uniform. Reasonable norms based on the area/population/terrain of the Panchayat and functions devolved need to be laid down.

9. The required personnel be provided in the first instance by transferring the relevant departmental personnel and making them fully accountable to PRIs. This should be followed by creating local cadres, permitting lateral shift of staff, providing flexibility to the PRIs to outsource technical personnel from the empanelled providers, strengthening supervisory powers of the PRIs over the local staff and increasing the proportion of women staff members. For natural resource development, a pool of technical staff shared by a cluster of GPs may be provided.

10. As regards the creation of a Panchayat cadre, the Maharashtra model is worth considering. A brief note on the same is at Annex.-II.

11. Administrative reforms of this nature would require an extensive study of the existing cadres, staffing patterns, strength of each cadre, Recruitment Rules etc. Based on the current status and keeping in mind

the broad principles enunciated above, a road map for gradual transition to the desired State could be worked out. The Recruitment Rules for these cadres would require amendments so as to be able to reach the final destination without resulting disadvantage to the existing personnel. This Ministry would support States, engage reputed consultancy organizations and commission studies with, *inter-alia*, following ToRs:

- (i) Compile information of all cadres, their strengths, vacant positions, anticipated future vacancies with time lines, Recruitment Rules etc.
- (ii) Make recommendations on rationalization/convergence of various cadres.
- (iii) Suggest changes required in Administrative Orders/rules etc. for implementing the accepted recommendations and the draft of the amendments.
- (iv) Suggest other implementable measures that would result in transition to the desired State along with time lines.
- (v) Give Job description for each post and develop skill development matrices for training of persons to discharge their duties efficiently.
- (vi) Make appropriate recommendations for performance measurement at each level in the GP and DP Cadres.

12. Resources for deploying core staff of the Panchayats could be found out of the State resources, BRGF, NREGA, Finance Commission Awards etc. as per a well considered phasing. Other staff could be financed under the existing Plan/non-Plan arrangements.

13. Progress made in the matter may be furnished to us from time to time. Your suggestions in the matter would help us refine these guidelines.

Yours sincerely

(A.N.P. Sinha)

Copy to: Principal Secretaries, Panchayati Raj/Rural Development/
Finance Deptts., all States/UTs.

Annexure–I of Annex. 4

Administrative decentralization for the effective functioning of PRIs

- Doing away with the system of deputations.
- Converging of cadres and lateral movement of staff.
- Moving towards a system of decentralized recruitment and local cadres.
- Freeing PRI office bearers and members from the web of restrictive administrative instructions.
- Re-establishing the primacy of the CEO in the administrative hierarchy of the District.
- Ensuring smooth coordination between Departments.
- Ensuring responsibility to the elected body.
- Ensuring that performance appraisal is done by the appropriate PRI.
- Bringing in additional safeguards into performance appraisal.
- Re-writing technical scrutiny rules to make them more transparent and simple.
- De-monopolising the availability of technical guidance.
- Giving powers to the Gram Panchayats to monitor attendance of essential staff.
- Posting full time accounts staff to Gram Panchayats.
- Allowing Gram Panchayats to outsource services.
- Upgrading the post of Secretary to the Gram Panchayat.
- Finding people of appropriate levels to man the upgraded posts.
- Getting more women to work as Panchayat Secretaries.
- Undertaking a sustained, forward looking and well structured training campaign for equipping Panchayat Secretaries with relevant skills.

Annexure-II of Annex. 4

Staffing of Panchayats–Maharashtra Zilla Parishads

In Maharashtra, Class-I and Class-II officers are from State Cadres. Class I & II officers from various depts. viz. Education, Health, PWD, Minor irrigation, Drinking Water supply, Social welfare, Finance and Accounts, RDD (BDO's, Addl. CEOs, PD DRDA etc.) are posted on deputation to the Zilla Parishads. The CEO is an IAS Officer (senior time scale). Both the District collector and CEO report to the Divisional Commissioner. CEO does not report to Collector.

2. However, Class-II and Class-IV employees are Parishad employees and not State Government employees. They belong to the following 3 categories: District Subordinate Services, District Technical Services, District Services.

3. There are separate service rules for each of these categories, which include recruitment, leave, provident fund, disciplinary proceedings etc. In these 3 categories, there are 59 cadres (earlier there were 80+, now rationalized) as enclosed. Employees of these cadres are recruited for a district and are controlled by the Zilla Parishads concerned. These employees are not transferable out of that district.

4. In the Recruitment Rules of the State Government cadres (Class II), almost always, certain percentage of vacancies are filled through promotion from the District cadres. Thus an employee recruited in a District cadre would, after reaching the maximum of the possible grade in the District cadre, would be entitled to be promoted in the State cadre. The channels for promotion are well defined in the respective rules.

5. For example: A Gram Sevak → Extension officer (Agriculture) (District Cadre) → Agriculture Officer (District Cadre) → Sub Divisional Agriculture Officer (Class II post—State Cadre).

Alternatively, Gram Sevak → Village Development Officer (District Cadre), → Extension Officer (Panchayat) (District Cadre).

Annexure-II (part) of Annex.-4

1. Section Officer
2. Superintendent
3. Extension Officer (Statistics)
4. Steno-typist (LG)
5. Steno-typist (HG)
6. Stenographer
7. Senior Assistant
8. Junior Assistant (Acctts.)
9. Driver
10. Asstt. Acctts. Officer
11. Deputy Acctt.
12. Senior Asstt. (Acctts.)
13. Junior Asstt. (Acctts.)
14. Extension Officer (Panchayats)
15. Village Development Officer
16. Gram Sevak
17. Medical Officer
18. Medical Officer (Class III)
19. Pharmacist
20. Lab Technician
21. Leprosy Technician
22. Extension Officer (Health)
23. Health Asstt. (Male)
24. Health Worker (Male)
25. Health Worker (Female)
26. Health Asstt. (Female)
27. Health Supervisor
28. Projectionist
29. Photographer

30. Agriculture Officer
 31. Extension Officer (Agri.)
 32. Junior Engineer (Civil)
 33. Asstt. to Jr. Engineer
 34. Chief Draftsman
 35. Draftsman
 36. Junior Draftsman
 37. Tracer
 38. Mistry (Grade-I)
 39. Mistry (Grade-II)
 40. Senior Mechanic
 41. Junior Mechanic
 42. Electrician
 43. Fitter
 44. Asstt. Livestock Development Officer
 45. Livestock Supervisor
 46. Extension Officer (Education) — Grade II
 47. Extension Officer (Education) — Grade III
 48. Asstt. Teacher (Secondary) — Upper grade
 49. Asstt. Teacher (Secondary) — Lower Grade
 50. Junior College Teacher
 51. Kendra Pramukh (Education)
 52. Primary School Teacher
 53. Head Master
 54. Deputy Head Master
 55. Lab Asstt.
 56. Asstt. Child Development Officer
 57. Supervisor (Child Development)
- Class IV
58. Peon
 59. Dresser

DETAILS OF DISTRICT PANCHAYATS

SI. No.	Name of the State/UTs	No. of Rural Districts			No. of Rural Districts having District Panchayat in terms of Part IX of the Constitution			No. of Rural District not having District Panchayat in terms of Part IX of the Constitution			Reasons for not having District Panchayat given by State Governments
		as on 1.4.2009	as on 1.4.2010	as on 1.4.2009	as on 1.4.2010	as on 1.4.2009	as on 1.4.2010	as on 1.4.2009	as on 1.4.2010		
1	2	3	4	5	6	7	8	9			
1.	Andhra Pradesh	22	22	22	22	0	0	0	0	Does not arise	
2.	Arunachal Pradesh	16	16	16	16	0	0	0	0	NA	
3.	Bihar	38	38	38	38	0	0	0	0		
4.	Chhattisgarh	18	18	16	18	02	Nil	02	Nil	Dantewada and Jagdalpur have been reorganized and divided into four new districts, <i>i.e.</i> respectively Bijapur and Narayanpur in mid session of the Panchayat.	

1	2	3	4	5	6	7	8	9
5.	Haryana	21	21	19	19	02	02	In district Mewat and Palwal <i>i.e.</i> two District Panchayats <i>i.e.</i> Zilla Parishads have been established in the month of Jan. 2010 and the elections of all these 21 Zilla Parishads are scheduled in April/May, 2010.
6.	Himachal Pradesh	12	12	12	12	0	0	NA
7.	Jharkhand	24	24	24	24	-	-	Election to Panchayats have not been held so far.
8.	Karnataka	29	30	29	30	-	-	All the Districts are having District Panchayats.
9.	Kerala	14	14	14	14	-	-	In Kerala State, there is no classification/ categorization of districts as rural or urban. Therefore the question of rural districts which do not have District Panchayats, does not arise. There are Panchayats (as laid down in Article 243B of Part IX of the Constitution of India) in all 14 revenue districts.

1	2	3	4	5	6	7	8	9
10.	Madhya Pradesh	50	50	50	50	-	-	-
11.	Maharashtra	33	33	33	33	0	0	NA
12.	Manipur	9	9	4	4	5	5	Out of 9 districts of Manipur in 4 valley districts the Manipur Panchayati Raj Act, 1994 extends but in 5 Hill districts, the Manipur (Hill Areas) District Council Act, 1971 or the Manipur (Village Authorities in the Hill Areas) Act, 1956 extends, That is why the District Panchayats have not been extended in the Hill Districts.
13.	Punjab	20	20	20	20	NA	NA	-
14.	Sikkim	4	4	4	4	Nil	Nil	NA
15.	Tripura	4	4	4	4	4	4	The Part IX of the Constitution is not accessible in the 6th Scheduled Area.

1	2	3	4	5	6	7	8	9
16.	Uttar Pradesh	71	71	71	71	0	0	NA
17.	Uttarakhand	13	13	13	13	0	0	Not applicable
18.	West Bengal	18	18	18	18	Nil	Nil	Does not arise.
UTs								
1.	Andaman & Nicobar	3	3	2	2	1	1	Nicobar District being a tribal area, has been notified as reserved areas under the A & N Islands PAT Regulation, 1965. Hence the Andaman & Nicobar Islands Panchayat Regulation is not extended to Nicobar District. Panchayat Regulation applies to Non-tribal areas to this District.
2.	Chandigarh UT	1	1	1	1	-	-	-
3.	Daman and Diu	2	2	1	1	1	1	The District Panchayat, Daman and Diu with headquarters at Moti Daman came into existence from 25.09.1995.

1	2	3	4	5	6	7	8	9
4.	Lakshadweep	1	1	1	1	NA	NA	NA
5.	Puducherry	2	2	0	0	2	2	Necessary exemption has been obtained from the Government of India to dispense with the constitution of District Panchayat in this Union Territory — <i>vide</i> notification bearing No. S.O. 312(E) dated 13.4.1994 issued by the Ministry of Home Affairs. The Puducherry Village and Commune Panchayats Act, 1973 envisages only two tier Panchayats at the village level and commune Panchayats (Intermediate Panchayats) at Commune level.
Total		425	426	421	415	17*	15*	

*Four districts of Tripura are partly covered under Part IX and partly covered under Scheduled Area.

ANNEXURE VI

No. N-11019/59/2006-Pol.I
Government of India
Ministry of Panchayati Raj

Krishi Bhavan, New Delhi-110001.
Dated: 21st January, 2010

From: A.N.P. Sinha,
Secretary.

To: Chief Secretary,
All States/UTs.

**Subject: Guidelines on Construction of Gram Panchayat (GP) Buildings
and Bharat Nirman Rajiv Gandhi Sewa Kendras (BNRGSK).**

Sir,

The 73rd Amendment to the Constitution in 1993 has ushered in an important chapter in the process of democratic decentralization in the country. The Panchayats have consequently become a permanent tier of self Government with specific role in planning and implementation of programmes for economic development, service delivery and social justice, particularly in relation to 29 matters listed in the 11th Schedule. Moreover, the 11th Plan document stipulates substantial empowerment and use of the Panchayati Raj Institutions (PRIs) as the primary means of delivery.

2. However, even after 15 years of the Amendment, the Panchayats in many cases are yet to come up as the effective units of self-governance due to several factors, a key factor being the inadequate infrastructure. A large number of GPs do not have even office buildings and full-time staff. All the same, their responsibilities are increasing progressively with their role in the planning and implementation of NREGA, BRGF, MDM, SSA, NRHM, TFC and so on.

3. For MGNREGA in particular, the Panchayats are the principal authorities for planning and implementation under section 13 of the Act. At least 50 per cent of NREGS funds, which are in the order of Rs. 40,000 crore this year, are to be spent directly by the GPs besides several other functions as listed in Annexure I. These features of NREGS offer a unique opportunity to strengthen and enable particularly the GPs. The enabled GPs, in turn, can become powerful

instruments in making NREGS a much better success. It is generally seen that States having vibrant and optimally sized GPs with requisite capability have implemented NREGS better. There is self-evident symbiosis between NREGS and the GPs. It would, therefore, be necessary that GPs offices also have NREGA offices, to be called Bharat Nirman Rajiv Gandhi Sewa Kendra (BNRGSK).

4. GP buildings in particular would not only symbolize the rise of PRI but also provide physical space for people to interact with the GP representatives and functionaries for transacting the expanding business of the Panchayats. Accordingly, *vide* our letter dated 29th April, 2009 (reiterated through letter dt. 9th Nov., 2009), the States were advised, *inter-alia*, to provide GP buildings and ICT on a high priority under BRGF.

5. Further, *vide* notification dt. 11.11.2009 of Ministry of Rural Development (MoRD), construction of BNRGSK as knowledge Resource Centre and Gram Panchayat Bhawan at GP level, have become admissible items under NREGS. Infact, based on the proposal of MoPR, MoRD *vide* its letter dt. 30th Dec., 2009, has already issued necessary guidelines (copy enclosed). At the GP level, a section of BNRGSK will house the GP office wherever the GP does not have a building. Where there is adequate infrastructure for the GP, the BNRGSK will be constructed as a Citizen-centric Knowledge Resource Centre. As far as possible, this will be structurally connected to the GP building, or near it, to facilitate proper management and control of the resources created.

6. The source of funding for the construction would be:

- (i) For the BRGF districts — the material component may be met from BRGF and the labour component from NREGA. In case, the material resources support from BRGF is inadequate, the same can be incurred under NREGS provided the material component does not exceed 40% at the district level;
- (ii) For the non-BRGF district— NREGS would be the main source. The material component can also be supplemented through other schemes including RGSY of MoPR.

The maximum expenditure under NREGS for BNRGSK building at Block and Gram Panchayat level would be Rs. 25 and Rs. 10 lakhs respectively.

7. With a view to imparting Panchayats a national identity and signature:

- (i) Building designs have been made through the School of Planning and Architecture. Evidentially, the Cost norms would be as per the State

Schedule of Rates and there would be local design variations depending on the geo-climatic conditions and the availability of construction material & skills;

- (ii) States could also think of combined GP Buildings to accommodate the revenue and other GP level sectoral staff and their functions. But NREGS/BRGF funding would be restricted to the amounts mentioned in para 6 above. The States and the Sectoral Programmes would have to bear the balance. The GP Building design could accommodate future expansion.

8. As stated in para 8 of the guidelines of MoRD, construction of BNRGSK should be taken on priority and Time-bound plan for the completion of all BNRGSKs at GP and Block level may be submitted to this Ministry also. The Labour Budget for 2010-2011 under NREGS should estimate the number of such works and indicate their location. Similarly, BRGF component should be incorporated in the BRGF Plans.

9. Finally, with a view to having a good idea of the existing capacity of Gram Panchayat, kindly furnish the following information for an average GP:—

- (i) Population of a GP; (ii) Functions actually devolved a GP;
- (iii) scheme-wise funds given to a GP last year; (iv) Sanctioned and existing staff; (v) IT facility available; (vi) No. of Panchayats, district-wise, without buildings; (vii) Space requirement (with justification), indicating Plinth area of the existing building; (viii) Any other relevant information.

10. Your suggestions in the matter would help us refine the above guidelines, if need be.

Yours faithfully,

Sd/-

(A.N.P. Sinha)

Copy to Principal Secretary, Panchayati Raj Department, All States/UTs.

Annexure-I of Annexure-6

MAIN RESPONSIBILITIES OF GRAM PANCHAYATS IN NREGA

1. Prepare a development plan and maintain a shelf of possible works to be taken up under NREGA, taking into account the recommendations of the Gram Sabha and Ward Sabha.
2. Register those who are willing to work under NREGA and issue a job card to them.
3. Receive applications for work and issue a dated receipt to the applicant.
4. Allocate work opportunities among the applicants and ask them to report for work.
5. Display a list of persons who are being provided with work on its notice board.
6. Implement works that have been sanctioned by the Programme Officer.
7. Make all relevant documents available to the Gram Sabha for the purpose of social audits.
8. Keep a copy of the muster rolls available for public scrutiny at the Panchayat office.
9. Prepare an annual report on the implementation of the Scheme.

No. H-11016/2/2010-RBH
Government of India
Ministry of Panchayati Raj

Sardar Patel Bhawan, New Delhi,
Dated the 16th July 2010.

To

The Principal Secretary/Secretaries
PR and RD Department
(All States and UTs).

Subject: Furnishing of Action Taken Replies on the recommendations contained in the Sixth Report of the Standing Committee on Rural Development on Demands for Grants (2010-11) of Ministry of Panchayati Raj.

Sir,

I am directed to refer to the above cited subject and to say that the Parliamentary Standing Committee on Rural Development have made certain observations/recommendations while considering the Demand for Grants (2010-11) of this Ministry. It has been found that on some of the observations/recommendations action is required to be taken by States/UTs. In this connection, attention is invited to the recommendations/observations made by the Committee in Paras 4.5, 4.54, 4.62, 4.63 and 5.35 Copies of these paras are enclosed.

2. After going through contents of above mentioned para it would be seen that action is required to be taken by States/UTs urgently and information/details/comments are to be sent to this Ministry so that the Action Taken Report may be sent to the Committee accordingly. Broadly, following action is required to be taken by the States/UTs on respective paras:

- (i) Paras 4.5 and 4.54: The details about holding of the meeting of Gram Sabha, Mahila Sabha and Ward Sabha in all the PRIs may be intimated to this Ministry. In this connection attention is also invited to the fact that the detailed guidelines for effective functioning of the Gram Sabha were issued *vide* this Ministry's communication No. J-11011/12/2009-Media dated 2.10.2009 to all Chief Secretaries. Annexure-II of that communication contained the Guidelines for conducting Gram Sabha Meetings and the format of conduct of the Gram Sabha meeting was also reflected in the same. Copy of Annexure-II of that communication dated 2.10.2009 is enclosed. The same may be circulated to all Gram Panchayats and the details of

holding of the meetings of Gram Sabha, Mahila Sabha and Ward Sabha in the current year being observed as the Gram Sabha Year may be sent to this Ministry urgently.

In case the meetings of the Mahila Sabhas have not been held before the Gram Sabha the reasons for the same may be intimated to this Ministry so that the Committee is informed accordingly.

- (ii) Para 4.62: In view of the observations made by the Committee it will be appreciated that it would not be proper if the male Pradhans/ Pramukhs of the Gram Panchayat do not perform their duties and demonstrate any weakness with regard to performance of their duties by allowing their relatives who are or other persons to function as proxy for them. It is, therefore, necessary that appropriate action is taken against such weak male Pradhans/Pramukhs of the Gram Panchayat. In addition to this the action may be taken by Secretary of the Panchayat who are or the concern Government officer in whose presence the meetings of Gram Panchayats are held and the male relatives who are or other persons connected with the weak Pradhans/ Pramukhs of the Gram Panchayat are allowed to perform the duties of elected Pradhans/Pramukhs. It is requested that suitable instructions may be issued to the concerned authorities at all level of PRIs in the State and action taken may be reported to this Ministry for further necessary action.
- (iii) Para 4.63: In view of the observations made by the Committee it is requested that the considered comments of the State Government may be sent to this Ministry about the performance of the scheme of Panchayat Mahila Evam Yuva Shakti Abhiyan (PMEYSA) in the State. The achievements made under the scheme and the bottlenecks felt in the implementation of the scheme impeding the total success of the scheme may be intimated to this Ministry so that this Ministry may consider the matter further.

3. It is requested that the action with regard to the above mentioned paras may be taken **on top priority basis** and the position about action taken alongwith copies of the relevant communications may be sent to this Ministry within a month so that the Parliamentary Standing Committee is provided with the Action Taken Report (ATR) accordingly.

Yours faithfully,

(Maha Bir Pershad)

Deputy Secretary

Tele No. 23746567

ANNEXURE VIII

No. N-11019/538/2007-Pol-I(Vol-II)
Government of India
Ministry of Panchayati Raj

Samrat Hotel, Chanakya Puri, New Delhi ,
Dated: 26th May 2009.

OFFICE ORDER

Subject: Constitution of National Advisory-cum-Review Committee on BRGF.

The Backward Regions Grant Fund Programme (BRGF) is designed to redress regional imbalances in development. The Fund provides financial resources to the States for supplementing and converging existing developmental inflows into 250 identified districts, so as to:—

- (a) bridge critical gaps in local infrastructure and other development requirements that are not being adequately met through existing inflows;
- (b) strengthen, to this end the Panchayati Raj and Municipality level governance through appropriate capacity building, to facilitate participatory planning, decision making, implementation and monitoring, to reflect felt local needs;
- (c) provide professional support to local bodies for planning, implementation and monitoring their plans; and
- (d) improve the performance and delivery of critical functions assigned to Panchayats, and counter the possible efficiency and equity losses on account of inadequate local capacities.

2. Considering the importance of BRGF in addressing the national objective of redressing the regional imbalances, a National Advisory-cum-Review Committee is constituted as follows:—

1. Shri V. Ramachandran, IAS (Retd.) — Chairman
2. Shri B.N. Yugandhar, IAS (Retd.) — Member
3. Shri V. Ramani, DG, YASHADA, Pune — Member
4. Director, ADRI, Patna — Member

5. Director, XLRI, Jamshedpur — Member
6. Director, SIRD, Chhattisgarh — Member
7. Senior Advisor (MLP), Planning Commission — Member
8. Shri Rajesh Tandon (PRIA) — Member
9. Additional Secretary, MoPR — Member Secretary

The Committee would co-opt invite Principal Secretaries and local institutions of key BRGF States.

3. The Terms of Reference of the Committee are as follows:
 - (a) Assess the extent to which objectives of BRGF have been fulfilled;
 - (b) Review the quality of programme management at Central, State and District levels;
 - (c) Assess the quality of district plans, frequently occurring deficiencies, aspects of capacity building, planning process, role of Training support Institutions etc.;
 - (d) Adequacy of monitoring mechanism;
 - (e) Need for modification in the objective and design of BRGF including the Block as Unit for BRGF funding; and
 - (f) Any other matter relevant to the subject.

4. The Committee will submit its first report within 3 months and thereafter quarterly.

5. The TA/DA entitlements of the Chairperson and the communicated separately.

Sd/-

(Susan D. George)

Director

Tel. No. 24122938

Distribution:

1. Shri V. Ramachandran, Chairman, Centre for Management Development, Tycand P.O., Thiruvananthapuram-695 014.

2. Shri B.N. Yugandhar, Member, Planning Commission, New Delhi.
3. Principal Secretary to the Prime Minister of India, South Block, New Delhi.
4. Secretary, Ministry of Finance, North Block, New Delhi.
5. Principal Advisor, Planning Commission, Yojana Bhawan, New Delhi.
6. Shri V. Ramani, Director General, YASHADA, Rajbhawan Complex, Baner Road, Pune.
7. Director, State Resource Centre, Asian Development Research Institute (ADRI), BSIDC Colony, Off. Boring, Patliputra Road, Patna-800 013, Bihar.
8. Director, Xavier Labour Relations Institute, Jamshedpur, Jharkhand-831 035.
9. Director, Chhattisgarh State Institute of Rural Development, Nimora, Raipur-492 015, Chhattisgarh.
10. Advisor (MLP), Planning Commission, Yojana Bhawan, New Delhi.
11. Shri Rajesh Tandon, President, PRIA (Society for Participatory Research in Asia) 42, Tughlakabad Institutional Area, New Delhi-110 062.

Copy to:

Chief Secretary/Principal Secretary, Panchayati Raj Departments, All States/UTs for information.

Recommendations of NARC and Response of MoPR

S.No.	Recommendations	Response of MoPR
1	2	3
2.1	The BRGF should continue with its untied nature and emphasis on filling up developmental gaps. It should also continue to focus on its emphasis on capability building, constitution of DPCs and catalyze planning across rural and urban areas in the district.	We agree.
2.2	Every District should come out with the district profile of backwardness to be upgraded once in every three years.	MoPR has set up an inter-Ministerial Group on the issue of indicators and geographical unit for measurement of backwardness.
2.3	Although sophisticated and well-thought methodologies have been applied to measure the backwardness in the last few decades, however, there is no consensus on the parameters. It is, therefore, suggested that a simple, verifiable and measurable index of rural backwardness be evolved by the MoRD, MoPR and Planning Commission in consultation with the States. The unit for determination of backwardness may be the Block.	As above.
2.4	At present monitoring of BRGF is mostly on releases and expenditure. Since BRGF is an intensively process oriented programme, a system for multi-level quality, process, financial and outcome is needed. Such a system has already been successfully established for significant number of programmes such as MGNREGA, PMGSY, Drinking Water and Sanitation, Integrated Watershed Development Programme etc. This monitoring mechanism should be established by technically competent	The Scheme envisages quality monitoring primarily by the people, since the grants are meant for the local bodies and power given to people through the Gram/Area Sabhas to propose and monitor the specific works. The World Bank evaluation of BRGF has

1	2	3
	organisations such as C-DAC, ANTRIX Corporation (ISRO), ECIL, NIC, TCS, etc. NIRD would propose draft criteria and methodology for purposeful monitoring. Based upon which MoPR would establish monitoring unit for IT based monitoring.	found the quality of the works taken up under BRGF generally very good. However, we would welcome from NIRD, criteria and methodology for professional monitoring.
2.5	Since the purpose of the BRGF is to fill the gaps in developmental infrastructure, it is necessary to identify the level of development of different Blocks and give priority to the bottom one-third of the Blocks for investment under the Grant, to fill all the existing gaps within a given time-period. Similarly, identification of backward Gram Panchayats can also be undertaken wherever feasible as already done in West Bengal and Maharashtra.	The Scheme gives discretion to the States for identifying the norms for distribution of the district entitlements among the various local bodies. This suggestion would be included in the BRGF Guidelines.
2.6	A National Portal on Basic Indicators of Development should be created by the Ministry of Panchayati Raj.	MoPR has already developed such a portal titled "PRI Profiler", wherein States are required to populate the data on 8 indicators.
2.7	The e-Panchayats programme of MoPR, Computerization Programme of MoRD having allocation of Rs. 1300 crore and Panchayat Ghar component of Bharat Nirman Rajeev Gandhi Sewa Kendra should be dovetailed for computerization of the Local Bodies.	We agree and would pursue with DoRD.
2.8	The allocation should be viewed over a period of 5 years and not for a year alone. For completion of schemes/projects under BRGF must have a long term perspective. The projects taken up should be given sufficient time for their completion whenever this involves more	We agree.

1	2	3
	<p>than one year time. The Committee strongly urges the extension of BRGF in 12th Plan period keeping in view the long term perspective for the programme. This will ensure completion of schemes/projects.</p>	
2.9	<p>The process of release needs to be simplified. The Districts will plan and indicate a sector and scheme-wise requirement of funds, before the beginning of the financial year. This will become the basis for the release of funds.</p>	<p>MoPR has made several changes in the procedure for expeditious release of funds. States have been urged repeatedly to submit this District Plans timely.</p>
2.10	<p>There should be some incentive for expenditure incurred within or before time. Likewise there ought to be a disincentive for late, tardy or poor utilization of funds. The disincentive could come in a number of ways such as losing a part of the funds; requiring the State to do an additional exercise before further release etc. However, it may be mentioned that the quality of the expenditure and the outcome of the investment will need to be carefully assessed before arriving at the incentive or disincentive.</p>	<p>The EFC Note on restructuring of BRGF has sought for re-allocation of Development Grant during the year, based on the performance. As for the quality of expenditure, this is to be ensured by the State Governments through (a) Quality Monitoring Systems and (b) Social Audit through Gram Sabhas.</p>
2.11	<p>There is need for close convergence between BRGF and other Livelihood Programmes of the Government. Sectoral Planning for livelihoods should be under one umbrella planning process. There should be one Integrated Livelihood Plan for the whole District.</p>	<p>In fact BRGF intends to promote cross-sectoral, decentralised plans, including livelihood.</p>
3.1	<p>Considering the strengths and weaknesses of the existing NCBF and the features of the NCDF proposed by Sub-Committee on Capacity Building and Convergence, a National Capabilities Development Framework may be prepared, jointly, by MoPR and MoRD. MoPR</p>	<p>MoPR has not found any significant problem with the NCBF, nor has any State or the World Bank evaluation stated so. MoPR has been</p>

1	2	3
	and MoRD may adopt a common strategy for capabilities development including pooling up funds and release of these funds.	interacting with MoRD, MoUD and DoPT (Training Division) on various aspects of training and capacity building such as training needs analysis, pooling of training materials and training infrastructure etc. A Standing Committee including MoRD, MoPR etc. has also been set up for the purpose.
3.2	The revised framework would emphasise the upgradation of capabilities and competence of individuals (elected and appointed), measures for effectiveness of organisational arrangements and strengthening of institution, adoption of appropriate policy instruments and promotion of conducive socio-economic environment.	As above.
3.3	It is suggested that the term "Capabilities Development" (CD) be used in all places instead of 'training' or 'capacity building'. The proposed term will capture the comprehensive nature of the efforts that are necessary.	The NCBF in its expanded form is the National Capability Building Framework. The distinction between "Building" and "Development" may perhaps not be given too much significance. The need appears to be giving effect to the NCBF with full commitment by the States and the UTs.
3.4	The revised NCDF may be taken up for implementation, on a priority basis in all BRGF Districts.	As above.
3.5	Since the requirements for BRGF Districts themselves may be large, MoPR and MoRD	The proposals mooted by MoPR for launching the

1	2	3
	<p>may consider and take early steps to make proposal for capabilities development for assistance from international bodies like the World Bank (which have already studied BRGF districts) or the UNDP or UN-Habitat (which has done considerable work in leadership training).</p>	<p>Panchayat Sashaktikaran Abhiyan amply address this need. However, we would also request DEA for WB/UNDP funding for the same.</p>
3.6	<p>The Capabilities Development effort should begin with an assessment of needs as regards individuals and institutions. As the needs may be vary from district to district. District specific Capabilities Development programme may be evolved within the next one year in all BRGF districts.</p>	<p>MoPR has initiated action in this regard, in collaboration with MoRD and DoPT (Training Division).</p>
3.7	<p>Without waiting for the internationally supported project to be finalised the above efforts could be taken up by MoPR and MoRD by constituting a small appropriate team for each District, in consultation with State Government concerned. The Capabilities Development programme may include the establishment of District Capabilities Development Centre with adequate funds and staff.</p>	<p>We agree.</p>
3.8	<p>With the vast funds available for rural development, MoRD may take steps to further strengthen and transform NIRD, strengthen SIRDs using innovative methods where necessary; and establish an ETC in each district (initially ensuring they are starting in BRGF districts). It is suggested that NIRD may prepare a proposal for development of the Centre for Panchayati Raj in NIRD as Centre of Excellence for capabilities development of PRI functionaries and strengthening of these institutions. The proposal may envisage the role to be played by NIRD with the help of all the 28 SIRDs and 89 Extension Training Centres in the country as also other district level and sub-district level institutions.</p>	<p>It would be better to rename NIRD as NIP & RD, with concomitant changes in its composition and mandate.</p>

1	2	3
3.9	Further, a strong and active network of other reputed training institutions and NGOs should also be established and supported with resources and material. Twinning some of these institutions/organisations with a single institution of repute will help augment the faculty and training facilities available.	We agree. MoPR has developed an online portal http://pri-resources.in to create a virtual network of training institutions, training materials and resource persons.
3.10	In the Capabilities Development programme, the training of elected and appointed functionaries should be comprehensive covering not only the techniques of planning and implementation but also the skills for the leadership, conflict resolution and enlistment of community participation.	These aspects are covered by the NCBF.
3.11	In order to secure synergy and effective capabilities development efforts, especially at the State, District and Sub-District Levels, it would be desirable that the efforts of several Union Government Ministries are coalesced for strong faculty support, training related infrastructure and training methodologies. Initially the Ministry of Panchayati Raj, Ministry of Rural Development including the Departments of Land Resources, Drinking Water and Sanitation could combine their efforts so that the Institutions and programme support to the capabilities development framework at all levels is provided with greater professionalism and continuity. Empirical evidence further indicates that arrangements for cross visits of people, people to people contacts and grassroots level training activists regarding best practices for institutions and capabilities development have proved successful in reaching out to large number of stake holders and functionaries. Some of these methodologies have been successfully used by Society for Elimination of Rural Poverty (AP), MYRADA, PRADHAN, PRIA etc. they	This is a pragmatic suggestion and MoPR has initiated the following action: a. A Standing Committee has been set up to coordinate the activities of MoPR, MoRD, MoUD and DoPT in the field of capability development. b. The NCBF, which is the anchor framework for the BRGF and RGSY, has made adequate provision for alternative learning methodologies.

deserve to be integrated into the capabilities development arrangement.

- 4.1 Having played an important role in catalysing the formation of DPCs in all States, MoPR should take the process further by leveraging the appropriate composition and structure of DPCs as well as the process of decentralised planning (as discussed in this report). In this matter also MoPR may combine its efforts with that of MoRD which can have greater leverage with State Governments.
- MoPR has prepared a Scheme for strengthening the planning process at the national, State, sub-State levels. The proposal is currently under inter-ministerial consultations. MoPR would work with MoRD to strengthen the process further.
- 4.2 The guidelines issued by the Planning Commission for the preparation of District Planning should be reiterated. MoPR may urge the Planning Commission that it should insist that the draft state plan proposals every year for the annual plan discussions should be accompanied by the required material on District Plans and that there should be a separate working group for this until the process gets stabilised.
- We agree. This recommendation is being taken up with the Planning Commission.
- 4.3 The guidelines for implementation of CSSs and planning to be prepared for these schemes at present are narrowly confined to the departmental purposes. The MoPR and Planning Commission should take the initiative to ensure that these guidelines are in conformity with the requirements and the purpose of the District Level Plans. It should be ensured that the scheme-based guidelines and plans are, as a first step, integrated with the sectoral sub-plans and thereafter fully coalesced with the District Plan.
- We agree. MoPR has urged upon the Planning Commission to enforce the guidelines relating to integrated decentralised planning. Now MoPR has decided to undertake preparation of perspective plans for 250 BRGF districts through Technical Support Institutions, keeping in view the experience of a similar exercise done at the launch of the BRGF Programme in 2006-07.
-

1	2	3
4.4	MoPR and MoRD may jointly take steps to catalyse the State Governments to have a separate document in the State budget on district plans as has already been done by a few States.	We agree.
4.5	MoPR may also urge the State Governments to provide an untied portion of the State plan so that DPCs will have some flexibility in working out schemes and projects of local relevance.	We agree. While some States have been providing untied grants to the Panchayats, none provide such grants to the DPCs. The suggestion would get its intent served only when States undertake preparation of integrated district and sub-district plans in true spirit, for which MoPR has been seeking pivotal action / lead from the Planning Commission.
4.6	While allocation of untied funds, in full, with indicators of more important sectors would be the ideal way of financing the district plan, taking the reality of existence of large number of Central and State Government schemes, DPCs should be encouraged to pool the resources together. The pooled resources will form, along with internal resources and people/community contributions, the resource envelope that will be available to the DPC for preparing the district plan. In this exercise also, priority may be given to BRGF districts, so that BRGF release of funds are used as a flexible and supplementary source and not as separate scheme in itself.	We agree. Planning Commission need to drive this. This suggestion is in line with the scheme of planning under the BRGF Guidelines.
4.7	The complex exercise of preparing district plan in the context of multiple interventions can be facilitated to a great extent by the use of ICT	We agree. MoPR has been highlighting upon the States, MoRD and the

1	2	3
	software as provided by Plan Plus and similar other packages mentioned in the report.	Planning Commission, the benefits of adoption of the Plan Plus.
5.1	As 'convergence' is critical for efficient use of resources, avoidance of waste and for ensuring the desired output and outcomes of programmes, MoPR and MoRD — based on their experience with BRGF and convergence initiatives of MGNREGA — may urge upon the Planning Commission to adopt 'convergence' as a high priority implementation strategy.	We agree. MoPR has brought this need to the notice of the Planning Commission on various occasions. As for MoRD, an advisory has been issued by MoPR and MoRD for such convergence. Effective convergence at sub-district levels requires disclosure of the resource envelopes to the local bodies in respect of various schemes and programmes.
5.2	Having done this, the Planning Commission may be urged to constitute a committee or team to scrutinise all CSSs guidelines for schemes implemented at local level. Objective should be to bring about as much commonality as possible regarding State level nodal agencies, planning process, approval, Centre-State contribution ratio, subsidies, role of Local Government, audit mechanism including social audit etc. The overarching objective should be that the guidelines are in consonance with the principles of subsidiarity and decentralised planning. In this, the local Committees to be constituted under various CSSs guidelines should be integrated with standing/functional Committees at different levels of the Local Government. There should be the Committees of the Local Government.	We agree. It would make huge difference in planning, implementation and outcomes of the CSSs/ACAs.
5.3	While approaching the Planning Commission to promote the convergence, MoPR and MoRD should ensure active convergence between RD programmes and BRGF.	We agree. For this to happen, MoRD may enforce BRGF Planning Process for RD Programmes.

1	2	3
5.4	MoPR and MoRD together should catalyse the convergence of their programmes at local level with other livelihood programmes of ministry regarding natural resource management (land and water related programmes).	As above.
5.5	As in other cases, the exercises in convergence may also begin in BRGF districts first. The process may be started first with convergence of BRGF, MGNREGA, livelihood programmes of other ministries relating to land and water and other flagship programmes. If this could be achieved in the next two years, the process can be extended to all other programmes thereafter, in time-bound manner.	We agree. Such convergence is the essence of BRGF Guidelines. However, true convergence can come only from the GP/village level and upwards. For this, disclosure in advance of the resource envelops at village, block and district levels is <i>sine qua non</i> .
5.6	The process of convergence will be made easier if electronic transfer of funds is done in the case of all CSSs and State Government schemes and programmes. The electronic transfer of funds from ministry to State Government and from the State Government to district, sub-districts and Panchayats would enable simultaneously monitoring and scrutiny.	We agree. MoPR <i>vide</i> its letter No. N11019/125/2009-Pol.1 dt. 23.02.2010 has proposed a simple but robust scheme to the Union Ministries and States for electronic transfer and tracking of funds and Financial Management System. Planning Commission/M/o Finance may advise all Ministries/States for its adoption.
5.7	MoPR may encourage States—starting with BRGF districts — to promote the need and importance of convergence through appropriate campaigns, adoption of locally relevant communication techniques like folk plays, dances in order to ensure community involvement. Such involvement enables the community to view development as a comprehensive exercise and not as a mere collection of schemes. It will also encourage ownership of development, which will, in turn, make them more committed to maintenance.	We agree and would work alongwith MoRD to implement this.

F.No. PEO/16(98)/2010/TC
Planning Commission
Programme Evaluation Organisation

Room No. 452, Yojana Bhavan
Sansad Marg, New Delhi
Dated: 24.2.2010

Subject: Constitution of Consultancy Evaluation-*cum*-Monitoring Committee (CEMC) for monitoring the Evaluation Study of the Scheme of Backward Districts Initiative (BDI) & Backward Region Grant Fund (BRGF)

The Development Evaluation Advisory Committee (DEAC) in the meeting held on 11th November, 2009 assigned the evaluation of the scheme of Backward Districts Initiative (BDI) & Backward Region Grant Fund (BRGF) to Programme Evaluation Organisation.

With the approval of competent authority, PEO has constituted a Consultancy Evaluation-*cum*-Monitoring Committee (CEMC) for monitoring the study as below:

- | | |
|---|-------------|
| 1. Dr. Rohini Nayyar
Former Advisor, Planning Commission, New Delhi | Chairperson |
| 2. Dr. Sudhir Krishna, Additional Secretary,
Ministry of Panchayati Raj | Member |
| 3. Shri P.K. Kesavan, Director (BRGF),
Ministry of Panchayati Raj Institutions,
New Delhi | Member |
| 4. Adviser, Multi Level Planning (MLP) Division,
Planning Commission | Member |
| 5. Adviser, Rural Development Division,
Planning Commission | Member |
| 6. Smt. Ratna Anjan Jena, Adviser (PEO),
Planning Commission | Member |
| 7. Ms. Indu Patnaik, Deputy Adviser, MLP Division
Planning Commission | Member |

- | | |
|--|----------|
| 8. Dr. R.C. Dey, Director (PEO-TC),
Planning Commission | Member |
| 9. Ms. Nandita Mishra, Director (PEO)
Planning Commission | Convenor |

The Terms and Reference of the Committee are:

- (i) To provide guidance on preparation of study design including the objectives of the study, methodology, instruments of observation etc.
- (ii) To guide in Shortlisting Institution for outsourcing of the study.
- (iii) To provide guidance on identification and development of appropriate input, activity, output, outcome and impact indicators for assessment of the performance of the implementation of the scheme.
- (iv) To ensure the quality of data collection, organisation of the collected data, analysis of the data, drafting of the report etc.

The Committee may co-opt any additional Member(s) as and when required.

The non-official member of the Committee will be paid TA/DA by the Planning Commission as per the SR 190 (a) for attending meetings of the Committee. The official members would, however, be entitled to payment of TA/DA from their respective organisation to which they belong.

Sd/-
(Nandita Mishra)
Director (PEO)
Telefax: 23096745

To,

The Chairman and all the Members of CEMC

Copy:

PS to Deputy Chairman, Planning Commission
PS to Member (AS)
PPS to Secretary, Planning Commission
PS to Senior Adviser, Rural Development Division
PS to Senior Adviser (PEO)
PS to Adviser (PEO)

Criteria for *Inter se* Distribution of BRGF Fund across States

Sl. No.	State	Rural:Urban	<i>Inter se</i> Urban	<i>Inter se</i> Rural	<i>Inter se</i> Three tiers (GP:IP:ZP)	Across Blocks	Across GPs
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	Population	Population	Population and SC/ST Population	50:30:20	Population and SC/ST Population	Population and SC/ST Population
2.	Arunachal Pradesh	One crore to Urban to Urban areas. Basis not clear.	NA(info. not available)	Equally	50:30:20	Equal (Rs.26.15 lakh each)	Equal (Rs.4.12 lakh each)
3.	Assam	Population	Population x per capita allocation	Population x per capita allocation	50:30:20	Population	Population x per capita allocation
4.	Bihar	Population	Population	Equally	70:20:10	Population	Equally
5.	Chhattisgarh	Population	As per work list approved by DPC	As per work list approved by DPC	As per work list approved by DPC	As per work list approved by DPC	As per work list approved by DPC
6.	Haryana	80:20 as per TFC recommendations	As per work list approved by DPC	As per work list approved by DPC	75:10:15	As per work list approved by DPC	As per work list approved by DPC. Normative formula abandoned due to small amount reaching GPs.
7.	Himachal Pradesh	As per work list approved by DPC	As per work list approved by DPC	As per work list approved by DPC	50:30:20	As per work list approved by DPC	As per work list approved by DPC

1	2	3	4	5	6	7	8
8. Gujarat	Population	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	Each tier gets minimum 20% of allocation. Other criterion is population	As per work list approved by the DPC	As per work list approved by the DPC
9. Jammu and Kashmir	10% to Urban areas	NA	NA	NA	50:30:20	NA	NA
10. Jharkhand	As per work list approved by DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC
11. Karnataka	80:20	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC. Emphasis on SC/ST colonies
12. Kerala	Non SC/ST Population	Weighted index (see annex-1)	Weighted index (see annex-1)	Weighted index (see annex-1)	50:40:10	Weighted index (see annex-1)	Weighted index (see annex-1)
13. Madhya Pradesh	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	65:22:1	As per work list approved by the DPC	As per work list approved by the DPC
14. Maharashtra	Population	Population	Population	Population	48:28:26 (Ahmednagar) 14:11:75 (Narmada)	Population	Population
15. Manipur	No urban component except Chandel which has one small municipality. Fund allocated as per population.	Population	Population	Population	Not Applicable	Population	Population and 25% retained at the District level for backward GPs

1	2	3	4	5	6	7	8
16. Meghalaya	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC
17. Mizoram	Population	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC			
18. Nagaland	HH% (tax paying households) across State						
19. Orissa	60:40 as per revised guidelines	15% population, 85% GEN	SC/ST As per work list approved by the DPC	As per work list approved by the DPC	50:30:20	As per work list approved by the DPC	As per work list approved by the DPC
20. Punjab	80:20 on the basis of population	Further distribution as per list of projects approved by the DPC	Further distribution as per list of projects approved by the DPC	Further distribution as per list of projects approved by the DPC	Further distribution as per list of projects approved by the DPC	Further distribution as per list of projects approved by the DPC	Further distribution as per list of projects approved by the DPC
21. Rajasthan	Population	Population	Population	50% population, 50% BPL population	None	None	50% population, 50% BPL population
22. Sikkim	20% tribal fund. Rest is divided in the ratio of 80:20 between urban and rural	As per approved work list	As per approved work list	Each District (North, South, East, West) gets 1/4th of total allocation	Not applicable	As per work list	As per work list
23. Tamil Nadu	Population	Population	Population	20% District Panchayat, out of remaining 80%, 10 lakh to each Panchayat Union, and 50% on the basis of SC/ST population	20:30:50	Population	Population

1	2	3	4	5	6	7	8
24.	Tripura	Population and necessity	Population	Population	50:30:20	Population	Population
25.	Uttar Pradesh	As per work list approved by the DPC	As per work list approved by the DPC	As per work list approved by the DPC	70:10:20	As per work list approved by the DPC	As per work list approved by the DPC
26.	Uttarakhand	NA	NA	NA	NA	NA	NA
27.	West Bengal	Population	Population	As per weighted index on the basis of 2nd SFC recommendations (see annexure-2)	60:20:20	50% Population and 50% on weighted index - Annexure-2	Marginal non-workers and female literacy.

**Dr. Sudhir Krishna,
Additional Secretary,
Tel.No.011-24122936
Fax No. 011-24122943
Email<skrishna@nic.in>**



**Ministry of Panchayati Raj
Government of India
6th Floor, Samrat Hotel, Kautilya Marg
Chanakya Puri, New Delhi-110 021**

D.O. Lr. No.N-11019/298/2009/BRGF

7th October, 2009

Sub: Annual Plans for 2010-11 for BRGF.

Dear

The BRGF is now in the 4th year of implementation. Experience has shown that most States submit the Action Plans for the Development Grant and Capacity Building Grant only during the later half of the financial year. This leads to inadequate expenditure and poor programme performance. Now the Ministry has decided to treat the BRGF Grants as lapsable, which makes it imperative to prepare and approve the Annual Plans well before commencement of the financial year, so that the first instalment for 2010-11 could be released in the first week of April 2010.

Accordingly, I request you to prepare the Action Plans for 2010-11 for the Development Grant and me Capacity Building Grant under BRGF in a manner that the Plans duly approved by DPC and HPC are received in the Ministry by 31st January, 2010. The Annual Plans should be to the extent of 150% of the Annual Entitlements and should include works of the Action Plans of 2008-09/2009-10 that are likely to remain incomplete by 31.3.2010. A note on the role of DPC/HPC is enclosed as Annexure.

Kindly prepare a calendar for (a) the Gram/Ward Sabha meetings; (b) approvals of the PRIs and ULBs; (c) consolidation by DPC; and (d) approval by HPC in a manner that would make it possible for the approved Plans to reach the MoPR latest by 31st January, 2010. The calendar so worked out by you may kindly be sent to me by fax/e-mail by 21st, October 2009.

With regards,

Yours sincerely,

Encl: As above.

Sd/-
(Sudhir Krishna)

Shri M.V.P.C.Sastry,
Principal Secretary,
Panchayati Raj & Rural Development Department,
Government of Andhra Pradesh,
A.P.Secretariat,
Hyderabad-500 022

Annexure of Annexure-12

Role of DPC/HPC in approval of BRGF Plans

The District Perspective/Annual Plans for the Development Grant component of BRGF are, in effect, an aggregation of the Plans prepared by the Panchayats and the Municipalities of the District, who are the final authority for the purpose. The DPC/HPC cannot either add or substitute any work. The task for the DPC is (a) to ensure that the Plans submitted by the PRIs/ULBs of the District have been prepared in the prescribed participative manner and approved by the PRIs/ULBs concerned; (b) communicate the resource envelopes of the various Sectoral Schemes/Programmes to the PRIs/ULBs with a view to avoid duplication and bring about synergy; and (c) to aggregate/consolidate the Plans prepared by the various PRIs/ULBs into the Draft District Plan. Similarly, the HPC has to lay down the formula for apportionment of the District's annual entitlement (raised to 150% for preparation of the Annual Plan) among the PRIs and ULBs, and to ensure that resource envelopes of various sectoral schemes are communicated to the various Districts, well before they undertake the exercise for preparation of their respective Plans. The DPC/HPC should also ensure that the District Plans are prepared in conformity with the Programme Guidelines, including regarding the SC/ST component. If the HPC finds any work proposed by any of the PRIs/ULBs to be in violation of the Guidelines, it should cull out such works and (a) approve the remaining part of the Action Plan and forward the same, to MoPR and (b) ask the PRI/ULB concerned to prepare and submit a list of substitute works by following the Guidelines. In no case can a DPC/HPC either add or substitute a work.

As regards the Capacity Building component, the HPC has the full power to approve the Perspective/Annual Plans and also to revise the same at a later date, for adequate reasons.

ANNEXURE XIII

RASHTRIYA GRAM SWARAJ YOJANA
GRANTS RELEASED DURING 2009-10

(TRAINING & CAPACITY BUILDING COMPONENT)

Sl.No.	State/NGO	Component	Grant Released
1.	Andhra Pradesh	Training	622.00
2.	Assam	Resource Centre	237.00
3.	Bihar	Training	328.00
4.	Chhattisgarh	Training	192.00
5.	Himachal Pradesh	Training	106.76
		Resource Centre	382.50
6.	Jharkhand	Training	15.92
7.	Karnataka	Training	239.00
8.	Kerala	Training	58.71
9.	Maharashtra	Training	339.00
10.	Manipur	Training	210.00
11.	Tamil Nadu	Training	236.00
12.	Tripura	Training	82.00
13.	Uttarakhand	Training	207.00
14.	Uttar Pradesh	Training	94.00
15.	West Bengal	Training	189.98
16.	CRD, Orissa	Training	377.32
17.	NIRD, Hyderabad	Training	11.08
	Total		3928.27
INFRASTRUCTURE DEVELOPMENT COMPONENT			
18.	Karnataka	Panchayat Ghar	100.00
19.	Manipur	Panchayat Ghar	94.19
20.	Rajasthan	Panchayat Ghar	300.00
	Total		494.19
Grand Total			4422.46

APPENDIX I

COMMITTEE ON RURAL DEVELOPMENT (2010-2011)

EXTRACTS OF THE MINUTES OF THE THIRD SITTING OF THE COMMITTEE HELD ON THURSDAY, THE 6 JANUARY, 2011

The Committee sat from 1500 hrs. to 1730 hrs. in Committee Room No. 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shrimati Sumitra Mahajan — *Chairperson*

MEMBERS

Lok Sabha

2. Dr. Pulin Bihari Baske
3. Shri Kunvarjibhai Mohanbhai Bavaliya
4. Shri Sanjay Dhotre
5. Shri H.D. Kumaraswamy
6. Shri Govind Chandra Naskar
7. Shri Rakesh Pandey
8. Shri P.L. Punia
9. Shri A. Venkatarami Reddy
10. Shri Navjot Singh Sidhu
11. Shri Jagdanand Singh
12. Shri Makansingh Solanki
13. Shri Kodikkunnil Suresh

Rajya Sabha

14. Shri Ganga Charan
15. Sardar Sukhdev Singh Dhindsa
16. Dr. Ram Prakash
17. Shrimati Maya Singh
18. Shri Mohan Singh
19. Dr. (Smt.) Kapila Vatsyayan

SECRETARIAT

1. Shri A. Louis Martin — *Joint Secretary*
2. Shri Shiv Singh — *Director*
3. Shri A.K. Shah — *Additional Director*
4. Shri Raju Srivastava — *Deputy Secretary*

2. The Chairperson welcomed the members to the sitting of the Committee and greeted them on the occasion of 'New Year'. There were four Memoranda regarding draft action taken Reports *** consideration.

3. The Committee first took up for consideration the following memoranda one by one:—

- (i) *** *** *** ***
- (ii) *** *** *** ***
- (iii) *** *** *** ***
- (iv) Memorandum No. 10 regarding consideration and adoption of draft action taken Report on the recommendations contained in the Sixth Report of the Committee on Demands for Grants (2010-11) relating to Ministry of Panchayati Raj.
- (v) *** *** *** ***
4. *** *** *** ***
5. *** *** *** ***

6. The Committee decided that draft Report at Sl.No. (iv) of para 3 above may be considered later.

7. *** *** *** ***

8. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

***Relevant portions of the Minutes not related to the subject have been kept separately.

APPENDIX II

COMMITTEE ON RURAL DEVELOPMENT (2010-2011)

EXTRACTS OF THE MINUTES OF THE FIFTH SITTING OF THE COMMITTEE HELD ON MONDAY, THE 7TH FEBRUARY, 2011

The Committee sat from 1500 hrs. to 1730 hrs. in Committee Room No. 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shrimati Sumitra Mahajan — *Chairperson*

MEMBERS

Lok Sabha

2. Shri Kunvarjibhai Mohanbhai Bavalia
3. Shri H.D. Kumaraswamy
4. Shri Raghuvir Singh Meena
5. Shri P.L. Punia
6. Shri Jagdish Sharma
7. Shri Jagdanand Singh
8. Shri Kodikkunnil Suresh
9. Shrimati Usha Verma

Rajya Sabha

10. Shri Mani Shankar Aiyar
11. Dr. Ram Prakash
12. Shrimati Maya Singh
13. Shri Mohan Singh
14. Miss Anusuiya Uikey
15. Dr. (Smt.) Kapila Vatsyayan

SECRETARIAT

1. Shri Brahm Dutt — *Joint Secretary*
2. Shri Shiv Singh — *Director*
3. Shri Raju Srivastava — *Deputy Secretary*

2. *** *** *** ***

3. *** *** *** ***

4. After detailed discussions, the Committee, thereafter considered *** 10 on Draft Action Taken Reports on action taken by the Government on recommendations contained in *** Sixth Reports of the Committee on Demands for Grants (2010-11) of the *** *** Ministry of Panchayati Raj respectively, without any modifications.

5. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

***Relevant portions of the Minutes not related to the subject have been kept separately.

APPENDIX III

[Vide Para 4 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON
THE RECOMMENDATIONS CONTAINED IN THE SIXTH REPORT
OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT
(FIFTEENTH LOK SABHA)

I.	Total number of recommendations	31
II.	Recommendations that have been accepted by the Government: Para Nos. 2.5, 3.9, 3.16, 3.17, 4.10, 4.25, 4.29, 4.37, 4.42, 4.62, 4.63, 4.78, 4.85, 5.17, 5.20, 5.35, 5.48, 5.49, 5.50 and 5.55	20
	Percentage to the total recommendations	(64.5%)
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies: Para No.: 4.79, 5.16, 5.18 and 5.19	4
	Percentage to total recommendations	(12.9%)
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee: Para Nos. 4.50	1
	Percentage to total recommendations	(3.2%)
V.	Recommendations in respect of which final replies of the Government are still awaited: Para Nos. 4.5, 4.36, 4.54, 4.80, 5.26 and 5.27	6
	Percentage to total recommendations	(19.35%)

“All Parliamentary Publications including DRSC Reports are available on sale at the Sales Counter, Reception, Parliament House (Tel. Nos. 23034726, 23034495, 23034496), Agents appointed by Lok Sabha Secretariat and Publications Division, Ministry of Information and Broadcasting, CGO Complex, Lodhi Road, New Delhi (Tel. Nos. 24367260, 24365610) and their outlets. The said information is available on website ‘www.parliamentofindia.nic.in’.

The Souvenir Items with logo of Parliament are also available at Sales Counter, Reception, Parliament House, New Delhi. The Souvenir items with Parliament Museum logo are available for sale at Souvenir Shop (Tel. No. 23035323), Parliament Museum, Parliament Library Building, New Delhi. List of these items are available on the website mentioned above.”
