#### STANDING COMMITTEE ON RURAL DEVELOPMENT

(2013-2014)

49

#### FIFTEENTH LOK SABHA

#### **MINISTRY OF PANCHAYATI RAJ**

[Action taken by the Government on the recommendations contained in the Thirty Ninth Report (Fifteenth Lok Sabha) on Demands for Grants (2013-14) of the Ministry of Panchayati Raj for the year 2013-14]

#### **FORTY NINTH REPORT**



LOK SABHA SECRETARIAT

NEW DELHI

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Presented to Hon'ble Speaker on 04.01.2014

Presented to Lok Sabha on 07.02.2014

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#### COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT (2013-2014)

Shrimati Sumitra Mahajan - Chairperson

#### MEMBERS LOK SABHA

- 2. Shri Thangso Baite
- 3. Shri Pulin Bihari Baske
- 4. Dr. Ratna De (Nag)
- 5. Shri Premchand Guddu
- 6. Shri Bijoy Krishna Handique
- 7. Shri Maheshwar Hazari
- 8. Shri Ramesh Vishwanath Katti
- 9. Shri Nimmala Kristappa
- 10. Shri Bishnu Pada Ray
- 11. Shri M. Rajamohan Reddy
- 12. Shri Anantha Venkatarami Reddy
- 13. Shri Arjun Charan Sethi
- 14. Shri Prabhunath Singh
- 15. Dr. Sanjay Singh
- 16. Smt. Supriya Sule
- 17. Smt. Annu Tandon
- 18. Shri Narendra Singh Tomar
- 19. Smt. Usha Verma
- 20. Shri P. Viswanathan
- 21. Shri Madhu Goud Yaskhi

#### **RAJYA SABHA**

- 22. Shri Mani Shankar Aiyar
- 23. Shri Munquad Ali
- 24. Shri D. Bandyopadhyay
- 25. Sardar Sukhdev Singh Dhindsa
- 26. Shri Vinay Katiyar
- 27. Shri Faggan Singh Kulaste
- 28. Shri Mahendra Singh Mahra
- 29. Shri C.P. Narayanan
- 30. Vacant\*
- 31. Prof. Saif-ud-Din Soz

#### **SECRETARIAT**

- 1. Shri Brahm Dutt Joint Secretary
- 2. Smt. Veena Sharma Director
- 3. Shri A.K.Shah Additional Director
- 4. Miss Melody Vungthiansiam Committee Assistant

<sup>\*</sup>Vacancy caused on account of demise of Shri Mohan Singh from 22.09.2013

(iii)

#### INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2013-2014) having been

authorised by the Committee to present the Report on their behalf, present the 49th Report on the action

taken by the Government on the recommendations contained in the 39th Report of the Standing Committee

on Rural Development (15th Lok Sabha) on Demands for Grants (2013-14) of the Ministry of Panchayati

Raj.

2. The 39th Report was presented to Lok Sabha/laid in Rajya Sabha on 30 April, 2013. Replies of the

Government to all the recommendations contained in the Report were received on 30 August, 2013.

3. The Draft Report was considered and adopted by the Committee at their sitting held on 17

December, 2013.

4. An analysis of the action taken by the Government on the recommendations contained in the

39th Report of the Committee (Fifteenth Lok Sabha) is given in **Annexure-IX**.

NEW DELHI; 17 December, 2013 26 Agrahayana , 1935 (Saka) SUMITRA MAHAJAN

Chairperson,

Standing Committee on Rural Development

**REPORT** 

**CHAPTER I** 

This Report of the Standing Committee on Rural Development (2013-14) deals with the action

taken by the Government on the observations/recommendations contained in their Thirty-Ninth Report

(Fifteenth Lok Sabha) on Demands for Grants of the Ministry of Panchayati Raj for the year 2013-2014.

2. The Thirty-Ninth Report was presented to Lok Sabha on 30 April, 2013 and was laid on the

Table of Rajya Sabha on the same date. The Report contained 10 observations/recommendations.

3. Action Taken Notes in respect of all the observations/ recommendations contained in the

Report have been received from the Government. These have been examined and categorised as

follows:

(i) Observations/Recommendations which have been accepted by the Government:

Sl. Nos.: 1, 2, 3, 4, 6, 9 and 10

Total: 07

**Chapter-II** 

(ii) Observation/Recommendation which the Committee do not desire to pursue in

view of Government's replies :

SI. No.: NIL

Total: NIL

Chapter-III

(iii) Observations/Recommendations in respect of which replies of the Government

have not been accepted by the Committee:

SI No.: NIL

Total: NIL

**Chapter-IV** 

(iv) Observations/Recommendations in respect of which final replies of the

Government are still awaited:

SI. Nos.: 5,7 and 8

Total: 03

Chapter-V

- 4. The Committee desire that final replies in respect of recommendations for which only interim replies have been given by the Government included in Chapter V of this Report and replies to recommendations made in Chapter I of this Report may be furnished to the Committee expeditiously.
- 5. The Committee will now deal with action taken by the Government on some of the recommendations in the succeeding paragraphs.
- I. Optimal utilization of enhanced funds during 2013-14

  Recommendation [Serial Nos. 1, 4 and 10, Para Nos. 2.2, 2.5 and 2.11)
  - 6. With regard to non-utilisation of funds by Ministry of Panchayati Raj, the Committee had recommended as under:
    - "The Committee note that during the Eleventh Plan BE of Rs. 24,724 crore was revised to Rs. 22,295 crore by the Ministry of Finance because of non-receipt of proposals in time accompanied with essential physical and financial reports etc. from State Governments. This issue was highlighted by the Committee while examining the Demands for Grants (2012-13) of MoPR. The Committee had recommended (Para 2.3 of Twenty-Ninth Report) that the Ministry of Finance should stop reducing the funds at RE Stage of MoPR which is directly dealing with functioning and strengthening of Panchayats. The Committee are constrained to note that inspite of their strong recommendation the Ministry of Finance has reduced the funds at RE stage during 2012-13 also from the level of Rs. 5350 crore to Rs. 4000 crore mainly on two counts, one, slow pace of expenditure upto October, 2012 and two, late submission of action plans by the States under BRGF. Considering the fact that there is a quantum jump in availability of funds i.e Rs. 7000 crores in 2013-14 as compared to Rs. 4000 crores (RE) in 2012-13, the Committee expect the MoPR to make all out efforts to utilise the funds fully and to ensure that 11th Plan trend for non-utilisation of funds is not repeated."

(Recommendation Serial No.1, Para No. 2.2)

"The Committee are constrained to note that MoPR has large amount of unspent balances and these were surrendered during 2011-12. For instance during 2011-12, MoPR surrendered as huge as Rs. 1143.63 crore and during 2012-13 the B.E of Rs. 5350 crore was reduced to Rs. 4000 crore on account of non-utilisation. The Committee recall that they had examined the issue of unspent balances and surrender of funds while examining the Demands for Grants (2012-13) of MoPR also and had recommended to devise a practical solution to this perennial problem. The Committee have been informed by MoPR that continuous monitoring of progress of BRGF and other schemes is being done to quicken the pace of expenditure and claim full entitlement. However, the latest figures made available to the Committee for 2012-13 show that against the B.E of Rs. 5349.58 crore and RE of Rs. 4000 crore, the fund released was only Rs. 2745.15 crore and fund utilised was barely Rs. 118.42 crore. The Committee therefore recommend that MoPR should work hard for wiping

out unspent balances and do away with the practice of surrendering of funds altogether in future."

(Recommendation Serial No. 4, Para No. 2.5)

"The Committee deplore that most important scheme of Backward Region Grant Fund (BRGF) as Additional Central Assistance (ACA) to State Plans to bridge the regional imbalances in development by way of providing financial resources in identified backward districts has not been effectively implemented leading to non utilisation of entitled funds in these districts across the States. For instance as per latest available figures of State-wise releases vis-a-vis utilisation of BRGF funds during 2012-13 made available to the Committee by MoPR, the Committee are dismayed to note that as against the total annual entitlement of Rs. 5349.98 crore, the release was as low as Rs. 2745.15 crore out of which the utilisation reported was a meagre Rs. 118.42 crore. The Committee find this situation highly unsatisfactory. The Committee are also constrained to note that whatever small utilisation that has been reported was in Andhra Pradesh, Assam, Bihar, Chhattisgarh, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and West Bengal. In other States including Jammu and Kashmir, any utilisation was yet to be reported. In this connection, the Committee have been informed by the Secretary, MoPR that plans come from State Governments and Central Government does not impose any direction about the money spent. The MoPR has also contended that BRGF grant are demand based and requirement of 60% utilisation of previous releases is an essentiality for further releases. Moreover, the State Governments have to devise its own mechanism for further release of funds. The Committee have also been informed that under the BRGF Guidelines funds are released to State Governments and not to individual BRGF districts and any revision of Guidelines is under the domain of the Planning Commission. In this connection, the Committee have been assured by the Secretary, MoPR to set up regular video conferencing with district magistrates in BRGF districts so as to keep an eye on speedy implementation. Since the restructuring of BRGF is currently in progress in Planning Commission, the MoPR should place all necessary details and constraints in implementation of BRGF before the Planning Commission to make it more simple and implementable by the States so as to ensure that Government objective to supplement the State Governments to develop the backward Districts in the country is achieved fully. Since there are as many as 272 districts identified for BRGF scheme as of now, the scheme will help in developing a substantial part of the country."

(Recommendation Serial No. 10, Para No. 2.11)

- 7. The Ministry in their action taken replies have stated as under:-
  - " The Ministry of Panchayati Raj (MoPR) has started making all out efforts to utilize the funds for 2013-14 fully through inter alia the following steps:
  - (i) Information to the Principal Secretaries/ Secretaries of all BRGF States intimating the Annual Entitlements for 2013-14 and requesting to submit the Annual Action Plans urgently latest by 25-06-2013. Out of 272 Districts, 151 BRGF District plans for 2013-14 have been received and are under process for sanction.

- (ii) Review meeting with the Principal Secretaries/ Secretaries of all BRGF States in end May/ early June, 2013 and also in October, 2013. The first such Review Meeting was held on 11-06-2013.
- (iii) Video Conference during 3rd Quarter of 2013-14 with the States / Districts which lag behind in sending Annual Action Plan.
- (iv) Regular follow up through letters / telephones / e-mails.
- (v) Visit by officers of the Ministry to the BRGF States / Districts."

(Reply to Recommendation Serial No. 1, Para No. 2.2)

"In respect of the Backward Regions Grant Fund (BRGF) Programme, during 2012-13, against the B.E. of Rs. 5050 crore and R.E. of Rs. 3734 crore, the actual release as on 31.3.2013 was Rs. 3720.19 crore, which comes to 99.63% of R.E. During the current financial year 2013-14, MoPR is taking all possible steps to ensure utilization of unspent balances in the account of various State Governments, and to ensure maximum utilization of budget allocations for BRGF during 2013-14. Active follow up with State Governments for submission of proposal under BRGF 2013-14 include

- (i) Information to Principal Secretaries/ Secretaries of all BRGF States intimating the Annual Entitlements for 2013-14 and requesting to submit the Annual Action Plans urgently latest by 25-06-2013. Out of 272 Districts, 151 BRGF District plans for 2013-14 have been received and are under process for sanction.
- (ii) Review meeting with the Principal Secretaries/ Secretaries of all BRGF States in end May/ early June, 2013 and also in October, 2013. The first such Review Meeting was held on 11-06- 2013.
- (iii) Video Conference during 3rd Quarter of 2013-14 with the States / Districts which lag behind in sending Annual Action Plans.
- (iv) Regular follow up through letters / telephones / e-mails.
- (v) Visit by officers of the Ministry to the BRGF States / Districts."

(Reply to Recommendation Serial No. 4, Para No. 2.5)

"The BRGF Programme has two components, namely, the Development Grant component and the Capacity Building component. BRGF allocation for the year 2012-13 was fixed at Rs.5050 crores at the BE stage which was reduced to Rs. 3734 crores at RE stage. At the end of the financial year 2012-13, Ministry had released a sum of Rs. 3720.19 crores, utilizing 99.63% of the RE allocation. BRGF is a process oriented and demand driven programme. Many States were not able to access their full entitlement due to late submission of proposals and also on account of the non- submission/ discrepancies in requisite documents like UCs, physical & financial reports and audit reports.

To ensure full utilization of BRGF funds in 2013-14, this Ministry is doing regular follow up with the State Governments by means of review meetings, video conferences. The first review meeting was held with the Principal Secretaries/ Secretaries of all BRGF States on

11-06-2013. A video conference was held with the State Government of Madhya Pradesh on 23-07-2013 wherein the progress of BRGF Programme was reviewed. On 2-08-2013, in a related meeting held with 12 of the States, timely claim of funds under BRGF Programme was emphasized. During the course of this year, officials from the Ministry also visited Himachal Pradesh, Uttrakhand, Guwahati, Rajasthan and Madhya Pradesh to facilitate the States to submit the BRGF proposals in time. During a recent workshop held at Assam Administrative Staff College, Guwahati on 18-20 April, 2013 on training and adoption of e-Panchayat applications, the position of BRGF proposals was also discussed with the NE States. As a result of these efforts, out of 272 Districts, 151 BRGF District plans for 2013-14 have already been received and are under process.

Hon'ble Minister of Panchayati Raj has already written to Deputy Chairman, Planning Commission on 27-02-2013 suggesting to take 'Block' or its variant (Taluka / Mandal) as unit of backwardness under the District component of the restructured BRGF."

(Reply to Recommendation Serial No. 10, Para No. 2.11)

8. Taking note of the twin issues of slow pace of expenditure upto October 2012 and delayed submission of action plans under BRGF Scheme by the State Governments as reasons for huge reduction of BE 2012-13 from Rs. 5350 crore to Rs. 4000 crore at RE stage and with releases as low as Rs. 2745.15 crore and an even lower utilisation of Rs. 118.42 crore, the Committee had recommended the Ministry of Panchayati Raj to make all out efforts to utilise the enhanced BE 2013-14 of Rs. 7000 crore and wipe out unspent balances altogether in the future. The Ministry of Panchayati Raj in their action taken replies has stated that the Ministry has started making all out efforts to utilise funds which inter-alia include intimating Principal Secretaries/Secretaries of States with BRGF districts about their annual entitlements with the advisory to submit annual action plans latest by 25 June, 2013, organising review meetings of all State officials on 11 June, 2013, Video Conference with Government of Madhya Pradesh on 23 July, 2013 and related meeting with 12 State officials on 2<sup>nd</sup> August, 2013 etc. The Committee have also been informed that out of 272 BRGF districts, 151 district plans for 2013-14 have been submitted and are under process. Looking at the current scenario of receiving only 151 annual plans out of 272 BRGF districts leaving as large as 121 BRGF districts from where such plans are still awaited, the Committee apprehend that the Ministry of Panchayati Raj may not be able to utilise the enhanced funds during 2013-14 also. The Committee strongly recommend that special efforts should be made to ensure that funds allocated for North-eastern States are utilised fully. The Committee, therefore, desire the Ministry of Panchayati Raj to expedite the approval of plans, getting more and more District plans and reiterate that the Ministry should take all out efforts for full utilisation of funds during 2013-14.

# II. Restructuring of Backward Regions Grant Fund (BRGF) Recommendation (Serial No. 2, Para Nos. 2.3)

9. The Committee had recommended as under:

"The Committee are constrained to note that considerable long time has been taken by MoPR/ Planning Commission for moving on important findings of Mid Term Appraisal of schemes of MoPR during Eleventh Plan (2007-12) which inter-alia pertain to developing strategy for training and capacity building of Panchayats, restructuring of BRGF, pursuing the implementation of PESA etc. The Committee find that in the area of developing strategy for training and Capacity building of Panchayats, the MoPR has come up with a mega programme of Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) which has been finally cleared as late as March 2013. The Committee are also constrained to note that progress on other two issues viz. restructuring of BRGF and pursuing implementation of PESA has not picked up with desired momentum. They, therefore, recommend that MoPR should take up the issue of completing the process of restructuring of BRGF with Planning Commission as the issue is already badly delayed. The Committee also feel that as the implementation of PESA is one of the Constitutional mandate given to MoPR, the MoPR should move faster on this issue as almost status-quo is prevailing on implementation of PESA over the last several years."

10. The Ministry in their action taken reply about BRGF have inter-alia stated as under:-

"The Backward Regions Grant Fund (BRGF) Programme has two components. The District component covering 272 backward Districts in 27 States and the State component which includes the Special Plan for Bihar, Special Plan for Kalahandi-Bolangir-Koraput (KBK) Districts of Odisha, Special Plan for West Bengal, Integrated Action Plan (IAP) for Selected Tribal and Backward Districts and the Bundelkhand Package for selected Districts in Madhya Pradesh and Uttar Pradesh. The District component is administered by Ministry of Panchayati Raj. However, administration of the State component as well as general policy issues of BRGF like addition of new Districts, restructuring etc. is done by the Planning Commission. Hon'ble Minister of Panchayati Raj has written a letter to Deputy Chairman, Planning Commission on 27-02-2013 suggesting to take 'Block' or its variant (Taluka / Mandal) as unit of backwardness under the District component of restructured BRGF...."

11. The Committee are not at all satisfied with the action taken replies furnished by MoPR wherein on the issue of restructuring of BRGF scheme instead of showing the actual work done for completion of restructuring process subsequent to presentation of the report by the Committee, the MoPR has narrated the features of BRGF schemes indicating the role of MoPR and Planning Commission in implementation of BRGF and have submitted before the Committee letter dated 27th February, 2013 sent by Hon'ble Minister of Panchayati Raj to Deputy Chairman, Planning Commission suggesting Block as a unit for backwardness under District component that was sent prior to examination of Demands for Grants (2013-14) of MoPR by the Committee. The Ministry's reply is silent about restructuring of BRGF scheme. They, therefore, reiterate early completion of restructuring of BRGF and urge the Ministry of Panchayati Raj and Planning Commission to chalk out a time table for completion of this work.

#### III. Implementation of the Panchayats (Extension of Scheduled Areas) Act, 1996 (PESA)

#### Recommendation (Serial No.2 and 5, Para Nos. 2.3 and 2.6)

12. In response to the Committee's recommendation about urging the Ministry of Panchayati Raj to move faster on the issue of PESA as almost status quo is prevailing on the implementation of PESA over the last several years, the Ministry of Panchayati Raj in action taken reply thereto stated as under:

"PESA is being implemented in the nine States of Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Rajasthan, where the following measures are being pursued on a continuous basis by the Ministry to ensure effective implementation:

i. Preparation of Model Rules by all nine PESA States:

MoPR has prepared and circulated Draft Model Rules for PESA to all the nine PESA States. Three States viz. Andhra Pradesh, Himachal Pradesh and Rajasthan have framed their own PESA Rules. Odisha and Maharashtra Governments are in final stage of framing their PESA Rules. Rest of the states are at various stages of completion of process to frame the Rules.

ii. Compliance of provisions in state Panchayati Raj legislation with PESA provisions:

Andhra Pradesh and Rajasthan have fully completed the exercise of amendment in their Panchayati Raj Act to bring these in consonance with PESA Act. States of Chhattisgarh, Odisha and Maharashtra have amended their State

Panchayati Raj Acts as per provisions of PESA. Other States have also incorporated the provisions of PESA Act in their Panchayati Raj Acts to a large extent and are in process of amendment in their Act to make these PESA compliant.

iii. Compliance of other subject laws with PESA provisions:

All the States except Gujarat, Jharkhand and Maharashtra have modified some of the subject laws in accordance with the provisions of PESA Act. They are being pursued by this Ministry to amend their laws in conformity with PESA Act. Government of Jharkhand has informed that they have set up a High Power Committee under the chairmanship of Chief Secretary of the State for implementation of PESA and they will finalise draft amendment of various laws for the consideration of the Government shortly.

iv. Compliance of Central Laws with provisions of PESA:

A Committee on Harmonization of Central Laws with provisions of PESA was set under the chairmanship of the Union Law Secretary, on the direction of Prime Minister's Office. This Committee has submitted its draft report in July, 2013. The Report is under finalisation."

13. The Committee find that the Ministry with regard to Committee's recommendation of urging the Ministry of Panchayati Raj to move faster on the issue of implementation of PESA in their action taken reply have broadly dealt with four areas viz. one, preparation of Model Rules by all nine PESA States; two, compliance of provisions in State Panchayati Raj legislation with PESA provisions; three, compliance of other subject laws with PESA provisions and four, compliance of Central laws with provisions of PESA. In the case of preparation of Model Rules by all nine PESA States, the Committee find that four PESA States of Gujarat, Madhya Pradesh, Jharkhand and Chhattisgarh are yet to complete the process of framing the rules. On the issue of compliance of provisions in State Panchayati Raj legislation with PESA provisions, the Committee have been informed by the Ministry of Panchayati Raj that all the States have either amended or are in the process of amendment in their Acts to make them PESA compliant. On compliance of other subject laws with PESA provisions, the Committee find that three States of Gujarat, Jharkhand and Maharashtra are yet to modify their laws out of which Jharkhand is likely to finalise their draft amendment of various laws for consideration of Government shortly.

On the issue of compliance of Central laws with provisions of PESA, the Committee have been informed that a draft report has been submitted in July, 2013 by a Committee on Harmonisation of Central laws with the provisions of PESA under the Chairmanship of the Law Secretary and the same is under finalization. In view of the foregoing status, the Committee urge the Ministry of Panchayati Raj to move faster for full implementation of PESA.

- 14. The Committee had observed that implementation of Section 4(a) and Section 4(d) to 4(m) of the PESA law that deal with empowerment of Gram Sabhas in Fifth Scheduled Areas in nine States has not been done in letter and spirit even though latest compliance of State Panchayati Raj Acts has largely been done, the actual empowerment of Gram Sabha has not been forthcoming. The Committee, therefore, had recommended the Ministry of Panchayati Raj to rethink with an open mind on the entire issue of implementation of PESA in coordination with concerned State Governments to find solution to real problems at appropriate level stating as under:
  - " The Committee find that implementation of the Panchayats (Extension to Scheduled Areas) Act, 1996 (PESA) within the meaning of Section 4(a) of the Act and with reference to Section 4(d) to 4 (m) that deal with empowerment of Gram Sabha which makes the Gram Sabhas competent for functioning in wide variety of areas like safeguarding and preserving the traditions of the people in Scheduled Areas, approval of village plans, issue of utilisation certificates, mandatory consultation in matters of land acquisition, resettlement and rehabilitation, power to prevent alienation of land and restoring alienated land etc. in Fifth Schedule Areas in nine States of Andhra Pradesh, Chhatisgarh, Gujarat, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Rajasthan has not been done in letter and spirit. The Committee feel that less development in Scheduled Areas mainly in Andhra Pradesh, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra and Odisha may give rise to unrest. The latest available compliance of State Panchayati Raj Acts as indicated by MoPR shows that although necessary legislations have been enacted in six PESA States, actual empowerment of Gram Sabhas has not been forthcoming and seen at ground level. Further the Committee find that MoPR has also indicated State-wise position of compliance of subject laws showing varied degree of implementation across nine PESA States on important subjects ranging from land acquisition to money lending. The Committee are dismayed to note that barring Himachal Pradesh and Madhya Pradesh, none of the PESA States have complied with PESA with important issue of land acquisition and position on other subjects is almost similar. On the other hand the Committee find that MoPR has claimed to have taken series of measures like circulation of Model Rules for PESA and related Guidelines to nine PESA States etc. However the ground reality shows that efforts of MoPR have not actually contributed towards actual implementation of PESA laws in these States. The Committee, therefore, recommend that MoPR should rethink with an open mind on the entire issue of implementation of PESA in coordination with concerned State Governments to find solutions to the real problems at appropriate level."

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

"There is a system of continuous/ongoing review with PESA States on the implementation of the Act, including through visits to PESA States and holding regular meetings with State Secretaries and concerned officials of PRIs and other relevant Departments. The PESA Act at present does not have any provision for making Rules by the Union/State Governments. A proposal to amend the Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) including, inter-alia, Rule making provisions and to clarify certain terms used in the Act is under examination in consultation with the concerned stakeholders.

To strengthen Gram Sabhas and increase awareness among its members on local issues and role of Gram Sabhas so as to enable its efficient functioning in areas under PESA, the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) provides for engagement of Mobilisers to every Gram Sabha and coordinators at Block and District level. Funds are also being made available under the scheme for orientation of the Gram Sabha as to generate awareness regarding the provisions of PESA Act.

Training modules for capacity building of elected representatives and officials of the State Governments in Schedule V areas has been prepared by State Institutes of Rural Development (SIRD's). All the PESA States have carried out training programmes for elected representatives of PRIs and functionaries of State Government for better implementation of PESA. The regular training programmes under RGPSA would also include a Module on PESA related matters."

16. The Committee are unhappy to note that the Panchayats (Extension to Scheduled Areas) Act, 1996, PESA that was enacted by Parliament seventeen years back is facing the major lacunae that it does not have any power for making rules by Union/State Governments. In this connection, the Committee have been informed by the Ministry of Panchayati Raj that a proposal to amend PESA is under examination in consultation with the concerned stakeholders. In view of the foregoing, while reiterating effective implementation of PESA, the Committee urge the MoPR to conclude the process of consultation with stakeholders at the earliest and bring out a rule making provision under the PESA by States/ Union Government by amending PESA for its effective implementation.

## IV. Expediting the study by a Task Force set up by Ministry of Panchayati Raj for strengthening of State Finance Commissions (SFCs) recommended.

(Recommendation Serial No. 7, Para No. 2.8)

17. The Committee had recommended as under:

"The Committee are also dismayed to note that State Finance Commissions (SFCs) are facing problems like acute shortage of manpower, knowledgeable professionals, inadequate data etc. and their SFC's recommendations are not given due consideration by the State Governments. In this connection, the Committee find that MoPR have themselves highlighted the need for strengthening of SFCs. As the recommendations of the SFCs play an important role in the award of Central Finance Commission, the Committee recommend the MoPR to take up the matter at the appropriate level with different State Governments."

18. The Ministry of Panchayati Raj in their action taken reply have stated as under:

"Considering the importance and impact of the recommendations of the State Finance Commissions in the Award of the CFC, besides issuing detailed guidelines on 27.04.2009 to Chief Secretaries of all States for strengthening and improving the working of SFCs and holding a review meeting with Chairpersons, State Finance Commissions and Secretaries, P.R Deptt. of States on 27.06.2011, the Ministry in August 2012, had constituted a Task Force under the Chairmanship of Additional Secretary, MoPR to study the present status of SFCs and to make recommendations for their strengthening to enable them to perform their functions as envisaged under Article 243-I(1) of the Constitution.

As per the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA), States can access funds only if they fulfill certain essential conditions, which include: Constitution of SFC every five years, and placement of Action Taken Report on the recommendations of the SFC in the State legislations. This provides an important impetus for States to consider SFC recommendations seriously."

19. The Committee find with dismay that not much progress has been discernible for strengthening of State Finance Commissions (SFCs) even though the Detailed Guidelines for this purpose were issued way back on 25<sup>th</sup> April, 2009 to Chief Secretaries of all States and review meeting with Chairpersons of SFCs and Secretaries of PR Department and States held on 25<sup>th</sup> June, 2011, followed by constitution of a Task Force under the Ministry of Panchayati Raj to study the present status of SFCs and make recommendations for their strengthening to enable them to perform their functions as envisaged under Article 243-I(1) of the Constitution. The Committee have been informed that under Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA), States can access

funds subject to fulfillment of certain essential conditions, like constitution of SFCs every five years, placement of action taken report on recommendations of SFCs in the State legislatures. The Committee while reiterating their recommendation of taking up the matter of problems being faced by SFCs like acute shortage of manpower, inadequate data etc. with different State Governments at appropriate level, urge the Ministry for expediting the report of Task Force constituted by the Ministry of Panchayati Raj to study the present status of SFCs and making suitable recommendations thereon for strengthening of SFCs.

#### **CHAPTER II**

#### RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### Recommendation (Serial No. 1, Para No. 2.1)

The Committee note that the Demands for Grants of the Ministry of Panchayati Raj (Demand No. 71) were presented to Lok Sabha on 22 March, 2013. The Demands makes a provision for Rs. 7000.70 crore (Rs. 7000 crore for Plan and Rs. 0.70 crore for Non-Plan). The allocated funds are higher by Rs. 1650 crore as compared to the budget provisions made during previous year viz. 2012-13. The Committee endorse the same. The Committee have examined the Demands w.r.t priorities made and utilisation of funds during 11<sup>th</sup> Five Year Plan and also during 2012-13 which was the first year of the 12<sup>th</sup> Plan. The recommendations of the Committee have been set out in the succeeding paragraphs.

#### Recommendation (Sl. No. 1, Para No. 2.2)

The Committee note that during the Eleventh Plan BE of Rs. 24,724 crore was revised to Rs. 22,295 crore by the Ministry of Finance because of non-receipt of proposals in time accompanied with essential physical and financial reports etc. from State Governments. This issue was highlighted by the Committee while examining the Demands for Grants (2012-13) of MoPR. The Committee had recommended (Para 2.3 of Twenty-Ninth Report) that the Ministry of Finance should stop reducing the funds at RE Stage of MoPR which is directly dealing with functioning and strengthening of Panchayats. The Committee are constrained to note that inspite of their strong recommendation the Ministry of Finance has reduced the funds at RE stage during 2012-13 also from the level of Rs. 5350 crore to Rs. 4000 crore mainly on two counts, one, slow pace of expenditure upto October, 2012 and two, late submission of action plans by the States under BRGF. Considering the fact that there is a quantum jump in availability of funds i.e Rs. 7000 crores in 2013-14 as compared to Rs. 4000 crores (RE) in 2012-13, the Committee expect the MoPR to make all out efforts to utilise the funds fully and to ensure that 11th Plan trend for non-utilisation of funds is not repeated.

#### Reply of the Government

The Ministry of Panchayati Raj (MoPR) has started making all out efforts to utilize the funds for 2013-14 fully through inter alia the following steps:

- (i) Information to the Principal Secretaries/ Secretaries of all BRGF States intimating the Annual Entitlements for 2013-14 and requesting to submit the Annual Action Plans urgently latest by 25-06-2013. Out of 272 Districts, 151 BRGF District plans for 2013-14 have been received and are under process for sanction.
- (ii) Review meeting with the Principal Secretaries/ Secretaries of all BRGF States in end May/ early June, 2013 and also in October, 2013. The first such Review Meeting was held on 11-06-2013.
- (iii) Video Conference during 3rd Quarter of 2013-14 with the States / Districts which lag behind in sending Annual Action Plan.

- (iv) Regular follow up through letters / telephones / e-mails.
- (v) Visit by officers of the Ministry to the BRGF States / Districts.

  [No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### **Comments of the Committee**

(Please see Paragraph No. 8 of Chapter I of the Report)

#### Recommendation (Sl. No. 2, Para No.2.3)

The Committee are constrained to note that considerable long time has been taken by MoPR/ Planning Commission for moving on important findings of Mid Term Appraisal of schemes of MoPR during Eleventh Plan (2007-12) which inter-alia pertain to developing strategy for training and capacity building of Panchayats, restructuring of BRGF, pursuing the implementation of PESA etc. The Committee find that in the area of developing strategy for training and Capacity building of Panchayats, the MoPR has come up with a mega programme of Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) which has been finally cleared as late as March 2013. The Committee are also constrained to note that progress on other two issues viz. restructuring of BRGF and pursuing implementation of PESA has not picked up with desired momentum. They, therefore, recommend that MoPR should take up the issue of completing the process of restructuring of BRGF with Planning Commission as the issue is already badly delayed. The Committee also feel that as the implementation of PESA is one of the Constitutional mandate given to MoPR, the MoPR should move faster on this issue as almost status-quo is prevailing on implementation of PESA over the last several years.

#### **Reply of the Government**

The Backward Regions Grant Fund (BRGF) Programme has two components. The District component covering 272 backward Districts in 27 States and the State component which includes the Special Plan for Bihar, Special Plan for Kalahandi-Bolangir-Koraput (KBK) Districts of Odisha, Special Plan for West Bengal, Integrated Action Plan (IAP) for Selected Tribal and Backward Districts and the Bundelkhand Package for selected Districts in Madhya Pradesh and Uttar Pradesh. The District component is administered by Ministry of Panchayati Raj. However, administration of the State component as well as general policy issues of BRGF like addition of new Districts, restructuring etc. is done by the Planning Commission. Hon'ble Minister of Panchayati Raj has written a letter to Deputy Chairman, Planning Commission on 27-02-2013 suggesting to take 'Block' or its variant (Taluka / Mandal) as unit of backwardness under the District component of restructured BRGF (copy enclosed).

PESA is being implemented in the nine States of Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Rajasthan, where the following measures are being pursued on a continuous basis by the Ministry to ensure effective implementation:

i. Preparation of Model Rules by all nine PESA States:

MoPR has prepared and circulated Draft Model Rules for PESA to all the nine PESA States. Three States viz. Andhra Pradesh, Himachal Pradesh and Rajasthan have framed their own PESA Rules. Odisha and

Maharashtra Governments are in final stage of framing their PESA Rules. Rest of the states are at various stages of completion of process to frame the Rules.

ii. Compliance of provisions in state Panchayati Raj legislation with PESA provisions:

Andhra Pradesh and Rajasthan have fully completed the exercise of amendment in their Panchayati Raj Act to bring these in consonance with PESA Act. States of Chhattisgarh, Odisha and Maharashtra have amended their State Panchayati Raj Acts as per provisions of PESA. Other States have also incorporated the provisions of PESA Act in their Panchayati Raj Acts to a large extent and are in process of amendment in their Act to make these PESA compliant. An updated status of compliance is at **Annex I**.

iii. Compliance of other subject laws with PESA provisions:

All the States except Gujarat, Jharkhand and Maharashtra have modified some of the subject laws in accordance with the provisions of PESA Act. They are being pursued by this Ministry to amend their laws in conformity with PESA Act. Government of Jharkhand has informed that they have set up a High Power Committee under the chairmanship of Chief Secretary of the State for implementation of PESA and they will finalise draft amendment of various laws for the consideration of the Government shortly. An updated status in this regard is at **Annex II**.

iv. Compliance of Central Laws with provisions of PESA:

A Committee on Harmonization of Central Laws with provisions of PESA was set under the chairmanship of the Union Law Secretary, on the direction of Prime Minister's office. This Committee has submitted its draft report in July, 2013. The Report is under finalisation.

[No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### **Comments of the Committee**

(Please see Paragraph No. 11 of Chapter I of the Report)

Recommendation (Sl. No. 3, Para No. 2.4)

The Committee are glad to note that MoPR has received significantly higher funds for Twelfth Plan (2012-17) for its different Central Sector, Centrally Sponsored and Additional Central Assistance (ACAs) mainly for RGPSA and BRGF Schemes. The Committee note that as against the Eleventh Plan (2007-2012) outlay of Rs. 24,724 crore, the MoPR has got Rs. 35,743 crore during Twelfth Plan (2012-2017) indicating a jump of more than Rs. 10,000 crore. The Committee also find that Rs. 6437 crore under Central Plan has been allocated to MoPR during Twelfth Plan as compared to Rs. 876.37 crore during Eleventh Plan. Similarly for Additional Central Assistance (ACAs), the MoPR has been allocated Rs. 29,306 crore for Twelfth Plan against Rs. 24,110 crore for Eleventh Plan. Taking note of the fact that 2013-14 is the second year of the 12th Plan as also RGPSA has been approved very recently, the Committee would urge upon the MoPR to fix priorities, make sincere efforts in achieving the objectives/ goals/ targets of various activities so that apart from utilisation of full funds, PRIs across the country are strengthened in a big way.

#### Reply of the Government

The Ministry of Panchayati Raj is making all out efforts to utilize the increased budgetary allocations in the Twelfth Plan. Under Backward Regions Grant Fund (BRGF), Ministry of Panchayati Raj is pursuing with State Governments for early submission of Annual Action Plans and Utilisation Certificates for funds received in 2012-13 so that the 1<sup>st</sup> instalments under BRGF is released against entitlements for 2013-14, by 30 September, 2013. So far as a result of active follow up with State Governments, 151 plans out of total 272 BRGF Districts have been received and are under process.

The States are also being actively pursued to access funds under RGPSA by identifying their needs in well thought out State Plans (Annual and Perspective) while ensuring that the essential conditions for accessing funds from Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) are also complied with. Two meetings of the Central Executive Committee of RGPSA to approve State Plans have already been held and approx. Rs. 450 crores committed against the RGPSA budget for 2013-14.

[No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### Recommendation (Sl. No. 4, Para No. 2.5)

The Committee are constrained to note that MoPR has large amount of unspent balances and these were surrendered during 2011-12. For instance during 2011-12, MoPR surrendered as huge as Rs. 1143.63 crore and during 2012-13 the B.E of Rs. 5350 crore was reduced to Rs. 4000 crore on account of non-utilisation. The Committee recall that they had examined the issue of unspent balances and surrender of funds while examining the Demands for Grants (2012-13) of MoPR also and had recommended to devise a practical solution to this perennial problem. The Committee have been informed by MoPR that continuous monitoring of progress of BRGF and other schemes is being done to quicken the pace of expenditure and claim full entitlement. However, the latest figures made available to the Committee for 2012-13 show that against the B.E of Rs. 5349.58 crore and RE of Rs. 4000 crore, the fund released was only Rs. 2745.15 crore and fund utilised was barely Rs. 118.42 crore. The Committee therefore recommend that MoPR should work hard for wiping out unspent balances and do away with the practice of surrendering of funds altogether in future.

#### **Reply of the Government**

In respect of the Backward Regions Grant Fund (BRGF) Programme, during 2012-13, against the B.E. of Rs. 5050 crore and R.E. of Rs. 3734 crore, the actual release as on 31.3.2013 was Rs. 3720.19 crore, which comes to 99.63% of R.E. During the current financial year 2013-14, MoPR is taking all possible steps to ensure utilization of unspent balances in the account of various State Governments, and to ensure maximum utilization of budget allocations for BRGF during 2013-14. Active follow up with State Governments for submission of proposal under BRGF 2013-14 include

- (i) Information to Principal Secretaries/ Secretaries of all BRGF States intimating the Annual Entitlements for 2013-14 and requesting to submit the Annual Action Plans urgently latest by 25-06-2013. Out of 272 Districts, 151 BRGF District plans for 2013-14 have been received and are under process for sanction.
- (ii) Review meeting with the Principal Secretaries/ Secretaries of all BRGF States in end May/ early June, 2013 and also in October, 2013. The first such Review Meeting was held on 11-06-2013.
- (iii) Video Conference during 3rd Quarter of 2013-14 with the States / Districts which lag behind in sending Annual Action Plans.
- (iv) Regular follow up through letters / telephones / e-mails.
- (v) Visit by officers of the Ministry to the BRGF States / Districts.

  [No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### **Comments of the Committee**

(Please see Paragraph No. 8 of Chapter I of the Report)

#### Recommendation (Sl.No.6, Para No.2.7)

The Committee note that two prominent sources of Panchayat Finances are Thirteenth Finance Commission (TFC) Grants and State Finance Commissions Grants. The Committee also find that TFC has estimated Rs. 63,050 crore as Grants payable to PRIs for an award period of five years viz. 2010-15 consisting of Rs. 41,225 crore as Basic Grant and Rs. 21,825 crore as Performance Grant. The Committee are dismayed to note that on Basic Grant as also on Performance Grant, both for General Area and Special Area during 2011-12 and 2012-13, there are huge gaps between allocations and releases in different States. The Committee, therefore, recommend that MoPR should take up the issue with concerned State Governments to take steps to utilise their share of allocations as per parameters of TFC recommendations.

#### **Reply of the Government**

The release and utilization of both Basic and Performance Grant to Local Bodies as recommended by the XIII Finance Commission is based on the detailed guidelines issued by the Ministry of Finance vide their letter no. 12(2) FCD/2010 dated 23.09.2010.

The Central Monitoring Committee(CMC) has been constituted as per the Guidelines of the Ministry of Finance, under the Chairpersonship of Secretary, Panchayati Raj to monitor release of Basic Grants to PRIs and recommend release of Performance Based Grants to PRIs. Performance Grants are recommended on compliance by States of the six stipulated conditions recommended by XIII FC. Three meetings of the CMC were held during the year 2012-13 and in these meetings, General Area Performance Grant to 15 States and Special Area Performance Grant to nine States were recommended by the CMC. A statement showing the releases of Grants during 2012-13 is at **Annex-III to VI**.

Release of General area and Special Area Basic Grants are subject to fulfillment of two conditions namely, existence of duly elected Panchayats in place and submission of Utilisation Certificates (UCs) for the previous instalment. Similarly, statements reflecting release of Performance Grants to the States is reflected in **Annex –V & VI**. General Performance Grants forfeited by States which have been unable to fulfill the stipulated six conditions for drawal of these Grants are further distributed amongst all States and those state have complied with the stipulated conditions in the manner prescribed as per guidelines of Ministry of Finance based on recommendations of the Thirteenth Finance Commission.

The Ministry of Panchayati Raj actively pursues with the States for compliance of the stipulated conditions to enable drawal of Performance Grants. In addition to regular follow up with the States by letter and telephone, the Ministry also holds review meetings to facilitate the States to sort out various issues relating to compliance of the Performance Grant conditions. During the year 2012-13, three review meetings with States were conducted.

[No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### Recommendation (Sl. No. 9, Para No. 2.10)

The Committee note that RGPSA has finally been approved by CCEA in March, 2013 and it paves way to implement from 2013-14 an ambitious programme of RGPSA during Twelfth Plan period with a view to continue the process of strengthening of Panchayati Raj system and to address critical gaps that constrain it.

The Committee find that during 2012-13 the MoPR could utilise Rs. 44 crore out of Rs. 50 crore allocated for RGPSA. The Committee note that for 2013-14, Rs. 455 crore have been proposed and additional allocation of Rs. 200 crore if required will be made available for RGPSA making the total allocation of Rs. 655 crore. The Committee also find that overall direction of RGPSA will be provided by an empowered Central Steering Committee (CSC, RGPSA) headed by Union Minister for Panchayati Raj with representation from Ministries of Rural Development, Drinking Water and Sanitation, Education, Health, Agriculture, Social Justice, Tribal Affairs, North East and Planning Commission etc. There is an empowered Central Executive Committee (CEC, RGPSA) headed by the Secretary, MoPR at the national level to oversee implementation. These two bodies have started functioning. The Committee feel that there is a huge challenge before MoPR to empower an estimated 28 lakh elected representatives of Panchayats particularly when institutional support is grossly inadequate. In this connection, the MoPR has apprised that under RGPSA, activities of strengthening of SIRDs, establishment/ strengthening of District Resource Centres, Block Resource Centres and support for Panchavat processes for Panchayats with low revenue base will be taken up and for Capability Building and Training requirement funding of RGPSA will be done as per National Capacity Building Framework (NCBF). The Committee, therefore, recommend that since all related issues have been clearly spelt out in RGPSA with multi-Ministerial representation, the MoPR should now move faster on empowerment of Panchayats through possible devolution of 3Fs and meeting other basic requirement of infrastructure and training and capacity building needs of elected representatives and functionaries of Panchayats in a big way during Twelfth Plan period (2012-17).

#### **Reply of the Government**

Ministry agrees with above recommendation of the Committee and is actively pursuing with States for submission of Annual/Perspective Plans for accessing funds under RGPSA during 2013-14.

During the current financial year, the Central Executive Committee (CEC) of the RGPSA has considered the Annual Plans 2013-14 of the States of Chhattisgarh, Rajasthan, Madhya Pradesh, Himachal Pradesh, Arunachal Pradesh, Kerala, Maharashtra, Jharkhand and Uttarakhand. An amount of approx.. Rs.450 crores has been committed under the RGPSA budget for 2013-14 so far. Review Meetings to monitor the preparation/submission of State Plans under RGPSA are also being held from time to time. Last review meeting was held on 31.7.2013.

[No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### Recommendation (Sl. No. 10, Para No. 2.11)

The Committee are deplored that most important scheme of Backward Region Grant Fund (BRGF) as Additional Central Assistance (ACA) to State Plans to bridge the regional imbalances in development by way of providing financial resources in identified backward districts has not been effectively implemented leading to non utilisation of entitled funds in these districts across the States. For instance as per latest available figures of State-wise releases vis-a-vis utilisation of BRGF funds during 2012-13 made available to the Committee by MoPR, the Committee are dismayed to note that as against the total annual entitlement of Rs. 5349.98 crore, the release was as low as Rs. 2745.15 crore out of which the utilisation reported was a meagre Rs. 118.42 crore. The Committee find this situation highly unsatisfactory. The Committee are also constrained to note that whatever small utilisation that has been reported was in Andhra Pradesh, Assam, Bihar, Chhattisgarh, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and West Bengal. In other States including Jammu and Kashmir, any utilisation was yet to be reported. In this connection, the Committee have been

informed by the Secretary, MoPR that plans come from State Governments and Central Government does not impose any direction about the money spent. The MoPR has also contended that BRGF grant are demand based and requirement of 60% utilisation of previous releases is an essentiality for further releases. Moreover, the State Governments have to devise its own mechanism for further release of funds. The Committee have also been informed that under the BRGF Guidelines funds are released to State Governments and not to individual BRGF districts and any revision of Guidelines is under the domain of the Planning Commission. In this connection, the Committee have been assured by the Secretary, MoPR to set up regular video conferencing with district magistrates in BRGF districts so as to keep an eye on speedy implementation. Since the restructuring of BRGF is currently in progress in Planning Commission, the MoPR should place all necessary details and constraints in implementation of BRGF before the Planning Commission to make it more simple and implementable by the States so as to ensure that Government objective to supplement the State Governments to develop the backward Districts in the country is achieved fully. Since there are as many as 272 districts identified for BRGF scheme as of now, the scheme will help in developing a substantial part of the country.

#### **Reply of the Government**

The BRGF Programme has two components, namely, the Development Grant component and the Capacity Building component. BRGF allocation for the year 2012-13 was fixed at Rs.5050 crores at the BE stage which was reduced to Rs. 3734 crores at RE stage. At the end of the financial year 2012-13, Ministry had released a sum of Rs. 3720.19 crores, utilizing 99.63% of the RE allocation. BRGF is a process oriented and demand driven programme. Many States were not able to access their full entitlement due to late submission of proposals and also on account of the non- submission/ discrepancies in requisite documents like UCs, physical & financial reports and audit reports.

To ensure full utilization of BRGF funds in 2013-14, this Ministry is doing regular follow up with the State Governments by means of review meetings, video conferences. The first review meeting was held with the Principal Secretaries/ Secretaries of all BRGF States on 11-06-2013. A video conference was held with the State Government of Madhya Pradesh on 23-07-2013 wherein the progress of BRGF Programme was reviewed. On 2-08-2013, in a related meeting held with 12 of the States, timely claim of funds under BRGF Programme was emphasized. During the course of this year, officials from the Ministry also visited Himachal Pradesh, Uttrakhand, Guwahati, Rajasthan and Madhya Pradesh to facilitate the States to submit the BRGF proposals in time. During a recent workshop held at Assam Administrative Staff College, Guwahati on 18-20 April, 2013 on training and adoption of e-Panchayat applications, the position of BRGF proposals was also discussed with the NE States. As a result of these efforts, out of 272 Districts, 151 BRGF District plans for 2013-14 have already been received and are under process.

Hon'ble Minister of Panchayati Raj has already written to Deputy Chairman, Planning Commission on 27-02-2013 suggesting to take 'Block' or its variant (Taluka / Mandal) as unit of backwardness under the District component of the restructured BRGF (Annex VII).

[No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### Comments of the Committee

(Please see Paragraph No. 8 of Chapter I of the Report)

#### **CHAPTER III**

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

NIL

#### **CHAPTER IV**

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

NIL

#### **CHAPTER V**

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

#### Recommendation (Sl. No. 5, Para No. 2.6)

The Committee find that implementation of the Panchayats (Extension to Scheduled Areas) Act, 1996 (PESA) within the meaning of Section 4(a) of the Act and with reference to Section 4(d) to 4 (m) that deal with empowerment of Gram Sabha which makes the Gram Sabhas competent for functioning in wide variety of areas like safeguarding and preserving the traditions of the people in Scheduled Areas, approval of village plans, issue of utilisation certificates, mandatory consultation in matters of land acquisition, resettlement and rehabilitation, power to prevent alienation of land and restoring alienated land etc. in Fifth Schedule Areas in nine States of Andhra Pradesh, Chhatisgarh, Gujarat, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Rajasthan has not been done in letter and spirit. The Committee feel that less development in Scheduled Areas mainly in Andhra Pradesh, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra and Odisha may give rise to unrest. The latest available compliance of State Panchayati Raj Acts as indicated by MoPR shows that although necessary legislations have been enacted in six PESA States, actual empowerment of Gram Sabhas has not been forthcoming and seen at ground level. Further the Committee find that MoPR has also indicated State-wise position of compliance of subject laws showing varied degree of implementation across nine PESA States on important subjects ranging from land acquisition to money lending. The Committee are dismayed to note that barring Himachal Pradesh and Madhya Pradesh, none of the PESA States have complied with PESA with important issue of land acquisition and position on other subjects is almost similar. On the other hand the Committee find that MoPR has claimed to have taken series of measures like circulation of Model Rules for PESA and related Guidelines to nine PESA States etc. However the ground reality shows that efforts of MoPR have not actually contributed towards actual implementation of PESA laws in these States. The Committee, therefore, recommend that MoPR should rethink with an open mind on the entire issue of implementation of PESA in coordination with concerned State Governments to find solutions to the real problems at appropriate level.

#### **Reply of the Government**

There is a system of continuous/ongoing review with PESA States on the implementation of the Act, including through visits to PESA States and holding regular meetings with State Secretaries and concerned officials of PRIs and other relevant Departments. The PESA Act at present does not have any provision for making Rules by the Union/State Governments. A proposal to amend the Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) including, inter-alia, Rule making provisions and to clarify certain terms used in the Act is under examination in consultation with the concerned stakeholders.

To strengthen Gram Sabhas and increase awareness among its members on local issues and role of Gram Sabhas so as to enable its efficient functioning in areas under PESA, the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) provides for engagement of Mobilisers to every Gram Sabha and coordinators at Block and District level. Funds are also being made available under the scheme for orientation of the Gram Sabha as to generate awareness regarding the provisions of PESA Act.

Training modules for capacity building of elected representatives and officials of the State Governments in Schedule V areas has been prepared by State Institutes of Rural Development (SIRD's). All the PESA States

have carried out training programmes for elected representatives of PRIs and functionaries of State Government for better implementation of PESA. The regular training programmes under RGPSA would also include a Module on PESA related matters.

[No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### **Comments of the Committee**

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

Recommendation (SI. No. 7, Para No. 2.8)

The Committee are also dismayed to note that State Finance Commissions (SFCs) are facing problems like acute shortage of manpower, knowledgeable professionals, inadequate data etc. and their SFC's recommendations are not given due consideration by the State Governments. In this connection, the Committee find that MoPR have themselves highlighted the need for strengthening of SFCs. As the recommendations of the SFCs play an important role in the award of Central Finance Commission, the Committee recommend the MoPR to take up the matter at the appropriate level with different State Governments.

#### Reply of the Government

Considering the importance and impact of the recommendations of the State Finance Commissions in the Award of the CFC, besides issuing detailed guidelines on 27.04.2009 to Chief Secretaries of all States for strengthening and improving the working of SFCs and holding a review meeting with Chairpersons, State Finance Commissions and Secretaries, P.R Deptt. of States on 27.06.2011, the Ministry in August 2012, had constituted a Task Force under the Chairmanship of Additional Secretary, MoPR to study the present status of SFCs and to make recommendations for their strengthening to enable them to perform their functions as envisaged under Article 243-I(1) of the Constitution.

As per the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA), States can access funds only if they fulfill certain essential conditions, which include: Constitution of SFC every five years, and placement of Action Taken Report on the recommendations of the SFC in the State legislations. This provides an important impetus for States to consider SFC recommendations seriously.

[No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

#### **Comments of the Committee**

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

#### Recommendation (Sl. No. 8, Para No. 2.9)

The Committee also note with dismay that not much progress has been made on the issue of ensuring Centrality of Panchayats in Central Sector and Centrally Sponsored Schemes (CSSs) that deal with subjects included in Eleventh Schedule in planning, implementation and monitoring of these Schemes. In this connection, the Committee have been informed by MoPR about various initiatives taken up under BRGF and earlier schemes of PEAIS and RGSY for necessary devolution for achieving Centrality of PRIs in CSSs etc. The

Committee have also been informed by MoPR that under RGPSA the process of incentivising States will be for non-BRGF districts also. The Committee have also been apprised by MoPR that various Central Ministries have now provided centrality of PRIs in their programme by way of issuing Guidelines such as MGNREGA, NRLM, IWMP, NBA etc. The Committee also note that MoPR has set up an Expert Committee under the Chairmanship of Shri Mani Shankar Aiyar, M.P (Rajya Sabha) on this issue and Expert Committee is expected to finalise the report by April, 2013. Since the Expert Committee is already seized of the issue, they would await the outcome of the Report.

#### **Reply of the Government**

The Report of the Expert Committee headed by Shri Mani Shankar Aiyar, M.P. (Rajya Sabha) has been finalised and released on National Panchayat Day held on 24.4.2013, at Vigyan Bhavan, New Delhi. Copy of Report has been circulated to all the State Governments and concerned Central Ministries for their examination of the recommendations contained in the Report and necessary action. Ministry of Panchayati Raj on its part, is also pursuing with State Governments and the Central Ministries for a time bound implementation of the recommendations. An Inter-Ministerial Committee has also been set up under the Chair of Secretary, Panchayati Raj, to review action being taken by various Line Ministries in respect of clarifying role and responsibilities of PRIs in Guidelines of Centrally Sponsored Schemes administered by them.

[No.G-20012/4/2013-Parl. Dated: 26.8.2013, Ministry of Panchayati Raj]

NEW DELHI; 17 December, 2013 26 Agrahayana , 1935 (Saka)

SUMITRA MAHAJAN

Chairperson,

Standing Committee on Rural Development

#### Annex-I

### **Compliance of State Panchayati Raj Acts**

(as on 22.8.2013)

States		Cl	auses	of sec	tion-4	of PE	SA		Sı	ıb-claı	uses o	f secti	on-4 (	n-4 (m)	
	d	е	f	h	i	j	k	I	i	ii	iii	iv	v	vi	
Andhra Pradesh	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	
Chhattisgarh	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ	Υ	Υ	Υ	
Gujarat	Υ	Υ	Υ	Υ	Υ	Υ	N	N	N	Υ	N	Υ	Υ	N	
Himachal Pradesh	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ	Υ	Υ	
Jharkhand	Υ	Υ	Υ	N	N	Υ	N	N	N	N	N	Υ	N	Υ	
Madhya Pradesh	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	N	N	Υ	N	Υ	
Maharashtra	Υ	Υ	Υ	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ	Υ	
Odisha	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ	Υ	Υ	Υ	
Rajasthan	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	

Y= Yes, i,e, States that have made their concerned Panchayati Raj Act compliant with provisions of PESA. N= No, i.e, States that are yet to make their concerned Panchayati Raj Act compliant with provisions of PESA.

#### Annex-II

### **Compliance of State Subject Laws**

States	Land Acquisition	Excise	Forest Produce	Mines & Minerals	Village Market	Money Lending
Andhra Pradesh	N	Y	N	Y	Υ	N
Chhattisgarh	Y	Y	N	Y	Y	Y
Gujarat	N	NA	NA	N	N	N
Himachal Pradesh	Y	Υ	Y	Y	Y	N
Jharkhand	N	N	N	N	N	N
Madhya Pradesh	Y	Υ	N	Y	Y	N
Maharashtra	N	N	N	N	N	N
Odisha	N	Υ	Y	Y	N	Y
Rajasthan	N	N	NA	Y	N	Y

Y= Yes, i,e, States that have made their concerned Panchayati Raj Act compliant with provisions of PESA. N= No, i.e, States that are yet to make their concerned Panchayati Raj Act compliant with provisions of PESA.

General Area Basic Grant
Allocation and Release of grant of Local Bodies for PRIs During 2010-15 (as on 16.07.2013)

Rs. in Lakhs

Annex-III

						PRIs					NS. III Lakii	-	
		2010-	-11	2011	-12	2012	2-13	2013	3-14	201	4-15	Total releases	Released up to
Sl. No.	States	Allocation	Release	Allocation	Release	Allocation	Release	Allocation	Release	Allocation	Release		Instalment
1	2	3	4	5	6	7	8	9	10	11	12	13	
1	Andhra Pradesh	48074.00	48074.00	61585.00	30470.00	69293.13		81669.45				78544.00	1st 2011-12
2	Arunachal Pradesh	2520.00	2520.00	3228.00	1614.00	3632.58		4281.39				4134.00	1st 2011-12
3	Assam	14511.00	7344.00	18589.00	16462.00	20915.88	30210.88	24651.62				54016.88	2nd 2012-13
4	Bihar	45569.00	45569.00	58377.00	58377.00	65683.40	65683.40	77414.99	38707.49			208336.89	2nd 2012-13
5	Chhattisgarh	15367.00	15367.00	19686.00	19686.00	22149.59	22149.59	26105.68				57202.59	2nd 2012-13
6	Goa	832.00	421.00	1066.00	411.00	1199.44		1413.66				832.00	2nd 2010-11
7	Gujarat	21461.00	21724.00	27493.00	27231.00	30934.03	14721.62	36459.09				63676.62	1st 2012-13
8	Haryana	9994.00	10116.00	12802.00	12680.00	14404.66	14404.66	16977.44	8488.72			45689.38	2nd 2012-13
9	Himachal Pradesh	5120.00	5120.00	6559.00	6559.00	7379.39	3511.88	8697.41	3867.51			19058.39	1st 2012-13
10	Jammu & Kashmir	8448.00	0.00	10823.00	10823.00	12177.13	12177.13	14352.07				23000.13	2nd 2012-13
11	Jharkhand	13948.00	13948.00	17868.00	17868.00	20104.83	20104.83	23695.72	11847.86			63768.69	2nd 2012-13
12	Karnataka	41433.00	41938.00	53077.00	52571.00	59720.49	59720.49	70387.05	35193.53			189423.02	2nd 2012-13
13	Kerala	17935.00	17935.00	22975.00	22975.00	25850.70	12302.44	30467.85				53212.44	1st 2012-13
14	Madhya Pradesh	37843.00	37842.00	48478.00	48478.00	54545.78	54545.79	64288.10				140865.79	2nd 2012-13
15	Maharashtra	50578.00	50578.00	64793.00	64793.00	72902.87	72902.87	85923.90				188273.87	2nd 2012-13
16	Manipur	2013.00	2013.00	2579.00	0.00	2901.49	1289.00	3419.72				3302.00	1st 2011-12
17	Meghalaya	2877.00	2877.00	3685.00	3686.00	4146.62		4887.24				6563.00	2nd 2011-12
18	Mizoram	1854.00	1855.00	2376.00	1188.00	2673.03	1188.00	3150.45	1336.51			5567.51	2nd 2011-12
19	Nagaland	2805.00	1420.00	3594.00	1386.00	4043.81		4766.07				2806.00	2nd 2010-11
20	Orissa	23831.00	23831.00	30529.00	30529.00	34349.56	34349.56	40484.67				88709.56	2nd 2012-13
21	Punjab	10350.00	10350.00	13259.00	0.00	14918.70	13259.00	17583.3				23609.00	2nd 2011-12
22	Rajasthan	36226.00	36668.00	46407.00	45965.00	52215.45	52215.45	61541.55				134848.45	2nd 2012-13
23	Sikkim	1696.00	858.00	2173.00	3011.00	2444.56	1163.38	2881.18				5032.38	1st 2012-13
24	Tamil Nadu	28364.00	28710.00	36336.00	35989.00	40883.63	40883.63	48185.78				105582.63	2nd 2012-13
25	Tripura	2695.00	2695.00	3452.00	3452.00	3883.89	1848.36	4577.58				7995.36	1st 2012-13
26	Uttar Pradesh	90030.00	91130.00	115333.00	114233.00	129767.56	129767.56	152945.09				335130.56	2nd 2012-13
27	Uttarakhand	5437.00	5437.00	6965.00	6965.00	7836.32	3918.16	9235.94				16320.16	1st 2012-13
28	West Bengal	38120.00	38120.00	48834.00	24161.00	54945.59	50821.81	64759.32				113102.81	1st 2012-13
	Total	579931.00	564460.00	742921.00	661563.00	835904.11	713139.49	985203.31	99441.62	0.00	0.00	2038604.11	

Note:

<sup>1.</sup> State of Andhra Pradesh was not released General Area Basic Grant from 2nd instalment 2011-12 onwards due to non holding of elections to Panchayats

<sup>2. 2</sup>nd instalment to other States was not released due to non submission of Ucs to the Ministry of Finance in respect of 1st instalment

#### Special Area Basic Grant Allocation and Release of grant of Local Bodies Special Area During 2010-15 (as on 15.07.2013)

#### Rs in Lakhs

2 Assar 3 Chha 4 Gujar 5 Hima 6 Jhark 7 Madh	States  2 adhra Pradesh asam ahattisgarh	Allocation 3 590.00 730.00	Release 4 590.00	Allocation 5	Release 6	Allocation 7	Release	Allocation	Release	Allocation	Release		
2 Assar 3 Chha 4 Gujar 5 Hima 6 Jhark 7 Madh	ndhra Pradesh sam	590.00		5	6	7							
2 Assar 3 Chha 4 Gujar 5 Hima 6 Jhark 7 Madh	sam		590.00			,	8	9	10	11	12	13	
3 Chha 4 Gujai 5 Hima 6 Jhark 7 Madh		720.00	370.00	590.00	295.00	590.00		590.00				885.00	1st inst. 2011-12.
4 Gujar 5 Hima 6 Jhark 7 Madh	hattisgarh	/30.00	365.00	730.00	730.00	730.00	1095.00	730.00				2190.00	2nd inst. 2012-13
5 Hima 6 Jhark 7 Madl		2110.00	2110.00	2110.00	2110.00	2110.00	2110.00	2110.00				6330.00	1st inst. 2012-13.
6 Jhark 7 Madl	ıjarat	1440.00	1440.00	1440.00	1440.00	1440.00	720.00	1440.00				3600.00	2nd inst. 2012-13.
7 Madl	machal Pradesh	30.00	30.00	30.00	30.00	30.00	15.00	30.00	15.00			90.00	2nd inst. 2012-13.
	arkhand	3500.00	1750.00	3500.00	1750.00	3500.00	3500.00	3500.00	1750.00			8750.00	1st inst. 2011-12.
0 11	adhya Pradesh	2650.00	2650.00	2650.00	2650.00	2650.00	2650.00	2650.00				7950.00	2nd inst. 2012-13.
8 Maha	aharashtra	790.00	790.00	790.00	790.00	790.00	790.00	790.00				2370.00	2nd inst. 2012-13.
9 Mani	anipur	180.00	180.00	180.00	0.00	180.00	90.00	180.00				270.00	1st inst. 2011-12.
10 Megh	eghalaya	460.00	460.00	460.00	460.00	460.00		460.00				920.00	2 <sup>nd</sup> inst. 2011-12
11 Mizo	izoram	180.00	180.00	180.00	90.00	180.00	90.00	180.00				360.00	2nd inst. 2012-13.
12 Naga	ngaland	400.00	200.00	400.00	200.00	400.00		400.00				400.00	1st inst. 2011-12.
13 Oriss	rissa	2160.00	2160.00	2160.00	2160.00	2160.00	2160.00	2160.00				6480.00	2nd inst. 2012-13.
14 Rajas	ijasthan	360.00	360.00	360.00	360.00	360.00	360.00	360.00				1080.00	2nd inst. 2012-13.
15 Tripu	ipura	240.00	240.00	240.00	240.00	240.00	120.00	240.00				600.00	1st inst. 2012-13.
16 West		1.00.00	1.00.00	450.00	00.00	100.00	160.00	160.00				400.00	1st inst. 2012-13.
Total	est Bengal	160.00	160.00	160.00	80.00	160.00	160.00	100.00				400.00	1St 111St. 2012-15.

<sup>1.</sup> State of Andhra Pradesh was not released Special Area Basic Grant from 2nd instalment 2011-12 onwards due to non holding of elections to Panchayats

<sup>2. 2</sup>nd instalment to other States was not released due to non submission of Ucs to the Ministry of Finance in respect of 1st instalment

Annex-V

					Gene	ral Area Perfo	mance Grant						
			Allocation and	Release of pe	rformance gra	ant including fo	orfeited During	g of PRIs 2010	)-15 (as on 1	5.07.2013)			
							PRIs	Rs in Lakhs					
Sl. No.	States	2010	-11	2011	-12	201	2-13	2013	3-14	201	4-15	Total releases	
51. 140.	States	Allocation	Release	Allocation	Release	Allocation	Release	Allocation	Release	Allocation	Release		
1	2	3	4	5	6	7	8	9	10	11	12	13	
1	Andhra Pradesh	0.00		21012.00	0.00	47489.50		55740.38				0.00	
2	Arunachal Pradesh	0.00		1102.00	157.17	2489.56		2922.10				157.17	
3	Assam	0.00		6342.00	5336.96	14334.53	17537.82	16825.03				22874.78	
4	Bihar	0.00		19917.00	16869.38	45015.60	32465.87	52836.66	30328.86			79664.11	2nd inst 2012-13
5	Chhattisgarh	0.00		6716.00	5653.84	15180.04	10982.40	17817.44				16636.24	
	Goa	0.00		364.00	51.17	822.02		964.84				51.17	
7	Gujarat	0.00		9380.00	1352.37	21200.39		24883.77				1352.37	
8	Haryana	0.00		4368.00	5880.53	9872.12	9872.12	11587.31				15752.65	
9	Himachal Pradesh	0.00		2238.00	3010.97	5057.40	5057.40	5936.08				8068.37	
10	Jammu & Kashmir	0.00		3692.00	533.64	8345.50		9795.46				533.64	
11	Jharkhand	0.00		6096.00	880.87	13778.69	13778.69	16172.61				14659.56	
12	Karnataka	0.00		18109.00	24386.64	40928.97	20464.48	48040.01	20464.49			65315.61	
13	Kerala	0.00		7839.00	6635.68	17716.58	12777.96	20794.67				19413.64	
14	Madhya Pradesh	0.00		16540.00	14002.28	37382.52	26961.26	43877.40				40963.54	
15	Maharashtra	0.00		22106.00	18606.48	49963.40	61129.61	58644.10				79736.09	
	Manipur	0.00		880.00	127.93	1988.52		2334.00				127.93	
17	Meghalaya	0.00		1257.00	182.75	2841.85		3335.60				182.75	
	Mizoram	0.00		811.00	116.96	1831.94		2150.22				116.96	
19	Nagaland	0.00		1226.00	175.44	2771.40		3252.90				175.44	
20	Orissa	0.00		10416.00	1502.22	23541.20		27631.27				1502.22	
21	Punjab	0.00	_	4524.00	650.60	10224.41		12000.81				650.60	
22	Rajasthan	0.00		15833.00	21327.63	35785.45	35785.45	42002.85				57113.08	
23	Sikkim	0.00		741.00	106.00	1675.36		1966.44				106.00	
24	Tamil Nadu	0.00		12397.00	1787.32	28019.28		32887.37				1787.32	
25	Tripura	0.00	_	1178.00	171.79	2661.79	1268.50	3124.25	1393.29			2833.58	
26	Uttar Pradesh	0.00		39349.00	33117.91	88935.17	19876.20	104386.86	44467.58			97461.69	
27	Uttarakhand	0.00		2376.00	343.57	5370.56		6303.64				343.57	
28	West Bengal	0.00		16661.00	2401.36	37656.53	18828.26	44199.01				21229.62	
	Total	0.00	0.00	253470.00	165369.46	572880.28	286786.02	672413.08	96654.22	0.00	0.00	548809.70	

#### Note:

<sup>1.</sup> State of Andhra Pradesh was not released General Area Performance Grant from 2011-12 onwards due to non holding of elections to Panchayats

<sup>2. 2</sup>nd instalment to other States was not released due to non submission of Ucs to the Ministry of Finance in respect of 1st instalment

<sup>3.</sup> In addition to their entitled share, some States have been released their share of the General Performance Grants forfeited by States which have been unable to fulfil the stipulated six conditions for drawl of these Grants.

#### Annex-VI

#### Allocation and Release of Performance grant of Local Bodies Special Area During 2010-15 (as on 15.07.2013)

Rs in Lakhs

	_	2010	-11	201	1-12	2012-1	3	2013-	-14	2014	-15	Total releases
Sl. No.	States	Allocation	Release									
1	2	3	4	5	6	7	8	9	10	11	12	13.00
1	Andhra Pradesh					590.00		590.00				0.00
2	Assam					730.00	730.00	730.00				730.00
3	Chhattisgarh					2110.00	1055.00	2110.00				1055.00
4	Gujarat					1440.00		1440.00				0.00
5	Himachal Pradesh					30.00	30.00	30.00				30.00
6	Jharkhand					3500.00	3500.00	3500.00				3500.00
7	Madhya Pradesh					2650.00	1325.00	2650.00				1325.00
8	Maharashtra					790.00	790.00	790.00				790.00
9	Manipur					180.00		180.00				0.00
10	Meghalaya					460.00		460.00				0.00
11	Mizoram					180.00		180.00				0.00
12	Nagaland					400.00		400.00				0.00
13	Orissa					2160.00		2160.00				0.00
14	Rajasthan					360.00	360.00	360.00				360.00
15	Tripura					240.00	120.00	240.00	120.00	-		240.00
16	West Bengal					160.00		160.00				0.00
	Total	0.00	0.00			15980.00	7910.00	15980.00	120.00	0.00	0.00	8030.00

#### Note

<sup>1.</sup> State of Andhra Pradesh was not released Performance Grant for Special Area from 2011-12 onwards due to non holding of elections to Panchayats

<sup>2. 2</sup>nd instalment to other States was not released due to non submission of Ucs to the Ministry of Finance in respect of 1st instalment

बी. किशोर चन्द्र देव V. SHORE CHANDRA DEO



मंत्री
जनजातीय कार्य एवं पंचायती राज,
भारत सरकार
शास्त्री भवन, नई दिल्ली-110001
MINISTER OF TRIBAL AFFAIRS
AND PANCHAYATI RAJ
GOVERNMENT OF INDIA
SHASTRI BHAWAN, NEW DELHI-110001

D.O. No.N-11019/786/2010-BRGF

27 February, 2013

Dear Dr. Ahluvalinji,

I write with reference to the restructuring of the Backward Regions Grant Fund (BRGF) Programme for the remaining four years of 12<sup>th</sup> Five Year Plan starting from 2013-14 to 2016-17.

Ministry of Panchayati Raj has been advocating for taking the Block as a Unit of Backwardness in place of the District under the BRGF Scheme (District Component) on the basis of the recommendations of the Second Administrative Reforms Commission in its 'Seventh Report on Capacity Building for Conflict Resolution'. In the said Report, it was proposed that a composite criteria for identifying backward areas (with Block as a Unit) based on indicators of human development including poverty, literacy and infant mortality rate along with social and economic infrastructure, should be developed by the Planning Commission for the 12th Plan period to better address the issue of regional imbalances in development. The Planning Commission has also acknowledged that among the major lessons of the experience of BRGF implementation (as also shared by the Union Ministries of Panchayati Raj, Tribal Affairs and Rural Development & several State Governments), is the need to focus on the sub-district level for effective realization of outcomes. I would strongly suggest that 'subdistrict' level should be taken to mean 'Block' level or its variant (Taluka/Mandal) as known in different States, as the Unit of backwardness under the District Component of BRGF Scheme, as only then would the problem of backwardness be equitably addressed with a District. The backwardness index of the Blocks/Talukas to be identified may be

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 'Fort' Kurpam, Dist. Vizianagaram, Andhra Pradesh-535524, Tel.: 08963-225135, Cell: (+91) 9868180212, E-mail: vk.deo@sansad.nic.in

prepared based on the reliable data made available through Census 2011. In this regard, I had earlier addressed a D.O. letter to the Union Home Minister on 3<sup>rd</sup> May 2012, a copy of which was also sent to the Planning Commission (copy enclosed for ready reference).

I would strongly recommend that this suggestion be given serious/positive consideration in the ongoing exercise to restructure the BRGF Scheme.

With regards,

Yours sincerely,

(V. Kishore Chandra Deo)

Shri Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Yojana Bhawan, New Delhi.

#### **STANDING COMMITTEE ON RURAL DEVELOPMENT (2013-2014)**

### MINUTES OF THE SIXTH SITTING OF THE COMMITTEE HELD ON TUESDAY, THE 17 DECEMBER, 2013

The Committee sat from 1500 hrs. to 1540 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

Shrimati Sumitra Mahajan - Chairperson

#### **MEMBERS**

#### **LOK SABHA**

- 2. Shri Thangso Baite
- 3. Dr. Ratna De (Nag)
- 4. Shri Bijoy Krishna Handique
- 5. Smt. Annu Tandon
- 6. Smt. Usha Verma
- 7. Shri Anantha Venkatarami Reddy

#### **RAJYA SABHA**

- 8. Shri D. Bandyopadhyay
- 9. Shri Mahendra Singh Mahra
- 10. Shri C.P. Narayanan
- 11. Prof. Saif-ud-Din Soz

#### **Secretariat**

1. Shri Brahm Dutt - Joint Secretary

2. Smt. Veena Sharma - Director

3. Smt. Meenakshi Sharma - Deputy Secretary

2. At the outset, the Chairperson welcomed the members to the sitting of the Committee convened for consideration of Memoranda containing draft Reports of the Committee on action taken by the Government on the recommendations contained in three Reports on Demands for Grants (2013-14) and one Report on 'Working of Vigilance and Monitoring Committee in States/UTs'.

	(i) >	(	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ
	(ii)	Dra	aft Repo	rt on Ac	ction take	en by th	ne Gove	ernment o	on the re	ecomme	ndations	s contained in the
		Thi	rty-Ninth	Report	on Dema	ands for	r Grants	(2013-14	) of the l	Ministry	of Pancl	hayati Raj;
	(iii)	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ
	(iv)	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ
4.	Draf	ft R	eports v	vere tak	en up s	eriatum	. After	detailed	discussi	ions, the	e Comm	nittee adopted the
Reports	with	n mi	nor mod	lification	s. The C	ommitte	ee then	authorize	d the Ch	nairperso	on to fina	alize the aforesaid
Reports	and	pre	esent the	same to	o the Par	liament	t.					
					Th	e Comr	nittee th	en adjoui	rned.			
				·								
Χ	Kele	evai	nt portior	n of the I	viinutes r	not relat	tea with	the subje	ect nave	been ke	pt separ	атегу.

The Committee then took up for consideration the following draft Action Taken Reports:-

3.

# ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE THIRTY NINTH REPORT OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT ( $15^{\mathrm{TH}}$ LOK SABHA)

I.	Total number of recommendations:	10
II.	Recommendations that have been accepted by the Government: SI. Nos.: 1, 2, 3, 4, 6, 9 and 10 Percentage to total recommendations:	7 (70)
III.	Recommendation which the Committee do not desire to pursue in view of the Government's replies:  SI. No.: NIL	
	Percentage to total recommendations:	(-)
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee: SI No.: NIL	-
	Percentage to total recommendations:	(-)
V.	Recommendations in respect of which final replies of the Government are still awaited : Sl. Nos. : 5, 7 and 8	3
	Percentage to total recommendations:	(30)