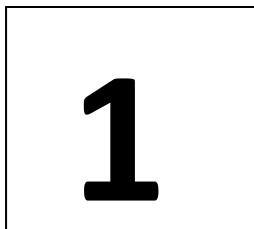


STANDING COMMITTEE ON RURAL DEVELOPMENT

(2014-2015)



SIXTEENTH LOK SABHA

MINISTRY OF RURAL DEVELOPMENT

(DEPARTMENT OF RURAL DEVELOPMENT)

**DEMANDS FOR GRANTS
(2014-15)**

FIRST REPORT



LOK SABHA SECRETARIAT

NEW DELHI

FIRST REPORT

STANDING COMMITTEE ON RURAL DEVELOPMENT

(2014-2015)

(SIXTEENTH LOK SABHA)

MINISTRY OF RURAL DEVELOPMENT

(DEPARTMENT OF RURAL DEVELOPMENT)

DEMANDS FOR GRANTS

(2014-15)

Presented to Lok Sabha on 19.12.2014

Laid in Rajya Sabha on 19.12.2014



LOK SABHA SECRETARIAT

NEW DELHI

December, 2014/Agrahayana, 1936 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT
(2014-2015)**

Dr. P.Venugopal - *Chairperson*

**MEMBERS
LOK SABHA**

2. Shri Sisir Kumar Adhikari
3. Shri Kirti Azad
4. Shri Harish Chandra Chavan
5. Shri Biren Singh Engti
6. Shri Jugal Kishore
7. Shri Manshankar Ninama
8. Shrimati Mausam Noor
9. Shri Mahendra Nath Pandey
10. Shri Prahlad Singh Patel
11. Dr. Ramesh Pokhriyal "Nishank"
12. Shri Gokaraju Ganga Raju
13. Dr. Anbumani Ramadoss
14. Shrimati Butta Renuka
15. Dr. Yashwant Singh
16. Shri Naramalli Sivaprasad
17. Shri Balka Suman
18. Shri Ladu Kishore Swain
19. Shri Ajay Misra Teni
20. Adv. Chintaman Navasha Wanaga
21. Shri Vijay Kumar Hansdak*

RAJYA SABHA

22. Shri Munquad Ali
23. Shri Gulam Rasool Balyawi
24. Shri D. Bandyopadhyay
25. Shri Ram Narain Dudi
26. Shri Mahendra Singh Mahra
27. Shri Ranvijay Singh Judev**
28. Dr. Vijaylaxmi Sadho***
29. Shri A. K. Selvaraj
30. Shrimati Kanak Lata Singh
31. Prof. Saif-ud-Din Soz

SECRETARIAT

- | | | |
|------------------------------|---|---------------------|
| 1. Shri Abhijit Kumar | - | Joint Secretary |
| 2. Shri R.C.Tiwari | - | Director |
| 3. Smt. B.Visala | - | Additional Director |
| 4. Shri Maneesh Mohan Kamble | - | Committee Officer |

* Nominated to the Committee w.e.f. 07.10.2014.

** Nominated to the Committee w.e.f. 25.09.2014 vice Shri Narayan Lal Panchariya.

*** Nominated to the Committee w.e.f. 28.11.2014 vice Shri Jairam Ramesh

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2014-2015) having been authorised by the Committee to submit the Report on their behalf, present the First Report on Demands for Grants (2014-15) of the Ministry of Rural Development (Department of Rural Development).

2. Demands for Grants have been examined by the Committee under Rule 331E (1) (a) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee took briefing of the representatives of the Department of Rural Development (Ministry of Rural Development) on 24 September, 2014 and evidence on 19 November, 2014.

4. The Report was considered and adopted by the Committee at their sitting held on 16th December, 2014.

5. The Committee wish to express their thanks to the officials of the Ministry of Rural Development (Department of Rural Development) for placing before them the requisite material and their considered views in connection with the examination of the subject.

6. The Committee would also like to place on record their deep sense of appreciation for the invaluable assistance rendered to them by the officials of Lok Sabha Secretariat attached to the Committee.

NEW DELHI;
December, 2014
Agrahayana, 1936 (Saka)

DR.P.VENUGOPAL
Chairperson,
Standing Committee on Rural Development

ABBREVIATIONS

AAP	-	Annual Action Plan
ACA	-	Additional Central Assistance
ADB	-	Asian Development Bank
A & N Island	-	Andaman & Nicobar Island
ATR	-	Action Taken Reports
BE	-	Budget Estimate
BPL	-	Below Poverty Line
BPMUs	-	Block Programme Management Units
CAPART	-	Council for Advancement of People's Action and Rural Technology
CAPEX	-	Capital Expenditure
CCEA	-	Cabinet Committee on Economic Affairs
CD	-	Compact disc
CEO	-	Chief Executive Officer
CFT	-	Cross Functional Teams
DC	-	District Commissioner
DPC	-	District Programme Coordinator
DPP	-	District Perspective Plan
DPR	-	Detailed Project Report
DPMUs	-	District Programme Management Units
DRDA	-	District Rural Development Agency
DRI	-	Differential Rate of Interest
DSS	-	Decision Support System
DVD	-	Digital Versatile Disc
DWS	-	Drinking Water & Sanitation
DAVP	-	Directorate of Advertising and Visual Publicity

EFC	-	Expenditure Finance Committee
EoI	-	Expression of Interest
ETCs	-	Extension Training Centres
FAQs	-	Frequently Asked Question
GOIAY	-	Group of Officer on Indira Awaas Yojana
GP	-	Gram Panchayat
HH	-	Households
HLC	-	Habitation Level Committee
IAY	-	Indira Awaas Yojana
IAP	-	Integrated Action Plan
ICT	-	Information & Communication Technology
IEC	-	Information, Education and Communication
IGNOAPS	-	Indira Gandhi Old Age Pension scheme
IGNWPS	-	Indira Gandhi National Widow Pension scheme
IGNDPS	-	Indira Gandhi National Disability Pension scheme
IT	-	Information Technology
KM	-	Kilometer
LWE	-	Left Wing Extremism Affected Districts
MDG	-	Millennium Development Goals
MGNREGA	-	Mahatma Gandhi National Employment Guarantee Act
MIS	-	Management Information System
M&E	-	Monitoring and Evaluation System
MP	-	Member of Parliament
MKSPs	-	Mahila Kisan Sashaktikaran Pariyojanas
MoRD	-	Ministry of Rural Development
MPR	-	Monthly Progress Report

MSPs	-	Mahila Sashaktikaran Pariyojanas
NABARD	-	National Bank for Agriculture and Rural Development
NA	-	Not Available
NFBS	-	National Family Benefit Scheme
NOs.	-	Numbers
NIC	-	National Informatics Centre
NIRD	-	National Institute of Rural Development
NC	-	Not Covered
NE	-	North-East India
NFDC	-	National Film Division Corporation
NLM	-	National Level Monitor
NMMU	-	National Mission Management Unit
NMT	-	National Management Team
NPAs	-	Non Performing Assets
NR	-	No Response
NGO	-	Non-Governmental Organization
NSAP	-	National Social Assistance Programme
NRLM	-	National Rural Livelihoods Mission
NRRDA	-	National Rural Roads Development Agency
NSSO	-	National sample Survey Organisation
NQMs	-	National Quality Monitors
PMGSY	-	Pradhan Mantri Gram Sadak Yojana
PIU	-	Project implementation Unit
PPP	-	Public Private Partnership
PRC	-	Performance Review Committee
PURA	-	Provision of Urban Amenities in Rural Areas

PRIs	-	Panchayati Raj Institutions
RBI	-	Reserve Bank of India
RD	-	Rural Development
RE	-	Revised Estimate
RfP	-	Request for Proposal
RGGVY	-	Rajiv Gandhi Gramin Vidhyutikarn Yojana
RHKN	-	Rural Housing Knowledge Network
RLEGP	-	Rural Landless Employment Guarantee Programme
Rs.	-	Rupees
RSETIs	-	Rural Self Employment Training Institutes
SC	-	Scheduled Caste
SECC	-	Socio Economic and Caste Census
SHGs	-	Self Help Groups
SGSY	-	Swarnjayanti Gram Swarozgar Yojana
SIRD	-	State Institute of Rural Development
SoP	-	Shelf of Project
SPIP	-	State Perspective Implementation Plan
SPMUs	-	State Project Management Units
SRLMs	-	State Rural Livelihood Mission
ST	-	Scheduled Tribe
SQM	-	State Quality Monitors
TAF	-	Total Available Fund
TSC	-	Total Sanitation Campaign
TV	-	Television
UTs	-	Union territory
VMCs	-	Vigilance and Monitoring Committees

REPORT
PART – I
NARRATION ANALYSIS

I. INTRODUCTORY

The Department was elevated to the status of a new Ministry of Rural Reconstruction on 18th August, 1979. It was renamed as Ministry of Rural Development on 23rd January, 1982. In 1999, Ministry of Rural Areas and Employment was renamed as Ministry of Rural Development. The Ministry consisted of following three Department:-

- i. Department of Rural Development
- ii. Department of Land Resources
- iii. Department of Drinking Water and Sanitation

1.2 Department of Drinking Water and Sanitation has been separated from the Ministry of Rural Development from 13th July, 2011 and renamed as the Ministry of Drinking Water and Sanitation.

1.3 In 2013-14, the Ministry of Rural Development consisted of two Departments, namely, Department of Rural Development and Department of Land Resources.

1.4 The Department of Rural Development implements schemes for generation of self-employment and wage employment, provision of housing to rural poor and the construction of rural roads. Apart from this, the Department provides support services such as assistance for strengthening of DRDA Administration, training & research, human resource development, development of voluntary action etc. for the proper implementation of the programmes. It also undertakes Information, Education and Communication (IEC) activities to promote awareness about rural development programmes in rural areas. The objectives of the Department of Rural Development are as follows:-

- (i) Providing livelihood opportunities to those in need including women and other vulnerable sections and food security to rural Below Poverty Line (BPL) households.

- (ii) Providing for the enhancement of livelihood security of households in rural areas by providing at least 100 days of guaranteed wage employment in every financial year to every household.
- (iii) Provision of all-weather rural connectivity to unconnected rural habitations and upgradation of existing roads to enable them to market access.
- (iv) Providing basic housing and homestead to BPL households in rural areas.
- (v) Providing social assistance to the elderly, widow and disabled persons.
- (vi) Providing urban amenities in rural areas for improvement of quality of life.
- (vii) Capacity development and training of rural development functionaries.
- (viii) Promoting involvement of voluntary agencies and individuals for Rural Development.

1.5 In order to achieve aforementioned aims, the Department implements the following major programmes:

- (i) Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)
- (ii) Aajeevika – National Rural Livelihoods Mission (NRLM)
- (iii) Pradhan Mantri Gram Sadak Yojana (PMGSY)
- (iv) Indira Awaas Yojana (IAY)
- (v) Provision of Urban Amenities in Rural Areas (PURA)
- (vi) National Social Assistance Programme (NSAP)
- (vii) Management support to rural development programmes and strengthening of District planning.

1.6 The Ministry of Rural Development has five Autonomous Organizations under its administrative control.

- i. National Institute of Rural Development (NIRD)
- ii. Council for Advancement of People's Action and Rural Technology (CAPART)
- iii. National Rural Roads Development Agency (NRRDA)
- iv. Bharat Rural Livelihoods Foundation
- v. National Rural Livelihoods Promotion Society (NRLPS)

II. STATUS OF IMPLEMENTATION OF RECOMMENDATIONS CONTAINED IN THE FORTY-FIRST REPORT OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT ON DEMANDS FOR GRANTS (2013-14) OF THE DEPARTMENT OF RURAL DEVELOPMENT (MINISTRY OF RURAL DEVELOPMENT).

1.7 The Forty-First Report of the Standing Committee on Rural Development on Demands for Grants (2013-14) pertaining to the Department of Rural Development (Ministry of Rural Development) was presented to Parliament on 30th April, 2013 and the related Action Taken Report i.e. Forty-Seventh Report was presented to Parliament on 07th February, 2014.

1.8 The Forty-First Report contained 38 recommendations out of which the Government accepted 27 recommendations. At the stage of examination of Action Taken submissions of the Government, the Committee in its 47th report reiterated its remaining recommendations for acceptance by the Government.

1.9 The Department of Rural Development (Ministry of Rural Development) made a Statement in Parliament under Direction 73A of 'the Directions by the Speaker' on 20th February, 2014. Out of the total 38 recommendations contained in the Forty-First Report, 21 have been implemented 13 are under process and 4 recommendations have not been implemented.

1.10 The final Action Taken Statement on the recommendations contained in the Forty First Report of the Committee is yet to be furnished by the Department of Rural Development (Ministry of Rural Development).

III. BUDGET ALLOCATION FOR 2014-15

1.11 The Demands for Grants (2014-15) in respect of the Ministry of Rural Development (Department of Rural Development) laid on the Table of Lok Sabha on 24.07.2014 *vide* Demand No. 84 have made a provision of Rs. 80,093.33 crore with Plan component of Rs. 80,043.00 crore and non-Plan component of Rs. 50.33 crore. The Budget estimates for the annual plan 2013-14 was Rs. 74,429.00 crore for Plan schemes which was reduced to Rs. 59,310.00 crore at RE stage and the actual expenditure was Rs. 58,630.15 crore.

1.12 The Plan and Non-Plan provisions for various schemes of the Department of Rural Development for 2014-15 are as under:

	Name of Scheme/Programme	Amount (Rs. in crore)
PLAN SCHEMES		
1	Aajeevika – National Rural Livelihood Mission	4000.00
2	Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA)	34000.00
3	Rural Housing (IAY)	16,000.00
4	DRDA Administration	0.00
5	Grants to National Institute of Rural Development (NIRD)	50.00
6	Assistance to CAPART	10.00
7	Provision for Urban Amenities in Rural Areas (PURA)	50.00
8	Management Support to RD Programme & Strengthening District planning process	130.00
9	Pradhan Mantri Gram Sadak Yojana (PMGSY) – Rural Roads	14391.00
10	BPL Survey	577.00
11	National Social Assistance Programme	10635.00
12	URBAN Mission	100.00
13	Village Entrepreneurship “Start-up” Programme	100.00
14	Flexi fund	0.00
	TOTAL	80043.00

	Name of Scheme/Programme	Amount (Rs. in crore)
	Non-Plan Scheme	
Sl. No	Name of Scheme/Programme	Amount
(1)	Headquarter establishment of Department of Rural Development	31.06
(2)	Grant to NIRD	17.45
(3)	Production of literature for Rural Development	0.32
(4)	Contribution to International bodies	1.50
	Total Non-Plan	50.33
	Grand Total Plan+Non Plan	80093.33

1.13 The proposed outlay of Department of Rural Development for Annual Plan 2014-15 placed before the Planning Commission was Rs. 92679.76 crores and the finally approved outlay was Rs. 80043.00 crores for the Plan schemes of the Department. It may be seen that there is a difference of Rs. 12636.76 crores between amount proposed vis-à-vis actual allocation for the Annual Plan 2014-15. **(pg 4 lop replies)**

1.14 The Committee wanted to know the impact of reduced outlay on the implementation of the major schemes and the prospects of DoRD in achieving the targets during 2014-15. The DoRD in a written note stated as under:

"Due to reduced outlay for the Annual Plan 2014-15 the physical targets under major rural development schemes viz., IAY, PMGSY, NSAP and NRLM have also been reduced in proportion to the reduced budgets allocated to these schemes. Given the existing execution and contracting capacities of the states, the targets could have been fixed at higher levels had the constraint of reduced outlay not been there. So far as MGNREGA is concerned, it is a demand driven programme the allocation made for it is only tentative and may vary according to demand."

1.15 Asked about the important parameters which form the basis for deciding the proposed allocation for various schemes for a financial year, the DoRD in a written note submitted as under:-

"While preparing the Annual Plan proposal for a financial year, allocations for various programmes are proposed keeping in view the physical targets fixed for the

Plan period, past performance, current expenditure trend, absorption capacity and execution capacity of the states/UTs considering the value of balance works in hand and pace of completion of sanctioned works, except for schemes which are demand driven and the budget requirement for the new initiatives."

1.16 During evidence, the Committee expressed the need for taking stock of durable assets created through the funds allocated by the Central Government and need for its reflection in different data tables.

IV. BUDGET OUTLAY/EXPENDITURE DURING ANNUAL PLAN 2012-13 and 2013-14

1.17 Scheme-wise proposed vis-à-vis approved outlay for the XII Plan for the Department of Rural Development is as under:

Sl. No.	Year	Name of the scheme	Proposed Outlay	Approved outlay
1	2	3	4	5
1	2012-13	NRLM/Aajeevika	4494.00	3915.00
2		MGNREGA	52471.00	33000.00
3		IAY	28569.90	11075.00
4		PMGSY	30000.00	24000.00
		Total (1 to 4)	115534.90	71990.00
		Total outlay during 2012-13	124503.00	73175.00
5	2013-14	NRLM/Aajeevika	4000.00	4000.00
6		MGNREGA	35000.00	33000.00
7		IAY	17439.00	15184.00
8		PMGSY	17000.00	21700.00
		Total (5 to 8)	73439.00	73884.00
		Total outlay during 2013-14	76429.00	74429.00
9	2014-15	NRLM/Aajeevika *	5700.00	4000.00
10		MGNREGA	35000.00	34000.00
11		IAY	18000.00	16000.00
12		PMGSY	22000.00	14391.00
		Total (9 to 12)	80700.00	68391.00
		Total outlay during 2014-15	92679.76	80043.00

* **Outlay for DRDA Administration and PMRDF is included**

1.18 The 12th Plan outlay for the Department of Rural Development is Rs. 399926.00 crores which is 105% higher than the approved outlay of Rs. 194933.28 crores for 11th Plan and 44% higher than the actual expenditure of Rs. 278561.77 crores during 11th Plan.

1.19 Asked about the mandate of the Ministry to utilize and justify the approved outlay for the XII Plan as compared to actual expenditure during XI Plan, the Ministry in written

reply stated as under:-

"The Planning Commission has approved the outlay for the 12th Five Year Plan after examining the Plan Proposals of this Department which were prepared on the basis of priorities, rational and realistic yardsticks derived from the objectives of the programmes and goals laid down under them. While preparing the Plan Proposals, the cost escalation and increased unit cost assistance are also kept in view. Accordingly, based on the approved Plan Outlay the physical targets under various rural development programmes are fixed. Hence, the outlay for the 12th Plan would be utilized. "

1.20 The Committee enquired about the Department, planning for rapid growth in Rural Development sector during the XII Plan and the details thereof. The DoRD in a written note informed:-

'Department of Rural Development is implementing Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Pradhan Mantri Gram Sadak Yojana (PMGSY), National Rural Livelihoods Mission (NRLM), Indira Awaas Yojana (IAY) and National Social Assistance Programme (NSAP) in rural areas of the country, as a part of overall planning process through State Governments and UT Administrations.....the Department has taken initiatives for enhancement of capacity building to increase the absorption capacity of the states/UT governments besides strengthening the monitoring mechanisms."

1.21 Scheme-wise outlay vis-à-vis expenditure during 2012-13 and 2013-14 has been as under:-

PLAN SCHEME

(Rs. in crore)

No	Plan Schemes	Annual Plan 2012-2013			Annual Plan 2013-2014		
		B.E	R.E	Actual Expenditure	B.E	R.E	Actual Expenditure
1	Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA)	33000.00	29387.00	30274.72	33000.00	33000.00	32994.12
2	Aajeevika – National Rural Livelihood Mission	3915.00	2600.00	2195.39	4000.00	2600.00	2022.11
3	DRDA Administration	500.00	410.00	388.53	250.00	400.00	400.01
4	Rural Housing (IAY)	11075.00	9024.00	7868.76	15184.00	13184.00	12983.64
5	Pradhan Mantri Gram Sadak Yojana (PMGSY)	24000.00	10000.00	8884.31	21700.00	9700.00	9805.28
6	Grants to National Institute of Rural Development (NIRD)	105.00	47.00	31.83	50.00	33.00	32.00
7	Assistance to CAPART	35.00	12.00	0.00	15.00	00.00	00.00
8	Provision for Urban Amenities in	150.00	0.00	0.00	50.00	3.00	3.00

	Rural Areas (PURA)						
9	Management Support to RD Programme & Strengthening District planning process	120.00	145.00	143.32	120.00	84.00	84.00
10	BPL Survey	275.00	375.00	375.00	59.00	306.00	305.99
11	Flexi Fund	0.00	0.00	0.00	1.00	00.00	00.00
	TOTAL	73175.00	52000.00	50161.86	74429.00	59310.00	58630.15

1.22 The Committee pointed out that there was a gap of Rs. 1,838.14 crore between RE and actual expenditure during 2012-13 largely under NRLM, PMGSY and IAY. On being enquired about the reasons for less utilization, DoRD in a written note replied as under:-

".....the slow pace of expenditure during the first half of the year was not due to lack of demand but due to conditions imposed by the Ministry that the State should upload the physical and financial progress on the MIS software (AwaasSoft) before release of 2nd installment. This condition was imposed in order to move to Direct Benefit Transfer and eliminate delays. However, States continued to have problems of connectivity and capacity to use the MIS. Due to this, the expenditure could not reach the required 67% upto December, 2012 and the Ministry could release only 25% of the allocation in the last quarter. Further, the release of funds under IAY is linked to progress of construction of the house and beneficiaries are provided assistance in 3 to 4 installments by the State. Wherever there is slow progress, the installments got delayed."

1.23 Asked whether the reduced allocation was sufficient to meet the requirements of the Department during the fiscal year 2012-13, the Ministry stated in a written note as under:-

"The targets under different rural development programmes were also revised accordingly to the revised allocation and therefore the revised allocations were adequate for the target.....However in case of PMGSY, due to slow pace of implementation and inadequate absorption capacity at state level, availability of funds did not adversely affect the overall progress under PMGSY in year 2012-13. "

1.24 The Committee enquired whether the low absorption of funds had adversely affected the progress of Rural Development and what were the remedial measures taken by the Department in this case. The DoRD in their replies stated:-

"Targets have been fixed in accordance with the availability of funds under

different programmes. Hence, progress was not adversely affected. However, the Department has intensified the monitoring and evaluation mechanism of implementation of the programmes including quarterly Performance Review with the State Governments to review the performance of the programmes. Implementing agencies have also been capacitated for effective implementation of the programmes. Wherever required processes have also been rationalized for timely completion of the schemes."

1.25 During 2013-14, BE has been reduced at RE stage in some of the major schemes like PMGSY (Rs.12000 crore), IAY (Rs. 2000 crore) and Aajeevika (Rs.1400 crore).

1.26 The Committee enquired the reasons for such huge reductions of allocation at RE stage and also for the actual expenditure being even lesser than RE. The Ministry in a written note stated as under:-

"The Revised Estimates during the year 2012-13 were fixed at the lower level than the BE on the basis of the actual releases upto September, 2012. The slow pace of expenditure during the first half of the year was not due to lack of demand but due to conditions imposed by the Ministry that the State should upload the physical and financial progress on the MIS software(AwaasSoft) before release of 2nd installment. This condition was imposed in order to move to Direct Benefit Transfer and eliminate delays. However, States continued to have problems of connectivity and capacity to use the MIS. Due to this, the expenditure could not reach the required 67% upto December, 2012 and the Ministry could release only 25% of the allocation in the last quarter.

Release of funds under IAY is linked to progress of construction of the house and beneficiaries are provided assistance in 3 to 4 installments by the State. Wherever there is slow progress, the installments get delayed.

The Revised Estimates for IAY during 2013-14 were fixed on the basis of actual expenditure upto September, 2013. The expenditure was less than RE because Rs.200crore was transferred to National Rural Livelihood Mission to support Bharat Rural Livelihood Foundation (BRLF).The remaining allocation of Rs.12,970crore was released to the States in the financial year.

Due to imposition of Model Code of Conduct for the General Elections in March, 2014, the expenditure had slowed down in the month of March.

Normally, construction of a house under IAY takes more than a year to complete. The expenditure towards construction therefore spills over to next financial year and funds are also released accordingly. The trend of expenditure during the last five years has been on an average 72%.

(i) **NRLM** : - The reasons for reduction at RE level and shortfall in actual expenditure are as follow:

a) The earlier Scheme of SGSY was discontinued from 01.04.2013. The unspent balances out of SGSY grants released earlier were treated as part of NRLM funds. The releases under NRLM were accordingly reduced by treating this balance as part of available funds.

b) Out of the 8 new states that transited to N.R.L.M this year, most of them did so only during the last quarter of 2013-14. Hence they did not require the full allocation during 2013-14. In addition, the 16 States that had transited last year had not been able to complete all the actions involved in setting up the missions and in initiating the institution building and capacity building programme in the intensive blocks.

c) Out of the original grant of Rs. 1418.81 crore, a sum of Rs.303.55 crore was set apart for Interest Subvention to women SHGs in 150 districts which was approved by the Cabinet in May, 2013. The provision for Interest Subvention was to be made under a separate head of account and through re-appropriation of funds to this head with Parliament approval. Accordingly approval of Parliament was obtained in the last batch of Supplementary Demands in 2013-14 for re-appropriation of funds. However, the re-appropriation of funds was finally not carried out on the advice of the Ministry of Finance.

(ii) **PMGSY**: PMGSY's BE for 2013-14 was Rs. 21,700 crore, which was substantially reduced to Rs 9,807 crore in RE. Considering the availability of unspent balance of Rs. 4,761 crore (as on 1.4.2013), interest accrual of Rs. 3,050 crore (since inception of PMGSY upto March, 2013), expenditure trends of states and overall fiscal considerations, the Budgetary Allocation of PMGSY in 2013-14 was reduced at RE stage. The Actual expenditure in 2013-14 was Rs. 17,524 crore against a total availability of Rs. 17,618 crore (O.B+ Interest+ RE), which is 99.47% of the availability and that at any given moment there is some money in the pipeline on account of mobilization of men and materials."

1.27 On being asked further about the hampering of work in the areas of rural connectivity under PMGSY, providing shelter under IAY and giving self-employment under Aajeevika schemes, the DoRD in a written note stated:-

IAY : The achievement of IAY was affected to the extent the budget was reduced. However, the trend of expenditure for the last five years is as under:-

2009-10	83.85%
2010-11	74.99%
2011-12	64.47%
2012-13	73.6%
2013-14	62.09%

The physical achievement reported during 2012-13 and 2013-14 was 72.62% and 64.19%. respectively. Since completion of houses spills over to next financial year and release of funds is linked to stages of construction, full utilisation of funds becomes difficult during the financial year.

(ii) NRLM : Since the major States had adequate balances due to transfer of SGSY balances by DRDAs to the State Rural Livelihoods Mission (SRLMs), the total available funds were sufficient to meet the actual expenditure during the year. It is once again reiterated that delivering the programme objectives was not hampered on account of lack of funds. The real problem was the time taken by them to set up the implementation structures and create absorption capacities on ground.

(iii) PMGSY : Due to the reductions at RE stages, the Ministry could not release sufficient funds to the States, as a result of which States could not complete the projects in a time bound manner. The States were earlier communicated an indicative annual allocation based on the BE figures, this allocation had to be downwardly revised keeping in view the reduced RE. This had an adverse impact on mobilization of men & materials for construction/upgradation of PMGSY roads."

V. SCHEME-WISE ANALYSIS

(i) Mahatma Gandhi National Employment Guarantee Act (MGNREGA)

1.28 Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was notified on September 5, 2005. The scheme has added to the employment opportunities available and not substituted other forms of employment including, agriculture employment. It also provided more number of work days at a higher average per day wage rate than any other type of work available at the same time. After the implementation of the scheme (2005-06 to 2010-11), the growth rate for agricultural wages for men increased to 2.7% per year and for women to 3.7% per year. The Committee in their 41st Report had noted that based on the independent studies done by MoRD in implementation of various rural development schemes like MGNREGA, PMGSY, IAY etc. by creating infrastructure, improved living conditions, the out migration from villages has reduced.

MGNREGA is a rights based wage employment programme implemented in rural areas of the country. This programme aims at enhancing livelihood security of people in rural areas by providing not less than 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work. The committee was informed that the Act now covers all the rural districts (644) of the country. MGNREGA is also an important source of income for families who undertake distress migration due to limited work opportunities. Evidence also supports the fact that it is succeeding in effectively targeting Scheduled Castes (SCs) and Scheduled Tribes (STs).

1.29 Major challenges experienced in implementation of MGNREGA are as under:- .

- Low Awareness about the Programme and
- Public Participation
- Capacity Building of functionaries
- Quality, durability and usefulness of assets
- Delays in wage payment
- Shortage of staff
- Improper Planning and Fund Constraints
- Lack of Outcome-based Monitoring
- Inadequate coverage of Persons With
- Disabilities (PWDs) and women (in some states)
- Non-compliance with Transparency &
- Accountability Provisions (Social Audit)
- Lack of ICT Infrastructure

(a) 12th five year plan (2012-17) outlay & expenditure

1.30 The Ministry in their Preliminary material has submitted that the total proposed outlay for MGNREGA during 12th Plan was Rs.3,58,764.00 crore and the allocation actually provided by the Planning Commission is Rs. 1,65,059.00 crore, out of which the Outlays for the first three years of the Plan i.e. 2012-13 to 2014-15 are as under:

(Rs. in crore)

Year	B.E.	R.E.	Expenditure
2012-2013	33,000.00	29,387.00	30,274.69
2013-2014	33,000.00	31,000.00	32,994.12
2014-2015	34,000.00	-----	-----

1.31 The allocation made by the Planning Commission for MGNREGA scheme during the 12th plan is less than half the amount of allocation proposed by the department of rural development. Thus, there is a reduced allocation for MGNREGA. On enquiring about if the reduced outlay is sufficient to meet requirements of the scheme for XII Plan the DoRD in a written note replied:-

"For 12th Plan period under MGNREGA, a demand of Rs.3,58,764 crore was made in the 12th Five Year Plan. This demand was made keeping in view the revision of wage rate, expected increase in outreach of Households. Against this the actual allocation was Rs.1,65,059 crore..... During FY 2014-15 against BE of Rs.34,000 crore, an amount of Rs.20,722.77 crore has been released to States/UTs (as on 29.10.2014). Keeping in view the trend of expenditure, it is expected that requirement of funds during the current financial year will be Rs.38,000 crore. Accordingly, additional requirement of Rs.4,000 crore has been made at RE stage..... If additional requirement of funds, if any, is felt during the year, the same will be raised through supplementary demand."

(b) Assessment About Durability and Quality of Assets and Convergence done in Different States.

1.32 During evidence, the Committee expressed the need for taking stock of durable assets created through the funds allocated by the Central Government and need for its reflection in different data tables.

1.33 The Committee wanted to know if any independent assessment about durability and quality of assets and convergence was done in different states and the details thereof. The Ministry in its written note replied as under:-

"Utility and durability of the MGNREGA assets have been confirmed through perception surveys of beneficiaries and stakeholders. One of the survey rounds of the MGNREGA National Sample Survey Organization (NSSO) in Andhra Pradesh, Madhya Pradesh and Rajasthan, found that around 99% of rural households in Rajasthan, 82% in Madhya Pradesh and 64% in Andhra Pradesh were using the assets created through MGNREGA works. Further, out of all the MGNREGA assets being used 83% in Rajasthan, 80% in Madhya Pradesh and 67% in Andhra Pradesh—were considered to be of good or very good quality.

..... The bulk of the benefits for the farmers came in the form of diesel saving as they were able to replace costly well-irrigation."

1.34 Further, on being asked about the status of convergence of MGNREGA with other schemes of the government, the Ministry in a written note stated as under:-

"The Ministry of Rural Development accords great importance to inter-departmental convergence to optimize public investment in rural areas. The Ministry has declared FY 2014-15 as the 'Year of Convergence' for the implementation of MGNREGA.

On 17th September 2013, the Ministry of Rural Development organized a national workshop on convergence of MGNREGA with other schemes in New Delhi, where presentation of successful convergence models were made to participating States representatives. The Ministry also coordinated with various States and UTs to organize workshops on convergence wherein the representatives from various line departments were invited to discuss principles, processes and the ways to formulate the State Convergence Plans (SCP). The Ministry of Rural Development also coordinated with States organizing workshops by ensuring availability of resource persons both from the Ministry and from other States.

Till date all States/UTs have organized state level workshops on convergence. 21 States/UTs have submitted their SCPs. The SCPs are generally approved by Chief Minister/Chief Secretary/State Employment Guarantee Council (SEGC). It contains mapping of activities, funds, and other resources of MGNREGA and converging line departments and the sharing pattern between them.

It also contains proposed monitoring mechanisms. After clearance of SCP, the Ministry of Rural Development uploads these SCPs in the website of MGNREGA. A separate web portal created to monitor the convergence projects. As of now, 10% of MGNREGA expenditure is on the convergence projects."

(c) Physical Verification Process & Random Checks Under MGNREGA

1.35 The Committee enquired about the system of physical verification of implementation of MGNREGA scheme and its details. The Ministry in this regard replied as under:-

"The Ministry has established a comprehensive system of monitoring and review mechanism for MGNREGA, which, *inter-alia*, include Periodic Progress Report, Performance Review Committee meetings, Quarterly Regional Reviews, visits of Area Officers of the Ministry and National Level Monitors and Vigilance & Monitoring Committee meetings at the State/District levels.

The following provisions exist in Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for physical verification of implementation of

the Scheme:-

(i) Social Audit: All work sites are to be checked and measured under the Social Audit. Any deviation in the measurement is brought in as a deviation and persons responsible are proceeded against. Under a Special Project, the Ministry is funding the deployment of Staff in Social Audit Units upto Distt. level to strengthen the Social Audit. The project will be operational during 2014-17 & will ensure the social audit of MGNREGS works is conducted as per Audit of Schemes Rules, 2011. The Audit of Scheme Rules, 2011 provide for physical verification of all MGNREGS by Village Social Auditors (VSA). The findings/observations of VSAs are placed before the Gram Sabha meetings attended among others by a representative of DPC.

(ii) National Level Monitors: If a complaint is prime facie substantiated by documentary evidence, third party institutional NLMs are deputed to enquire into the allegations & issues raised in the NLM report are resolved through State Government.

(iii) State Quality Monitors: Guidelines provide for deployment of retired Chief/Executive Engineers for quality inspection of works implemented under the Scheme. SQMs can make use of random sampling or stratified sampling in selecting the sample for quality inspection.

(iv) Monitoring of Assets: States have been requested that monitoring of the Assets should be done through photographs taken before, during and after work execution. They have been further informed that these photographs will be reviewed during Labour Budget meetings and will also be an important criterion for release of funds.

(v) MIS Report: States/UTs are required to upload the information regarding implementation of MGNREGA on the website. However, most of the States do not upload the same.

The implementation status report of MGNREGA for 2012-13 and 2013-14 shows the following:

	(In crore)	
	2012-13	2013-14
Cumulative no. of jobs card issued	12.78	13.12
No. of Household who demanded employment	5.14	5.17
No. of Households who were provided employment	4.98	4.75
No. of Households completed 100 days of employment	0.51	0.45

The above figures show that during the last two years, less than 50% of total job card holder households demanded employment and the no. of households who were given employment was even lesser."

(d) Wage Employment to Rural Households

1.36 The Committee pointed that MGNREGA has not been able to create awareness amongst the people in rural households for wage employment the Committee desired to know the reasons for low level coverage in MGNREGA. The DoRD in the written reply in this regard stated as under:-

"MGNREGA is a demand-driven wage employment programme which provides not less than 100 days of wage employment in a financial year to every rural household for doing unskilled manual work. On an average, 5 cr. rural households have been provided with wage employment each year under MGNREGA since 2008-09. Further, a cumulative of 1766 cr. person days of wage employment have been generated as on 30.10.2014 since inception. As far as provision of wage employment in rural areas and absorption of rural casual labour are concerned, MGNREGA has successfully ensured wage guarantee to all willing rural households and has positively impacted livelihood generation and poverty reduction in rural areas.

The revised guidelines 2013 give detailed procedures of all aspects of the programme. As per these procedures, the states are required to do the following for ensuring adequate participation of rural households in MGNREGA:

- initiate appropriate IEC campaigns including wall writings for wide dissemination of the provisions of the Act;
- expand scope and coverage of the demand registration system to ensure that demand for work under MGNREGA do not go unregistered;
- organise Rozgar Divas periodically to capture latent demand under the programme and to disseminate awareness about other provisions of the Act;
- Formulation of a specific plan to include special categories of vulnerable people viz. persons with disabilities, primitive tribal groups, nomadic tribal groups, de-notified tribes etc.
- Adoption of appropriate programme flexibility to ensure reaching of benefits of MGNREGA to the primitive tribal groups, de-notified tribes and nomadic tribes.
- Organisation of workers into labour groups to ensure powerful demand-side pulls for improving performance of MGNREGA."

1.37 The Committee wanted to know if there was a proposal to revise the limit of 100 days employment to 150 days or more. The DoRD in it's written note stated:-

"There is no such specific proposal under consideration to revise the limit of 100 days of employment per household to 150 days or more. Increase in person days is considered from to time to time depending on exigencies like natural calamity (flood, drought). Further, all title holders under Forest Rights Act, 2006 have been given additional 50 days work vide this Ministry's order dated 7.1.2014.

The physical performance under MGNREGA as shown in Outcome Budget of DORD (2014-15) shows the following details:

	2012-2013 (628 Districts)	2013-2014 (644 districts)
Employment provided to household	4.98 crore	4.76 crore
Total works taken up (in lakhs)	106.51	138.49
Works completed (In lakhs)	25.60	19.70

The aforesaid figures show over all declines in physical performance also during 2013-14."

1.38 The Committee wanted to know if MGNREGA was able to achieve its basic objectives of wage employment in rural areas. The DoRD in a written note stated as under:

"The Act addresses the under-employment in rural areas which is endemic in areas with rainfed agriculture. This underemployment is estimated at more than 6.6 billion person days on per annum basis. The average underemployment is estimated to be 100 days per HH. This under-employment has been leading to distress migration. The objective of the Act is to provide supplementary employment and not main employment."

(e) Mechanism For Transparency & Fixation of Accountability & Responsibility

1.39 The Committee pointed out about the ineffective mechanism for transparency and fixation of accountability and responsibility in MGNREGA scheme. On being asked about the remedial actions taken in this regard, the DoRD *inter-alia* stated as under:-

"The following actions have been taken to ensure transparency and accountability in the implementation of MGNREGA in the States:

- **Social Audit**

- The Mahatma Gandhi NREGA Audits of Schemes Rules, notified in June 2011, provide for conduct of social audits in GPs at least twice a year to strengthen the transparency and accountability mechanism in the operation of MGNREGA activities at the GP/village level.
- Under a Special Project, the Ministry is funding the deployment of Staff in Social Audit Units upto District level to strengthen the Social Audit. The project will be operational during 2014-17 & will ensure the social audit of MGNREGS works is conducted as per Audit of Schemes Rules, 2011.

- **Ombudsman**

- The States have been instructed to appoint ombudsman in all districts for expeditious redressal of grievances on implementation of MGNREGS.

- **Grievance Redressal**

- In compliance with section 19 of MGNREGA, the States, by rules, determine appropriate grievance redressal mechanisms at Block/District level for dealing with any complaint by any person in respect of implementation of the scheme and lay down the procedure for disposal of such complaints.
- The States have been requested to strengthen the grievance redressal mechanism and monitor the status of complaints through a designated state level officer for their quick redressal and as per the rules.

- **Vigilance Mechanism**

- All States have been requested to make an arrangement for a three-tier vigilance mechanism to proactively detect irregularities in the implementation of the Act and to follow up detected irregularities and malfeasance, including those identified during social audit. The aim is to ensure that the guilty is punished and recoveries of funds duly made.
- Electronic Muster Rolls (e-MRs) are pre-printed muster rolls digitally populated with the names of the workers who demand works under MGNREGA. Besides reducing processing time for payment of wages, e-MRs help in eliminating fake muster rolls, reducing ghost workers and improving data entry into NREGASoft.
- The Ministry is taking steps to reconstitute the State/District level vigilance and Monitoring Committees to expedite monitoring and supervision of the schemes implemented under MGNREGA."

1.40 During evidence, the Committee enquired about the three tier vigilance mechanism for which the representative of the Department explained as under: -

"At State level, in the RD whichever is implementing MGNREGA, they have to set up an exclusive vigilance mechanism, either an officer or a group for MGNREGA, then at the district level, again they have to put up a small team and at the local level, at the Gram Panchayat level, there is a Vigilance Committee, don't confuse it with Vigilance & Monitoring Committee. This is a three-tier system prescribed under MGNREGA, that is not uniformly operational across the country."

1.41 Secretary, DoRD during evidence further stated as under:-

"Then we have asked the State Governments to put this mechanism in place. We will try to get information from the State as to how many states have put in place the mechanism."

1.42 The Committee desired to know the action taken by the department on various grievances regarding effective implementation of the scheme including rampant corruption, delay in payment of wages, lack of physical checks and verification, lack of accountability etc. The Ministry in a written note stated as under:

- "The Ministry has established a comprehensive system of monitoring and review mechanism for MGNREGA, which, inter alia, include Periodic Progress Report, Performance Review Committee meetings, Quarterly Regional Reviews, visits of Area Officers of the Ministry and National Level Monitors and Vigilance & Monitoring Committee meetings at the State/District levels.
- States/UTs have been asked to strengthen Social audits of MGNREGS works in accordance with the provisions of the Audit of Schemes Rules 2011 issued in consultation with the Comptroller and Auditor General of India.
- With a view to avoid bogus attendance and to check instances of tempering and misuse of muster rolls, the e-Muster system has been introduced.
- For smooth fund flow, the electronic Fund Management System (e-FMS) has been introduced which would also reduce delays in payment of wages.
- All States have been requested to appoint Ombudsman at the district level for grievance redressal.
- The State and district level Vigilance and Monitoring Committees monitor the scheme. These are now being reconstituted.
- States/UTs have been asked to operationalize the provision relating to compensation for delayed wage payments as per Para-29, Schedule-II of MGNREGA, 2005.
- The associated outcomes of each work would be estimated before taking up the work and the same would be measured after completion of the work-thereby bringing in more focus on outcomes.
- The quality of the assets is sought to be improved through better planning and closer technical supervision."

(ii) Pradhan Mantri Gram Sadak Yojana (PMGSY)

1.43 Government of India, as the part of poverty reduction strategy, launched the Pradhan Mantri Gram Sadak Yojana (PMGSY) on 25th December, 2000 as a Centrally Sponsored Scheme to assist the States, though Rural Roads are in the State List under the Constitution. The primary objective of Pradhan Mantri Gram Sadak Yojana (PMGSY) is to provide connectivity by way of an All-Weather road (with necessary culverts and cross-drainage structures, which is operable throughout the year), to the eligible unconnected habitations as per Core-Network with a population of 500 persons (as per 2001 Census) and above in plain areas. In respect of 'Special Category States' (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir and Uttarakhand), the Desert areas, the Tribal (Schedule V) areas and 88 Selected Tribal and Backward districts as identified by the Ministry of Home Affairs/Planning Commission, the objective is to connect eligible unconnected habitations as per Core- Network with a population of 250 persons and above (Census 2001).

(a) Availability of Funds for 12th Five Year Plan (2012-17)

1.44 The proposal by the Department for the PMGSY scheme during the 12th Plan was for an amount of Rs.203,000 crores and the amount actually provided by the Planning commission for the XIIth Plan (2012-2017) for PMGSY is Rs. 1.05 lakh crore, out of which the outlay for first three years of current Plan is only Rs. 60,091 crore.

1.45 The BE, RE and actual during 2012-13 and 2013-14 and BE proposed for 2014-15 has been as under:

(Rs. in crore)			
Year	B.E.	R.E.	Actual
2012-2013	24000.00	10000.00	8387
2013-2014	21700.00	9,807.00	13095
2014-2015	14391.00	--	

1.46 The Committee pointed out that the BE (2014-15) have been substantially reduced by Rs. 7309 crore than BE 2013-14. Moreover there is huge reduction of Rs. 14,000 crore in RE (2012-13), Rs.12,000 crore in RE (2013-14) and very less expenditure has so far been reported.

(b) Reasons for Huge Reduction of Funds at RE Stage

1.47 The Committee enquired about the reasons for lesser allocation of BE for 2014-15, reduction in RE for 2013-14 and also for less expenditure by the States in 2013-14. The DoRD in a written note stated:-

"During the year 2013-14, the Ministry cleared projects worth Rs. 31,334 crore for completing 53,642 km road works. The Ministry had proposed to allocate Rs. 22,000 crore as BE during the year 2014-15, however, the budget allocation of PMGSY during the year 2014-15 is only Rs. 14,391 crore. The States were released lesser funds, due to which they were not in a position to complete the road works sanctioned by the Ministry in a time bound manner."

1.48 Further the DoRD stated:

"During the year 2013-14, the Budget Estimate of PMGSY was Rs. 21,700 crore, which was reduced to Rs. 9,807 crore at RE stage. During the same year, the States had reported an expenditure of Rs. 13,095.29 crore. Hence the expenditure by the States actually registered an increase from 2012-13 to 2013-14. In 2014-15 this trend of increase is continuing.

(c) Assistance From Asian Development Bank (ADB)

1.49 ADB has been providing the assistance to PMGSY programme in the States of Assam, Chhattisgarh, Madhya Pradesh, Odisha and West Bengal. The assistance under Rural Road Sector-I Project in the States of Chhattisgarh and Madhya Pradesh has been completed and the assistance under Rural Roads Sector II Investment Program is in progress.

1.50 The assistance under Rural Connectivity Investment Program for USD 800 Million in the States of Assam, Chhattisgarh, Madhya Pradesh, Odisha and West Bengal under 4 tranches has been approved on 17th May 2012.

(i) Rural Roads Sector-I Project (RRSIP)

Loan No. 2018-IND: ADB had approved the loan of US\$ 400 million under Rural

Road Sector I Project (RRSIP) to assist the implementation of the PMGSY projects in the State of Madhya Pradesh and Chhattisgarh. A total of 9,574.7 km of All-weather rural roads connecting 3,207 habitations was constructed. Project was successfully completed in June 2009. Project completion report has been submitted to ADB as per the requirement of the loan agreement.

(ii) Rural Roads Sector II Investment Program

Project 1 (Loan No. 2248-IND): ADB had approved the loan of US\$ 180 million under Multi Tranche Financing Facility (MFF) to finance the sub projects in the States of Assam, Odisha and West Bengal. The total length of 2,507 km connecting 1,497 habitations was constructed under this project. The project was successfully completed in June, 2009. Project completion report has been submitted to ADB as per the requirement of the loan agreement.

Project 2 (Loan No. 2414-IND): ADB had approved the loan of US\$ 77.65 million for the Batch II Project in Odisha under Multi-Tranche Financing Facility (MFF). The project had provided the connectivity of 1,013 km in Odisha connecting 231 habitations. The loan was closed on 31st December, 2010. Project completion report has been submitted to ADB as per the requirement of the loan agreement.

Project 3 (Loan No. 2445-IND): A loan of US\$ 130 million under Multi-Tranche Financing Facility has been taken to finance the sub project of Batch II in Assam and West Bengal. The loan was made effective by ADB on 5th January 2009. The project will provide the connectivity to 607 habitations with 985 km in Assam and 718 habitations with 843 km in West Bengal. The Loan was closed on 30th June 2013.

Project 4 (Loan No. 2535): A loan of US\$ 185 million under Multi-Tranche Financing Facility was taken to finance the sub projects of Batch III in Assam, Odisha and West Bengal. ADB has made effective this loan on 26th November 2009. This project has provided the connectivity for 397 habitations with 871 km in Assam, 517 habitations with 1,287 km in Odisha and 704 habitations with 660 km in West Bengal. The loan was closed on 31st December, 2012.

Project 5 (Loan No. 2651): A loan of US\$ 222.22 million under Multi-Tranche

Financing Facility has been taken to finance the sub projects of Batch IV in Odisha, Batch V in Madhya Pradesh, Batch III (lot II) in West Bengal and Batch IV in Chhattisgarh. The loan was made effective on 29th October, 2010. This project will provide connectivity of rural roads with 142 habitations for 325 km in Chhattisgarh, 895 habitations with 2,535 km in Madhya Pradesh, 428 habitations with 1,512 km in Odisha and 257 habitations with 443 km in West Bengal. Loan will be closed on 30th June, 2014.

(d) Factual Position of Scheme in Left Wing affected Integrated Action Plan (IAP) Districts

1.51 The Committee asked about the factual position of PMGSY scheme in IAP Districts, particularly with reference to difficulties being faced and the redressal therefor, the DoRD in a written note submitted as under:-

"As per the progress report of PMGSY works in IAP blocks, so far out of 62,395 eligible habitations in 88 IAP blocks, road works for 40070 habitations have been cleared out of which 24,135 habitations have been connected i.e. 60% of sanctioned work has been completed so far. In these habitations, out of 1,14,824 Km of road length sanctioned, 74,226 Km of road length have been completed showing a progress of 65% of sanctioned road length.

The specific problems and issues faced by the IAP, Hilly and tribal areas are as follows:

- (i) Inadequate execution capacity and contracting capacity.
- (ii) Difficult Hilly Terrain.
- (iii) Unfavorable weather condition i.e. less working seasons.
- (iv) Non-availability of materials.

Construction of PMGSY roads in IAP areas is a priority for the programme. Over the period of last 14 years, various relaxations have been given to facilitate connectivity in IAP areas which are as follows:

- (i) All habitations with a population of 250+ (2001 census) will be eligible for coverage.
- (ii) Cost of bridges up to 75 metres span will be borne by the Government of India as against 50 metres for other areas.
- (iii) Minimum tender value is reduced to Rs. 50 lakh per package as against Rs. 2.50 crore to 5 crore per package in other areas.
- (iv) A time limit of 24 calendar months is allowed for completion of road works.
- (v) Cost of insurance premium against risks such as damaging or burning of plants or machinery etc. of contractors is permitted to be included in DPRs cost.
- (vi) Proposal of cement concrete road up to 20% of the proposed road can be accepted as against 10% in respect of other areas.

- (vii) General approval under Section 2 of Forest Conservation Act, 1980 for diversion of forest land up to 5 hectare has been given.
- (viii) Special dispensation in awarding of PMGSY works (with non-responsive tender) on nomination basis has been given in selected IAP districts."

1.52 On being asked to give the State-wise figures with funds allocated and spent during 2013-14 and funds proposed during 2014-15 for Left Wing Affected IAP districts, hilly areas and tribal areas, the Ministry in it's written note submitted the following as follows:-

Statement of fund allocated, release and spent during 2014-15 upto September, 2014

(Rs Crore)

Sl.No	State	Allocation	Total Release	Expenditure Reported by State
1	Andhra Pradesh	117.00	0.0000	116.50
2	Arunachal Pradesh	350.00	342.2500	176.09
3	Assam	321.00	100.0000	404.95
4	Bihar	2042.00	1167.00	1167.22
5	Chhattisgarh	227.00	222.0000	358.69
6	Goa	1.00	0.0000	0.00
7	Gujarat	345.00	337.2390	460.04
8	Haryana	224.00	218.9600	15.73
9	Himachal Pradesh	86.00	0.0000	72.36
10	Jammu & Kashmir	414.00	414.0000	218.90
11	Jharkhand	257.00	247.0000	350.21
12	Karnataka	237.00	200.0000	132.74
13	Kerala	152.00	151.4110	68.77
14	Madhya Pradesh	726.00	708.0000	744.19
15	Maharashtra	221.00	150.0000	265.89
16	Manipur	100.00	100.0000	33.56
17	Meghalaya	64.00	62.5600	30.66
18	Mizoram	56.00	54.7400	19.60
19	Nagaland	60.00	58.6500	19.63
20	Odisha	1178.00	1051.5000	727.98
21	Punjab	302.00	295.2100	182.70
22	Rajasthan	415.00	405.6600	356.08

23	Sikkim	96.00	94.5871	47.12
24	Tamil Nadu	117.00	100.0000	361.40
25	Tripura	175.00	150.0000	118.03
26	Uttar Pradesh	476.00	466.5000	540.91
27	Uttarakhand	305.00	238.2005	160.38
28	West Bengal	1009.00	1009.0000	879.01
29	Telangana	78.00	0.8770	-
	Total (States)	10,151.00	8538.3446	8029.84

(e) Reasons for Shortfall in Road Length

1.53 On asking the reasons for not achieving the targets of road length during 2012-13 and 2013-14, the Ministry in a written note submitted the following information:-

"The details of targets set & achieved alongwith the reasons why there was shortfall in achievements are given in the table below:

Year	Habitations (in no.)		Length (in Km)		Financial Targets (in crore)		Reasons of shortfall
	T	A	T	A	B.E.	R.E.	
2012-13	4,000	6,864	30,000	24,161	24,000	10,000	At the end of year 2011-12 the States were left with substantial unspent balances. In addition there was drastic curtailment in the annual budget of PMGSY during the year 2012-13. Inadequate absorption and contracting capacity of some of the states led to shortfall in achievement.
2013-14	3,500	6,560	27,000	25,316	21,700	9,807*	Due to reduction in budget at R.E. stage, enough funds could not be released to some of the States (where the value of balance PMGSY works is comparatively high) which resulted in shortfall against the set targets.

T-Target & A- Achievement, B.E.- Budget Estimate & R.E.-Revised Estimate

***excluding Rs. 3050 crore as interest accrued by the States upto March 2013."**

(f) Physical Inspection for Monitoring

1.54 On being asked as to whether there was any physical inspection and verification at regular intervals to monitor the effective implementation of the schemes and also to check the multi-connectivity and quality of roads, the DoRD in its written note stated:-

"Regional Review Meetings are conducted at regular intervals as a measure to monitor the progress & for effective implementation of PMGSY scheme in the States. Also, Area Officer visits are organized by the Ministry for physical inspection and verification of all the programmes run by Department of Rural Development including PMGSY.

PMGSY also has a 3 tier quality inspection mechanism. First tier inspection is done by contracting agencies & PIUs. Second tier by State Quality Monitors (SQMs) & 3rd tier by National Quality Monitors (NQMs)."

1.55 About the details of inspection of roads under PMGSY carried out by State Quality Monitor (SQM) and National Quality Monitor (NQM) during the last three years, the DoRD in a written note furnished information as under:-

"The details of inspection of roads under PMGSY during the last three years i.e. from March, 2011 till March, 2014 are given in the table below:

	Inspection of Completed Works				Inspection of ongoing works				Total Inspections
	S	SRI	U	Total	S	SRI	U	Total	
NQM	1,108	360	259	1,727	3,245	2,039	1,267	6,551	8,278
SQM	8,266	1,042	419	9,727	24,515	9,704	2,872	37,091	46,818

Where S-Satisfactory, SRI-Satisfactory but Requiring Improvement & U-Unsatisfactory."

1.56 On being asked about the consideration of suggestions of MPs in PMGSY, the Secretary, DoRD during evidence stated as under:-

".....as of now, the suggestions of MPs are being taken and they should be taken into consideration. If the cases of this type come to our knowledge where this is not happening then I can assure the Hon'ble Committee that I will personally take it up. "

(g) Redressal Mechanism for Complaints & Irregularities in PMGSY

1.57 The Committee wanted to know the mechanism devised by the Department to receive complaints from public regarding quality of work done, faulty work and repair of roads. The DoRD in a written note stated as follows:-

"PMGSY utilizes an online mechanism for receiving complaints from public which is known as CPGRAM (Central Public Grievance Redressal Mechanism). Complaints received through CPGRAM are taken up with the concerned State Governments and thereafter the States are pursued for action taken report. A period of 90 days has been fixed for disposal of such complaints. Complaints that are related to quality issues are being forwarded to the concerned State Governments for taking necessary action as ensuring the quality is the responsibility of the State. In case satisfactory response is not received within the stipulated time schedule, then National Rural Roads Development Agency (NRRDA) is directed to depute National Quality Monitors (NQMs) and further action is taken on the basis of NQM reports. In extreme cases of non-adherence to prescribed quality, there is a provision to categorize the road work as suffering from non-rectifiable defects & to recover the money spent. PMGSY division also receives offline complaints which are being dealt with in a similar manner as stated above.

1.58 The Committee further wanted to know the number of complaints received about the irregularities in PMGSY works during last two years and the action taken thereon. The DoRD in a written note stated as under:

"Complaints about various irregularities including the sub-standard works under Pradhan Mantri Gram Sadak Yojana (PMGSY) are received from time to time. During the period 2012-13 & 2013-14 a total of 76 complaints had been received, out of which 2 were sent to concerned State Government for conducting enquiry and taking necessary action and NQMs were deputed for the rest i.e. 74 complaints. Irregularities were noticed in 40 cases which were sent to the concerned State Governments for rectification purposes."

(iii) Indira Awaas Yojana (IAY)

1.59 The Indira Awaas Yojana (IAY) was launched during 1985-86 as a sub-scheme of Rural Landless Employment Guarantee Programme (RLEGP). IAY, thereafter, continued as a sub-scheme of Jawahar Rozgar Yojana (JRY) since its launch in April, 1989. Six per cent of the total JRY funds were allocated for implementation of IAY. In the initial years, the housing scheme addressed the needs of SC and ST families and families of bonded labourers in BPL category. From the year 1993-94, the scope of IAY was extended to cover non-SC / ST families in the rural areas. IAY was de-linked from JRY and made an independent scheme with effect from 1st January 1996. It is now a flagship programme of the Ministry of Rural Development as part of the larger strategy of rural poverty eradication, to provide dignity of an address to the poor households and to enable them to access benefits of other rural development schemes.

Salient Features of Indira Awaas Yojana (IAY)

(i) Components of the scheme are:

- (a) Assistance for construction of a new house
- (b) Upgradation of Kutcha or dilapidated houses
- (c) Provision of house site

(ii) The criteria for allocation of IAY funds to States / UTs and from States/UTs to districts, blocks and wherever the States so desire, to the Village Panchayats would be on the basis of houseless people from among the BPL population for each category i.e. SC, ST, Minorities and others. The Ministry does the annual allocation for the States/UTs on the basis of 75% weightage to housing shortage in rural areas as per the latest Census data and 25% weightage to the number of people below poverty line (BPL).

(iii) At the national level, 60% of the funds are earmarked for SCs and STs with the proportion between SCs and STs being fixed by the Ministry of Rural Development and reflected in the targets. From the year 2011-12 onwards, 60% of total

allocation under IAY is being earmarked for SCs / STs under separate Budget Head. Further, 15% of the funds are set apart for beneficiaries from among the Minorities. The States should ensure that at least 3% beneficiaries of IAY are from among persons with disabilities. The earmarking is only the minimum limit that should be achieved by the State and States, if they so desire may add to the target under these categories.

(iv) Under IAY, w.e.f. 1.4.2013, a BPL family is given grant of Rs. 70000/- for new construction in plain areas and Rs. 75,000 in hilly / difficult areas including LWE districts. Further, IAY funds can also be utilized for upgradation of a kutcha house for which a subsidy of Rs. 15,000/- per unit is provided. For purchase of housesites, an assistance of Rs. 20,000 is provided to the landless poor. For the first time since inception, w.e.f. 1.4.2013, a provision has been made for utilisation of 4% of funds released for administrative expenses.

(v) The funding of IAY is shared between the Centre and States, (except in North-Eastern States and Sikkim) in the ratio of 75:25 respectively. In the case of North-Eastern States and Sikkim, funding is shared in the ratio of 90:10. In the case of UTs, entire funds of IAY are provided by the Centre. The cost of providing house sites is shared in the ratio of 50:50 between Government of India and State Governments. Government of India provides the full cost in respect of Union Territories (UTs).

(vi) 95% of the total budget can be utilized for the components relating to new houses, upgradation of houses and provision of house sites and administrative expenses. The remaining 5% is to be retained in the Centre and is reserved for special projects which can be posed for –

- Rehabilitation of BPL families affected by natural calamities, law and order problems
- Settlement of families of vulnerable tribal groups, FRA beneficiaries, families of bonded labourers, manual scavengers and people relocated in districts alongwith international borders.
- Rehabilitation of persons affected by occupational diseases
- House construction for demonstration of eco-friendly, appropriate and locally relevant technology

(vii) Upto 4% of the funds released can be utilized for administrative expenses of which upto 0.5% can be retained at the State level and the balance is to be distributed to the districts. The administrative expenses may be used for –

- IEC activities, MIS evaluation studies
- Social audit
- Capacity building initiatives
- Technology demonstration

The administrative expenses shall be shared by the Centre and States in the same ratio as applicable to the programme expenditure.

(viii) The construction of a house should be carried out by the beneficiary himself / herself. No contractor should be involved in the construction of houses under IAY. But construction may be facilitated by Govt. agencies in the case of very old beneficiaries above sixty years of age and persons with disabilities who may not be able to stand the strain of supervising construction and who request for such support in writing. Government departments or agencies can given technical assistance and may arrange coordinated supply of material for the convenience of beneficiaries. States can also accredit reputed CSOs, institutions, agencies for providing support services for adoption of suitable design, technology and material.

(a) 12th Plan Outlay

1.60 Plan Outlay for Rural Housing for 12th Plan is Rs. 59,585.00 crore. Financial and Physical achievements under IAY during 2012-13 and 2013-14 are as under:-

Financial Performance(Rs. in crore)				Physical Performance	
Year	B.E.	R.E	Actual	Target (Construction of Houses)	Achievements (Houses constructed)
2012-2013	11,075.00	9024.00	7868.76	30.10 Lakh	21.86 Lakh
2013-2014	15,184.00	13,184	12983.64	24.81Lakh	15.92 Lakh

1.61 The Committee desired to know the reasons for decline in financial and physical performance under IAY during 2012-13 and 2013-14. The DoRD in a written note stated as under:

"Due to reduction of RE in 2012-13, the States could not fully avail the 2nd installment. Hence the physical progress has been affected. The Revised Estimates during the year 2012-13 were reduced by Rs.2000 crores. In addition to this, the mandatory condition of uploading data on AwaasSoft, made some States ineligible for further releases, which adversely affected the physical and financial progress."

1.62 The BE for annual plan 2014-15 is Rs. 16,000 crore. It may be seen that against the total XIIth Plan Outlay of Rs. 59,585.00 crore, the total outlay the Department of Rural Development got in first three years of the Plan was around Rs. 42,000 crore.

1.63 The Committee wanted to know how the Department of Rural Development will be able to utilise B. E. of Rs. 16,000 crore in view of very low expenditure during 2012-13 and 2013-14. The DoRD in a written note stated:-

"Out of Rs. 16,000 crore, as on 30.09.2014, Rs.7865 crore have been released to the States. After utilization of 60% of funds, the States will submit the proposals for release of 2nd installment. Since the release from this year is being made to the State Consolidated Fund, State Departments of Rural Development have been directed to proactively ensure that funds (including State share) flow timely to the beneficiaries. This is being monitored on a regular basis."

(b) Role of Gram Panchayats in implementation

1.64 As per the IAY guidelines, the Gram Panchayats have an important role to play in the actual implementation of the scheme. They include the following:-

(1) The baseline survey using Socio-Economic Caste Census data would be coordinated by the Village Panchayats. They would also facilitate the participatory identification of the eligible beneficiaries.

(2) They should ensure maximum participation in the Gram Sabha held to finalize the five year priority list and the annual select list of beneficiaries.

- (3) The Village Panchayats should conduct IEC campaign through the various field level functionaries of Government, Bharat Nirman Volunteers, SHGs and the representatives of Civil Society Organizations, in order to build awareness of the scheme among the people.
- (4) They should arrange the meeting of beneficiaries either at the level of the Village Panchayat or for a cluster of Village Panchayats. Gram Panchayats should proactively promote affordable and green technologies.
- (5) The Village Panchayats with the help of the Gram Sabha would identify families who cannot construct houses on their own and help in identifying NGOs/Civil Society Organizations of repute to handhold such beneficiaries to construct the houses in time.
- (6) They would facilitate the beneficiaries in accessing materials required for construction at reasonable rates and also the masons needed for construction
- (7) The Village Panchayats would ensure convergence of schemes using resources over which they have command like MGNREGS, BRGF, State and Central Finance Commission grants, etc.
- (8) They should discuss the progress of the scheme in their monthly meetings.
- (9) They should also proactively assist the social audit teams to conduct Social Audit.
- (10) For coordinating different activities under IAY, a special Functional Committee or Task Force should be set up in each Village Panchayat consisting of the elected head, Chairpersons of Standing Committees, volunteers from the SHG network, representatives of NGOs/Civil Society Organizations and local officials.

(c) Special Projects Sanctioned In 2013-14

1.65 During the year 2013-14, the following Special Projects have been sanctioned under IAY:

(i) 2904 houses in Lalitpur District of Uttar Pradesh for Sahariya tribes. Rs. 7.93 crore have been released as first installment.

(ii) In Bijapur District of Chhattisgarh, 643 additional houses for the families affected by Left Wing Extremism (LWE). Rs. 1.81 crore has been released as first installment. 334 houses for flood victims and 62,372 houses under FRA in Chattisgarh for 5 and 27 districts respectively. Rs. 0.93 crore and Rs. 180.52 crore respectively have been released as first installment.

(iii) For families affected by insurgency, 2483 additional IAY houses in Thanlon Block of Churachandpur district of Manipur. Rs. 8.38 crore has been released as first installment.

(iv) In Arunachal Pradesh, 2331 additional houses for families of bonded labourers (Puroik Community) in two districts. Rs. 8.18 crore have been released as first installment. 780 houses sanctioned for the families of ex-bonded labourers belonging to Sullung tribe in East Kameng district. 2.63 crore have been released as first installment.

(v) To assist the families who lost their shelters in Rajasthan due to untimely heavy rains, 94 additional IAY houses in Bikaner District for which Rs. 0.26 crore have been released as first installment.

(vi) 9862 houses under Forest Rights Act (FRA) and 2051 houses for families of surrendered militants in Tripura. An amount of Rs. 40.21 crore has been released to the Districts as first installment.

(vii) 5000 additional IAY houses were sanctioned for the families affected by the incessant rains and floods in 5 Districts of Uttarakhand namely Chamoli, Pithoragarh, Rudraprayag, Uttarkashi and Bageshwar. Rs. 14.06 crore released as first installment.

(viii) In Kinnaur District of Himachal Pradesh, 313 additional houses sanctioned for BPL families whose houses were damaged due to cloud burst. Rs 0.92 crore released as first installment.

(ix) Rs. 105.97 crore were released as first installment for construction of Rs. 36,238 additional IAY houses under FRA in 11 districts of Odisha. 7465 houses were sanctioned for PTGs in Nuapada and Rayagada Districts. Rs. 20.99 crore have been released as first installment. Rs. 0.36 crore have been released as first installment for construction of additional 135 houses for rural BPL families affected by tornado in Balasore district.

(x) Rs. 34,380 additional IAY houses sanctioned for victims of 'Thane' cyclone in Cuddalore and Villupuram districts of Tamil Nadu. Rs. 93.86 crore has been released as first installment.

(d) Additional Assistance From State Resources

1.66 IAY beneficiaries receive additional assistance in many State Governments ranging from Rs. 5,000 to Rs. 3.25 lakh.

(i) Housing Agencies/Corporation

In Andhra Pradesh and Karnataka, the scheme is implemented by a Housing Corporation. These Corporations have taken up centralized procurement and supply of material and also provide technical support during construction. The release of installments directly to the bank account of beneficiaries is done electronically and is linked to the progress of the houses as recorded by means of a geo-tagged photograph. A robust system of monitoring is also in place in them.

(ii) Quality inputs

- In Tamil Nadu temporary shelters are provided to the needy beneficiaries by the Gram Panchayat during the construction of IAY units.
- Tamil Nadu Government also encourages construction of Green Houses by using recycled, reused eco-friendly materials for IAY beneficiaries. Social audit is conducted in Gram Sabha by submitting their work performance, financial allocation, expenditure level etc., in a transparent manner.
- Under the Chief Minister's Rural Housing Mission (CMRHM), the State Government of Sikkim aims to achieve the status of a Kutcha House free State by 2015 along with a qualitative improvement in the housing status of the poor in the State. The unit cost of a house comes to Rs. 3.25 lakh.

(iii) Difficulties faced to avail loans

1.67 The Committee wanted to know the difficulties faced by beneficiaries to avail loans under the scheme. The Ministry in a written note submitted as under :-

"(a) The following difficulties have been brought to the notice of the Ministry:

- (i) Only SC/ST category of IAY beneficiaries are eligible for loan under DRI
- (ii) The eligibility in respect of income ceiling and land-holdings applicable to other beneficiaries of DRI is also being applied for IAY beneficiaries desirous of taking loan under DRI. Therefore, it is difficult for them to avail of the loans.
- (iii) Due to poor re-paying capacity of the beneficiaries the banks are not active in implementing this scheme."

(e) Mission 2022 – Revamping IAY

1.68 IAY Guidelines have been revised with effect from 1st April, 2013 with the objective of making the scheme flexible. States and experts in the sector were consulted before finalizing the Guidelines. The major new initiatives are –

(i) Priority to vulnerable categories:

Among the eligible BPL families, to ensure coverage of the most vulnerable categories, priority should be given to –

- Families of manual scavengers and bonded laborers
- Households with single girl child
- Physically and mentally challenged persons
- Transgenders
- Widows / next of kin of defence /paramilitary / police personnel killed in action in (even if not BPL)
- Households where a member is suffering from leprosy or cancer
- People living with HIV (PL HIV)

(ii) 4% Administrative cost

- For the first time 4% of the funds released are earmarked for administrative expenses which can be used for –
- IEC interventions (1%) , Evaluation studies
- Social Audit (1%)
- MIS related expenses, capacity building of stakeholders
- Technology demonstration
- Monitoring

(iii) AwaasSoft:

1.69 AwaasSoft is a work flow based Management Information System (MIS) designed to capture the implementation process through its Target Setting and Fund Management modules. The Beneficiary Management module captures details of the beneficiary and status of his/her sanction. Real time reports generated by the system are useful tools for monitoring of progress and reporting. This was launched in July

2010. Reports are available in the public domain for all citizens to know the progress of the scheme in their area. The system also provides for an online grievance redressal platform to register grievances and track the status of action taken on them. The software captures all relevant data of beneficiary including the category he / she belongs to, the Aadhaar number etc. There is provision for uploading of photographs of houses under different stages of construction.

1.70 The use of MIS has increased substantially over the years. 27.63 lakh beneficiaries have been registered on the system and 21.83 lakh houses were sanctioned through AwaasSoft in 2013-14. The system has helped increase transparency in implementation of the scheme and ensures accountability. States can use this software for their own rural housing schemes also.

1.71 Ministry with the help of NIC has been organizing training programmes for State Govt. officials in phases at the national level. In addition, state level training programmes were organized on demand, for training of district officials in Chattisgarh, Tamil Nadu, Gujarat, Goa, Jharkhand, Maharashtra, West Bengal and Tripura. One training programme was held for all 8 states of North East at SIRD, Guwahati.

(iv) Rural Housing Knowledge Network (RHKN)

1.72 The 'Rural Housing Knowledge Network' was launched in July, 2012 in collaboration with IIT, Delhi with the objective of compiling a comprehensive nationwide updatable repository of practitioners, institutions and practices related to affordable and sustainable solutions for rural housing and to develop a multi-lingual web portal in the public domain. The project was for a period of two years with six specific deliverables namely compendium of professionals and institutions, comprehensive technology profiles on design, best cases of implementation of rural housing projects, good/ universally accepted practices and innovations, a web portal and learning exchanges. The web site can be accessed at www.ruralhousingnetwork.in. It is an interactive platform developed with and used by various stakeholders in rural housing. RHKN is

actively engaging with home-owners, masons, panchayats, district and state governments, NGOs, corporate bodies and academia to understand ground issues in different geo-climatic zones of the country. So far, 13 interactive events have been conducted in different parts of the country for the purpose.

1.73 Interactions in the form of 'Grameen Awaas - Sawaal, Jawaab evam Samvaad' have been conducted in Tripura, Himachal Pradesh, Sikkim, Maharashtra, Rajasthan and Chhattisgarh during the year. These interactions involved IAY beneficiaries, PRIs, Government Officials, where technology demonstrations are made and specific knowledge solutions to beneficiaries' queries are provided by the RHKN Team and technology practitioners.

1.74 The Committee wanted to know the efforts being made by the department to mobilize additional resources for achieving the targets. The Ministry in a written note stated as under:-

"The Ministry has been getting feedback regarding inadequacy of the IAY unit cost. The DRI loan has not been availed in most states due to conditions as well as the inability of beneficiaries to repay loans. Keeping in view the Government's announcement for providing pucca house to all by 2022 the Ministry has undertaken the task of revamping IAY scheme with a mission approach. After rounds of consultations with States and experts, an EFC proposal has been prepared and submitted for approval of competent authority. In this proposal Ministry proposes to access CSR funding and grants from reputed agencies and philanthropic organisations. Department of Financial Services will be approached to extend DRI loans to all beneficiaries and for relaxing conditions. Unit cost of a house is also proposed to be enhanced for the beneficiary to be able to construct a durable house with toilet. Convergence with related schemes of Central Government for basic amenities has been made mandatory."

IV. BPL Survey

1.75 The estimation of poverty in the country is done by the Planning Commission on the basis of a large sample survey of Consumer Expenditure carried out by the National Sample Survey Organization (NSSO). The poverty estimates are regularly carried out at intervals of 5 years. While the estimation of poverty is done by the Planning Commission, the Ministry of Rural Development conducts the Below Poverty Line (BPL) Census with the objective of identifying the BPL households in the rural areas who could be assisted under various programmes of the Ministry. The Ministry of Rural Development provides financial and technical assistance to the States and UTs to conduct the BPL Census. The BPL Census is generally conducted in the beginning of the Five Year Plan for which detailed guidelines are issued by the Ministry..

(a) Outlay vis-à-vis Expenditure

1.76 The Outlay vis-à-vis expenditure on BPL during 2012-13 & 2013-14 and BE for 2014-15 has been as under:

(Rs. in crore).

Year	B.E.	R.E.	Expenditure
2012-2013	275.00	375.00	375.00
2013-2014	59.00	306.00	306.00
2014-2015	577	--	--

(b) Adequacy of Funds

1.77 The Committee asked whether the funds provided are adequate and will be sufficient for completion of work. The DoRD in a written note stated:-

"The Expenditure Finance Committee (EFC) has approved an amount of Rs.3543.29 crore for conducting the Socio Economic and Caste Census, 2011. The amount of Rs. 3543.29 crore approved by the EFC for conducting the Socio Economic and Caste Census 2011 has become exhausted in the FY 2013-14 whereas certain payments are still required to be made to the States/UTs and CPSUs viz. BEL, ECIL and ITI engaged for the SECC. To meet additional requirements/payments, the Ministry of Rural Development proposed the Revised Cost Estimation (RCE) of Rs.5,236.92 crore (additional amount of

Rs.1693.63 crore over and above the amount approved by EFC). The proposal for Revised Cost Estimate (RCE) has been submitted to the Department of Expenditure for consideration by the EFC.

For the FY 2014-15, an amount of Rs.577 crore has been allocated for BPL Survey/SECC 2011 on the basis of the proposal submitted to the Planning Commission for the Annual Plan for 2014-15. Out of this an amount of Rs. 95.58 crore has been released till 25th October, 2014. Therefore there will be a requirement of funds amounting to Rs.1,116.63 crore during the FY 2014-15.

The requirement of funds has also been indicated while submitting proposal in the First Batch of Supplementary Demand for Grants for 2014-15 – Ministry of Rural Development. Requirement of additional funds will also be projected at R.E. Stage."

(c) Status of SECC Schemes in States
Socio Economic Caste Census 2011

1.78 For conducting the BPL Census for the Eleventh Five Year Plan, the Ministry, on 12th August, 2008, constituted an Expert Group under the chairmanship of Dr. N.C. Saxena, former Secretary, Department of Rural Development to advise it on the suitable methodology. The Expert Group submitted its report on 21st August 2009. The Expert Group recommended the methodology for identification of Below Poverty Line families, which includes criteria for automatic exclusion of a household from the BPL list, automatic inclusion in the BPL list and grading of the households on a scale of one to ten. The Expert Group has also recommended the methodology for conducting the Census and appropriate appeal mechanisms.

1.79 The Ministry then held consultations on the issue of finalization of methodology with organizations in the related field including Planning Commission, Registrar General of India, National Sample Survey Organization (NSSO), State Governments, experts and civil society organizations. It was suggested for pre-testing the methodology with alternative options. Accordingly, the Ministry conducted, a Pilot Survey during 2010 to field test alternative methodologies and to arrive at the optimum methodology for conducting forthcoming BPL Census. This Pilot survey was conducted in two stages.

(a) **Stage I:** Household Survey was conducted through Questionnaire Method in 254 villages across the rural areas of the country.

(b) **Stage II:** Participatory Socio-Economic Study (PSES) was conducted based on Participatory Rural Appraisal (PRA) technique. PSES was conducted in the same 254 villages where household survey had been conducted. The results of the PRA were used for corroborating the findings of the survey.

Thereafter, the Socio Economic and Caste Census was launched on 29th June 2011 in the country which is being carried out by the respective State/Union Territory Government with the financial and technical support of the Government of India. Socio Economic and Caste Census consist of Census in Rural areas and Urban areas in connection with identification of BPL households areas and Caste Census throughout the country.

1.80 On being asked about the status of SECC 2011 in different States, the DoRD in a written reply stated:-

"The SECC 2011 is being conducted in six stages viz. enumeration, supervision, verifications & corrections, draft list publication, claims and objections and final list publication which is being carried out by the respective State/Union Territory Government with the financial and technical support of the Government of India. The first three stages have been completed in most of the states/UTs. As on 25.10.2014, 'Draft List' has been published in 359 districts in 26 states of Assam, Andhra Pradesh, Arunachal Pradesh, Bihar, Chandigarh, Diu & Daman, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Lakshadweep, Madhya Pradesh, Meghalaya, Manipur, Mizoram, Nagaland, Punjab, Rajasthan, Sikkim, Uttarakhand, Uttar Pradesh and West Bengal. Similarly, Final List has been published in 36 districts of 7 States/UTs. The States/UTs have been requested to expedite completion of the SECC 2011 and they have assured to complete the process by end December, 2014.

1.81 On being asked about the selection of genuine BPL families within the BPL list for inclusion under the current SECC, 2011, the Ministry in a written note stated:-

"Selection of genuine BPL/Beneficiary families depends on genuineness of household data collected under SECC. Genuineness has been ensured by following well structured process like enumeration, supervision, verification & correction, claims & objections and final list publication. The last three processes ensured transparency and people's participation, and thus improve accuracy of data. Thereafter, prioritization of families can be made as per the requirement of the respective schemes."

1.82 The Committee further desired to know the methodology evolved for identification

of such genuine BPL families. The Ministry replied as under:-

"From the data gathered in the SECC, the classification of households would be done in three steps. First step would be to apply an exclusion criterion. **The exclusion criteria would be that any household would be excluded satisfying any of the identified parameters below:-**

- Households owning Motorized Two/Three/Four Wheelers/Fishing boats (which require registration);
- Households owning mechanized Three/Four wheeler agricultural equipments such as tractors, harvesters etc;
- Households having Kisan Credit Card with the credit limit of Rs.50,000 and above;
- Households with any member as Government Employee: gazetted and non-gazetted employees of Centre government, State government, Public Sector Undertakings, Government-aided autonomous bodies and local bodies. This will exclude incentive and other honorarium based workers like ASHA, Anganwadi workers etc;
- Households with Enterprises registered with the Government for any purpose: any non agricultural enterprise registered with the Central or State Governments;
- Households with any member in the family earning more than Rs. 10,000 p.m.;
- Households paying income tax or professional tax;
- Households with three or more rooms with pucca walls and pucca roof;
- Households owning Refrigerator;
- Households owning landline phones;
- Households owning 2.5 acres or more irrigated land with at least one irrigation equipment such as diesel/ electric operated borewell/ tubewell;
- 5 acres or more land irrigated for two or more crop seasons;
- Households owning 7.5 acres or more land with at least one irrigation equipment such as diesel/ electric operated borewell /tubewell;"

Certain Households would be compulsorily included subject to exclusion criteria mentioned above, based on identified criteria out of the following:-

- Households without shelter;
- Destitutes/living on alms;
- Manual scavengers;
- Primitive Tribal Groups;
- Legally released bonded labourers;

The remaining households (subject to exclusion and inclusion criteria) will then be assigned deprivation scores depending on the number of deprivation indicators they satisfy. The following are the deprivation indicators all or any contravention of which can be used for prioritization: -

- Households with only one room with kucha walls and kucha roof;
- Households with no adult member between age 16 to 59;

- Female headed households with no adult male member between age 16 to 59;
- Households with any disabled member and no able bodied adult member;
- SC/ST households;
- Households with no literate adult above 25 years;
- Landless households deriving the major part of their income from manual casual labour;

The Ministry of Rural Development had constituted an Expert Committee on 28th December, 2012 under the Chairmanship of Prof. Abhijit Sen to examine the SECC indicators and the data analysis and recommend appropriate methodologies for determining classes of beneficiaries for different rural development programmes. The Expert Committee has since submitted its Report. The Committee had wide consultations with various states, experts and civil societies and recommended modifications with regard to the aforesaid exclusion and inclusion criteria.

V. National Rural Livelihoods Mission (NRLM) – Aajeevika

1.83 Performance of Swarnjayanti Gram Swarozgar Yojana (SGSY) was assessed through concurrent evaluations, various studies and reports. Prof. Radhakrishna Committee on Credit Related Issues Related to SGSY, set up by the Ministry of Rural Development in April, 2008 reported the shortcomings in the implementation of SGSY like uneven mobilization of rural poor and formation of SHGs across the States, insufficient capacity building of beneficiaries, low credit mobilization and lack of professionals to implement the programme. Based on the findings of the report, SGSY was restructured as National Rural Livelihoods Mission (NRLM), subsequently renamed as “Aajeevika”, to implement it in a mission mode across the country. The programme was formally launched on 3rd June, 2011. A further restructuring of NRLM based on the lessons from early implementation took place in May, 2013.

(a) Progress During 2013-14 (NRLM)

1.84 As of March 2014, all States except Goa have transited to NRLM (have set up a SRLM as society/company, appointed CEO and core team, and prepared action plan). Among the Union Territories, Puducherry has transited to NRLM. Goa and the remaining union territories (except Chandigarh and Delhi) are expected to transit to NRLM in FY 2014-15.

Footprint of NRLM

1.85 During 2013-14, NRLM implementation commenced in 261 new blocks, making the cumulative NRLM footprint to 1303 blocks. It has entered 32,573 villages spread across these blocks. NRLM has supported additional 2.92 lakh Self Help Groups (SHGs) (either newly formed or strengthened) during the year. Further, NRLM has provided funds amounting to Rs. 204.56 crore to the SHGs/Federations during 2013-14.

Footprint of NRLM in FY 2013-14

Category	Progress in FY 13-14	Cumulative Progress
Blocks entered*	261	1303
Villages entered	32573	97391
SHGs formed/strengthened (in Lakh)	2.92	19.3
Capitalization amount disbursed (in Rs. Crore)**	204.56	264.75

*Includes blocks under Externally Aided Projects (EAP)

**Excludes EAP blocks

Progress in Resource Blocks: As on 31st March, 2014, two state missions, viz. the Society for Elimination of Rural Poverty (SERP), Andhra Pradesh and Bihar Rural Livelihoods Promotion Society (BRLPS), Bihar are providing support to 7 State Rural Livelihood Mission (SRLMs) viz. Chhattisgarh, Jharkhand, Maharashtra, Madhya Pradesh, Rajasthan, Haryana and Jammu & Kashmir. Collectively, these States were implementing the resource block strategy in 47 blocks spread across 39 districts. These states have promoted/strengthened 17,727 SHGs in 2485 villages in these blocks. Of these SHGs, 8,167 have received Revolving Fund (amounting to Rs. 2903 lakh) and 1,321 SHGs have received CIF (amounting to Rs. 695 lakh). Further, 1330 SHGs have accessed accumulative bank credit of Rs. 927 lakh. The SRLMs have identified 3866 community professionals in these blocks to support the institutions of the poor.

Indicator	Total (as on 31st March '14)
Social Mobilisation/ Institution Building	
SHGs Formed/Strengthened	17727
Primary Federations Formed (Village/Panchayat/Hamlet Level)	503
Total Households Covered in SHGs	193697
Capitalization	
SHGS Provided RF	8167
Amount of RF Disbursed (Rs.in Lakhs)	2903
% of 6 Month-old SHGs that have Prepared Micro Investment Plan (MIP)	24
No. of SHGs Provided CIF	1321

Amount of CIF Disbursed (Rs. in lakhs)	695
% of 6 Month-old SHGs Credit-linked to Banks	9
Amount of Credit Leveraged from Banks (Rs. in lakhs) (FY 2013-14)	927
Social Capital Formation	
Community Professionals Identified for Supporting SHGs (excluding Bookkeepers)	3866
Community Professionals Trained for Working in the Villages (Excluding Bookkeepers)	1073

(b) 12th Five Year Plan Outlay

1.86 The Ministry in their written submission informed that the proposed outlay for NRLM for 12th Plan is Rs.48107.00 crore and the approved outlay was Rs, 29,006.00 crore. They submitted following details regarding Outlays for the first three years of the Plan i.e. 2012-13, 2013-14 and 2014-15:-

(Rs. in crore)			
Year	B.E.	R.E.	Expenditure
2012-2013	3915.00	2600.00	2195.39
2013-2014	4000.00	2600.00	1822.11
2014-2015	4000.00		

1.87 The above table indicates that against the total XIIth Plan Outlay of around Rs. 29,000 crore, the Aajeevika programme have got around Rs.12,000 crore in the first three years of the XIIth Plan.

1.88 The Committee desired to know the impact of the reduced outlay on the various programmes/schemes of NRLM. The DoRD in a written note stated: -

"The 12th Plan outlay of Rs. 29000 Crore includes a provision of Rs. 5000 crore as EAP component for the World Bank funded National Rural Livelihood Project (NRLP). This project has been re-structured in May, 2013 resulting in the reduction of its outlay to Rs. 3000 crore. As per present indications, available balance of Rs. 17,000 crore for the remaining periods of the Plan period would be adequate to take care of the programme requirements."

1.89 On being further asked about the management of remaining Rs. 17,000 crore approx. during the remaining term of XII Plan, the DoRD in a written note submitted: -

"There are proposals for extending the scheme of Interest Subvention currently being implemented in 150 districts to 100 more districts from current financial year. There is also a proposal to fast track the implementation of NRLM in NE States to achieve saturation within a period of 10 years. Further, the DRDA Administration scheme has now been brought under the ambit of NRLM following the decision to reduce the number of Centrally Sponsored Scheme. The requirement of funds for DRDA Administration would also be met out of the NRLM allocation from 2014-15. There is also a proposal for removing the restriction limiting the allocation of Aajeevika Skills to 25% of the NRLM allocation to meet the increasing requirements under this component. With these additional commitments it is expected that the requirement of funds for the remaining two years of the Plan period would be around Rs.10,184 crore."

(c) States Covered Under NRLM

1.90 The Committee wanted to know how many States have adopted NRLM till now and why the States are taking so much time in overall preparedness for transition from SGSY to NRLM Programme even after about four years of launch of the programme. The DoRD in a written note stated:-

"All the States excepting Goa are now covered by the programme. Among the union territories only Puducherry has migrated to NRLM. Coverage of Goa and the remaining Union Territories is expected to be achieved during the current financial year.

State Action Plan from all the States except Goa for the year 2014-15 have been received and these have been approved by an Empowered Committee constituted in the Ministry under the Chairmanship of Secretary (RD). With the exception of Goa, all States have already transited to NRLM. The following conditions are necessary for a State to transit.

- i. Establishing an Independent Society
- ii. Appointing a full time CEO
- iii. Submitting an Initial Action Plan

As mentioned earlier, the delays were generally on account of the time taken in setting up independent societies, staffing them and building the capacities of the staff in these societies. "

(d) Establishment of Self Help Groups (SHGs)

1.91 The Committee wanted to know the efforts made towards establishment of Self Help Groups (SHGs) at different levels and the steps taken to make them stronger. The DoRD in their replies stated as under:-

"N.R.L.M believes that the strengthening and subsequent scaling up of the programme must be community driven, i.e. driven by the poor women themselves. That is why it has accorded a central role to the concept of Community Resource Persons (C.R.P s).

The C.R.Ps are women SHG members who have come out of poverty by being part of the SHG movement. As part of this strategy, states which have had a legacy of implementing the SHG movement such as Andhra Pradesh and Bihar send their CRPs to the nascent State Missions. It is the CRPs who identify and mobilize the poor women into Self Help Groups. The second major principle of N.R.L.M is the concept of Resource blocks or incubator blocks. The blocks in which the mobilization of poor households into SHGs is done by the external CRPs are called Resource Blocks. The resource blocks identified by the State Missions are envisaged to be the catalyst for furthering SHG movement in the remaining blocks of the State.

As part of the processes established in resource blocks, active women are also identified amongst the SHG members. These women are trained and are given exposure to the best practices of SHGs in the States which have a legacy of SHG movement, e.g. Andhra Pradesh, Bihar etc. These women experience a significant change in their lives by being members of S.H.G s for at least 2 years. These champions, whose own lives have undergone a significant transformation, then take up the mantle of promoting SHGs in the adjoining villages and blocks in their native State. These SHG members are called Internal CRPs. It is estimated that in 5 years of commencement of social mobilization work through external C.R.P s, each Resource block will generate enough internal C.R.P s for 20 blocks. The work in the first set of 5 blocks will commence after 2 years of the commencement of the external C.R.P rounds.

Thus the entire process, right from promotion of SHGs to capacity building are primarily driven by the community members themselves. This results in very strong S.H.Gs.

The resource block strategy has been initiated in the states of Chhattisgarh, Maharashtra, Jharkhand, Jammu & Kashmir, Madhya Pradesh, Rajasthan, Uttar Pradesh, Haryana, Nagaland, Mizoram, West Bengal, Meghalaya, Gujarat and Karnataka. The remaining states: Gujarat, Manipur, Assam, Sikkim, Tripura, etc. will commence the implementation of this strategy by the end of FY 2014-15. The results from Chhattisgarh, Maharashtra and Jharkhand are very positive and the internal C.R.P s are now ready to move to new blocks for initiating social mobilization work.

In addition to the resource block strategy, other strategies such as Intensive block Strategy and Partnerships Block Strategy are also being pursued by the S.R.L.M s. The Intensive blocks have dedicated, trained manpower who are responsible for the promotion and training of the SHGs, whereas the partnership block, as the name suggests, are blocks where the State Missions tie up with eminent civil society organization such as PRADAN to promote and sustain self-help groups. Even in the 2 latter approaches, the concept of C.R.P s is being utilized.

The SHGs are given financial support in the shape of Revolving Fund and Community Investment Support Fund once they meet certain triggers in terms of maturity and quality. The SHGs are also federated into Village level and Cluster level Federations. These federal structures help in taking up bigger activities by generating a higher capital base and by increasing the visibility of the poor in the village. It also serves as a vehicle which assesses and monitors the health of its constituent SHGs and members.

The block level architecture is supported by sensitive support structures at District, State and the National levels."

(VI) NATIONAL SOCIAL ASSISTANCE PROGRAMME (NSAP)

1.92 The Directive Principles of State Policy in the Constitution of India enjoin upon the State to undertake within its means a number of welfare measures. Article 41 of the Constitution of India directs the State to provide public assistance to its citizens in case of unemployment, old age, sickness and disablement and in other cases of undeserved want within the limit of its capacity. It is in accordance with these principles that the Government of India on 15th August 1995 introduced the National Social Assistance Programme (NSAP) in the Central Budget for 1995-96.

1.93 The National Social Assistance Programme (NSAP) is a social assistance programme for poor BPL households - for the aged, widows, disabled and also include provision for one time assistance in the case of death of the primary bread earner in a BPL family. The funds under this Scheme are provided as Additional Central Assistance (ACA) to the States / Union Territories. There is no provision of a State share. This was done to ensure that all beneficiaries are provided with a uniform minimum assistance. States are encouraged to contribute from their own resources to enhance the assistance.

(a) Criteria for Allocation

1.94 When asked about the criteria for allocation to different States under the scheme and also about the complaints processing mechanism for dealing with irregularities, the Ministry in its written note informed:-

"As per the existing criteria, funds are allocated based on the estimated number of beneficiaries under the different schemes of NSAP in each State / UT. If the States /UTs report a lower coverage of beneficiaries than the estimated number, the allocation of funds for such State /UT would be based on the reported number. In case the number of eligible beneficiaries is more than the estimated number of beneficiaries in any State /UT, the expenditure on excess number of beneficiaries would be met from the financial resources of the respective State /UT.

NSAP schemes at ground level are implemented by the State /UT Governments. Identification of beneficiaries, sanction and disbursement of benefits under NSAP are done by the State / UT Governments.

Complaints received in this Ministry relating to disbursements, implementation and identification of beneficiaries are forwarded to the State /UT Governments for taking necessary action under intimation to the Ministry"

(b) Facilities and Assistance provided to the disabled

1.95 NSAP comprises of Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS), Indira Gandhi National Disability Pension Scheme (IGNDPS), National Family Benefit Scheme (NFBS) and Annapurna. The details of eligibility and assistance provided is as follows:-

- i. **Indira Gandhi National Old Age Pension Scheme (IGNOAPS)** - assistance of Rs. 200/- per month is provided to BPL persons in the age group of 60-79 years and Rs. 500/- per month to those who are more than 80 years of age. As per the latest report, upto March 2014, 222.00 lakh beneficiaries have been covered under the scheme.
- ii. **Indira Gandhi National Widow Pension Scheme (IGNWPS)** – was introduced in 2009, assistance of Rs. 300/- per month is provided to widows belonging to BPL households in the age group of 40-79 years. After attaining the age of 80 years, the beneficiary is shifted to IGNOAPS for getting pension of Rs. 500/- per month. As per the latest report upto March, 2014, 61.87 lakh beneficiaries have been covered under the scheme.
- iii. **Indira Gandhi National Disability Pension Scheme (IGNDPS)** - was introduced in 2009, an assistance of Rs. 300/- per month is provided to persons with severe or multiple disabilities belonging to BPL households in the age group of 18-79 years. After attaining the age of 80 years, the beneficiary is shifted to IGNOAPS for getting pension of Rs. 500/- per month. As per the latest report, upto March 2014, 15.79 lakh beneficiaries have been covered under the scheme.
- iv. **National Family Benefit Scheme (NFBS)** - one time assistance of Rs. 20,000/- is provided to the bereaved BPL family in the case of death of primary breadwinner in the age group of 18-59 years. As per the latest report, upto March 2014, 2.77 lakh beneficiaries have been benefitted under the scheme.

Under Annapurna scheme 10 Kgs of food grains per month is provided free of

cost to the beneficiaries who are eligible but not covered under erstwhile old age pension scheme.

Although State contribution is not mandatory, some States / UTs are adding to the pension under the schemes, from their own resources.

1.96 The funds for NSAP are allocated by Planning Commission. Till 2013-14 funds were released as Additional Central Assistance (ACA) by the Ministry of Finance to the States and by the Ministry of Home Affairs to the Union Territories in a combined manner for all the schemes under NSAP. The recommendations for release are made by the Ministry of Rural Development based on laid down principles. NSAP is being implemented mainly by Social Welfare Departments in the States. In some States it is being implemented by Rural Development Departments and in a few by Women and Child Development Departments.

1.97 During 2012-13, an amount of Rs. 7884.55 crore was released to States/UTs as ACA. During 2013-14, an amount of Rs. 9614.51 crore has been allocated out of which Rs. 9112.46 crore has been released upto March, 2014.

1.98 The schemes of NSAP are implemented by the State Governments and Union Territories. States have been advised to follow a transparent and participatory process in identification of beneficiaries. Since this scheme is meant for both the rural as well as urban BPL persons, the active involvement of Gram Panchayats and Municipalities is recommended. States have also been instructed to conduct Social Audit, at least once a year, to verify and update their list of beneficiaries. The Gram Sabhas in rural areas and Ward Committees in Municipalities should be designated for this purpose.

1.99 The Committee wanted to know if there was any proposal for giving pension to widows with minimum age of 18 years under the scheme and also for enhancing the pension amount and the facilities and assistance provided to the disabled. The Ministry in its written note stated:-

"The Task Force constituted by this Ministry under the Chairmanship of Member, Planning Commission to prepare a proposal for Comprehensive National Social Assistance Programme in its report, inter-alia, recommended, reduction in eligibility age and enhancing the quantum of pension to the widows under Indira Gandhi National Widow Pension Scheme (IGNWPS). The Task Force has recommended that the eligibility age for IGNWPS may be reduced to 18 years.

Under Indira Gandhi National Disability Pension Scheme (IGNDPS), Central assistance @ Rs. 300/- per month is provided to persons aged 18-79 years **with severe or multiple disabilities and belonging to family living below poverty line** as per the criteria prescribed by Government of India. After attaining the age of 80 years, the beneficiary would be shifted to IGNOAPS for getting pension of Rs. 500/- per month."

(c) System of Transparency and Accountability

1.100 The Committee wanted to know the mechanism to ensure that benefits of the scheme are actually reaching the beneficiaries and the system for transparency and accountability in implementation of the scheme. The DoRD in a written note stated:-

"In order to increase transparency, accountability and monitoring of implementation of NSAP schemes, Ministry with the assistance of NIC has developed a work flow enabled software for the purpose viz. NSAP-MIS. The software captures all the essential processes and includes modules on identification, disbursement of pension, release of funds, verification, sanction of pension, ground for rejection of applications etc.

In July, 2013, Direct Benefit Transfer (DBT) was launched in 121 districts of the country covering 26 States /UTs. This has now been extended to 300 districts. The bank accounts of beneficiaries are being brought under Direct Benefit Transfer (DBT) so that the pension is directly transferred into the account of the beneficiaries by the disbursing office. Data of 88.35% of the beneficiaries has been digitized."

VI. Unspent Balances

1.101 The Outcome Budget (2014-15) of Department of Rural Development reported unspent balances in different schemes as on 31.03.2014 as follows:-

Name of Scheme	Amount
(i) MGNREGA	4406.31
(ii) PMGSY	85.26
(iii) IAY	7161.87
(iv) SGSY (Aajeevika)	2269.00
TOTAL	13922.44

1.102 Asked about the justification for such huge amount of unspent balances of Rs. 13,922.44 crore out of which more than half is in IAY alone, the DoRD in a written note stated as under:-

"MGNREGA: The stipulated 100 days of employment, under MGNREG Act 2005, are vested with the households in the rural areas as a matter of statutory entitlement. Thus, in case of urgency or sudden rise in labour demand, there is a legal onus on the Central Government to provide adequate float of funds to the implementing States to execute schemes under the Act. Therefore, some float of funds is necessary to be kept with the implementing agencies. However, with the concerted efforts of the Ministry, the unspent balance available with the States has come down substantially to the level of Rs.4,406.31 crore as on 31.3.2014.

IAY: Due to elections in four State Assemblies in October- December, 2013 and General Election to Lok Sabha in 2014, the Model Code of Conduct was imposed on 04.10.2013 and 04.03.2014, respectively. Hence expenditure slowed down and there was opening balance of Rs.7,161.87 crore as on 1.4.2014. This opening balance to some extent was also on account of last quarter release of 2013-14 which amounted to Rs. 3,629.65 crore. In addition, Rs. 875 crore were released during 2013-14 for special projects.

NRLM: Out of the total balance of Rs. 2,269 crore under NRLM, a sum of Rs. 1,272 crore pertains to the balances under SGSY which were transferred by the DRDAs to the SRLMs consequent to termination of the SGSY scheme effective from 01.04.2013. These balances are treated as an integral part of NRLM funds effective from 01.04.2013.

PMGSY: The unspent balance under PMGSY as on 1.4.2012 was Rs. 8,885 crore, which was substantially reduced to Rs. 4,761 crore as on 1.4.2013. The unspent balance further came down to Rs. 85.26 crore as on 1.4.2014, as a result of strict financial management"

1.103 When further asked about the measures taken by MoRD to persuade the States to effectively utilize the unspent balances which are over Rs. 13,900 crore, the MoRD in a written note submitted as under:-

"MGNREGA: An Electronic Fund Management System (e-FMS) is being implemented to do away with unspent balance at sub-state level. Implementation of MGNREGA/utilization of funds by the States/UTs under MGNREGA is periodically reviewed in various National and State level performance review meetings and regional review meetings. Among others, States/UTs are requested to follow bottom up approach and realistic estimation of labour demand through household survey of job card holders, reinforcement of demand registration processes so that all those who wish to apply for work under MGNREGA are facilitated and appropriate planning of works and their execution time to ensure adequate worker participation rate in MGNREGA.

IAY: The State Coordinating Officers meetings of IAY are held regularly to review the physical and financial progress. On a quarterly basis, Performance Review Committee Meetings are held in the Ministry with all States to review progress.

The financial and physical progress is monitored through MIS system (AwaasSoft). The States and UTs are advised from time to time to reduce the unspent balance available with them.

NRLM: The major reason for accumulation of balances is the transfer of unutilized SGSY funds from DRDAs to SRLMs after termination of the SGSY scheme from 01.04.2013.

The Ministry has now taken a decision to recover the excess amount of unspent balance available with S.R.L.Ms which are not likely to be utilized during the current financial year. The S.R.L.Ms of 14 States have been requested to surrender the balance in excess of their current year's allocation, the aggregate of which amounts to Rs. 1,303 Crore. No further funds will be released to these S.R.L.M s till they have utilized 60% of the available funds after surrender of the excess balance.

PMGSY: Rural Roads is a State subject and timely completion of PMGSY roads is the responsibility of the respective State Governments. State Governments are advised through various Regional Review meetings & Empowered Committee meetings to take suitable necessary action to expedite timely completion of road works under PMGSY. The following steps in this regard have been taken by the Ministry:

- i. States have been requested to augment executing capacity and contracting capacity and their compliance in this regard is regularly reviewed.
- ii. Bidding document provisions have been rationalized.
- iii. Training is imparted to field engineers and contractors as well as their staff for capacity building.
- iv. Regular and structured review of physical & financial parameters is

conducted at regular interval in various zones for a cluster of states of that zone.

Also, as a pro-active measure, the States which are having huge unspent balance available are not being released any further funds. As a consequence of all these steps, the unspent balances on 1st April, 2012 was Rs. 8,885 crore which was substantially reduced to Rs. 4,671 crore as on 1st April, 2013. The unspent balance further came down to Rs. 85.26 crore as on 1st April, 2014."

VII. OUTSTANDING UTILIZATION CERTIFICATES

1.104 As per the outcome budget 2014-15, a total of 372 utilization certificates are outstanding involving an amount of Rs. 3,171.71 crore, as on 31.03.2014.

1.105 Asked about the efforts of DoRD to pursue the States to furnish the outstanding UCs and also the measures taken to avoid such recurrence in future, the Ministry in a written note stated:-

"As per the extant policy, funds under MGNREGA are released to States/districts in two tranches. The first tranche under MGNREGA is released subject to 50% of the agreed to labour budget (LB) after adjusting opening balance (OB) on the first day of the financial year (FY). The second tranche is released upon utilization of 60% of total available funds subject to submission of Utilisation Certificate (UC) and Audit report (AR) for the previous FY. In case of non submission of UC, funds are not released to the States. With the concerted efforts of the Ministry, only two UCs for an amount of Rs.1.39 crore are pending for the releases made till 31.3.2013.

IAY: The State Governments are directed from time to time to submit UC and reduce the unspent balance through follow up and regular meetings. Sometimes the UCs submitted show incorrect figures, which have to be rectified. This also causes delays. The amount of outstanding UCs which was Rs.158.88 crore as on 1.4.2014 has come down to Rs.36.47 crore as on 30.9.2014. Liquidation of pending UCs is a continuing process. The State can claim second installment only on submission of correct UCs of the previous year.

NRLM: There is a built in provision in the guidelines that the 2nd installment of funds would be released only on submission of Utilization Certificate and Audit Report in respect of funds released during the previous financial year.

Actual expenditure position is constantly monitored in bi-monthly Finance Review meetings and also through the expenditure statements furnished by the SRLMs in the Interim Unaudited Financial Reports (IUFIR).

PMGSY: The funds for the cleared projects are made available to the State Governments in two installments. The first installment amounting to 50% of the cleared value of projects (or Annual Allocation, whichever is lower) is released. The second installment is subject to utilization of 60% of the available funds. States are required to furnish the audited UC of the previous financial year, duly tallied with the Banker's Certificate and provisional UC for the current financial year. No further funds are being released to the States, having expenditure less than 60% in the latest audited UC. In respect of PMGSY, as on date (31st September, 2014) only one UC with an amount of Rs. 5.00 crore is pending. The concerned state is being constantly followed up to liquidate this pendency."

1.106 Further on being asked about the verification of genuineness of utilization certificates, the DoRD in a written note stated:-

"The Utilisation Certificates on the basis of which releases are made require the states to indicate the total available funds which include the opening balance, central share, state share and other receipts. The states are also required to certify that no programme fund has been diverted and there has been no misappropriation of funds under MGNREGA. The Utilization certificates are required to be authenticated by the competent authority of the State Government. The first tranche is, generally, released in the month of April. The second tranche is released upon utilization of 60% of total available funds subject to submission of Utilisation Certificate (UC) and Audit report (AR) for the previous FY. The State Governments are responsible for ensuring efficient fund management not only at the State level, but also at the district/GP/PIA level. The utilization of funds by the States/UTs under MGNREGA is periodically reviewed in various National and State level performance review meetings and regional review meetings and appropriate advisories are issued from time to time. The programme MIS (www.nrega.nic.in) captures the information on expenditure at different levels of implementation of the Scheme. Further, e-FMS facilitates in verifying the consistency of UC and in case of discrepancies in figures, matter is referred back to the State for reconciliation and corrective action. In case of specific complaints of diversion/non-utilisation of funds, NLM, also could be deputed to verify the facts.

IAY: After expenditure of 60% of available funds the State submits proposal for release of 2nd installment. The expenditure reported in the UC is also audited by the Chartered Accountant. In case of discrepancy between UC and audited accounts, the same is returned to the State Government seeking clarifications. In addition, Pay & Accounts Officers of the Ministry inspect the accounts of DRDAs randomly at regular intervals.

An IT enabled implementation and monitoring platform AwaasSoft is currently used to implement and monitor the scheme. It is a work flow based Management Information System(MIS) designed to capture the implementation process through its Target Setting and Fund Management modules.

All data regarding beneficiaries, progress of construction and release of funds, including photographs and inspection reports have to be placed on AwaasSoft and would form the basis for follow up on both the financial and physical progress of the scheme.

National level Monitors and Area Officers of the Ministry visit IAY houses during the field visits to review the progress of the scheme. They interact with beneficiaries and implementing agencies to obtain feedback.

Officers at Block level have to inspect 10% for the houses at each stage of construction. District level officers inspect 2% of the houses at each stage of construction.

NRLM: The financial figures given in the Utilization Certificate are verified from the Audited Statement of Accounts which are submitted by the S.R.L.M s every year.

PMGSY: The funds under PMGSY are released to the States for the projects sanctioned, based upon their demand, unspent balance available, absorption capacity, works in hand and fulfilling of certain condition laid down as per programme guidelines. The funds for the cleared projects are made available to the State Governments in two installments. The first installment amounting to 50% of the cleared value of projects (or Annual Allocation, whichever is lower) is released. The release of second installment to the States is subject to utilization of 60% of the available funds. For release of second installment, states have to ensure that audit of previous financial year is complete and to furnish Utilization Certificate based on such audit, the Ministry in a prescribed format (indicating Opening Balance as on 1st April of the financial year, funds received by the State Government, interest accrued on the available funds, funds utilized by the States and unspent balance available with the States). The validity of the UC furnished by the states for the release of 2nd and subsequent installments is verified on the basis of the scrutiny of:

- i. the audited statement of accounts of the previous year, furnished by the State;
- ii. the bank reconciliation statement furnished by the State;
- iii. the audited balance sheet and updation of “receipt and payment” module on the programme software i.e. OMMAS.

VIII. MONITORING COMMITTEE AND NODAL OFFCIERS

1.107 During examination of Demands for Grants of the Department, the Committee felt the need for having an effective monitoring mechanism for all the schemes of the Government being implemented by the States/UTs and also for appointment of nodal officers to closely monitor the schemes and also allocation of funds.

PART II

OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE

2.1 The Committee take note that the Rule 331G of the Rules of Procedure and Conduct of Business in Lok Sabha relating to examination of Demands for Grants by the Departmentally Related Standing Committees (DRSCs) was suspended by the Hon'ble Speaker, Lok Sabha to enable the House to pass the Demands for Grants for the year 2014-15 without the same being referred to the concerned DRSCs. Hon'ble Speaker, Lok Sabha, however, made observations in the House on 15th and 21st July, 2014 that the Demands would however stand referred to the Standing Committees for examination and report to the House so that the Committees can make suitable recommendations which may be used in the preparation of Demands for Grants for the next year. The Committee have accordingly examined the Demands for Grants of the Department of Rural Development (Ministry of Rural Development). Since the Budget for the year 2014-15 has already been passed by the Parliament, the Committee endorse the same. Nevertheless, the Committee feel that the suggestions and recommendations of the Committee in this Report would help the Department of Rural Development (Ministry of Rural Development) in analyzing their physical and financial performance and implementation of various schemes and projects during the current year and also in preparing the Demands for Grants for the next financial year. The observations and recommendations of the Committee are given in the succeeding paragraphs.

(Recommendation Sl. No. 1, Para No. 2.1)

Demands for Grants 2014-15

2.2 The Committee note that the Demands for Grants of the Department of Rural Development (Ministry of Rural Development) laid on the Table of Lok Sabha on 24 July, 2014 made a provision of Rs.80093.33 crore with Plan component of Rs. 80043.00 crore and non-Plan component of Rs.50.33 crore. The proposed outlay of the Department for the Annual Plan 2014-15 placed before the Planning Commission was Rs.92679.76 crore and the finally approved outlay was Rs. 80043.00 crore for the plan schemes of the Department. The Committee observe that the allocated outlay has been reduced to the extent of Rs. 12637.76 crore with reference to the proposed outlay. While keeping in view the importance of the rural development for inclusive growth, the Committee are constrained to note that as a consequence of the reduced outlay, the physical targets have also been proportionately reduced under the major rural development schemes like Indira Awas Yojana(IAY). Pradhan Mantri Gram Sadak Yojana (PMGSY), National Social Assistance Programme (NSAP) and National rural Livelihood Mission (NRLM), as otherwise the targets could have been fixed at higher levels. The Committee are of the firm opinion that such reduced allocation would affect the implementation of the major schemes and the prospects of the Department in achieving the desired targets during the year 2014-15. The Committee, therefore, recommend that the Ministry should pursue the matter with the Ministry of Finance and Planning Commission for seeking higher allocation by emphasizing the various important parameters which form the basis for allocation for various schemes for the financial year and fully utilise the allocated funds for achieving the plan targets and

effective implementation of the various schemes and programmes for an inclusive rural development in the country.

(Recommendation Sl. No. 2, Para No. 2.2)

Non-utilisation of funds

2.3 The Committee note that during the year 2012-13, the BE of Rs. 73175.00 crore allocated for the plan schemes of the Department was drastically reduced to Rs.52000.00 crore at RE stage and the actual expenditure of Rs.50161.86 was even less than the RE . The Committee further note that even during the year 2013-14, the BE of Rs.74429.00 crore was reduced to Rs.59310.00 crore at RE stage and the actual expenditure was Rs. 58630.15 crore which was less than the RE. The Committee are constrained to observe that during both these years, the reduced allocation and expenditure was largely under some of the major schemes of the Department viz. NRLM, PMGSY and IAY, due to the slow pace of expenditure for various admitted reasons like compulsory uploading of physical and financial progress by the States on the MIS software before release of second instalment, problems of connectivity and capacity to use the MIS, slow progress in construction of houses under IAY, delay in transition from the erstwhile scheme of SGSY to NRLM by the States and inadequate absorption capacity at state level under PMGSY, which are not convincing to the Committee. As a consequence, the Committee while taking a serious view in the matter on the recurrent under-utilisation of funds, are of the firm opinion that the low absorption of funds had adversely affected the targets under the different rural development programmes and also the progress of rural development by hampering the work in some of the major areas of rural connectivity under PMGSY, providing

shelter to the rural needy under IAY and giving self-employment under NRLM schemes. The Committee therefore recommend that the Ministry should make earnest efforts for strengthening the capacities of the States in analysing and overcoming the problems involved in optimum utilisation of allocated funds and also by regular monitoring of the pace of expenditure and flow of funds on the various schemes during the year for the overall improvement in the quality of life in rural areas through employment generation, development of rural infrastructure, providing shelter to the homeless and provision of other basic amenities.

(Recommendation SI. No. 3, Para No. 2.3)

Twelfth Five Year Plan outlay

2.4 The Committee was informed that the Twelfth Five Year Plan outlay for the Department of Rural Development is Rs.399926.00 crore which is 105% higher than the approved outlay of Rs.194933.28 crore for the 11th plan and 44% higher than the actual expenditure of Rs.278561.77 crore during the 11th plan. However, while observing the huge reduction in the allocated funds at RE stage and expenditure being even less than the RE during the first two years of the twelfth five year plan viz. 2012-13 and 2013-14, the Committee are apprehensive about the full utilization of total funds allocated for the twelfth plan during the remaining three years of the plan period. Admittedly, the Department has to take initiatives for enhancement of capacity building to increase the absorption capacity of the States/UTs besides strengthening the monitoring mechanism. The Committee feel that rapid growth in rural development sector during the twelfth plan period can be achieved through a strategy to allocate adequate financial resources for achieving the plan targets with effective implementation of the various important schemes and programmes for rural

employment, rural infrastructure and social welfare. The Committee, therefore, recommend that the Ministry should make vigorous efforts to develop a mechanism for providing appropriate assistance and guidance regularly to the States/UTs for improving their capacities and rationalisation of processes with a view to ensure full utilization of funds during the twelfth plan period and to achieve the targets with timely implementation of the schemes in effective manner for all inclusive rural development. The Committee desire that the monitoring and evaluation of implementation of the various schemes of the Department should be carried out regularly for assessing the progress of the schemes and corresponding utilization of funds. Such regular monitoring will also enable the Govt. to detect the lapses and take remedial action in time. The Committee expect the Ministry to take concrete steps in this regard.

(Recommendation SI. No. 4, Para No. 2.4)

Unspent balances and Outstanding Utilisation certificates

2.5 The Committee observe that the amount of unspent balances in different schemes has been to the extent of Rs.13922.44 crore and a total of 372 utilisation certificates involving an amount of Rs.3171.71 crore have been outstanding as on 31.03.2014. The Committee observe that more than half (Rs.7167.87 crore) of the total amount of unspent balances is under Indira Awas Yojana Scheme alone while Rs.4406.31 crore unspent balance is under MGNREGA, Rs.2269.00 crore is under Aajeevika and Rs. 85.26 crore is under PMGSY. The Committee are constrained to note that such huge amount of unspent balances in some of the major schemes for rural development adversely affect the rural population particularly in the areas of wage employment, all-weather rural connectivity, institution building and basic housing to the needy people for whom the budgetary allocations were oriented and

reflect lack of planning and foresight both at Centre and State level. The Committee are therefore of the view that the Ministry should not feel complacent simply by releasing the allocated funds and thereafter leaving the whole gamut of affairs to the States/UTs with regard to the utilisation of funds and implementation of the schemes/programmes. No reason can justify such huge amount of unspent balances in the areas which are at the core of sustainable growth of the economy. The Committee while taking a very serious view on huge accumulation of unspent balances, strongly recommend that at least now the Ministry should take pro-active measures and devise a strategy by which all implementing agencies including States/UTs should be bound to achieve the physical as well as financial targets during the financial year to avoid unspent balances in future.

(Recommendation SI. No. 5, Para No. 2.5)

2.6 The non-submission of utilization certificates by the respective States/UTs is another area of serious concern to the Committee as further processes are often held up for want of such certificates which may result in stalling of the progress in implementation of important schemes having direct impact on the poor and needy class of people. The Committee therefore recommend that the Ministry must develop a mechanism for getting the utilization certificates in time. The Ministry should also take up such issues with the highest functionary in the States/UTs for getting the desired results. Nodal officers may be appointed for the purpose of looking after a group of States.

(Recommendation SI. No. 6, Para No. 2.6)

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

2.7 The Committee note that MGNREGA is a rights based wage employment programme implemented in rural areas of the country. This programme aims at enhancing livelihood security of people in rural areas by providing not less than 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work. The Committee was informed that the Act now covers all the rural districts (644) of the country. The Committee note that the proposed allocation for MGNREGA during twelfth plan was Rs.358764.00 crore and the allocation actually provided by the Planning Commission is Rs. 165059.00 crore which is less than half the amount of the proposed allocation. The allocation at BE stage for the years 2012-13 and 2013-14 was Rs 33000 crore for each of these two years which was subsequently reduced at RE stage to Rs.29387 crore for 2012-13 and Rs. 31000 crore for 2013-14. The Committee have been informed that during the current financial year 2014-15, against BE of Rs.34000 crore, an amount of Rs. 20722.77 crore has been released to States/UTs and as per the trend of expenditure, additional requirement of Rs.4000 crore has been made at RE stage. Keeping in view the likely revision of wage rate and expected increase in outreach of households, the Committee are constrained to note that the allocation made for the current year does not appear to be sufficient for effective implementation of the scheme. The Committee, therefore, recommend that the Department should pursue with the Ministry of Finance and Planning Commission for higher budgetary allocations of funds for MGNREGA scheme so that the inadequacy of funds could not be a ground and a reason for slippage in achieving the objectives of the scheme.

(Recommendation Sl. No. 7, Para No. 2.7)

Assessment of Durability and Quality of Assets and status of convergence of MGNREGA with other schemes of the government

2.8 The Committee have been informed that utility and durability of the MGNREGA assets have been confirmed through perception surveys of beneficiaries and stakeholders and as per one of the survey rounds of National Sample Survey Organization (NSSO), the States of Andhra Pradesh, Madhya Pradesh and Rajasthan were using the assets created through MGNREGA works. As regards the status of convergence of MGNREGA with other schemes of the government, the Committee have been informed that 21 States/UTs have submitted their state convergence plans. The Committee are constrained to note that only a few States have confirmed the utility and durability of assets under MGNREGA. The Committee feel that such an assessment based on perception surveys of beneficiaries and stakeholders may not reflect the correct figures. The Committee, therefore, recommend that a thorough independent assessment should be done in all the States for collection of authentic information about durability and quality of assets created under MGNREGA. The Committee also recommend that durable assets created through the funds allocated should be taken stock of and reflected in different data tables. Keeping in view the need to optimize public investment in rural areas, the Committee desire that the Ministry should persuade all the remaining States/UTs for submission of their state convergence plans and expedite the convergence of MGNREGA scheme with other schemes of the Government for addressing the socio-economic problems of rural population in an integrated manner.

(Recommendation SI. No. 8, Para No. 2.8)

Wage employment to rural households

2.9 The Committee observe that the implementation status report of MGNREGA reveals that out of 12.78 crore job cards issued during 2012-13, 5.14 crore households have demanded employment but 4.98 crore households had been provided employment and only 51.40 lakh households had completed 100 days of employment. The situation was not different in the year 2013-14 when out of 13.12 crore job cards issued, 5.17 crore households had demanded employment, 4.75 crore were provided employment and only 45.78 lakh households could get 100 days of employment. The Committee are dismayed to note that during the last two years, while less than 50% of the total job card holder households had demanded employment, the number of households who were actually given employment was much less than that. Shockingly, those who had completed 100 days of employment during the last two years have been at dismally low level which exposes the efficacy of the programme. It becomes all the more alarming when level of under-employment in the country is estimated at more than 6.6 billion person days on per annum basis causing distress migration of the rural population. The substantial decline in the physical performance during the years 2012-13 and 2013-14 where 25.60 lakhs works were completed against the total of 106.51 lakhs works taken up in 2012-13 and 19.70 lakh works completed against the total 138.49 lakhs works taken up in 2013-14 clearly indicates the failure of the scheme. The Committee, therefore, desire the Ministry to undertake an exercise to completely review the scheme to find out the reasons for such dismal progress at ground level resulting in non-achievement of the objectives for which MGNREGA was launched and to take corrective and remedial measures to make the scheme successful in future.

2.10 The processes in other areas in the implementation of MGNREGA Scheme are also very much disappointing. The various issues like complaints of corruption in implementation of the scheme, delay in payment of wages, lack of physical checks and verification, lack of accountability etc. are the serious issues which need to be addressed timely and effectively by the Ministry. Since the primary objective of MGNREGA is to enhance the livelihood security of the rural household by providing minimum 100 days of guaranteed wage employment in a year to every household on demand for doing unskilled manual work, the Committee are of the firm opinion that the ground level problems unless they are dealt with dispassionately, will not allow the scheme to take off in the manner desired. For this purpose, the Committee feel that a well defined mechanism is needed to be put in place not only for monitoring the scheme but also ensuring the transparency and fixing the accountability and responsibility. The Committee expect the Ministry to take immediate measure in this regard.

PMGSY

2.11 The Committee note that the proposal of the Department for PMGSY during XIIth Plan (2012-2017) was for Rs. 2.03 lakh crore while the amount actually allocated by the Planning Commission was Rs.1.05 lakh crore out of which the outlay for first three years of current Plan period is only Rs. 60091 crore. The Committee further note that during the year 2012-13, the BE of Rs.24000 crore was reduced at RE stage to Rs. 10000 crore and similarly, during the year 2013-14, the BE of Rs. 21700 crore was reduced to Rs.9807 crore at RE stage. The Committee also note that BE for the year 2014-15 is Rs. 14391 crore which is lower by Rs. 7309 crore in comparison to the amount of BE for the year 2013-14. The Committee are seriously concerned to observe

that during both the years, funds allocated at BE stage were drastically reduced by more than 50% at the RE stage. The admitted reasons are unspent balances, interest accrual, expenditure trends of States and overall fiscal considerations but the fact remains that the reduction had an adverse impact on mobilization of men and materials for construction/upgradation of PMGSY roads and on timely completion of the projects. The Committee therefore recommend timely placing of demands for funds by the States and also timely release of funds to the implementing agencies. The Committee are of the firm opinion that it was more the lack of coordination and absence of effective monitoring that has led to the situation of reduction in allocation than any substantial issue and therefore, it was for the Ministry to ensure that all the issues relating to the scheme were comprehensively addressed in time. The Committee, therefore, recommend that the Ministry should strengthen its mechanism not only to avoid such reduction of allocation in future but also to ensure optimum utilization of funds during the financial year. The Committee expect that the Ministry will take urgent necessary steps in this regard.

(Recommendation Sl. No. 11, Para No. 2.11)

Quality Inspection Mechanism - SQM & NQM

2.12 The Committee note that under PMGSY, the maintenance and repair of roads is the responsibility of the respective State Governments. PMGSY has a 3 tier quality inspection mechanism. First tier inspection of all PMGSY roads is done by contracting agencies & PIUs, second tier by State Quality Monitors (SQMs) & 3rd tier by National Quality Monitors (NQMs). The Committee are constrained to observe from the details of inspection of roads under PMGSY during the last three years i.e. from March, 2011 to March, 2014 that out of the total inspection of 1727 completed works by NQMs, 259 works have been reported to be unsatisfactory and out of 6551 ongoing works inspected, 1267 works have been reported to be unsatisfactory. Keeping in view the importance of rural connectivity of roads, the Committee desire to be apprised of the

reasons for the unsatisfactory completion of the various works, the irregularities involved and the remedial action taken therefor by the concerned authorities. The Committee strongly feel that unless a mechanism of fixation of responsibility and accountability is not put in place, the various problems and malpractices in implementation of the scheme will not be effectively cured and, therefore, the Committee recommend that a mechanism be devised by the Ministry whereby responsibility and accountability could be straightway fixed on the erring agencies and individuals and punitive action taken against them. The Committee also recommend that the suggestions and recommendations of the public representatives should also be taken into account while considering proposals for construction of roads under the PMGSY scheme.

(Recommendation Sl. No. 12, Para No.2.12)

Left Wing Affected IAP Districts

2.13 The Committee are dismayed to note that as per the progress report of PMGSY works in Integrated Action Plan (IAP) blocks, the construction of roads and providing connectivity to the habitations have been far from satisfactory. The specific problems and issues faced by the IAP, hilly and tribal areas have been reported to be inadequate execution and contracting capacity, difficult hilly terrain, non availability of materials and unfavourable weather conditions. The Committee feel that the States of left-wing IAP Districts are the most vulnerable areas of our country and requisite facilities and appropriate relaxations should be given expeditiously to facilitate connectivity in IAP areas. The Committee also note that the pace of construction of roads in States such as Manipur, Mizoram, Meghalaya, Nagaland and Odisha is at a very slow pace. While stressing the need of immediate construction of roads under PMGSY in IAP areas, the Committee recommend that appropriate measures should be urgently taken by the

Ministry for redressal of the difficulties being faced by the inhabitants in these areas and necessary relaxations may be given to facilitate connectivity in IAP districts for achieving the targets. The Committee also desire that the Ministry should coordinate with and seek the assistance of other concerned Ministries/Departments wherever required, in dealing with the various problems in IAP Districts.

(Recommendation Sl. No. 13, Para No.2.13)

Shortfall in Achievements

2.14 The Committee note that against the target of 30000 km of road length, only 24161 km was achieved in 2012-13 and the shortfall was to the extent of 5839 km. Further, even during the year 2013-14, 25316 km of road length was achieved as against the target of 27000 km and there was a shortfall of about 1684 km. The Committee are concerned to note the extent of huge shortfall in achieving the desired targets for road length for rural connectivity. The Committee while emphasising the need to strengthen the capacities of the States, recommend that the Ministry should make earnest efforts to provide proper guidance and assistance to the States for adequately enhancing their absorption and contracting capacities for an effective implementation of the scheme in achieving the desired targets. The Committee further recommend that the process of appointment of contractors should be rationalized and rural connectivity should cover the inhabitations of weaker sections of society.

(Recommendation Sl. No. 14, Para No.2.14)

Redressal Mechanism for Complaints about Irregularities

2.15 The Committee observe that there have been complaints from time to time about various irregularities including sub-standard works under PMGSY scheme and during the last two years of 2012-13 and 2013-14, a total of 76 complaints were

received by the Ministry, out of which 2 were sent to the concerned State governments for conducting enquiry and taking necessary action and NQMs were deputed for the rest 74 complaints. Irregularities were noticed in 40 cases which were sent to the concerned State Governments for rectification purposes. While taking a serious view in the matter, the Committee are of the opinion that the Ministry should take necessary follow up action and vigorously pursue the matter with the concerned authorities to expedite the enquiries so that appropriate action can be taken against the persons held responsible for such irregularities. The Committee desire to be apprised of the follow up action taken and the outcome thereof in the matter. The Committee also feel that there is a requirement of a mechanism through which the rural people could lodge complaints about the quality of work done, faults therein, repair of roads and various other grievances so that the Ministry could get timely and actual feedback which will enable the Department to take remedial corrective measure in time. The Committee recommend that appropriate steps may be taken in this regard.

(Recommendation SI. No. 15, Para No.2.15)

Indira Awaas Yojana(IAY)

2.16 The Committee was informed that Rs. 16000 crore was allocated for the Indira Awas Yojana scheme (IAY) during the year 2014-15. IAY beneficiaries receive an additional assistance in many States ranging from Rs. 5,000 to Rs. 3.25 lakh. The Committee note that during the year 2012-13, the budgetary allocation of Rs.11075 crore was reduced to Rs.9024 crore and the actual expenditure of Rs.7868.76 crore was even less than the RE. Further, against the target of construction of 30.10 lakh houses, only 21.86 lakhs houses were constructed. The Committee further note that even during the year 2013-14, BE of Rs.15184 crore was reduced to Rs.13184 crore

and the actual expenditure of Rs.12983.64 was again less than the RE. Further, 15.92 lakhs houses were constructed against the target of 24.81 lakh. The Committee are thus unhappy to note that there has been a drastic decline in the physical and financial performances under the scheme during both the years 2012-13 and 2013-14 and such a huge decline in the performance of the scheme must have affected one of the basic amenities of providing shelter to the needy rural people. The Committee therefore recommend that the Ministry should develop a mechanism for providing guidance and all necessary assistance to the State governments to overcome the various hurdles involved for optimum utilisation of funds and achieving the targets while implementing the scheme. The Committee hope that the Ministry will make earnest efforts to utilize fully the allocated funds to achieve the objective of providing shelter to the poor households in rural areas of the country.

(Recommendation Sl. No. 16, Para No.2.16)

Role of Gram Panchayats in Implementation of IAY

2.17 The Committee note that as per the IAY guidelines, the Gram Panchayats have an important role in the actual implementation of the scheme, like facilitating the participatory identification of the eligible beneficiaries for ensuring maximum participation in the Gram Sabha, accessing materials required for construction, providing help to families who cannot construct houses on their own, etc. The Committee feel that village panchayats should also ensure convergence of schemes using resources over which they have command like MGNREGA, BRGF, State and Central Finance Commission grants, etc. and therefore the Committee desire that the Village Panchayats should conduct an Information, Education and Communication (IEC) campaign through various fields of Government, Bharat Nirman Volunteers,

Self-Help Groups (SHGs) and Civil Society Organizations in order to create awareness about the scheme. The Committee recommend that the Gram Sabhas/Village Panchayats should play a pro-active role in effective execution of the scheme and regularly monitoring its progress so that the needy and deserving rural families get the actual benefit of the scheme.

(Recommendation Sl. No. 17, Para No.2.17)

Difficulties faced to Avail Loans

2.18 The Committee note that there have been various difficulties faced by the beneficiaries to avail loans under the scheme. Difficulties like eligibility in respect of income ceiling and land holdings, poor repaying capacity of the beneficiaries, etc. have been reported by the Ministry. The Committee desire that the Ministry should take necessary steps to facilitate the beneficiaries in taking loans by providing all the necessary assistance and should ensure that the various hardships being faced by them are appropriately resolved. The possibility of giving necessary relaxations may also be explored for timely availability of funds to the needy families so that the beneficiaries should be able to have a shelter for their own under the IAY scheme.

(Recommendation Sl. No. 18, Para No.2.18)

2.19 On the issue of huge unspent balances in IAY to the tune of Rs. 7161.87 crore, the Committee are constrained to note that slow pace of implementation was the main hurdle for failing to utilize the funds fully. The Committee recommend the DoRD to make efforts to minimize the quantum of unspent balance as the allocated funds are meant for the poor families who are in dire need of a roof on their heads. Further, the construction of a house in IAY scheme should be carried out by the beneficiary

himself / herself and in the case of beneficiaries above 60 years of age and persons with disabilities who may not be able to withstand the strain of supervising construction, necessary assistance may be provided by the Government if such a request is made in writing.

(Recommendation Sl. No. 19, Para No. 2.19)

Mission 2022 – Revamping IAY

2.20 The Committee was informed that keeping in view the Government's announcement for providing pucca house to all by the year 2022, the Ministry has undertaken the task of revamping IAY scheme with a mission approach. The Committee was also informed that IAY guidelines have been revised with effect from 1st April, 2013 in consultation with experts in the Sector and various State Governments for making the scheme flexible and some of the new major initiatives intend to give priority to vulnerable categories, 4% administrative cost, AwaasSoft, Rural Housing Knowledge Network (RHKN), etc. The Committee are also informed that Rural Housing Knowledge Network (RHKN) was launched in July, 2012 in collaboration with IIT, Delhi with the objective of compiling a comprehensive nationwide updatable repository of practitioners, institutions and practices related to affordable and sustainable solutions for rural housing and to develop a multi-lingual web portal in the public domain. The Committee desire that all the new initiatives taken to revamp the IAY scheme should be used for making the scheme flexible for effective implementation and also for better understanding of the grass-root level problems in different geo-climatic zones of the country. The Committee recommend that comprehensive and prospective planning with all inclusive estimated data should be done with regard to providing of pucca house to all by the target year of 2022.

(Recommendation Sl. No.20, Para No. 2.20)

BPL Survey

2.21 The Committee are of the considered view that there has been an inordinate delay in completion of SECC, 2011 and it has further caused hardship and worry to the needy in rural areas of the country. The Committee note that first three stages have been completed as on 25.10.2014 in 359 districts in 26 States and a 'Draft List' has been published. The Committee recommend that the Ministry should persuade the States/UTs to expedite the completion process of SECC, 2011. The Committee further recommend the Ministry to be discerning in selection of genuine BPL/beneficiary families to ensure transparency and people's participation with proper verification of genuineness of household data collected under SECC. The Committee were informed that the Ministry held consultations on the issue of finalization of methodology with organizations in the related field including Planning Commission, Registrar General of India, National Sample Survey Organization (NSSO), State Governments, experts and civil society organizations. The Committee recommend the Ministry to further take expert advice of the above organizations which would facilitate the formulation of superior Social Welfare scheme for the needy rural populace of the country. If need be public representatives may also be involved to identify the needy persons.

(Recommendation Sl. No.21, Para No. 2.21)

National Rural Livelihood Mission (NRLM) - Aajeevika

2.22 The Committee note that for the 12th Plan period, an amount of Rs.29006 crore was approved against the proposed outlay of Rs.48107 crore. The BE of Rs.3915 crore for the year 2012-13 was reduced at RE stage to Rs.2600 crore and the expenditure of Rs.2195.39 crore was even less than the allocation at RE stage . Again, the BE of Rs.4000 crore for the year 2013-14 was reduced to Rs.2600 crore at RE stage but the expenditure of Rs.1822.11 crore was much less than the RE. The allocation for the

year 2014-15 at BE stage is Rs. 4000 crore. The Twelfth plan outlay which includes a provision of Rs.5000 crore from World Bank funded National Rural Livelihood Project which on its restructuring in May, 2013 has got a reduced outlay of Rs.3000 crore. The Committee are unhappy with such reduction at RE stage and also with the level of expenditure being even less than the RE. The Committee would therefore like the Ministry to take appropriate steps to avoid such reduction in future so that the fundamental purpose of the scheme is not defeated.

(Recommendation Sl. No.22, Para No. 2.22)

2. 23 The Committee note that the Swarnjayanti Gram Swarojgar Yojana (SGSY) on being restructured was named as National Rural Livelihood Mission (NRLM) subsequently renaming it as “Aajeevika” which was formally launched on 3rd June, 2011. The committee note that all States except Goa have transited to NRLM, while among the UTs, only Puducherry has transited to NRLM. As informed to the Committee, Goa and the remaining Union Territories (except Chandigarh and Delhi) are expected to transit to NRLM in 2014-15. The Committee recommend that the Ministry should take up the matter with the State of Goa and remaining UTs to expedite their action plans and overall preparedness for early transition from SGSY to NRLM. The Committee may be apprised of the steps taken in the matter.

(Recommendation Sl. No. 23, Para No. 2.23)

Footprint of NRLM - Aajeevika

2.24 The Committee note that various Self Help Groups(SHGs) have been formed in States of Chhattisgarh, Jharkhand, Maharashtra, Madhya Pradesh, Rajasthan, Haryana and Jammu & Kashmir and these States are collectively implementing the resource

block strategy in 47 blocks spread across 39 districts and these States have promoted/strengthened 17727 SHGs in 2485 villages in these blocks. The Committee desire that all the States should be encouraged to establish SHGs at different levels for strengthening and scaling up of the programme which should be community driven.

(Recommendation SI. No. 4, Para No. 2.24)

National Social Assistance Programme (NSAP)

2.25 The Committee observe that the National Social Assistance Programme (NSAP) is a programme for poor BPL households- for the aged , widows and disabled. The programme also includes provision for one time assistance in the case of death of the primary bread earner in the BPL family. The NSAP basically comprises of Indira Gandhi National Old Age Pension scheme, Indira Gandhi National Widow Pension Scheme, Indira Gandhi National Disability Pension scheme, National Family Benefit scheme and Annapurna. While taking into account the socio-economic fabric of the society, the Committee strongly feel that there is a need for reduction in eligibility conditions, more so in respect of widows from the present 40 years to 18 years and enhancing the quantum of pension under these schemes. The Committee expect that the Ministry will take concrete steps in this regard and apprise the action taken in this regard.

(Recommendation SI. No. 25, Para No. 2.25)

Monitoring Mechanism and Nodal Officer

2.26 The Committee in the process of examination of Demands for Grants find that non-submission/incomplete submission plans by States/UTs, slow response and a pathetic attitude by the functionaries, non-utilization of allocated funds, lack of technical staff, delay in submission of utilization certificates, etc. are some of the constraints faced in the effective implementation of the schemes. Unfortunately, the existing monitoring mechanism for ensuring transparency and fixation of responsibility in all the centrally sponsored schemes had not been very effective to bring the desired improvements. The Committee, therefore, strongly recommend the Ministry to revamp the entire monitoring mechanism which could not only boost up the speed of implementation of schemes but also bring transparency and accountability in the process at all levels. Further, effective steps need to be taken for holding regular monthly meetings of Performance Review Committee for getting regular feedback about the progress of the Scheme from different sources. The Management Information System (MIS), External Monitoring through field visits by Area Officers and the feedback of Vigilance and Monitoring Committees could be some of the tools which may be used for bringing improvement in the processes. The Committee express their dissatisfaction that the new initiatives taken by the Ministry like AwaasSoft, e-FMS, e-Muster, CPGRAM, etc. have not been able to bring the desired impact. The Committee feel that taking timely remedial action will be possible only when there is a well defined mechanism of getting real time data/information from different sites of execution of the schemes but this is not happening as the Ministry do not have its own Nodal Officers at different levels who could constantly monitor the progress of the schemes and report immediately to the Govt. for further necessary action. The Committee is, therefore, of the strong opinion that Nodal Officers should be appointed by the Ministry at different levels for not only conducting concurrent physical verification of the status of implementation of various programmes, it asserts but also to keep a close watch over the utilization of funds by the States. Such Nodal Officer should be mandated to have effective coordination with the State Governments and to directly report all the developments to the Central Government so that any problem occurring in the process of implementation of schemes be

effectively and timely addressed by the controlling authorities/Ministry. The Committee is confident that appointing Nodal Officers will bear immediate result and will be able to iron out the various difficulties which have crept into the system.

(Recommendation Sl. No. 26, Para No. 2.26)

NEW DELHI;
18 December, 2014
27 Agrahayana, 1936 (Saka)

Dr. P. VENUGOPAL
Chairperson,
Standing Committee on Rural Development

STANDING COMMITTEE ON RURAL DEVELOPMENT (2014-2015)
MINUTES OF THE SECOND SITTING OF THE COMMITTEE HELD ON
WEDNESDAY, THE 24 SEPTEMBER, 2014

The Committee sat from 1130 hrs. to 1340 hrs. in Committee Room No. '53', First Floor, Parliament House, New Delhi.

PRESENT

Dr. P. Venugopal

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Chairperson

Members

Lok Sabha

2. Shri Sisir Kumar Adhikari
3. Shri Kirti Azad
4. Shri Biren Singh Engti
5. Shri Jugal Kishore
6. Shri Manshankar Ninama
7. Shri Mahendranath Pandey
8. Shri Prahlad Singh Patel
9. Shri Gokaraju Ganga Raju
10. Shrimati Butta Renuka
11. Dr. Yashwant Singh
12. Shri Balka Suman
13. Shri Ajay Misra Teni

Rajya Sabha

14. Shri Munquad Ali
15. Shri Gulam Rasool Balyawi
16. Shri Ram Narain Dudi
17. Shri Mahendra Singh Mahra
18. Prof. Saif-ud-Din Soz

SECRETARIAT

1. Shri Abhijit Kumar - Joint Secretary
2. Smt. Veena Sharma - Joint Secretary
3. Smt. B. Visala - Additional Director
4. Smt. Meenakshi Sharma - Deputy Secretary

Representatives of Department of Rural Development

1. Shri L.C.Goyal	-	Secretary
2. Shri S.M.Vijayanand	-	Additional Secretary
3. Smt. Seema Bahuguna	-	AS & FA
4. Shri T.Vijay Kumar	-	Additional Secretary
5. Ms. Sudha P.Rao	-	Chief Economic Advisor
6. Shri R.Subrahmanyam	-	Joint Secretary
7. Smt.Aparajita Sarangi	-	Joint Secretary
8. Smt. Vijaya Srivastava	-	Joint Secretary
9. Shri Rajesh Bhushan	-	Joint Secretary
10. Dr. A.Santhosh Mathew	-	Joint Secretary
11. Shri Atal Dulloo	-	Joint Secretary
12. Dr. N.K.Sahu	-	Eco. Adviser
13. Shri P.K.Mukhopadhyay	-	Adviser
14. Shri N.C.Solanki	-	Director (NRRDA)

2. At the outset, the Chairperson welcomed the members of the Committee and apprised them that the sitting had been convened to take briefing by the representatives of the Ministry of Rural Development (Department of Rural Development) in connection with examination of the Demands for Grants (2014-15) of the Department.

[Witnesses were then called in]

3. The Chairperson then welcomed the representatives of the Department of Rural Development to the sitting and read out Direction 55 (1) of the Directions by the Speaker regarding confidentiality of the proceedings. After permission from the Chairperson, the Secretary, Department of Rural Development made a Power Point presentation on various issues viz. Budget (Plan) Overview including Plan Budget allocations for various schemes; objectives and initiatives of the schemes of the Department, problems faced in implementation thereof, lack of adequate funds, need for higher allocation for some schemes etc. The Committee sought clarifications especially regarding the need to reduce the age of widows to 18 years for eligibility under National Social Assistance Programme (NSAP); low level of coverage under MGNREGA scheme, fixation of accountability for transparency; lack of physical verification in Pradhan Mantri Gram Sadak Yojana (PMGSY) scheme and need for review of multiconnectivity of roads; issue of corruption in Indira Awas Yojana (IAY) scheme; review of coastal life in rural areas; benefits of various schemes not reaching beneficiaries; lack of proper BPL survey; need for optimum utilization of funds etc. These issues were replied to by the officers of the Department. The queries on which the information was not readily available, the Committee directed the representatives of the Department of Rural Development to furnish written replies thereto.

[The representatives of Department of Rural Development then withdrew]

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

The Committee then adjourned.

STANDING COMMITTEE ON RURAL DEVELOPMENT (2014-2015)

**MINUTES OF THE NINTH SITTING OF THE COMMITTEE HELD ON
WEDNESDAY, THE 19 NOVEMBER, 2014**

The Committee sat from 1100 hrs. to 1330 hrs. in Committee Room No. G-074, Ground Floor, Parliament Library building (PLB), New Delhi.

PRESENT

Dr. P. Venugopal -- *Chairperson*

MEMBERS

LOK SABHA

2. Shri Sisir Kumar Adhikari
3. Shri Kirti Azad
4. Shri Mahendra Nath Pandey
5. Dr. Ramesh Pokhriyal "Nishank"
6. Shri Gokaraju Ganga Raju
7. Shrimati Butta Renuka
8. Shri Ajay Misra Teni
9. Adv. Chintaman Navasha Wanaga
10. Shri Vijay Kumar Hansdak

RAJYA SABHA

11. Shri Ram Narain Dudi
12. Shri Mahendra Singh Mahra
13. Shri A.K. Selvaraj

SECRETARIAT

- | | | | |
|----|-----------------------|---|---------------------|
| 1. | Shri Abhijit Kumar | - | Joint Secretary |
| 2. | Shri R. C. Tiwari | - | Director |
| 3. | Smt. B. Visala | - | Additional Director |
| 4. | Smt. Meenakshi Sharma | - | Deputy Secretary |

Representatives of Ministry of Rural Development
(Department of Rural Development)

- | | | | |
|-----|------------------------|---|--|
| 1. | Shri L. C. Goyal | - | Secretary |
| 2. | Shri S.M. Vijayanand | - | Additional Secretary |
| 3. | Smt. Seema Bahuguna | - | Additional Secretary & Financial Adviser |
| 4. | Shri T. Vijay Kumar | - | Additional Secretary |
| 5. | Ms. Sudha P. Rao | - | Chief Economic Adviser |
| 6. | Smt. Vijaya Srivastava | - | Joint Secretary |
| 7. | Shri Rajesh Bhushan | - | Joint Secretary |
| 8. | Shri Atal Dulloo | - | Joint Secretary |
| 9. | Smt. Aprajita Sarangi | - | Joint Secretary |
| 10. | Dr. N.K. Sahu | - | Economic Adviser |

2. At the outset, the Chairperson welcomed the members of the Committee to the sitting convened to take evidence of the representatives of the Department of Rural Development (Ministry of Rural Development) in connection with examination of the Demands for Grants (2014-15) of the Department.

[Witnesses were then called in]

3. After welcoming the witnesses, the Chairperson read out Direction 55 (1) of the Directions by the Speaker regarding confidentiality of the proceedings. Thereafter, the Chairperson in his opening remarks highlighted the issue of unspent balances under the schemes of the Department viz. Indira Awaas Yojana (IAY) and Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and their slow pace of implementation. After permission from the Chairperson, Secretary, Department of Rural Development (Ministry of Rural Development) made a Power Point presentation on new initiatives taken under Centrally Sponsored Schemes highlighting *inter-alia* physical & financial performance of the schemes, huge unspent balance lying with the States, slow pace of schemes/programmes of the Ministry, monitoring mechanism etc. Some of the issues discussed included monitoring through Social Audit, uploading information on MIS Software, reducing eligibility age of widows in Indira Gandhi National Widow Pension Scheme IGNWPS etc. The Members emphasized the need for appointment of Nodal officers for monitoring in the Plan execution of the Schemes and reporting the facts to the

Government which will help in fixing responsibility for lapses if any, in implementation of Centrally Sponsored Schemes. The Members also sought clarifications which were replied to by the witnesses. On those queries on which the information was not readily available, the Department was directed to furnish written replies to the Secretariat.

[The witnesses then withdrew]

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

The Committee then adjourned.

STANDING COMMITTEE ON RURAL DEVELOPMENT
(2014-2015)

**MINUTES OF THE ELEVENTH SITTING OF THE COMMITTEE HELD ON
TUESDAY, THE 16 DECEMBER, 2014**

The Committee sat from 1500 hrs. to 1600 hrs. in Committee Room No. G-074, Ground Floor, Parliament Library building (PLB), New Delhi.

PRESENT

Dr. P. Venugopal -- *Chairperson*

MEMBERS

LOK SABHA

2. Shri Mahendra Nath Pandey
3. Shri Prahlad Singh Patel
4. Dr. Ramesh Pokhriyal "Nishank"
5. Shri Gokaraju Ganga Raju
6. Dr. Anbumani Ramadoss
7. Dr. Yashwant Singh
8. Shri Balka Suman
9. Shri Ajay Misra Teni
10. Adv. Chintaman Navasha Wanaga

RAJYA SABHA

11. Shri Gulam Rasool Balyawi
12. Shri Ram Narain Dudi
13. Shri Mahendra Singh Mahra
14. Shri Ranvijay Singh Judev
15. Dr. Vijaylaxmi Sadho
16. Shri A. K. Selvaraj
17. Smt. Kanak Lata Singh

SECRETARIAT

- | | | | |
|----|-----------------------|---|---------------------|
| 1. | Shri R. C. Tiwari | - | Director |
| 2. | Smt. B. Visala | - | Additional Director |
| 3. | Smt. Meenakshi Sharma | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the members of the Committee to the sitting convened for consideration and adoption of four draft reports on Demands for Grants 2014-15. The Hon'ble Chairperson also welcomed Dr. Vijaylaxmi Sadho, MP on her nomination as Member to the Committee.

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4. The Committee then took up for consideration the following draft reports:

(i) Draft Report on Demands for Grants (2014-15) of the Ministry of Rural Development (Department of Rural Development);

(ii) X X X X X X X

(iii) X X X X X X X; and

(iv) X X X X X X X

After discussing the Draft Reports in detail, the Committee adopted the aforesaid four Draft Reports. The Committee also authorized the Hon'ble Chairperson to finalize these Draft Reports taking into consideration consequential changes arising out of factual verification, if any, by the concerned Ministry/Department and to present the same to both the Houses of Parliament.

The Committee then adjourned.

X Relevant portion of the Minutes not related with the subject have been kept separately.