

STANDING COMMITTEE ON RURAL DEVELOPMENT

(2015-2016)

24

SIXTEENTH LOK SABHA

MINISTRY OF PANCHAYATI RAJ

**Demands for Grants
(2016-17)**

TWENTY FOURTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

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(2015-2016)

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Demands for Grants
(2016-17)

Presented to Lok Sabha on 02.05.2016

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LOK SABHA SECRETARIAT

NEW DELHI

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(ii)

COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT (2015-2016)

Dr. P. Venugopal -*Chairperson*

MEMBERS

Lok Sabha

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

Rajya Sabha

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

SECRETARIAT

1. Shri Abhijit Kumar - Joint Secretary
2. Shri A.K. Shah - Director
3. Smt. B. Visala - Additional Director
4. Shri Rajneesh Kumar Saxena - Senior Committee Assistant

* Vacancy caused due to retirement of Shri Ashwani Kumar on 09.04.2016

(iii)

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2015-2016) having been authorised by the Committee to submit the Report on their behalf, present the Twenty-Fourth Report on Demands for Grants (2016-17) of the Ministry of Panchayati Raj.

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 evidence of the representatives of the Ministry of Panchayati Raj on 22 March, 2016.

4. The Report was considered and adopted by the Committee at their sitting held on 29 April, 2016.

5. The Committee wish to express their thanks to the officials of the Ministry of Panchayati Raj 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;
29 April, 2016
09 Vaisakha, 1938 (Saka)

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

ABBREVIATIONS

3Fs	Functions, Functionaries and Finance
BE	Budget Estimates
BPL	Below Poverty Line
BRGF	Backward Regions Grant Fund
CFC	Central Finance Commission
CSS	Centrally Sponsored Scheme
DI	Devolution Index
DPC	District Planning Committee
ER	Elected Representative
EWR	Elected Women Representative
EYR	Elected Youth Representative
FC	Finance Commission
GOI	Government of India
GP	Gram Panchayat
GS	Gram Sabha
IEC	Information, Education, and Communication
MAS	Model Accounting System
MIS	Management Information System
MMP	Mission Mode Project
MP	Members of Parliament
MoPR	Ministry of Panchayati Raj
NCBF	National Capacity Building Framework
NE	North Eastern
NGO	Non-Governmental Organisation
NIC	National Informatics Centre
PEAIS	Panchayat Empowerment and Accountability Incentive Scheme
PESA	Panchayats (Extension to the Scheduled Areas) Act, 1996
PMEYSA	Panchayat Mahila Evam Yuva Shakti Abhiyan
PR	Panchayati Raj
PRI	Panchayati Raj Institution
RAC	Research Advisory Committee
RD	Rural Development
RE	Revised Estimate
RGPSA	Rajiv Gandhi Panchayat Sashaktikaran Abhiyan
RGSY	Rashtriya Gram Swaraj Yojana
SC	Scheduled Caste
SEC	State Election Commission
SFC	State Finance Commission
SIRD	State Institute of Rural Development
ST	Scheduled Tribe
TFC	Thirteenth Finance Commission
UT	Union Territory

REPORT
PART - I
NARRATION ANALYSIS

I. Introductory

(i) Role of the Government

The Constitution (73rd Amendment) Act, 1992 that came into effect in April 1993 brought about major reforms in local governance by institutionalizing three tier Panchayati Raj Institutions (PRIs) in the country. Subsequently, the Ministry of Panchayati Raj (MoPR) came into existence with effect from 27th May, 2004, carved out of the Ministry of Rural Development.

1.2 The vision of the Ministry is to make Panchayati Raj Institutions (PRIs) self-governing, participatory, effective, efficient and transparent institutions for local governance, social change and public service delivery, meeting the aspirations of the local population. The Ministry intends to attain this by way of (i) persuading and encouraging States to devolve powers (Functions, Functionaries & Finance i.e. 3Fs) to PRIs, (ii) Promoting grassroots participatory planning, (iii) Capacity Building of PRIs and (iv) Creation of a vibrant interface between PRIs and the rural people through active Gram Sabhas.

1.3 The mandate of Ministry of Panchayati Raj flows from the Part IX of the Constitution of India, titled 'The Panchayats', read with Article 243ZD of Part IX-A relating to District Planning Committees and the Eleventh Schedule, which illustratively sets out a list of 29 matters that might be considered by the State legislatures for devolution to the Panchayats.

(ii) Schemes and Funds Allocation

1.4 Till 2014-15, the Ministry implemented two major schemes viz. the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) and Backward Regions Grant Fund (BRGF) along with the schemes of Media & Publicity, Action Research and Research Studies, Contribution to International Bodies and UN Assisted Project. However, w.e.f. 2015-16, the State component of the RGPSA and the BRGF scheme got delinked from Central support and stand transferred to the States to be met from their own resources. The Central component of the RGPSA continues to be implemented by this Ministry.

Demands for Grants (2016-17) At a Glance

1.5 The following scheme-wise funds proposed in DFG (2016-17) of Ministry of Panchayati Raj is as under:-

Sl. No.	Name of Scheme	Funds Proposed (Rs. in crore)
1.	Capacity Building: Panchayat Sashaktikaran Abhiyan *	655.00
2.	Incentivisation of Panchayats @	38.00
3.	Mission Mode Project on e-Panchayats@	22.00
4.	Action Research	15.00
5.	ATM Services in Panchayat Bhawans	10.00
6.	Media & Publicity	8.00
7.	International Cooperation	
8.	(a) Membership to International Local Governance Bodies (CLGB) - contributions	0.10
	(b) Projects assisted by UN Agencies	1.90
	Total Plan	750.00
	Non-Plan	18.33
	Grand Total Plan and Non-Plan	768.33

* From RGPSA BE 2016-17 (Head: 2515) Rs. 580.00 crore is for Central components & Rs. 75.00 crore for NE Regions (Head: 2552)

@ Till 2015-16, it was a component under RGPSA. From 2016-17, the amount is provided to this component under separate Head.

* From 2015-16, the scheme of RGPSA (State component) has been delinked from central support. The scheme of RGPSA has been renamed as Capacity Building : Panchayat Sashktikaran Abhiyan from 2016-17.

A XII Plan (2012-17) Outlays vis-a-vis expenditure

1.6 The year-wise proposed outlay by Ministry of Panchayati Raj, BE, RE and actuals during the first four years i.e. 2012-13 to 2015-16 of XIIth Plan and BE (2016-17) has been as under:-

(Rs. in crore)

Year	Proposed by Ministry of Panchayati Raj	BE	RE	Actuals
2012-13	5,550	5,350	4,000	3,936.35
2013-14	7,252	7,200	3,500	3,461.23
2014-15	8,041	7,000	3,400	3,315.89
2015-16	10,150	(i) 94*	220***	130.78 upto 31.1.2016
		(ii) 300** **(Supplementary Grants)	191	119.91 upto 31.1.2016
2016-17	2,653	750		
Total	33,646	20,694	11,120	10,844.15

* From 2015-16 funds under BRGF and State component under RGPSA have been transferred to States/UTs.

*** Reduced to 191 crore.

The total 12th Plan Year-wise/Scheme-wise allocation is at **Appendix-I**.

1.7 During the course of examination it came out before the Committee that as against the proposed XIIth Plan Outlay of Rs.33,646 crore, the actual allocation was only Rs.20,694 crore showing a big gap between funds proposed by the Ministry of Panchayati Raj and actual allocations. Further, there was a big difference between BE and RE in each year of the current Plan. The Committee apprehended that if the XII Plan allocations for MoPR remained only on paper, the MoPR in a written note stated:-

"The outlays proposed by the Ministry were more or less accepted during 2012-13 and 2013-14. Further, the big gap between the outlay proposed and the actual allocation at the BE level is accounted for by the allocations made in 2015-16. This followed the acceptance of the recommendations of the Fourteenth Finance Commission (FFC) to provide an amount of Rs. 2,00 292.62 crore to Gram Panchayats. Also there was a decision to enhance the allocation to States from the central pool and to delink two flagship programmes of the Ministry from central support viz. Backward Regions Grant fund (BRGF) and the state component of the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA). The combined actual BE allocations during the four years, excluding 2015-16 comes to about 86% of the BE proposed by the Ministry."

1.8 The Committee also enquired about huge disconnect between tall claims and actual delivery, the MoPR clarified:-

"The combined actual BE allocations during the four years, excluding 2015-16 comes to about 86% of the BE proposed by the Ministry, which cannot be considered as a huge disconnect between tall requirements and delivery. However, the discontinuation of BRGF and the state component of RGPSA from 2015 – 16 impacted the allocations."

1.9 The Committee also wanted to know that such reduced allocation of funds for MoPR reflects half-hearted approach/attention towards strengthening of PRIs apparently against the spirit of Constitution Seventy Third and Seventy Fourth Amendments enacted way back in 1992, the MoPR in a written note stated:-

".....The reduction in allocation during 2015-16 is due to transfer of BRGF and the State component of RGPSA to States, to be met from their enhanced allocation of funds under FFC award. In fact the huge grant of funds to GPs of Rs. 200292.62 cr. is the highest ever and has opened new possibilities of strengthening of GPs to act as institutions of Local Self Governance in line with the spirit of the Constitution, as is borne out by the Gram Panchayat Development Plans initiated in all Part IX States. It is on account of understanding the need for capacitating panchayats for delivering on their constitutional responsibilities, and their potential in realizing the targets set by the Sustainable Development Goals (SDGs) to which India is committed, that budgetary provision for a restructured capacity building scheme has been made in 2016-17."

1.10 Asked about the reasons for substantial reductions at RE stage during 2012-13, 2014-15, the Ministry of Panchayati Raj stated:-

"During 2012-13 and 2013-14, there was no reduction in the budgetary allocation at R.E stage under RGPSA. Under BRGF, the BE allocations during these two years were reduced at the RE stage. BRGF was a process oriented and demand driven programme implemented by the PRIs. Late submission of proposals by some states, non-submission and discrepancies in requisite documents like UCs, physical and financial reports and audit reports also slowed down the pace of expenditure under BRGF. The reduction in the budget at R.E stage during 2014-15 was across all the Ministries and not specific to MoPR....."

1.11 During the course of evidence of the representatives of Ministry of Panchayati Raj, the issue of non-payment for work done under BRGF Scheme since transferred to States from 2015-16 came up before the Committee in a big way, clarifying the position, Secretary, Ministry of Panchayati Raj explained as under:-

"The BRGFs spill over was not agreed to by the Ministry of Finance though there is a lot of spill over in 272 districts."

B. Prospective Planning

1.12 During the course of examination, the Committee wanted to know the details about any roadmap projecting the quantum of funds for Ministry of Panchayati Raj for strengthening of PRIs in a time bound manner, the MoPR in a written note stated as under:-

"The scheme of RGPSA is being aligned to meet the requirement of capacitation of Panchayat in the changed scenario post FFC Award. A comprehensive overhaul of the scheme is being undertaken in the context of FFC Award to Gram Panchayats which includes strengthening of State Finance Commissions (SFCs), scaling up of budgetary and auditing practices, promotion of innovative transaction methodologies including mentoring and handholding support for Panchayats etc. Projection of quantum of funds required over the next five years on the above deliverables has been made and is given as under:-

Component	Year					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Institutional support	150	125	100	100	100	575
Capability development	300	250	200	150	150	1050
Institutional strengthening for capacity building	200	200	200	200	200	1000
Incentivisation of performance	75	75	75	75	75	375
IEC	2%	2%	2%	2%	2%	2%
Administrative charges	5%	5%	5%	5%	5%	5%
Total	725	650	575	525	525	3000

1.13 Besides, States have prepared perspective plans regarding strengthening of PRIs. States have also been facilitated to develop State specific road maps on the following :

- (i) Road map for enhancement of own source revenue generation by PRIs
- (ii) Criteria for performance assessment of PRIs to avail of the Performance Grant under FFC
- (iii) Road map for development and issue of Guidelines for Participatory planning by GPs including preparation of responsibility mapping matrix
- (iv) Road map for capability development regarding the Gram Panchayat Development Plan
- (v) Road map for GP – SHG convergence

C. Review of Annual Plan (2015-16)

1.14 The proposed, outlay, BE, RE and actuals during 2015-16 were as under:-

(Rs. In crore)				
Year	Proposed by Ministry of Panchayati Raj	BE	RE	Actuals
2015-16	10,150	(i) 394*	220	130.78 upto 31.1.2016
		(ii) 300** **(Supplementary Grants)	191	119.91 upto 31.1.2016
Total	10,150	694	410	250,69

* From 2015-16 funds under BRGF and State component under RGPSA have been transferred to States/UTs.

1.15 Asked about reduced level of funds from proposed BE, RE and actuals stage, the MoPR stated:-

"2015-16 was not a normal year for RGPSA. Despite the allocation sought by the Ministry, the State component of the RGPSA was delinked from central support. This was done on account of the increased transfer of funds from the Central pool to the States in 2015-16. Funds to the tune of Rs.60.00 crore were provided under the central component of the scheme. As there were hardly any funds left for the programme, State could not plan and spend funds appropriately. It was only after the persistent efforts of this Ministry for restoration of funds to take up the critical activities/committed liabilities of the States and subsequent provision of Rs.300 crore additional funds by way of supplementary grants in the month of August, 2015, that the States could resume activities. The reduced availability of funds under the scheme meant that the sanctions were also proportionately reduced, and States were sanctioned much less than they were in previous years. After additional funds were available, the Ministry made all efforts to sanction State Plans and disburse funds.

Proposals for the release proposals for release of Rs. 103.81 crore to States as first instalment had been processed within 3 months of receipt of the budget, funds were cut at RE stage in early December citing lack of expenditure. Funds to the tune of Rs. 103.81 cr. were released in December. Since RE had been reduced to Rs. 141 crore, proposal of release of funds in respect of 8 States were not cleared on account of insufficient funds. Subsequently, after persistent efforts by Ministry for restoration of funds, the RE was enhanced to Rs 191 crore in mid-February 2016. Expenditure under the scheme now stands at 147.40 crore. 25 states and 2 UTs have been sanctioned funds and all proposals have been processed for release of funds under RGPSA.

1.16 The MoPR has also stated:-

"However, the delays in expenditure were caused by continuous changes in the Ministry's Budget outlays."

1.17 The Committee wanted to know as to what extent reduction in resources has affected the pace of implementation of the schemes and programmes of the Ministry in capacity building and training, infrastructure requirements, manpower etc. of the elected representatives of PRIs, the MoPR in a written reply clarified:-

"The delinking of state component of RGPSA under the scheme initially adversely impacted the pace of implementation of the scheme in the States with States not being willing to continue the activities from their funds due to budgetary constraints. This led to stalling of activities. However, staffing at Gram Panchayat level can be met from the 10% of FFC funds that can be utilised for administrative and technical support. Panchayat Bhawans can be constructed by converging the funds under the MGNREGS. The funds subsequently provided under supplementary grant, are meant for committed liabilities and capacity building. The States were therefore, advised to reprioritize their requirement in the context of limited availability of funds with only essential training activities, minimum HR for e-governance and PESA activities being sanctioned. The further reduction of the budgetary provision at RE stage has led to short releases of funds in respect of some States, inadequate to meet the greater requirement that the FFC and convergent participatory planning at the grassroots necessitates, which has led to delays in capacity building."

D. Analysis of Demands for Grants (2016-17)

1.18 The Demands for Grants (2016-17) of Ministry of Panchayati Raj as compared to 2015-16 is as under:-

Sl. No.	Scheme	2015-16		% age increase/decrease of RE 2015-16 over R.E of 2014-15	Rs. in crore	
		BE	RE		2016-17 B.E	% age increase/decrease of BE 2016-17 over BE of 2015-16
1	Secretariat Economic Service (Management Cell, Plan)	25.00	20.00	(-)9.09	00	Scheme transferred to non-plan
2	International Cooperation	-		-	-	
a.	Membership to International Local Governance Bodies (CLGF) - contributions	0.10	0.10	0	0.10	0.00
b.	Projects assisted by UN Agencies	1.90	1.90	0	1.90	0.00
3	Media & Publicity	5.00	5.00	(-)50	8.00	60
4	Action Research	2.00	2.00	0	15.00	650
5	Resource Support to State	-	-	-	-	
6	PMEYSA	-	-	-	-	
7	RBH	-	-	-	-	
8.	PEAIS	-	-	-	-	
9	RGPSA*	360.00**	191.00	(-)63.76	655***	81.94
11.	Mission Mode Project on e-panchayat@				22.00	
12.	Incentivisation of Panchayats@				38.00	
13.	ATM services in Panchayat Bhawans				10.00	
14.	e-Panchayats	-	-	-		
15.	RGSY	-	-	-		
16	BRGF	0.00*	-	-		
	Total	394.00	220.00	(-)91.37	750.00	90.35

Note: * From to 2015-16, the schemes of RGPSA (state component) and BRGF have been delinked from central support. The scheme RGPSA has been renamed as Capacity Building : *Panchayat Sashaktikaran Abhiyan* from 2016-17.

** Amount of Rs 360 crore includes Rs 300 crore received through first batch of supplementary Grant. From RGPSA's B.E 2015-16(Head:2515), Rs. 320.00 crore is for Central & Rs.40 .00 crore for NE regions (Head:2552).

*** From RGPSA's B.E 2016-17(Head: 2515), Rs. 580.00 crore is for Central Components & Rs.75 .00 crore for NE regions (Head: 2552).

@ Till 2015-16, it was a component under RGPSA. From 2016-17, the amount is provided to this component under separate Head.

1.19 The Committee pointed out that there has been 90 per cent hike in funds during 2016-17 as compared to 2015-16. Asked about the requirements to be met by this huge increase, the MoPR has stated :-

"It is observed that there is huge capacity gap of PRIs required for performing their duties as institution of Local self-government. There is a strong need to develop capacity of PRIs in budgeting and accounting, planning methodology, and in maintaining transparency and accountability. Further, the need for capacitating panchayats for delivering

on their constitutional responsibilities has now become more relevant. In the changed scenario, the Ministry has been repositioning itself to meet the requirement of capacitation of Panchayati Raj Institutions. The scheme of RGPSA is also being restructured to meet the requirement of capacitation as mentioned above. New activities have been identified to be undertaken at the Central Level which will improve institutional capability for strengthening and supporting Panchayats. The activities which are now proposed to be supported under the restructured scheme are as under:

- i. Institutional support viz. Strengthening SFC, Management of SEC database
- ii. E-governance
- iii. Implementation of PESA
- iv. Support to centres of excellence including NIRD&PR
- v. Knowledge management for improving local governance
- vi. Research and development
- vii. Internship programmes
- viii. Capability development viz. Beacon panchayats ,Handholding to panchayats Capacity building for PRIs Innovations, Training Support for autonomous district councils, Decentralised planning
- ix. Institutional strengthening for capacity building viz. Developing standards Training infrastructure, Faculty development Mentoring of institutions and networking
- x. Incentivisation of performance viz. Incentives for achievement against performance road maps"

SCHEME-WISE ANALYSIS

Plan Schemes

II. Capacity Building: Panchayat Sashaktikaran Abhiyan (erstwhile RGPSA)

2.1 The Centrally Sponsored Scheme of Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) was launched during the 12th Five year Plan period to strengthen the Panchayati Raj system across the country and to address the critical gaps that constrain it. RGPSA provides funds on the basis of Annual Plans of the States as approved by the Central Executive Committee (CEC) of the RGPSA. Upto 2014-15, the funding pattern of the scheme was 75:25 by Central and State Governments except for North Eastern States where it was 90:10. During 2015-16, as the funds were received under central component only, the funds were provided as 100% central funding.

(i) Policy shift

2.2 Policy shift in 2015-16: In the context of huge devolution of funds to Gram Panchayats as per the recommendations of Fourteenth Finance Commission, the State component of the Scheme stands transferred to the States to be met from their own resources. The components for which support is extended under the programme include the following:

1. Capacity building for strengthening Panchayati Raj
2. Development of institutional capability for training
3. Implementation of PESA
4. E governance support structures

(ii) **Financial Performance**

2.3 The actuals (2014-15), BE and RE (2015-16) and BE (2016-17) under RGPSA are as under:-

Year	Amount (Rs. in crores)
2014-15 (Actuals)	476.55
2015-16 (BE)	360.00*
2015-16 (RE)	191.00
2016-17 (BE)	655.00 **

* From RGPSA BE (2015-16), Rs. 320.00 crore is for Central Components & Rs. 40.00 crore for NE Regions

** From RGPSA BE (2016-17) includes Rs. 580.00 crore is for Central Component & Rs. 75 crores for NE Regions

2.4 Asked about the reasons for over-all variations between actuals (2014-15), BE and RE (2015-16) and BE (2016-17), The MoPR has stated:-

"The budgetary allocation for the scheme in 2014-15 was Rs.527 crore at RE stage. During 2015-16 reduced budgetary allocation for the scheme of Rs 60 cr was due to the state component of the scheme being delinked on account of FFC Award. This was subsequently increased to Rs 360 cr through supplementary grants after the Ministry drew attention to the requirement of funds for capacitation of panchayats particularly for development of Gram Panchayat Development Plan in the wake of the FFC Award. The funds were made available in August 2015. As brought out in 1(a) &(b), the issue of re-appropriation of funds under RGPSA and the unspent balances with States on account of disassociation from the scheme and subsequent restoration, affected releases of funds despite sanctions having been issued, resulting in reduction to Rs 141 cr at the RE stage. On further advocacy from MoPR, the reduced amount was partially restored in February 2016, and the current RE is Rs 191 Cr."

(iii) Unspent balances

2.5 The MoPR has given the details of actual share sanctioned, released, unspent balance and second installment claimed by States under RGPSA during 2015-16:-

SL.No.	State	Total Funds Approved	Unspent Balance/ Pending UC	1 st instalment released (As on 15.03.2016)	1 st instalment proposed for release
1	Arunachal Pradesh	2.78	10.41	0	-
2	Assam	39.48	2.65	17.08	-
3	Andhra Pradesh	41.72	0	10.00	-
4	Chandigarh	1.20	0	0.29	-
5	Chhattisgarh	29.68	0	14.64	-
6	Gujarat	10.36	0	0	5.18
7	Goa	2.12	0	1.06	-
8	Haryana	21.81	18.62	0	*
9	H.P	13.13	6.28	0	5.68
10	Jharkhand	23.89	2.45	9.49	-
11	J&K	7.08	16.06	0	*
12	Karnataka	77.76	0.06	32.71	-
13	Kerala	10.55	4.67	0	0.60
14	Lakshadweep	3.30	0	1.65	-
15	Manipur	10.80	0.007	5.40	-
16	Madhya Pradesh	38.30	13.36	10.80	-
17	Maharashtra	39.77	30.28	4.50	-
18	Odisha	19.59	37.36	0	*
19	Punjab	5.39	0	0	2.65
20	Rajasthan	19.12	4.97	4.48	-
21	Sikkim	2.51	0	1.26	-
22	Telangana	35.75	0	13.13	-
23	Tamil Nadu	18.27	0	0	8.96
24	Tripura	5.20	1.26	0	1.35
25	Uttarakhand	12.59	3.20	0	3.09
26	U.P	96.75	42.79	11.00	-
27	West Bengal	37.14	2.86	9.91	-
	Total	626.04	197.28	147.40	27.51

2.6 It may be seen from the above table that large number of unspent balances are figuring in mainly in Uttar Pradesh (Rs. 42.79 cr.), Maharashtra (30.28 cr.), Haryana (Rs. 18.62 cr.), Jammu & Kashmir (Rs. 16.06 cr.) and Madhya Pradesh (Rs. 13.16 cr.)

2.7 The year-wise details of financial performance under RGPSA during 2012-13 to 2015-16 has been as under:-

Sl. No.	State	Funds Released/ Sanctioned 2012-13	Fund sanctioned 2013-14	Fund Released 2013-14	Fund sanctioned 2014-15	Funds Released 2014-15	Fund sanctioned 2015-16	Funds Released 2015-16
1.	Andhra Pradesh	0	110.92	41.59	144.35	24.19	41.72	-
2.	Arunachal Pradesh	0.99	21.55	8.71	23.13	7.72	2.90	-
3.	Assam	0	37.00	16.65	98.21	26.04	39.48	17.08
4.	Bihar	0	22.98	8.61	192.3	63.67	-	-
5.	Chhattisgarh	1.25	71.94	25.73	94.33	11.39	29.68	14.64
6.	Gujarat	3.32	93.25	31.65	37.70	1.06	-	-
7.	Haryana	5.66	20.09	2.93	57.90	18.78	-	-
8.	Himachal Pradesh	4.95	55.43	15.84	51.59	15.26	13.13	-
9.	Jammu & Kashmir	0	25.19	9.45	45.71	8.58	7.08	-
10.	Jharkhand	0	43.87	16.45	47.92	16.2	23.89	-
11.	Karnataka	2.27	68.12	25.56	160.09	46.80	77.76	32.71
12.	Kerala	0	44.22	16.58	60.35	14.49	10.54	-
13.	Madhya Pradesh	0.99	116.86	42.83	160.73	37.46	38.3	10.8
14.	Maharashtra	0	221.84	83.17	214.31	34.75	39.77	-
15.	Manipur	0	3.55	1.60	12.03	5.42	10.82	-
16.	Odisha	0	76.62	28.73	116.51	32.92	19.59	-
17.	Punjab	2.9	28.97	7.97	7.36	0	-	-
18.	Rajasthan	13.61	64.26	15.45	44.84	11.55	19.12	4.48
19.	Sikkim	0	7.00	3.15	17.77	6.84	2.70	-
20.	Tamil Nadu	0	155.03	58.14	54.10	20.16	18.27	-
21.	Telangana	0	92.41	34.64	154.26	29.94	35.75	13.13
22.	Tripura	0.08	23.13	9.09	13.34	2.36	-	-
23.	Uttar Pradesh	4.77	125.70	42.37	87.17	0	96.75	-
24.	Uttarakhand	2.11	18.65	5.47	46.82	13.04	12.59	-
25.	Mizoram		0	0	5.52	2.48	-	-
26.	West Bengal	0	21.93	8.23	102.88	27.71	37.14	9.91
27.	Goa	0	0	0	0	0	2.12	1.06
28.	D & N Haveli	0	2.99	0	2.90	1.08	-	-
29.	Daman & Diu	0	3.47	0	4.02	1.5	-	-
30.	Chandigarh	0	0	0	0	0	1.2	-
31.	Lakshadweep	0	0	0	0	0	4.26	-
	Total	42.9	1576.97	560.59	2058.14	481.39	584.56	103.8

2.8 The Committee during the course of examination pointed out that as compared to funds sanctioned the funds released are abysmally less. Asked about the reasons for low releases under RGPSA and the difficulty in not releasing the full amount of fund sanctioned in all these years, the MoPR stated:-

"Funds under RGPSA are to be released in two installments on the basis of annual plans approved by the Central Executive Committee (CEC) of RGPSA. The year 2013-14, was the first full operational year of the scheme, and it required the States to develop perspective plans before submitting their annual plans. The scheme involved multi-dimensional activities some of which require clearances of the competent authorities, availability of lands, firming of recruitment rules etc which were time consuming. As regards 2014-15, the total sanctions indicate both carry over activities from the previous year, as well as new activities sanctioned. Hence the amount sanctioned would appear to be fairly high. Releases were affected by the delay in the picking up of activities on the ground on account of the Parliament elections, and delays in internal clearances. By the time States were ready to claim the second instalment of funds, funds had been substantially cut in the RE, resulting in the inability of the Ministry to release second instalments to any State."

2.9 In this connection, during the course of evidence, a representative of MoPR explaining the position about Bihar stated :-

"The position in 2014-15 was, in Bihar, the central share sanctioned was Rs. 144.23 crore. The first instalment was 50 per cent, namely, Rs. 72.11 crore. The amount released was Rs.63.67 crore because Bihar had an unspent balance of Rs.6.57 crore from 2013-14. The second instalment could not be claimed because the proposal had come to the Centre in the second half of the quarter. So, they were not ready for the second instalment."

Asked about the reasons that the amount of funds sanctioned of Rs.22.98 crore in 2013-14 reached to the level of Rs.192.3 crore in 2014-15, the representative of MoPR clarified:-

"The reason for this is that the allocation in 2014-15 was significantly higher than the original BE allocation of 2013-14."

2.10 The Committee also wanted to know as to how against the expenditure of Rs.6.6 crore how Bihar spent Rs.192.3 crore, the representative of MoPR clarified:-

"The RGPSA 2013-14 in the sense was the first year of this scheme because of the fact that all the States had to prepare perspective plans. So, the plans were approved in the last quarter of 2013-14. As the releases were made in February – March, by then the Model Code of Conduct for the elections had come into place. So, 2013-14 was not the

year in which the States could spend any money. New releases were made to take care of the carry over that was coming from the first year that was added on, which is why the sanctioned amount is higher in the second year. So, it is actually absorbing the carry forward from the first year, adding the requirement of the second year and releasing funds. So, in real terms the States have started spending only in 2014-15."

2.11 The witness added:-

"Since it is based on a demand plan, and Bihar as a State had a huge requirement, as yourself had mentioned, for administrative and technical support, gigantic proportion of this plan is actually administrative and technical support that was given to Bihar as a State which had this as a huge pressing problem."

(iv) Challenges before Ministry of Panchayati Raj

2.12 MoPR detailing out major challenges regarding empowerment of Panchayats, their capacity building etc. has inter-alia stated that nearly 50,000 Gram Panchayats in the country are without Panchayat Bhawans and in many States sanctioned staff are not available under Gram Panchayats and even where there are staff, one Panchayat Sachiv is looking after more than 5 Gram Panchayats etc.

2.13 In the light of as huge as over Rs. 2 lakh crore funds earmarked for FFC Award (2015-2020) and viewing the funds of Rs. 94.75 crore under (Central component) under RGPSA as thoroughly inadequate for extending technical support to States the Committee in their last year's Report on Demands for Grants (2015-16) had recommended for enhanced budget and reiterated the same in their Action Taken Report also presented to the House on 22nd December, 2015. Rs. 655 crore has been proposed under RGPSA for 2016-17.

2.14 In this context, the Finance Minister in his Budget Speech given in Lok Sabha had also mentioned that a sum of Rs. 2.87 lakh crore will be given as Grants in Aid to Panchayats and Municipalities as per recommendations of the 14th Finance Commission indicating a quantum increase of funding of 228% compared to previous five year period. The Finance Minister also stated that funds now allocated, translate to an average assistance of over Rs. 80 lakh per Gram Panchayat for transforming villages and MoPR and States will evolve guidelines to actualize it.

2.15 Asked in what way the available funds have addressed different components of RGPSA like capacity building for strengthening of PRIs, development of institutional capacity of training etc., during the last three years, the MoPR submitted:-

"The scheme of RGPSA, though a new scheme, has made important interventions for strengthening the Panchayati Raj system in the country and has made significant head way in addressing the problems at the grass roots. The following activities required for capacitation of Panchayats have been sanctioned under the RGPSA in the last 3 years:

		2013-14	2014-15	2015-16
1	No of persons sanctioned training on panchayati raj (including ERs):	1096825	1721786	5382000
2	No. of State resource Centres sanctioned :	13	20	5
3	No. of district Resource centres sanctioned:	136	189	19
4	No. of block Resource centres sanctioned:	338	851	0
5	No of computers sanctioned for GPs	22506	29948	6
6	e governance support group in State	0	07	19

2.16 When further enquired about utilization of as huge as Rs. 80 lakh per Gram Panchayat, a comprehensive road map for transformation of villages in coming five years is essential and whether MoPR has done some spadework in this regard, the MoPR submitted:-

"Comprehensive Gram Panchayat wise road maps for transformation, making the best use of the resources available to the Panchayat certainly need to be prepared. The Ministry has initiated many activities in this regard, foremost among which is the facilitation of States to come up with comprehensive guidelines on the Gram Panchayat Development Plans that focus on converging resources over which the Panchayat has command. The Ministry has advised States to explore the possibility of converging resources such as:

- MGNREGS
- NRLM
- Swachh Bharat
- ICDS

The Ministry have proactively taken up with the states for preparation of Gram Panchayat development plan, through high level consultations with the State top leadership, conduct of National 5 day Writeshop for development of draft Guidelines, support through the RGPSA for capacity building for implementation of GPDP, feedback and inputs on the guidelines prepared by the States, hands on support for capacity building and training of stakeholders for effective roll out and implementation of GPDP etc. All 26 Part IX states have developed the GPDP guidelines, of which 24 states have approved and issued the Guidelines. All States are in the process of preparation of the convergent Gram Panchayat plan, or have already prepared these plans. States have been advised to enter the Panchayat plans on the Plan Plus PES application. The support structures such as resource group, committee at state, district, block panchayats level has also been constituted. Toolkit on formulation of GPDP guidelines, Advisory on GPDP formulation, Manuals on GPDP, environment generation for participatory planning, and decentralised planning manual have been developed and shared with States. Further, an advisory on convergence of PRIs with SHGs have been issued. The GPDP process also requires panchayats to have a five year perspective plan. It has been emphasised to bring in critical social issues such as improving child sex ratio, child drop out, human trafficking, drinking water etc., in the GPDP so as to address these critical issues at the grass roots so as to achieve the SDG goals. While the FFC funds can be used for basic amenities and services and schematic funds with panchayats will have to be used for the purposes indicated therein, GPDP also has a provision for low cost development projects which would primarily be awareness generation and community based monitoring projects that would be able to address issues like child drop out from schools etc."

2.17 The Committee also pointed out that MoPR has underlined that enhanced funds under RGPSA would be used for capacity building of PRIs in the light of manifold increase of funds on account of rolling out of huge funds recommended by FFC Award, the MoPR submitted:-

"There is a strong need to develop capacity of PRIs in budgeting and accounting, planning methodologies, participatory governance, local service delivery, and maintaining transparency and accountability. Further, the need for capacitating panchayats for delivering on their constitutional responsibilities have now become more relevant. In the changed scenario, the Ministry has been repositioning itself to meet the requirement of capacitation of Panchayati Raj Institutions with the enhanced allocation of funds under the scheme. The activities which are now proposed to be supported under the restructured scheme are as under:

- Institutional support
- Strengthening SFC, Management of SEC database
- E-governance

- Implementation of PESA
- Support to centres of excellence including NIRD&PR
- Knowledge management for improving local governance
- Research and development etc
- Capability development viz. Beacon panchayats ,Handholding to panchayats Capacity building for PRIs Innovations, Training Support for autonomous district councils, Decentralised planning etc
- Institutional strengthening for capacity building viz. Developing standards Training infrastructure, Faculty development Mentoring of institutions and networking etc
- Incentivisation of performance viz Incentives for achievement against performance road maps etc.

Besides, the scheme of RGPSA is also being aligned to meet the requirement of capacitation of Panchayat in the change scenario post FFC Award. A comprehensive overhaul of the scheme is being undertaken in the context of FFC Award to Gram Panchayats which include strengthening of SFCs, scaling up of budgetary and auditing practices, promotion of innovative transaction methodologies including mentoring and handholding support for panchayats etc. The proposed restructured scheme envisages projection of targets to be achieved during the next five years on the above deliverables."

2.18 During the course of evidence, the MoPR in their Power Point Presentation has outlined the following challenges that are coming in the way of implementation:-

Lack of Staff at GP Level

- (i) Inadequate manpower excepting States like Kerala, Sikkim, Karnataka, Goa, West Bengal
- (ii) States lack managers/development officers, accountants and engineers at GP level (except Karnataka, Kerala & West Bengal)
- (iii) Staff availability in GPs in States like UP, Bihar, Madhya Pradesh, Jharkhand extremely low. For example, UP has one Secretary for 6 GPs (approx.)

Small Size of GPs

- (i) States with average GP population of less than 3,000 : Chhattisgarh, Gujarat, Haryana, Jharkhand, Maharashtra, Madhya Pradesh, Punjab
- (ii) UP has 59000 GPs and
 - (a) 7000+ created in 2015
- (iii) Rajasthan created 700+ GPs in 2015

Lack of GP Buildings

- (i) 50,000 (25%) GPs don't have buildings of which 25,000 in UP alone

2.19 Explaining challenges and constraints before the Committee, MoPR has also stated:-

"1. Mandate of the Ministry is to oversee the implementation of the provisions of the Constitutional Amendment Act 1992. The Constitution envisages that Panchayats will function as institutions of local government and prepare plans and implement schemes for economic development and social justice, but leaves the precise devolution of powers and authority to Panchayats to the States. The State legislatures are to consider the 29 matters illustratively set out in the Eleventh Schedule for devolution to the Panchayats for the planning and implementation of schemes for economic development and social justice. Powers to impose taxes and provision of funds to the Panchayats are determined by State. The powers of Gram Sabhas are also decided by States. Moreover, States play a critical role in building Panchayat capacities and in creating an appropriate framework for accountability and transparency. The degree of devolution of functions, funds and powers to the Panchayats vary considerably among states. Panchayats across the country lack both the human resources and the training to be able to deliver on their constitutional mandate. Nearly 50,000 gram panchayats in the country do not have panchayat bhavans from where their office can function. In many States, sanctioned staff are not available under the gram panchayats – even where there are staff, the numbers are so inadequate, that one panchayat sachiv may be servicing 5 or more gram panchayats. The States have traditionally not invested in the training of elected representatives, nor have they allocated resources for building institutional capability for delivery of training and handholding support to the Panchayats.

2. The issue has become more critical in view of the huge devolution of funds amounting to Rs. 2,00,292.2 crore for the period 2015-2020 to Gram Panchayats under the Fourteenth Finance Commission. Also a weak Panchayati Raj system may impact the implementation of various Panchayat centric flagship schemes like Swachh Bharat Abhiyan, Beti Bachao, Beti Padhao etc.

3. The Ministry during the last one year has been strategically repositioning itself so as to be able to facilitate State Governments, especially the States that are weak in Devolution and capacity building, to institutionalise the strengthening of Panchayati Raj institutions in the States, and to focus on bringing quality and depth to the capacity building effort. The Ministry has proactively worked with the states in the preparation of Gram Panchayat Development Plans. The 12th five year plan outlay for RGPSA is Rs. 11270 crore. The scheme had a BE of Rs.1050 crore in 2014-15. Funds were curtailed in 2015-16 to Rs.60 crore under the central component in view of the huge transfers to Panchayats under the FFC award. However it was soon realized that the need to train local governments has actually increased manifold on account of the roll out of the FFC award and the ensuing initiative for convergent local planning at the Gram Panchayat level. Therefore an additional amount of Rs.300 crore was provided in the first batch of supplementary demands, with an assurance to consider providing an additional Rs.300 crore in the next supplementary subject to actual requirement. Accordingly, sanction was issued to the tune of Rs.584.86 crore

for the proposals of 23 States/UTs. The sanctions were issued primarily for conduct of training for Gram Panchayat Development Plans and for building the institutional capacity for training in the States. However, the budgetary provision of RGPSA at RE stage was curtailed - originally to Rs.141 crore in December 2015, and then on reconsideration, to Rs 191 crore in February 2016. The funds for RGPSA are extremely critical, as the cut in RGPSA coincided with the stoppage of central support under the BRGF, whose capacity building component was widely used by States for PRI training. Till date Rs.112 Cr has been released. Proposals for the remaining amount are under process.

4. Further, a comprehensive overhaul of the RGPSA scheme is being proposed in the context of the institution of the FFC award. SFCs need to be strengthened, budgetary and auditing practices streamlined, reporting systems improved, institutional capability for capacity building enhanced and best practices scaled up. Innovative transaction methodologies including mentoring and handholding support for Panchayats need to be promoted. Incentivisation for reform and performance including revenue generation has to be incorporated. The massive training initiated for GP level planning needs to be continued and completed."

(v) Priorities of MoPR

2.20 During the Power Point Presentation before the Committee, the MoPR has outlined the following priorities:-

- (i) Operationalizing GPDP and monitoring utilization of FFC funds
- (ii) Providing capacity building support for Panchayats through RGSA funds
- (iii) Nurturing progressive Panchayats to become model/beacon Panchayats
- (iv) Strengthening e-Governance for better monitoring
 - (a) PRIASoft
 - (b) PlanPlus
 - (c) Developing new software applications
- (v) Constitutional Amendment
 - (a) 50% reservation for Women
 - (b) Rotation after at least two terms

(vi) Workdone

2.21 The MoPR has stated that RGPSA is a demand driven scheme which primarily aims at strengthening the Panchayati Raj institutions across the country. No physical and financial targets under the scheme are fixed because the scheme provides for funding activities selected by States / UTs as reflected in their respective Perspective Plan and Annual Plans subject to the approval of CEC of the RGPSA.

2.22 The MOPR has also illustrated the following details in this regard:-

Administrative and Technical Support to Gram Panchayats sanction in RGPSA

Activity	2013-14	2014-15	2015-16 upto (15.2.2016)
No. of Account cum DEOs sanctioned for Gram Panchayats	54753	71727	10
No. of Panchayat Sachiv/ PDOs sanctioned for Gram Panchayats	15290	11001	15
No. of JE/technical staff sanctioned	2570	8247	11
Others	-	876	-
Total no of personnel sanctioned under RGPSA so far	72613	91851	36 (*)

Note : (*) Funds are not provided to States during 2015-16 under RGPSA scheme for hiring of manpower at GP level. Only UTs were sanctioned under this component.

Construction & Repair of Gram Panchayat buildings sanctioned in RGPSA.

Activity	2013-14	2014-15	2015-16 upto 15.2.2016
No of new Panchayat Bhavan sanctioned	3128	2497	6
No of repair sanctioned	7727	8356	-
Computer infrastructure to Gram Panchayats	22506	29948	6 (*)

Note : (*) Funds are not provided to States during 2015-16 under RGPSA scheme for construction/ repair of GP Ghars. Only UTs were sanctioned under this component.

Trainings of Elected Representatives and functionaries:

Activity	2013-14	2014-15	2015-16 upto 31.12.2015
Total no of ERs and functionaries training sanctioned under RGPSA	10,96,825	17,21,786	67,32,598

The institutions at various levels are as follows:

Activity	2013-14	2014-15	2015-16 upto 31.12.2015
State Panchayat Resource Centres	13	20	5(Carry over & New)
District Panchayat Resource Centres	136	189	23(New)
Block Panchayat Resource Centres	338	851	0
Faculty support to SPRC	16	17	18
Faculty support to DPRC			15
Upgrade of ETC	30	84	17

Activity	2013-14	2014-15	2015-16 upto 31.12.2015
SATCOM support	2	8	*
PESA	9 States	8 States	7
SEC	2 States	10 States	1
Innovative activities	0	3 States	2
IEC & PMU	26 States	28 States	25states

2.23 About the SATCOM support during the year 2015-16, the MoPR has explained as under:-

"Pursuant to the Prime Minister's advice to all Ministries to leverage space technology in governance, one of the initiatives taken by MoPR is universalization of SATCOM facilities upto block panchayat level, to augment the training infrastructure. After detailed discussion with with ISRO to provide SATCOM facilities for all Panchayati Raj departments, it has been decided that the support may be envisaged on a 'turnkey basis' to augment the training infrastructure for Panchayats, since State PR departments do not possess the requisite technical expertise in this matter and many States could not establish SATCOM facilities despite funds being sanctioned to them. It has also been decided that States which have been provided funds under RGPSA for SATCOM (namely like Assam, Karnataka, Kerala and West Bengal) would not be funded under this partnership with ISRO. Besides, since some State/UT-specific discussions are needed with a few other States and UTs, they would be funded in the following year after State-specific assessment of their existing facilities by ISRO. It is therefore proposed to funds 27 States/UTs under this partnership out of which 13 States would be covered in the current year. The 13 States that have been identified for funding in 2015-16 are as under:

Andhra Pradesh, Haryana, Jammu & Kashmir, Odisha, Punjab, Arunachal Pradesh, Bihar, Jharkhand, Tamil Nadu, Tripura, Uttarakhand, Himachal Pradesh, Uttar Pradesh."

(a) Leveraging Space technology for training requirements of Panchayats

2.24 The Committee pointed that as compared to 2013-14 and 2014-15, the work during 2015-16 done in administrative and technical support to Gram Panchayat, construction & repair of Gram Panchayat buildings, training of elected representatives and functionaries of PRIs, activity at institution level is almost nil. Asked in what way leveraging of space technology governance through SATCOM facilities upto block Panchayat level to augment training infrastructure in consultation with ISRO would be done in identified 13 States of Andhra Pradesh, Haryana, Jammu & Kashmir, Odisha, Jharkhand, Tamil Nadu, Tripura, Uttarakhand, Himachal Pradesh and Uttar Pradesh by use of RGPSA funds during 2015-16, the MoPR submitted:-

"The 13 States of Andhra Pradesh, Arunachal Pradesh, Bihar, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Odisha, Punjab, Tamil Nadu, Tripura, Uttarakhand and Uttar Pradesh had initially been identified on the basis of discussions with Indian Space Research Organization (ISRO) and all State Governments for setting up SATCOM facilities for increased outreach of training programmes. It is envisaged to set up a State level studio at the State Institute of Rural Development (SIRD) or any other location identified by the States from where the training programmes would be broadcast. At District Panchayat level, 2-way audio-video terminals while at Block Panchayat level, 1-way video and 2-way audio terminals, are envisaged. Ministry of Panchayati Raj (MOPR) would enter into a tri-partite agreement with ISRO and concerned State Government(s) once the State-specific requirements are finalized and agreed upon by all stakeholders. This initiative would be funded by MoPR while ISRO will provide support on 'turnkey basis' till the life of the equipment. The States/UTs would be expected to provide the necessary space and civil infrastructure for the realization of this network."

2.25 The Committee further enquired about the response of State Governments and ISRO in this regard, the MoPR submitted:-

"In a meeting of Principal Secretaries/Secretaries, Panchayati Raj Departments held on February 15-16, 2016, all State Governments expressed their willingness to participate in this initiative. States have stressed on the need for operationalizing 2-way Satellite Interactive Terminals (SIT) at District level and have also requested that the maintenance of the equipment also be undertaken by ISRO for the life of the equipment. ISRO is agreeable to most of the requests from State Governments, except the provision of 2-way SITs at District Panchayat level, for which discussions with ISRO are going on."

2.26 Asked about the update in 13 identified States and whether steps taken by MoPR are not too late, the MoPR explained:-

"Discussions with ISRO had been initiated in May, 2015 in this regard. Subsequently, the proposal was also discussed several times with the State Governments and ISRO. The latter was advised to revise its proposal as per the feedback received. Furthermore, since ISRO is still reluctant in meeting the requirement of State Governments of setting up 2-way audio/video (Satellite Interactive Terminals) at District level, the tripartite agreements with States could not be signed. Hence the process could not be completed in 2015-16 and is now planned to be undertaken in 2016-17."

(b) Deployment of technical manpower to Panchayats

2.27 During the examination of Demands for Grants (2016-17) of Department of Rural Development on the issue of inadequate technical manpower available at Gram Panchayat level, the Committee were informed that MoRD has a plan to train 3000 Barefoot Technicians (BFT) at Gram Panchayat level.

2.28 Asked about actual workdone with regard to developing a cadre of identified manpower under MGNREGA as on 01.03.2016, the MoRD stated:-

"BFT Cell is being put in to place in the Ministry. The Training of Trainers (ToTs) has been held for seven States namely, Kerala, Chhattisgarh, Rajasthan, Jharkhand, Uttarakhand, Andhra Pradesh and Telangana. Out of these seven States, four States have started pilot batches at State level for BFT. There are 237 BFT who are presently receiving 90 days training at NIRD-PR, Hyderabad."

2.29 Asked about the availability of BFT to the Panchayats, the MoPR stated that by the end of 2016-17 it would be made available to Panchayats in the country.

It came out during the course of evidence of the representatives of MoPR that currently a lot of funds are being made available to Panchayats, however, it is not being quantitatively utilized on account of non-availability of technical manpower. The Committee also enquired whether is there any norm stipulating deployment of technical manpower at Gram Panchayat/Block Panchayat and District Panchayat level. It also came out before the Committee that more than 50% Panchayat Secretaries looking after work of 5 Gram Panchayats and it is leading to corruption in the form of

commissions being taken by Sachivs for other Gram Panchayat works as a token of his signing the necessary papers.

2.30 Clarifying the issue of lack of technical manpower to Panchayats, the Secretary, MoPR submitted:-

"There was a point raised about lack of staff in gram panchayats. We are trying to address it in a multi-pronged way. Creating staff takes time. The first thing is, we have asked them to give some technical support from the existing staff. So, each State Government has come out with a guideline for technical support or technical sanction. It is in the Government Order which is in our website. So, that is to give temporary support to the States. Second is, from the 10 per cent fund, which is substantial, like Bihar gets Rs. 21,000 crore, which means Rs. 2,000 over five years. It is a good amount. They can use part of it for hiring people, outsourcing not permanent staff. They can hire people, pay for it. That is the second thing. The third one is the long term aspect. It needs to be done. It is to assess the man power need scientifically through technical experts and build up a case for support to panchayats. That is the three-pronged strategy which we have adopted. But now, we must admit, we are concentrating only on the gram panchayats. Only after some time we will be going to block and district needs."

(c) Panchayat Bhawans for Gram Panchayats

2.31 During the course of examination, the issue of lack of Gram Panchayat Bhawans came up before the Committee in a big way wherein it was found as many as 25% Gram Panchayats (GPs) comprising total of 50,000 GPs do not have Panchayat Bhawans. In this connection, the Ministry of Panchayati Raj has given the following State-wise details of No. of Gram Panchayats without buildings and No. of Panchayats:-

Data on Gram Panchayats without & with Panchayat Ghar			
S L. No.	State	Gram Panchayats without building	No of Panchayats
1	Andhra Pradesh	248	12905
2	Arunachal Pradesh	1779	1779
3	Assam	360	2202
4	Bihar	2182	8402
5	Chhattisgarh	254	9734
6	Gujarat	336	13997
7	Haryana	2516	6083
8	Himachal Pradesh	0	3243
9	Jammu & Kashmir	1943	4128
10	Jharkhand	1770	4423
11	Karnataka	0	5629
12	Kerala	0	978
13	Madhya Pradesh	NA	23006
14	Maharashtra	4363	27906
15	Manipur	160	161
16	Odisha	245	6232
17	Punjab	7776	13080
18	Rajasthan	284	9177
19	Sikkim	18	176
20	Tamil Nadu	0	12524
21	Tripura	NA	1118
22	Telangana	NA	8685
23	Uttar Pradesh	18000	51914
24	Uttarakhand	1352	7982
25	West Bengal	60	3349
26	Goa	7	190
27	Dadar & Nagar Haveli	0	11
28	Daman & Diu	0	14
29	Mizoram	0	784
	Total	43653	239812

2.32 During the course of evidence the Committee observed that in view of major challenges like large number of Gram Panchayats without Panchayat Bhawans, inadequate staff with one Gram Panchayat looking after work of more than five Gram Panchayats etc., there is need to seriously address these issues for real empowerment of PRIs, the MoPR stated as under:-

"Ministry is seized of the fact that Panchayats Ghars and adequate staff are very crucial for smooth functioning of Gram Panchayats for delivery of services to the people. Since providing infrastructure and staff in the Gram Panchayats fall within the purview of State subjects, it is up to the States to provide the above in Gram Panchayats. The Ministry on its part, from time to time, has impressed upon the States to make available adequate staff in the Gram Panchayats for their smooth functioning. The construction of Gram Panchayat Bhawan has been notified as one of the permissible activities under MGNREGA and the funds required for material for construction can be pooled from MGNREGA. This Ministry is pursuing this matter.

As regards, provisioning of staff in Gram Panchayats, Ministry of Finance Guidelines on utilisation of the FFC award provide for 10% of administrative funds under FFC Award to be utilized for administrative and technical support. The Ministry on its part has impressed upon the States for grouping of smaller Panchayats on cluster basis for pooling manpower for meeting administrative and programmatic requirements."

2.33 During the course of evidence of the representatives of MoPR, the Secretary, MoPR clarified:-

"For the panchayat bhawan, we do not give any funds from the Ministry now. Earlier it used to be there. But it stopped when the RGPSA allocation got cut. But the MNREGA funds are available and we are trying to get the 14th Finance Commission funds that is subject to the Ministry of Finance's concurrence. But we have decided to monitor the construction of gram panchayat offices. So, we will know for sure because there is some pressure from Delhi, they will be responding to using MNREGA. For performance grant, what kind of incentive and all that, ten per cent of the 14th Finance Commission is performance grant that is basically on the additional resource mobilised by the gram panchayat in the previous year and the formula will have to be set by the State Governments. The last date for setting it is 31st. Many States have already done it."

(d) Non-availability of computers

2.34 During the course of evidence of representatives of MoPR, the issue of non-availability of computers came up before the Committee, clarifying the position, the Secretary, MoPR submitted:-

"For E-governance the Ministry has been supporting for development of software for about eight or ten years. Computers were initially given initially under the RGPSY when lots of money were there. But with reduction of funds, we have stopped providing computers. But panchayats can buy computers using the 10 per cent support under the 14th Finance Commission. So, in a sense, that is taken care of."

(e) Operationalising Gram Panchayat Development Plans (GPDPs)

2.35 During the course of examination, the Committee pointed out that MoPR has outlined making use of huge FFC resources for revitalizing PRIs in the country. MoPR and States have agreed to prepare a Gram Panchayat Development Plan (GPDP) and MoPR is working close coordination with State Governments to help develop State level Guidelines and networks of support persons and institutions have been linked. Further out of the 26 States which have Gram Panchayats, 24 States have issued the State specific guidelines, Haryana has got the approvals and is expected to issue them soon. Goa has finalized the Guidelines. Partial roll out of GPDP had commenced in States integrating MGNREGS and FFC funds. The full roll out will occur in 2016- 17. Asked when was this process of preparation of Gram Panchayat Development Plan (GPDP) started in MoPR, the Committee also enquired that such a plan should have been conceived/prepared and rolled out soon after FFC Award was announced & funds was released to States in 2015-16, the MoPR informed:-

"The 14th Finance Commission Award was accepted by the Union Government in February 2016. MoPR felt the need for a new strategy of engagement of the Ministry with the State Governments and PRIs in the country. The FFC funds to be provided to Gram Panchayats were required to be expended through an integrated Gram Panchayat development plan (GPDP). The Ministry realising the fact of weak capability of PRIs for local governance and service delivery, soon started to engage with the State Governments for putting systems in place for participatory planning at the Gram Panchayat level.

Initially the Ministry had internal discussions and informal consultations with experts and then followed up with a formal meeting of State Secretaries in-charge of Panchayati Raj in May 2015. A unanimous decision was taken that the opportunity should be seized and a strong push given to decentralization through the preparation of participatory local level development plans by Gram Panchayats converging the

resources over which they have command in the particular context of a State.

Simultaneously, senior officials visited States. Discussions were held with the Chief Ministers in seven States, with the Ministers in-charge of Panchayati Raj in 13 States. Also in most of the States, the Chief Secretaries were briefed on the proposal to sensitize them on the importance of inter-departmental co-ordination. In all the States, detailed presentation on the need for Gram Panchayat level Development Plan indicating the generic methodology, the support systems required and the challenges, was made to a group of senior officers dealing with Panchayati Raj, Rural Development, Water and Sanitation and, barring a few States, Planning and Finance. Selected District Collectors and Field Officers also participated. This massive exercise in advocacy took nearly five months.

As decided in the Secretaries's conference a special write shop of five days for formulating detailed state specific process/guidelines for participatory planning and finalizing training strategy in the context of the same was organised at Kerala Institute of Local Administration (KILA) Kerala during 8-13th July, 2015. The workshop was preceded by a National consultation with experts and resource persons on the methodology of grassroots planning on 23.6.2015. Representatives of 27 States participated in the Writeshop. Comprehensive presentation on the rationale, components, processes and support systems needed for developing and implementing participatory GP plans and detailed tool kit for participants on formulating guidelines encompassing the above had been prepared for facilitating the State teams in developing their draft guidelines. The response to the write shop was overwhelming and State governments have been following up on the outputs therein to come out with their own variants of the idea of "my village my plan".

The following initiatives were also undertaken by the Ministry to make the GPDP process in the States a reality:

- Conduct of special Writeshop exclusively for the States of the North East in August 2015
- Providing feedback and inputs on the States' guidelines on GPDP – appraisal of State GPDP guidelines as part of appraisal of State RGPSA plans
- Issue of central Guidelines on the GPDP
- Participation of Ministry officials and resource persons in state level workshops for strategy setting for GPDP (on request of state) - Jharkhand, Assam, Uttarakhand, Jammu and Kashmir, Goa, Tripura.
- Alignment of RGPSA capacity building plans with the needs of training for GPDP
- Discussion with sister Ministries for convergent grassroots planning and implementation-MoRD, MDWS, MWCD
- Issue of Advisory on Environment Generation for GPDP
- Development and issue of Planning Manual for use by states which would serve as generic handbook for Panchayats to undertake participatory planning at the grassroots.

- Conduct of National Workshop on GP-SHG convergence for participatory planning in collaboration with MoRD and UNDP (26 states participated) 11-13 December, 2015.
- Issue of advisory on GP-SHG convergence for participatory planning and local governance.
- Review of GPDP in quarterly Secretaries' conferences.

It may be seen from the above that the Ministry has promptly and proactively set in motion engagement with state governments for actualization of GPDPs. States were asked to send the GPDP guidelines/draft guidelines and capability building matrix in the context of their guidelines along with their annual proposals under RGPSA so as to appraise the proposals from the perspective of system support/coordination for planning that was proposed by organized by the states and the consequent training and handholding requirements. The first tranche (50%) of FFC funds were released to the States for further release to panchayats in July and August of 2015. The Ministry of Finance Guidelines for utilisation of FFC funds by local bodies was issued in October 2015. By this time, significant work had been undertaken for setting in place GPDP processes and capacitating the panchayats and their support systems for taking up convergent planning."

2.36 The Committee further enquired Whether necessary preparations for execution of GPDP have been completed in all 26 States as on 01.03.2016, the MoPR informed:-

"As of now, out of 26 states which have Gram Panchayats, 25 States have issued the state specific guidelines. Goa has finalized the guidelines. Partial roll out of GPDP had commenced in States integrating MGNREGS and FFC funds in 2015-16 itself. The full roll out will occur in 2016-17. States have been advised that with effect from 2016-17, it should be a single plan converging FFC, NREGA , SBA and SFC funds at the bare minimum. They have been advised to merge the training teams of GPDP and IPPE into one full fledged team to work for the synchronised roll out of IPPE and GPDP as one participatory planning exercise for 2016-17."

The Timelines for GPDP Gram Sabhas status and projections are as under:-

	GP level planning teams	RPs	Completion of training	Planning GS	Date of GPDP
AP	Plan preparation Team	30 State RP 260 district 6600 mandal	Completed Mandal ongoing	March 16	April
Arunachal Pradesh	GP devp comm	62 IPPE 83 RGPSA 360 BPT		Feb16	
Assam	4 WG 70432	75 state RP 13206 GPRT	ongoing		
Bihar	Elections to PRIs due shortly				
Chattisgarh	Task force	SIRD, IPPE 160 St 1394 BRT 26193 GPT	April16	14.4.16	30.6.16
Goa	GP level task force	15 State 60 block	RP training completed	August	August- Sept
Gujarat	5 year perspective plan prepared				
Haryana	WG	SRT	ER foundation al training commenced	Not decided	Not decided
HP	Plg and budget team	SIRD, NGOs, officials		July16	Aug16
J&K	Panchayat Resource group	SIRD, SRLM BDO, SBM Panch officer	July 2016	Elections to PRIs in Aug-Sept	
Jharkhand	Panchayat Planning team	78 MT 526 SRT – block level, 15*3 NGOs	completed	Feb2016	April2016
Karnataka	GP resource team - % CV+ SHG		Feb 16	March16	April16
Kerala	Assembly Elections due shortly				
MP	Village task force	State, dt, block, cluster		30.5.16	30.5.16
Maharashtra	WG/TF	100 pr MTs 4000 MTs 4000 charge offrs	July 16		Aug16
Manipur	Community resource team	Crack team 6421 RPs	40 days	Not decided	Not decided
Odisha	GP plg unit	SIRD State 150 Dt MTs (officials)	Feb 16	31 march 16	31March 16
Punjab	GP Plg and monitoring unit			July 2016	Aug 2016
Rajasthan	GP level support group (officials)	SIRD	Yet to commence scheduled	Not decided	Not decided
Sikkim	Gram plg forum	SIRD 25 st 56dt,250 bl 1000GP		March16	April16
TN	Assembly elections due shortly				
Telangana	Functional committee	477 MT	completed	Feb 16	June 2016
Tripura	GP com/resource group	State, dt, block	5.3.16		May16
UP	GP resource group - cluster	30 State, 300 dt, block	ongoing	March 2016	March 2016
Uttarakhand	Plg and devp com	Gram vikas sanstan 311 Dt, ERs, 165 NGO, ETC	Feb 16	April16	May16
West Bengal	Assembly elections due shortly				

In this connection, outlining the role of NIRD & PR, the MoPR has stated:-

"The NIRD & PR has all along been associated in the several activities initiated by Ministry in the context of FFC Award. Resource persons of NIRD&PR have been engaged as members as national resource group on GPDP, and have supported States in the matter. NIRD&PR has been doing documentation of best practices and has provided inputs on certain core issues of panchayats like Sanitation. Representative of NIRD&PR is member of the CEC that accords approval of the annual plan proposals of the States under RGPSA. NIRD&PR has been actively involved in other National workshops and consultations of the Ministry including:

- National Workshop on Own Source Revenue generation by panchayats
 - National Writeshop on participatory planning for GPDP
 - NE Writeshop on participatory planning for GPDP
- National Workshop on State Finance Commissions and Fiscal Devolution."

Nursing progressive Panchayats to become model of beacon panchayats

2.37 During the course of examination, the Committee recalled that last year they had recommended about supporting the States in completion of already cleared projects that are already underway, the MoPR in their action taken reply had inter alia mentioned that activities like development of 50 GPs and 15 BP as Beacon Panchayat have been finalised during 2015-16 in the meeting of EC of RGPSA. Asked about the State-wise break up of 50 Gram Panchayats and 15 Beacon Panchayats and how these are being developed, the MoPR stated:-

"50 Gram Panchayats and 15 Block Panchayats are proposed to be developed as beacon Panchayats at national level from amongst the Panchayats who have demonstrated good governance, have developed best practices in social and livelihood sectors, and/or have done good work in providing basic services. These identified GPs would be developed as learning sites for other Panchayats of the State and the country to assimilate the processes of the best practice and to develop road maps for replication.

To this end, States were requested to send the 3 times of number of nominations allotted to States. Detailed documentation of the recommended Panchayats touching on demographic details, major areas in intervention in social sectors, basic amenities and civic services, in economic sectors and also specific area of excellence work has also been sought. An expert team has been constituted for field study of the best practices and recommendation regarding the beacon panchayats at the national level.

2.38 MoPR in a concept note on Developing Beacon Panchayats as Panchayat Learning Centres (PLCs) has also submitted:-

"It has been observed that exposure visits to well performing Panchayats is one of the most effective ways of learning for Panchayat representatives. During these visits they themselves get to see the good work done by other Panchayats, challenges faced by those Panchayats and avenues explored by those Panchayats to overcome those challenges. Currently, The Ministry of Panchayati Raj (MoPR) facilitates this type of learning initiatives in two ways. Firstly, MoPR identifies around 190 to 200 best performing Panchayats every year to which it gives the Panchayat Sashaktikaran Puraskar (PSP). In addition, 15-20 Gram Panchayats which have activated their Gram Sabhas are also identified and given the Rajiv Gandhi Gaurav Gram Sabha (RGGGS) award. MoPR also publishes a document capturing best practices of these award winning Panchayats. Secondly, MoPR also provides funds to the States for organising exposure visits for elected representatives of Panchayats to well performing or 'beacon Panchayats' within the State and outside. State Governments themselves also organise such exposure visits for elected representatives of Panchayats to well performing Panchayats."

Number of PLCs to be identified and developed as PLCs in the first round may be as follows:

SI.No.	State	Number of GPs to be developed as PLCs	Remarks
1	Andhra Pradesh	2	Coastal (1)
2	Arunachal Pradesh	1	
3	Assam	2	Forest (1)
4	Bihar	3	
5	Chhattisgarh	2	Forest (1)
6	Goa	1	
7	Gujarat	2	Arid (1)
8	Haryana	2	
9	Himachal Pradesh	2	Hilly
10	J&K	1	
11	Jharkhand	2	Forest (1)
12	Karnataka	2	Coastal (1)
13	Kerala	2	Coastal (1)
14	Madhya Pradesh	3	
15	Maharashtra	2	Arid (1)
16	Manipur	1	
17	Odisha	2	Coastal (1)
18	Punjab	1	
19	Rajasthan	2	Arid
20	Sikkim	2	Hilly
21	Tamil Nadu	2	Coastal (1)
22	Telangana	2	
23	Tripura	1	
24	Uttar Pradesh	4	
25	Uttarakhand	1	
26	West Bengal	3	Coastal (1), Forest (1)
	Total	50	

III. Incentivisation of Panchayats

3.1 Ministry of Panchayati Raj (MoPR) has seen incentivizing best performing Panchayats and Gram Sabhas and also documenting their best practices since 2011-12 under Panchayat Empowerment and Accountability Incentive Scheme (PEAIS). Since 2013-14, it has been a part of Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA). Asked what was the rationale behind making 'Incentivization of Panchayats' as a separate scheme for 2016-17 independent of RGPSA, the MoPR informed that as under:-

"Improvement and refinement of criteria / procedure for awarding best performing Panchayats and Gram Sabhas is a continuous policy intervention adopted from time to time. With a view to improve performance of Panchayats by specifically bringing out the issue of their performance into prominence and focus the attention of policy makers by encouraging the State Governments to develop their systems of assessment, 'Incentivisation of Panchayats' through awards was envisioned and rationalized as a separate scheme for the year 2016-17. This will create an eco-system for overall good governance at the local level but as well may prove feasible during the situational factors arising from estimation and revision of annual budget on the functioning of incentivization programme by providing uninterrupted/continuous support to Panchayats through the implementation of a separate budget-based incentive."

3.2 Asked in what way the current scheme is different from earlier scheme of Panchayat Empowerment and Accountability Incentive Scheme (PEAIS), the MoPR has stated:-

"Ministry of Panchayati Raj (MoPR) has been incentivizing best performing Panchayats and Gram Sabhas and also documenting their best practices since 2011-12 under Panchayat Empowerment and Accountability Incentive Scheme (PEAIS). Since 2013-14, it has been a part of Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA).

Incentivization of Panchayats, recognizes the good work of Gram Panchayats and Gram Sabhas under Panchayat Sashaktikaran Puraskar (PSP) and Rashtriya Gaurav Gram Sabha (RGGS) Puraskar, respectively. One unique feature of the current PSP is to identify the Panchayats making good contribution in specific areas by introduction of eight themes namely, (i) Sanitation, (ii) Civic services (drinking water, street light, infrastructure), (iii) Natural resource management, (iv) Serving Marginalized section (women, SC/ST, disabled, senior citizen), (v) Social sector performance, (vi) Disaster management, (vii) CBOs/ Individuals taking voluntary actions to support Gram Panchayats, and (viii) Innovation in revenue generation. One-third of the total PSP awards are

proposed in the categories of thematic awards. Practice of submission of nominations through physical means has also been replaced with the online submission with some relaxations for the areas with poor internet connectivity.

Further, States will also be supported in creating and improving a system whereby Panchayats that are unable to perform their roles adequately, termed as 'On Watch' Panchayats, alongwith best performing panchayats."

3.3 Asked whether elected representatives of people like MPs, MLAs be involved in this process, the MoPR stated:-

"Essence of incentivizing Panchayats through awards lies in building models and nurture schools of practice by identifying and encouraging the deserving Panchayats and to create an eco-system for overall good governance for Panchayats as a whole."

IV. Mission Mode Project for e-Panchayats

4.1 Ministry of Panchayati Raj in their preliminary material on page 4 has stated e-Panchayat is one of the Mission Mode Projects (MMP) under digital India Programme. Under the programme, a suite of core common software applications, collectively known as the Panchayat Enterprises Suite (PES), has been developed to address various aspects of Panchayat functioning including budgeting, planning, accounting, monitoring, social audit and delivery of citizen services. In furtherance to the above applications, another Application – Audit Online has been developed to facilitate audit of government institutions online. The other initiatives taken up include electronic provision of services by Panchayats, incentivizing Panchayats through e –Puraskar, mobile based asset mapping of Panchayats/equivalent bodies, modification of PlanPlus and PRIASoft softwares to take account of the recommendations of the Fourteenth Finance Commission and to ensure preparation of participatory Gram Panchayat Development Plans, setting up SATCOM facilities at State, District and Block levels for distance learning/training in partnership with ISRO and enabling GPs to take maximum benefit from BharatNet. As per data shown, Rs.22.00 crore have been proposed for this Scheme for 2016-17.

4.2 During the course of examination, the Committee asked whether implementation of Mission Mode Project on e-Panchayat programme under 'Digital India Programme' essentialities like assured power supply, broadband connectivity in Gram Panchayats, computer literacy among grassroot functionaries / workers etc., have to be completed first, the MoPR submitted that:-

"Though the above mentioned requirements are pre-requisites for an effective implementation of e-Panchayat, the level of preparedness of Panchayats w.r.t. e-enablement varies significantly across States/UTs. While separate programmes of the Government address these gaps in power supply, internet connectivity and computer literacy, experience has shown that such hurdles can be overcome at local level if the project is actively driven by the State and District administration. For instance, Gram Panchayats that do not have regular power or internet connectivity make their online data entries by regularly visiting the nearby Gram/Block Panchayats where power and connectivity are available. The computer literacy amongst the grassroot level functionaries is an ongoing programme of the Central and State Governments.

4.3 The Committee enquired about the States/UTs which are performing well on those areas and States/UTs which still face constraint areas, the MoPR stated :-

"The States of Karnataka, Kerala, Maharashtra, Odisha, Tamil Nadu and West Bengal and some regions of the States of Andhra Pradesh, Assam, Bihar, Chhattisgarh, Punjab, Tripura and Uttar Pradesh are performing well. The performance is dependent on availability of adequate ICT infrastructure and trained manpower which varies from State to State and from region to region within a State."

4.4 The Committee also wanted to know whether the Panchayats not prepared enough to operate sophisticated software like Panchayat Enterprises Suite (PES), PRIYA Soft and Plan Plus for carrying out today online operations, the MoPR submitted that:-

"The applications under Panchayat Enterprise Suite (PES) have been developed with a simple user interface to facilitate data entry. Furthermore, depending on the level of preparedness, the capacities of Panchayats vary significantly across the country. For instance, while Panchayats in most southern States are relatively well staffed and fully capable of using these software applications, the Panchayats in some northern States lack adequate staff and capacity and hence face challenges in the institutionalization of software applications."

4.5 During the course of examination, the Committee pointed out that the detailing out the response of States/UTs regarding uniform accounting practices among PRIs across the country, under MAS, the MoPR clarified:-

"PRIASoft is an online accounting application that has been developed to mirror all the MAS requirements. 18 States/UTs namely Andhra Pradesh, Assam, Bihar, Chhattisgarh, Haryana, Himachal Pradesh, Jharkhand, Maharashtra, Odisha, Punjab, Puducherry, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura, Uttarakhand and Uttar Pradesh have adopted PRIASoft while five States namely Gujarat, Karnataka, Kerala, Madhya Pradesh and West Bengal have not adopted PRIASoft, since they have their own State-specific accounting Applications."

4.6 The committee in this context asked how many Gram Panchayats State-wise have been able to put their Accounts on public domain as on 01.03.2016, the MoPR stated:-

"The States are required to close their year books on an annual basis. For 2014-15; the details of State-wise Gram Panchayats with year book closure can be seen below:

States	Total No of Village Panchayats	Village Panchayats with voucher entries in 2014-15	Total No of Village Panchayats with Year Book (2014-15) Closed
A&N Islands	69	0	0
Andhra Pradesh	12924	5905	5375
Arunachal Pradesh	1734	0	0
Assam	2206	2194	2199
Bihar	8475	799	60
Chandigarh	17	0	0
Chhattisgarh	10782	9522	9410
Dadra and Nagar Haveli	11	0	0
Daman and Diu	14	0	0
Goa	190	0	0
Gujarat	13915	0	0
Haryana	6079	5726	5723
Himachal Pradesh	3243	2384	1873
Jammu and Kashmir	4098	0	0

States	Total No of Village Panchayats	Village Panchayats with voucher entries in 2014-15	Total No of Village Panchayats with Year Book (2014-15) Closed
Jharkhand	4423	4253	4294
Karnataka	5631	0	0
Kerala	977	0	0
Lakshadweep	10	0	0
Madhya Pradesh	23024	0	0
Maharashtra	27911	27867	27842
Manipur	161	25	29
Odisha	6236	840	784
Puducherry	98	0	0
Punjab	13060	51	732
Rajasthan	9178	6339	5848
Sikkim	176	157	152
Tamil Nadu	12524	12523	12523
Telangana	8730	8052	7988
Tripura	1118	1117	1117
Uttarakhand	7937	6512	6555
Uttar Pradesh	51916	49251	48739
West Bengal	3239	2650	0

For 2015-16; the States/UTs are still making voucher entries and are currently in the process of closing the year books."

4.7 The Ministry of Panchayati Raj has given the following details regarding PRIYA Soft:-

No. of PRI's	Total No. of PRI's	Total No. of PRI's with Masters	Total No. of PRI's with Vouchers	Total No. of Receipt Voucher	Total No. of Payment Voucher
Zilla Panchayat	619	605	484	443	947717
Block Panchayat & Equivalent	6632	6387	5561	5174	1907855
Village Panchayat & Equivalent	254552	243760	199838	183706	38382337
Total*	261803	250752	205883	189323	41237909

*The numbers exclude States of Gujarat, Karnataka and Kerala who have their State specific accounting software. The State of West Bengal who also has their own State specific software have begun porting the data in PRIASoft.

4.8 The Committee enquired that whether all the Panchayats have been brought under Mission Mode on e-Panchayats Programmes, the MoPR stated:-

"Accounting is only one of the areas of automation under e-Panchayat. Furthermore, the level of adoption of PRIASoft and other software applications varies across States/UTs."

4.9 Asked how many Panchayats state-wise are yet to be covered as on 01.03.2016, the MoPR clarified:-

"Under e-Panchayat, there are several software applications and the adoption of all these applications varies across and within States/UTs. The aim of the project is to gradually cover all the Panchayats in the country."

4.10 In this connection, the Secretary, MoPR during the course of evidence of the representative of the MoPR also explained:

"On accountability, we have put in several initiatives, one of which is new plan plus, where every project will be monitored and will be available for public scrutiny. Second is the simple accountability tool. We have said all the gram panchayats in their wall should paint the allocation from different CS which they are getting, what they are going to do and at the end of it what they did with it. Some States have already started doing that."

V. Action Research and Research Studies

5.1 The MoPR has stated that Action Research and Research Studies (AR&RS) scheme takes up studies on subjects relevant to Panchayati Raj Institutions in the country through Academic Institutions / Research Organizations / Registered Societies / Non Profit Organizations / SIRDs having specialized experience to undertake such studies. Every year, Ministry identifies certain subjects/themes, as per need, and research studies and action researches are commissioned. Further, proposals submitted suo motto by research organizations are also considered, on merit. Such studies are critical, as Panchayati Raj is an evolving area and new developments take place continuously. During 2015-16 Ministry of Panchayati Raj commissioned three Studies. These are:-

- (i) Study on the Recommendations of various State Finance Commissions and their Implementation status across the Country;
- (ii) Compilation of Judicial Pronouncements on Panchayati Raj Systems in India by Indian Law Institute, and
- (iii) Field assessment of the Status of Devolution of Powers and Resources across the States and UTs for the year 2015-16 and to develop indicators for evidence based ranking by TISS. It is 100% funded by Government of India.

5.2 The outlays vis-a-vis expenditure under the scheme during the last four years have been as under:-

(Rs. in crore)

Year	Outlays		Expenditure
	BE	RE	
2013-14	3.00	3.00	2.18
2014-15	3.00	2.00	0.36
2015-16	2.00	3.00	0.36
2016-17	15.00		

5.3 The Committee pointed out that whatever outlays available with MOPR during all these years have gone thoroughly under-utilised, the MoPR stated:-

"In the context of the implementation of the Fourteen Finance Commission (FFC) recommendations and also in view of the preparation of the Gram Panchayat Development Plans (GPDP), it is necessary that the Ministry conducts impact assessment and evaluation studies on implementation of FFC and GPDP. Also, the Ministry proposes to undertake a qualitative assessment in the form of a State of Panchayat Report (SoPR) 2016-17, of the functioning of PRIs, their achievements and the progress achieved in terms of empowerment and strengthening of PRIs in State/UTs, allowing for comparisons to be made and good practices and lessons to be disseminated. In addition, each year, MoPR commissions an independent study to rank States along a Panchayat Devolution Index (PDI) which measures the extent to which State have devolved powers and responsibilities to Panchayats. States that rank high on the Devolution Index (DI) are honoured on Panchayati Raj Day on 24th April. MoPR further proposes from the next year to also rank States along a PESA Index (PI) to assess the extent to which States have created a facilitative environment for the implementation of PESA.

5.4 Asked about the kind of transparency the MOPR is observing in selection/commissioning of these research studies particularly when the AR&RS Scheme has not picked up well during the last three-four years, the MoPR submitted:-

"The themes of the study(s) are identified based on the needs of the Ministry as well as the State Government(s). Once the themes are identified and approved by the Research Advisory Committee (RAC) headed by Secretary (PR), financial procedures for selection of agencies are followed, including invitation of bids. Further for suo motto proposals submitted by the agency(s) the proposals are examined by the above mentioned Research Advisory Committee (RAC) in detail before the study is commissioned. Before the proposals are placed before the RAC,

comments/recommendations of the concerned division handling the respective subject of the study in the Ministry are also taken."

5.5 Asked about the the composition of Research Advisory Committee, the MoPR submitted:-

"RAC consists of Secretary, Ministry of Panchayati Raj as the chairperson and Additional Secretaries / Senior Adviser and Joint Secretaries of the Ministry, Additional Secretary & Financial Adviser of the Ministry and a representative of NITI Ayog as members."

VI. ATMs in Panchayats

6.1 Rs. 10.00 crore is the allocation for 2016-17 setting up ATM service in Panchayat Bhavans, asked about the basic features of this scheme, the MoPR stated:-

"Since this scheme has been included in the Budget of MoPR through the Demands for Grant 2016-17, the contours of the scheme have not yet been finalized. Discussions with Department of Financial Services and other stakeholders are being planned to work out the details of the scheme."

VII. Media and Publicity

7.1 The Ministry of Panchayati Raj in their Preliminary Material Page on 5 has stated that the Media and Publicity Scheme aims at effective communication through electronic and print media for advocacy and publicity regarding all aspects of Panchayati Raj in the country, for building the capacities of Panchayats and enhancing their performance. To strengthen Panchayats and Gram Sabhas, MoPR needs to reach out to multiple and diverse target groups including PRI representatives, officials of Panchayats and those who implement programmes, policy makers and opinion makers and the rural population. Given the divergent nature of the stakeholders to be addressed, multiple media options are adopted. Ministry has also commissioned a study to prepare a "Communication Strategy" for the Ministry, which would guide the future activities under this scheme.

7.2 A sum of Rs.100 crore was XIIth Plan allocation under Media and Publicity : The allocations vis-a-vis utilisation of funds so far during XIIth Plan has been as under:-

(Rs. in crore)

Year	Allocations		Utilisation
	BE	RE	
2012-13	17.00	12.00	12.00
2013-14	15.00	15.00	14.42
2014-15	20.00	10.00	02.55
2015-16	05.00	05.00	04.36
2016-17	15.00		

7.3 The Committee pointed out that Ministry of Panchayati Raj has stated that low utilisation of funds was due to non-celebration of National Panchayat Day due to imposition of Model Code for Lok Sabha elections and non-maturing of film commissioned during the year for payment. The Ministry of Panchayati Raj has mentioned about commissioning a 'communication strategy' for guiding future activities. Asked upto what extent these two reasons resulted in under utilisation during 2014-15 under the Scheme, the MoPR stated:-

"An amount of Rs. 3.50 crore was allocated for Mass Media Campaign for National Panchayati Raj Day, 2014, which could not be utilized due to non-celebration of the event. An amount of Rs. 94.00 lakhs could not be used due to non-maturing of films commissioned in 2013 and 2014."

7.4 When asked about the reasons for low level of funds under the Scheme for 2015-16, the Ministry informed as under:-

"There was a huge reduction in the overall budget allocation of the Ministry during 2015-16. Media and Publicity scheme also got proportionately reduced allocation."

7.5 About the achievements under the Scheme during the year 2015-16, the Ministry informed as under:

- (i) Seven day Mass Media Campaign for National Panchayati Raj Day 2015 on Doordarshan and All India Radio.
- (ii) Release of Print advt. (Half Page colour) for National Panchayati Raj Day 2015.
- (iii) Ministry had commissioned 35 training/ success story films during 2014. These films got reviewed at various levels, first through a technical committee and

subsequently by Secretary (PR) and other senior officials of the Ministry. These films would be sent to State Govts. and SIRDs for dissemination to panchayats and for use in trainings of Elected Representatives and functionaries of Panchayats.

- (iv) Ministry participated in the Republic Day Parade through display of a Tableaux on “Women Empowerment and Panchayati Raj” “Sashakt Mahila evam Sashakt Samaaj”.
- (v) “Rashtriya Gaurav Gram Sabha Puraskaar”, national Award was given to the Panchayats, which have made exemplary contribution to the socio-economic development of village, in 2015.
- (vi) Participated with the State Government of Maharashtra in the “Palkhi Solha” Festival.

7.6 Asked about the salient features of the 'communication strategy', the Ministry explained as under

"The overall objective is to design a template of short-term communication strategy for MoPR to address its immediate communication needs and gaps at different levels. This short-term strategy will act as a springboard to develop a long-term strategy for the duration of 2-5 years for which an extensive communication needs assessment will be done separately for MoPR by Indian Institute of Mass communication (IIMC)."

Part-II**Recommendations/Observations****Demands for Grants (2016-17)**

2.1 The Committee note that the detailed Demands for Grants (2016-17) of the Ministry of Panchayati Raj (MoPR) under Demand Number 71 were presented to Lok Sabha on 10 March, 2016 wherein the MoPR has been allocated Rs. 768.33 crore comprising Plan Outlay of Rs. 750.00 crore and Non-Plan Outlay of Rs. 18.33 crore. The Committee endorse the same. The Committee have examined the Demands for Grants of MoPR for 2016-17. The recommendations/observations of the Committee have been set out in the succeeding paragraphs.

XII Plan (2012-17) Outlays *vis-a-vis* expenditure

2.2 The Committee's examination of outlays *vis-a-vis* expenditure so far during XII Plan (2012-17) reveal that Ministry of Panchayati Raj (MoPR) received the funds as proposed during the first three years of the 12th Plan (2012-17) and the only gap visible between proposed allocation *vis-a-vis* actual allocation was during 2015-16 that also was followed by the acceptance of recommendations of the Fourteenth Finance Commission (FFC) Grants (2015-20) to provide an amount of Rs. 2,00,292.62 crore to Gram Panchayats and to delink two flagship programmes of MoPR from central support *viz.* Backward Region Grant Fund (BRGF) and State component of Rajeev Gandhi Panchayat Saskhatikaran Abhiyan (RGPSA) from 2015-16. Elaborating reasons for higher funds for 2016-17, the MoPR has stated that highest ever FFC Grants has opened new possibilities of strengthening of GPs to act as institutions of Local Self Government in line with the spirit of the Constitution as borne out by the Gram Panchayat Development Plans initiated in all Part IX States and for utilising the potential of Gram

Panchayats in realizing the targets set by the Sustainable Development Goals (SDGs). In the context of FFC Grants, the Committee also appreciate that the MoPR has come out with a roadmap projecting the quantum of funds required for strengthening of PRIs for next five years in a time-bound manner mainly on areas of institutional support, capability development, Institutional strengthening for capacity building and incentivisation of performance and have stated that complete overhaul of RGPSA scheme is underway. The Committee recommend that MoPR should expeditiously complete the ongoing overhaul of RGPSA for handling the huge FFC Grants for GPs and also coordinate the same with concerned State Governments to move forward on their respective Plans urgently.

(Recommendation Serial No. 1)

Annual Plan (2015-16)

2.3 The Committee are dismayed over the way the budget requirements of Ministry of Panchayati Raj during 2015-16 have been managed. In this connection, it came out before the Committee that despite the proposed allocation of Rs. 10,150 crore for 2015-16, the State Component of RGPSA was delinked from Central Support on account of increased transfer of funds from Central pool to States and as a result Rs. 60 crore were provided to MoPR for RGPSA for Central Component in view of huge FFC Grants to Panchayats. In this connection, the Committee have been informed that however, it was soon realized that training requirements of the level of local Self Government has actually increased manifold on account of the roll out of the FFC award and ensuring initiatives for convergence local planning at Gram Panchayat level, an additional amount of Rs. 300 crore was provided (in August, 2015) in the first

batch of Supplementary Grants with an assurance to consider providing an additional Rs. 300 crore in the next supplementary grants to actual requirement. Accordingly sanctions were issued to the tune of Rs. 584.86 crore for proposals of 23 States/UTs primarily for training requirements for Gram Panchayat Development Plan (GPDP) and for building institutional capacity building for training. However, the Budgetary provision was originally curtailed to Rs. 144 crore at RE stage in December, 2015 and then on reconsideration to Rs. 191 crore in February, 2016 and upto March Rs. 147 crore has been released.

In view of the above, the Committee strongly deprecate the manner in which entire issue of availability of funds for Panchayats was handled in the light of roll out of FFC Grants. The Committee feel that issue of training of large number of trainees involved under Gram Panchayat Development Plans and setting up institutional set up for training requirement should have been done well before the roll out of FFC Grants leaving no room for approaching for Supplementary Grants. The Committee hold the Ministry of Finance equally responsible for not handling the issue properly. The Committee also feel that there is no coordination between MoPR and Ministry of Finance in allocation *vis-a-vis* the release of funds during 2015-16. The Committee would also like to know the comments of Ministry of Finance in this regard before arriving at a logical conclusion.

(Recommendation Serial No. 2)

SCHEME-WISE ANALYSIS

2.4 The examination of Demands for Grants (2016-17) of Ministry of Panchayati Raj has revealed that out of the total of Rs. 750 crore of Plan expenditure, Rs. 655 crores have been proposed for Capacity Building : Panchayat Sashaktikaran Abhiyan and remaining funds have been proposed for smaller schemes viz Incentivization of Panchayats (Rs. 38 crore), Mission Mode Project on e-Panchayats (Rs. 22 crores), Action Research (Rs. 15 crore), ATM Services in Panchayats (Rs. 10 crore), Media & Publicity (Rs. 8 crore). The scheme-wise analysis is in succeeding paragraphs.

I. Capacity Building : Panchayat Sashaktikaran Abhiyan (erstwhile RGPSA)

2.5 The Committee note that centrally sponsored scheme of Rajeev Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) that was launched during the 12th Five Year Plan period to strengthen the Panchayati Raj system across the country by way of providing funds on the basis of Annual Plans of the States as approved by Central Executive Committee (CEC) of RGPSA with funding pattern of 75:25 between Central and State Governments except for North-East where it is 90:10. The Committee find that from 2015-16 the funds were received under Central Component only with 100 percent central funding. The Committee also note that from 2015-16 the programme was renamed as 'Capacity Building : Panchayat Sashaktikaran Abhiyan' and underwent a policy change in the context of huge devolution of funds to Gram Panchayats as per the recommendations of FFC Grants and State Component of the scheme was to be met from their own resources. Various Issues concerning the scheme have been discussed as under:-

(i) **Financial Performance**

2.6 The Committee's examination of financial performance of RGPSA has revealed large gaps between fund sanctioned *viz-a-viz* fund released during 2012-13 to 2015-16 and large number of unspent balances are also figuring in during 2015-16. For instance during 2013-14, 2014-15 and 2015-16 the funds sanctioned were Rs. 1,576 crore, Rs. 2058.39 crore and Rs. 589.56 crore, whereas the funds released were as low as Rs. 560.59 crore, Rs. 481.39 crore and 103.8 crore respectively. In this connection, the issue of large amount of funds sanctioned *viz-a-viz* funds released during 2013-14 to 2015-16 in respect of Bihar also came up before the Committee, the MoPR Clarified that in Bihar there is requirement based on demand and in real terms the State started spending in 2014-15.

2.7 The reason for gap between funds sanctioned and funds released during 2013-14 has been the time taken by States to develop Perspective Plans involving multi-dimensional activities, seeking clearances from competent authorities, availability of land etc. Whereas for 2014-15 the Ministry of Panchayati Raj has explained that it indicated both the carry-over activities of the previous years as also the new activities sanctioned thus the total amount sanctioned appear to be high. Besides, the MoPR had also stated that releases were affected by delay on account of Parliament Elections, delay in internal clearances etc. with the result States were unable to claim the second installment resulting in substantial cut in RE stage. In view of the foregoing the Committee feel that the MoPR should pursue the concerned State Governments to take up this issue so that the funds sanctioned under earlier RGSPA may be utilized by concerned States on their own resources.

2.8 In the case of unspent balances, the Committee are constrained to find that out of Rs. 626.04 crore of funds approved, as large as Rs. 197.28 crore are unspent balances with large number of unspent balances figuring in Uttar Pradesh (Rs. 42.79 crores), Maharashtra (Rs. 30.28 crore), Haryana (Rs. 18.62 crore), Jammu & Kashmir (Rs. 16.06 crore) and Madhya Pradesh (Rs. 13.16 crore).

The Committee also find that large number of unspent balances under Central Component of RGPSA available with Ministry of Panchayati Raj does not augur well particularly when the funds have been received in the form of Supplementary Grants. The Committee, therefore, strongly recommend the Ministry of Panchayati Raj to liquidate these huge unspent balances expeditiously.

(Recommendation Serial No. 3)

(ii) Challenges before MoPR

The Committee are constrained to note that various challenges like shortage of Panchayat Bhavans, lack of trained manpower, availability of computers etc. are being faced by MoPR.

(a) Shortage of Panchayat Bhavans

2.9 During the course of examination, the issue of large number of Gram Panchayats without Panchayat Bhavans came up before the Committee in a big way. In this connection, it also came out before the Committee that as many as 43,653 Gram Panchayats (GPs) are managing without Panchayat Bhavans out of which as large as 18,000 are alone in Uttar Pradesh. From the State-wise details, the Committee are constrained to note that in many States the situation is similar. For instance, in Punjab 7,776 GPs, in Maharashtra 4,363 GPs, in Haryana 2,516 GPs, in Bihar 2,182 GPs, in Himachal Pradesh 1,776 GPs, in Jammu & Kashmir

1,943 GPs, in Jharkhand 1,770 GPs and Uttarakhand 1,352 GPs do not have Panchayat Bhavan of their own.

In this connection, it came out before the Committee that MoPR is already seized of the issue and have termed it very crucial for smooth functioning of Panchayat for delivery of services to people. The MoPR has however, clarified that since providing infrastructure in Gram Panchayats is within the purview of States, it is upto the States to provide the Panchayat Bhavans in Gram Panchayats. The Ministry however, on its part has impressed upon the States from time to time for doing the needful. Further, the MoPR has also informed that construction of Gram Panchayat Bhavans has been notified as one of the permissible activities under MGNREGA and funds required for material for construction can be pooled form MGNREGA and in this regard the Ministry is pursuing with the Ministry of Rural Development, Department of Rural Development. The MoPR has also brought out before the Committee statistics showing sanction for construction and repairs of Panchayat Bhavans under RGPSA previously during 2013-14 and 2014-15. It also came out during the course of evidence of the representatives of MoPR that currently no funds are being provided for construction of Gram Panchayat Bhavans under RGPSA as has been done in the past. However, MGNREGA funds are available and MoPR is trying to get the FFC Grants (2015-16) subject to concurrence of Ministry of Finance and have decided to monitor the construction of Gram Panchayat offices by using ten percent of Performance Grants that is basically on additional resources mobilised by Gram Panchayat in the previous year and for that formula will have to be set by State Governments for which the last date was 31st March, 2016 and many States have already done it. The Committee recommend that in

view of large number of States running without Gram Panchayats Bhavans, MoPR should expeditiously work out a time table for construction of Gram Panchayat Bhavans in Gram Panchayats and necessary wherewithal and logistics are at least given to these States by using MGNREGA/FFC Funds.

(Recommendation Serial No. 4)

(b) Lack of trained Manpower in Gram Panahayat

2.10 During the course of examination, the issue of lack of manpower in Gram Panchayat also came up before the Committee prominently. The Committee were informed that inadequate trained manpower in terms of manager, development officers, accountants, engineers at Gram Panchayat level is being experienced in all the States barring Kerala, Sikkim, Karnataka, Goa and West Bengal. Further, in States like Uttar Pradesh, Bihar, Madhya Pradesh and Jharkhand, the staff availability in GPs is extremely low and particularly in Uttar Pradesh, the situation is worst where one Panchayat Sachiv is managing as many as 6 GPs approximately. With a view to address the situation, the MoPR has already prioritised operationalising the Gram Panchayat Development Plans and FFC Grants for looking after trained manpower requirements at Gram Panchayat level in the country and have submitted the State-wise details in this regard showing progress made and timelines drawn across 26 States. The Committee are constrained to note that training process is complete only in four States of Andhra Pradesh, Goa, Jharkhand and Telangana. The Committee are also dismayed to note that in States like Uttar Pradesh, Assam and Haryana it is on-going/commenced whereas in Rajasthan it is yet to commence. In respect of States of Chhattisgarh, Jammu & Kashmir, Karnataka, Maharashtra, Manipur, Odisha, Tripura and Uttarakhand different dates have been shown and the

Committee are unable to comprehend the exact status and require a clarification in this regard. The Committee feel that progress of the State-wise level of training is far from satisfactory and needs to be upscaled in a big way.

In this connection, during examination of Demands for Grants (2016-17) of Department of Rural Development, it came out before the Committee that as large as 3,000 Barefoot Technicians (BFTs) will be made available at GP level by 2016-17. The MoPR has also admitted candidly before the Committee that there is strong need to develop capacity building of PRIs in the changed scenario, with enhanced allocation of funds under the RGPSA is also being aligned to meet the post FFC award scenario. It also came out before the Committee that out of the 26 States which have Gram Panchayats, 24 States have issued specific Guidelines and partial roll out of Gram Panchayat Development Plans (GPDPs) had already commenced in States in integrating MGNREGA with FFC Fund and full roll out will occur in 2016-17. Meanwhile, the MoPR has also spelt out various State level workshops held from time to time and discussion held with 13 States also. The Secretary, MoPR apprised the Committee that the Government is trying to address the issue in a multi-pronged way only for GP level. Firstly, since creation of staff takes time, MoPR has asked State Governments to give some technical support from existing staff temporarily by issuing necessary Guidelines. Secondly, issuing ten percent FFC Grants for hiring or outsourcing professional people. Thirdly, to use long term solution by addressing the manpower needs scientifically through technical experts. In the light of acute shortage of trained manpower at Gram Panchayat level in States like Uttar Pradesh, Madhya Pradesh and Jharkhand and in view of slow progress with regard to training in almost all States barring few States and in the light of

impending full roll out of FFC Grants in 2016-17, the Committee recommend that the aspect of making available the trained manpower to Gram Panchayats be taken up by MoPR with MoRD and State Governments in a comprehensive and time-bound manner.

(Recommendation Serial No. 5)

(c) Leveraging Space Technology for training requirement of Panchayats

2.11 The Committee appreciate that in pursuance of Prime Minister's advice to all Ministries to leverage Space Technology in Governance, Ministry of Panchayati Raj has taken up universalisation of SATCOM facilities in partnership with Indian Space Research Organization (ISRO) upto Block level by way of setting up State level Studio at State Institute of Rural Development (SIRD) or at any location identified by State Government for broadcasting training programme and for opening up 2 way audio-video terminal at District and Block level to augment training requirements and thirteen States of Andhra Pradesh, Haryana, Jammu & Kashmir, Odisha, Punjab, Arunachal Pradesh, Bihar, Jharkhand, Tamil Nadu, Tripura, Uttarakhand, Himachal Pradesh and Uttar Pradesh have been identified for funding in 2015-16 and all States/UTs would be brought in 2016-17. For this States/UTs would provide necessary space and infrastructure. The Committee also appreciate that State Governments as also ISRO are largely willing to work together on this issue and planned to be completed in 2016-17. The Committee feel that MoPR should operationalise the same expeditiously during 2016-17 and expand it in remaining States/UTs also.

(Recommendation Serial No. 6)

Nursing progressive Panchayats to become model of beacon Panchayats

2.12 The Committee appreciate that for nursing progressive Panchayats as to become model Panchayats, MoPR has decided that 50 Gram Panchayats and 18 Block Panchayats are proposed to be developed as beacon Panchayats at National level from among the Panchayats who have demonstrated good work in providing basic services. The Committee find that 4 beacon Panchayats in Uttar Pradesh and 3 each in Madhya Pradesh, Bihar and West Bengal and in other States at varying degree are to be identified. The Committee have been informed that expert team has been constituted for field visits for the best practices and recommendation regarding the beacon Panchayat at National level. The Committee feel that this is most progressive move and be accomplished expeditiously.

(Recommendation Serial No. 7)

Incentivization of Panchayats

2.13 The Committee appreciate that MoPR has come out with a new scheme of Incentivization of Panchayats that was earlier part of erstwhile RGPSA with a view to improve performance of Panchayats by specifically bringing out the issue of their performance into prominence and focus the attention of policy makers by encouraging State Governments to develop their system of assessment. The Committee also find under the scheme Panchayat Sashaktikaran Puraskar (PSP) and Rashtriya Gaurav Gram Sabha (RGGGS) Puraskars are given to identify Panchayats making good work in eight themes like sanitation, clinic services, disaster management, innovation in revenue generation etc. The Committee find that MoPR has been implementing this scheme for a quite long time previously and with the recent innovation this scheme has been launched for 2016-17. The Committee feel that MoPR should monitor this scheme effectively in different States for real empowerment of PRIs across the country.

(Recommendation Serial No. 8)

Media & Publicity

2.14 The Committee's examination of 12th Plan (2012-17) allocation under Media & Publicity indicate that as against the total allocation of Rs. 100 crores, the actual allocation was Rs. 65 crores only. Besides, there was reduction from the level of BE to RE during 2012-13 and 2014-15 also. For instance, the BE 2012-13 and 2013-14 of Rs. 17 crore and Rs. 20 crore were brought down to as low as Rs. 12 crore and Rs. 10 crore respectively. Further, the BE 2015-16 was further reduced to a mere Rs. 5 crores. As for 2016-17, Rs. 8 crore have been proposed at BE level. While reviewing the expenditures during all four years of the current Plan, the Committee find that the expenditure were cent percent during 2012-13 and almost full in subsequent year that is 2013-14. However, in the next year i.e. 2014-15 it was half of the RE. Further, during 2015-16 the already less amount was almost utilized. The Committee are constrained to note that cumulative shortfall between funds allocated during 12 Plan *vis-a-vis* funds given at reduction from BE to RE level in different years and abysmally lower level of funds during 2015-16 does not augur well with the overall allocations *vis-a-vis* utilization of the scheme. The Committee therefore feel that the MoPR should amend its ways and means for better allocation and utilization in future.

(Recommendation Serial No. 9)

ATMs in Panchayats

2.15 The Committee are constrained to note that an amount of Rs. 10 crore has been proposed for setting up of ATMs in Panchayat Bhavans without finalizing the contours of the scheme with the Department of Financial Services and for which the discussion with the other Stakeholders are currently at planning stage only. In the light of utility of ATMs in Panchayat Bhavans for the use of the rural poor, the Committee feel that MoPR should move faster on this scheme by early finalization of the contours of the scheme and holding necessary discussions with Stakeholders so that ATMs are set up in Gram Panchayat Bhavans.

(Recommendation Serial No. 10)

Action Research and Research Studies

2.16 The Committee are glad to note that as against the 12th Plan allocation of Rs. 19 crore, the cumulative BE under the scheme comes to Rs. 26 crore. The Committee are happy to note that as against the total BE in first four years of Rs. 11 crore as high as Rs. 15 crore have been proposed for 2016-17. In this context, the Ministry has stated that it is necessary to conduct impact assessment and evaluation studies on implementation of FFC and GPDP; qualitative assessment in the form of State of Panchayat Report, 2016-17; independent study to rank State along a Panchayat devolution Index, etc. In the light of quantum jump in allocation of funds during 2016-17 over the cumulative BE of first four years of the Current Plan, the Committee expect the MoPR to use the amount judiciously and fully. The Committee also recommend the Ministry to expedite the various studies being undertaken and publish the recommendations thereon to facilitate the States in effective functioning of Panchayats.

(Recommendation Serial No. 11)

Mission Mode Project for e-Panchayats

2.17 The Committee note that the Mission Mode for e-Panchayats earlier a component under RGPSA has been allocated a sum of Rs. 22 crore for the year 2016-17 for addressing various aspects like Panchayat functioning including budgeting, planning, accounting, monitoring, social audit etc. Besides, it seeks to modify Plan Plus and PRIASoft softwares to take account of the recommendations of the Fourteenth Finance Commission and to ensure preparation of participatory Gram Panchayat Development Plans, setting up SATCOM facilities etc. In this connection, it came out before the Committee that various constraints like assured power supply, broadband connectivity in Gram Panchayats, Computer literacy among grassroots functionaries etc. may affect the over-all implementation of e-Panchayats Programme. In this context, the MoPR stated that such hurdles can be overcome at

local level if the project is actively driven by the States and District Administration and the level of preparedness of Panchayats with reference to e-Enablement is dependent on availability of adequate ICT infrastructure, trained manpower, adequate staff, capacity of Panchayats to operate such sophisticated softwares etc. which varies across States/UTs. The Committee apprehend that without addressing these pre-requisites comprehensively, it would be difficult to implement the scheme fully. The Committee therefore, desire that instead of leaving the issues at the mercy of State Governments and local administration, the MoPR should play a pro-active role for effective implementation of the scheme in years to come.

It also came out before the Committee that with a view to have uniform accounting practice across the PRIs, the MoPR has informed the Committee that as many as 18 States namely Andhra Pradesh, Assam, Bihar, Chhattisgarh, Haryana, Himachal Pradesh, Jharkhand, Maharashtra, Odisha, Punjab, Puducherry, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura, Uttarakhand and Uttar Pradesh have adopted PRIASoft while five States namely Gujarat, Karnataka, Kerala, Madhya Pradesh and West Bengal have not adopted PRIASoft, since they have their own State-specific accounting Applications. During evidence, the Secretary, MoPR explained that on accountability, several initiatives have been taken like New Plan Plus where every project will be monitored and available for public scrutiny and as an accountability tool, all the Gram Panchayats have been directed to clearly specify the various details regarding their allocations. The Committee further recommend the Ministry to strictly monitor the implementation of the projects and also ensure accountability.

(Recommendation Serial No. 12)

NEW DELHI;
29 April, 2016
09 Vaisakha, 1938 (Saka)

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

Annexure I

Sl. No.	Scheme	12 th Plan Outlay	2012-13			2013-14			2014-15			2015-16			2016-17
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual	BE	R.E.	Actual upto 01/2016	BE
1	Secretariat Economic Service (Management Cell, Plan)	125.00	20.00	20.00	13.22	22.00	22.00	14.65	25.00	22.00	19.28	25.00	20.00	13.57	Scheme transferred to Non-Plan
2	International Cooperation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a.	Membership to International Local Governance Bodies (CLGF)- contribution)	0.50	0.10	0.10	0.07	0.10	0.10	0.08	0.10	0.10	0.00	0.10	0.10	0.0	0.10
b.	Projects assisted by UN Agencies	24.50	4.90	8.90	8.90	4.90	4.90	0.32	1.90	1.90	1.61	1.90	1.90	0.0	1.90
3	Media & Publicity	100.00	17.00	12.00	12.00	15.00	15.00	14.42	20.00	10.00	5.52	05.00	5.00	4.96	8.00
4	Action Research & Research Studies.	19.00	3.00	3.00	0.69	3.00	3.00	2.18	3.00	2.00	0.65	2.00	2.00	0.36	15.00
5	Resource Support to State	8.00	8.00	5.00	1.60	-	-	-	-	-	-	-	-	-	-
6	PMEYSA	-	1.75	1.75	1.74	-	-	-	-	-	-	-	-	-	-
7	RBH	-	0.25	0.25	0.11	-	-	-	-	-	-	-	-	-	-
8	RGPSA *	11270.00	205.00*	179.00*	172.22	655.00	655.00	629.58	1050.00	527.00	525.64	360**	191.00	111.89	655.00***
10.	Mission Mode Project on e-panchayat														22.00
11.	Incentivisation of Panchayats														38.00
12	ATM services in Panchayat Bhawans														10.00
13.	e-Panchayats	-	40.00	36.00	5.80	-	-	-	-	-	-	-	-	-	-
14	BRGF	29306.00	5050.00	3734.00	3720.00	6500.00	2800.00	2800.00	5900.00	2837.00	2819.26	-	-	-	-
	Total	40853.00	5350.00	4000.00	3936.35	7200.00	3500.00	3461.23	7000.00	3400.00	3389.70	394.00	220.00	130.78	750.00

Note: * From to 2015-16, the schemes of RGPSA (state component) and BRGF have been delinked from central support. The scheme RGPSA has been renamed as Capacity Building : *Panchayat Sashaktikaran Abhiyan* from 2016-17

** Amount of Rs 360 crore includes Rs 300 crore received through first batch of supplementary Grant. From RGPSA's B.E 2015-16(Head:2515), Rs. 320.00 crore is for Central Components & Rs.40 .00 crore for NE regions (Head:2552).

*** From RGPSA's B.E 2016-17(Head:2515), Rs. 580.00 crore is for Central Components & Rs.75 .00 crore for NE regions (Head:2552).

STANDING COMMITTEE ON RURAL DEVELOPMENT (2015-2016)**MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE HELD ON
TUESDAY, THE 22 MARCH, 2016**

The Committee sat from 1400 hrs. to 1500 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Dr. P. Venugopal -- *Chairperson*

MEMBERS**Lok Sabha**

2. Shri Kirti Azad
3. Shrimati Renuka Butta
4. Shri Vijay Kumar Hansdak
5. Shri Ajay Misra (Teni)
6. Dr. Mahendra Nath Pandey
7. Shri Prahlad Singh Patel
8. Dr. Ramesh Pokhriyal "Nishank"
9. Shri Jugal Kishore Sharma
10. Dr. Yashwant Singh
11. Shri Ladu Kishore Swain

Rajya Sabha

12. Shri Gulam Rasool Balyawi
13. Shri Ram Narain Dudi
14. Shri Ranvijay Singh Judev
15. Shri Mahendra Singh Mahra
16. Shrimati Kanak Lata Singh

Secretariat

1. Shri Abhijit Kumar - Joint Secretary
2. Shri A.K. Shah - Director
3. Smt. B. Visala - Additional Director

Representatives of the Ministry of Panchayati Raj

1. Shri S.M. Vijayanand - Secretary
2. Smt. Seema Bahuguna - Additional Secretary & FA
3. Shri A. K. Goyal - Additional Secretary
4. Smt. Rashmi Shukla Sharma - Additional Secretary
5. Smt. Rugmini S Parmar - Senior Adviser
6. Shri Dvijendra Kumar Sharma - Joint Secretary
7. Smt. Sarada G. Muraleedharan - Joint Secretary
8. Shri Dilip Kumar - Director

2. At the outset, the Chairperson again welcomed the Members of the Committee after the lunch break to the sitting convened to take evidence of the representatives of the Ministry of Panchayati Raj in connection with the examination of Demands for Grants (2016-17) of Ministry of Panchayati Raj.

[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. The Chairperson in his opening remarks broadly explained the scheme-wise funds proposed for 2016-17 under different schemes in the Ministry of Panchayati Raj. Thereafter, the Secretary, Ministry of Panchayati Raj made a Power Point Presentation inter alia highlighting allocations viz. utilisation of funds in different years so far during 12th Plan (2012-17) and dealt with initiatives taken under different schemes under the Ministry.

4. Thereafter the Members raised queries one by one which were responded to by the witnesses.

5. The Chairperson then thanked the representatives of the Ministry of Panchayati Raj and asked them to furnish written information on points for which information was not readily available at a later date to this Secretariat.

[The Witnesses then withdrew]

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

STANDING COMMITTEE ON RURAL DEVELOPMENT (2015-2016)**MINUTES OF THE THIRTEENTH SITTING OF THE COMMITTEE HELD ON
FRIDAY, THE 29 APRIL, 2016**

The Committee sat from 1015 hrs. to 1045 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe (PHA), New Delhi.

PRESENT

Dr. P. Venugopal -- *Chairperson*

**MEMBERS
LOK SABHA**

2. Shri Kirti Azad
3. Shrimati Renuka Butta
4. Shri Harishchandra Deoram Chavan
5. Shri Biren Singh Engti
6. Shri Vijay Kumar Hansdak
7. Shri Ajay Misra (Teni)
8. Dr. Ramesh Pokhriyal "Nishank"
9. Shri Gokaraju Ganga Raju
10. Dr. Yashwant Singh
11. Shri Ladu Kishore Swain
12. Shri Chintaman Wanaga

RAJYA SABHA

13. Shri Gulam Rasool Balyawi
14. Shri Ranvijay Singh Judev
15. Shri Mahendra Singh Mahra
16. Shrimati Kanak Lata Singh

SECRETARIAT

- | | | |
|-----------------------|---|---------------------|
| 1. Shri Abhijit Kumar | - | Joint Secretary |
| 2. Shri A. K. Shah | - | Director |
| 3. Smt. B. Visala | - | Additional Director |

2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting convened for consideration and adoption of Draft Reports on Demands for Grants (2016-17) of the Department of Rural Development (Ministry of Rural Development), Department of Land Resources (Ministry of Rural Development), Ministry of Drinking Water and Sanitation and Ministry of Panchayati Raj.

3. Thereafter, the Committee took up for consideration the Draft Reports and adopted the Draft Report relating to Department of Rural Development with minor modifications and the remaining Draft Reports without any modifications. The Committee also authorized the 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.

4. XXX XXX XXX XXX XXX XXX.

The Committee then adjourned.