

**GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA**

STARRED QUESTION NO:423

ANSWERED ON:07.08.2014

PANCHAYATI RAJ INSTITUTIONS

Mahtab Shri Bhartruhari;Singh Deo Shri Kalikesh Narayan

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) the parameters framed to evaluate the functioning of the Panchayati Raj Institutions (PRIs) in the country;
- (b) the details of the proposals received from various States for release of funds under the Panchayati Raj System and the action taken by the Government thereon;
- (c) whether the Government proposes to increase the flow of funds to PRIs with a view to improve their functioning and if so, the details thereof;
- (d) the details of major constraints identified in effective functioning of PRIs in the country; and
- (e) the steps taken by the Government to address them and to put in place a mechanism to monitor their functioning ?

Answer

MINISTER OF STATE FOR PANCHAYATI RAJ (SHRI UPENDER KHUSWAHA)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN PARTS (a) TO (e) IN REPLY TO LOK SABHA STARRED QUESTION NO.423 TO BE ANSWERED ON 7.8.2014 REGARDING PANCHAYATI RAJ INSTITUTIONS

(a) Ministry of Panchayati Raj (MoPR), in consultation with the State Governments, has framed parameters to evaluate the functioning of Panchayati Raj Institutions (PRIs). As the assessment of PRIs has to be State specific, a set of model indicators, questionnaire and marking scheme, to be adopted appropriately by the States/UTs in their context for assessing PRIs have been developed by MoPR. These criteria for evaluation of Panchayats broadly relate to infrastructure available to Panchayats, basic functions, process of decision making in Panchayats, capacity building, management of personnel, resources available and revenue generation, centrality of Panchayats in planning, implementation and monitoring of developmental and social welfare schemes, interface with Gram Sabha, accounts and social audit. The Ministry has got conducted several studies including devolution of functions, funds and functionaries by the States to PRIs in the form of State of Panchayat Reports. These study reports have been shared with the States/UTs.

(b) Funds under Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) are accessed by the States as per need based and context specific plans selected from various activities permitted under RGPSA. RGPSA extends to all States and UTs of the country. The funding pattern in the scheme is 75:25 by Central and State Governments respectively except for North-East States, where it is 90:10. The scheme provides performance linked funds from 2014-15, wherein 20% Scheme funds will be tied to State performance on identified deliverables in the State plan. The status of proposals received from States in the current year and the action thereon are at Annexure I & II.

(c) As per the Finance Minister's Budget speech for the year 2014-15 restructuring of the Backward Regions Grant fund (BRGF) Programme seeks to address intra-district inequalities to ensure that backward sub-district units within the States receive adequate financial support. No such proposal in case of RGPSA is under consideration at this point of time.

(d) Some of the constraints felt in the effective functioning of PRIs are shortage of human resource and infrastructure at Gram Panchayat level, inadequate devolution of finances, functions and functionaries, lack of institutional infrastructure for training, low capacity of Gram Sabha in PESA areas, lack of requisite human and infrastructure resources with State Election Commissions, weak processes for decentralized planning and governance, and inadequate and stagnant outlays.

(e) The States / UTs are encouraged to devolve functions, funds and functionaries (3Fs) to Panchayats. Under the BRGF, funds are released on the basis of need based plans made by the Panchayats. The Schemes of RGPSA and BRGF have provisions for providing funds to States for building capacities of the elected representatives and functionaries of PRIs. To ensure utilization of budgetary allocation the MoPR regularly follows up with the State Governments for early submission of proposals along with the requisite documents for timely release of allocations. Review meetings and video conferences with the State/ district level officials and visits by the officials of the Ministry to the States are some of the other measures for ensuring timely utilization of funds. The State Governments are required to transfer the funds to the Implementing Entities (IEs) within 15 days.