

**GOVERNMENT OF INDIA  
PANCHAYATI RAJ  
LOK SABHA**

UNSTARRED QUESTION NO:3960  
ANSWERED ON:10.08.2017  
Utilisation of Funds by Panchayats  
Owaisi Shri Asaduddin

**Will the Minister of PANCHAYATI RAJ be pleased to state:**

- (a) whether some Panchayats in the country have expressed their inability to utilize funds earmarked for them due to non-availability of district plans;
- (b) if so, the details thereof;
- (c) whether the Union Government has issued any instruction to the Panchayats in this regard;
- (d) if so, the details thereof; and
- (e) the mechanism developed within the Panchayati Raj Institution to prepare district plans and to monitor the works executed by Gram Panchayats

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PANCHAYATI RAJ  
(SHRI PARSHOTTAM RUPALA)

(a) & (b) : This Ministry has not received communication regarding Panchayats expressing inability to utilize funds earmarked for them under 14th Finance Commission award due to non-availability of District Plan.

(c) to (e): Under the Fourteenth Finance Commission (FFC) award, grants to the tune of Rs.2,00,292.20 crore for the period 2015-2020 have been allocated to be devolved to Gram Panchayats (GPs) constituted under Part IX of the Constitution in 26 States. The guidelines for release and utilization of these grants issued by Ministry of Finance stipulate that proper plans are to be prepared by GPs before incurring expenditure of the funds. The Ministry of Panchayati Raj (MoPR) has developed and shared with States model guidelines for preparation of Gram Panchayat Development Plan (GPDP). All Part-IX States have developed and issued their State specific GPDP guidelines for formulation, implementation and monitoring of GPDP. There is no concept of district plans under GPDP. The GP project proposals under GPDP exceeding the prescribed financial limit if stipulated in respective State Panchayati Raj Acts and rules need to be sent to district planning committee for obtaining administrative approvals. Since, GPDP is a convergent plan, it requires enhanced monitoring at multiple levels starting from community upto State as per respective State GPDP guidelines.