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**STANDING COMMITTEE ON  
URBAN AND RURAL DEVELOPMENT  
(1998-99)**

**TWELFTH LOK SABHA**

**MINISTRY OF RURAL AREAS AND EMPLOYMENT  
(DEPARTMENT OF RURAL DEVELOPMENT)**

**DEMANDS FOR GRANTS  
(1998-99)**

**FOURTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*July, 1998/Asadha, 1920 (Saka)*

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(TWELFTH LOK SABHA)

MINISTRY OF RURAL AREAS AND EMPLOYMENT  
(DEPARTMENT OF RURAL DEVELOPMENT)

DEMANDS FOR GRANTS  
(1998-99)

*Presented to Lok Sabha on 14.7.98  
Laid in Rajya Sabha on 14.7.98*



LOK SABHA SECRETARIAT  
NEW DELHI

*July, 1998/Asadha, 1920 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON  
URBAN AND RURAL DEVELOPMENT  
(1998-99)

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1. Shri G.C. Malhotra — *Additional Secretary*
2. Shri S.C. Rastogi — *Director*
3. Smt. Sudesh Luthra — *Under Secretary*

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\*Resigned from the membership of the Committee w.e.f. 04.7.98.

\$Ceased to be a member of the Committee consequent upon his retirement from Rajya Sabha on 29.6.98.

## ACRONYMS

A.E.	—	Actual Expenditure
A.R.W.S.P.	—	Accelerated Rural Water Supply Programme
B.E.	—	Budget Estimate
B.P.L.	—	Below Poverty Line
C&AG	—	Comptroller and Auditor General of India
EAS	—	Employment Assurance Scheme
ETC	—	Extension Training Centre
JRY	—	Jawahar Rozgar Yojana
MNP	—	Minimum Needs Programme
NSAP	—	National Social Assistance Programme
NREP	—	National Rural Employment Programme
N.C.	—	Not Covered
NGOs	—	Non-Governmental Organisations
NIC	—	National Informatics Centre
NIRD	—	National Institute of Rural Development
OB	—	Opening Balance
PC	—	Partially Covered
R.E.	—	Revised Estimate
RGNDWM	—	Rajiv Gandhi National Drinking Water Mission
RLEGP	—	Rural Landless Employment Guarantee Programme
SIRD	—	State Institute of Rural Development
SRA & ULR	—	Strengthening of Revenue Administrative and Updation of Land Records
TSC	—	Total Sanitation Campaign
UTs	—	Union Territories

## INTRODUCTION

I, the Chairman of Standing Committee on Urban & Rural Development (1998-99) having been authorised by the Committee to submit the Report on their behalf, present this Fourth Report on Demands for Grants (1998-99) Department of Rural Development (Ministry of Rural Areas & Employment).

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

3. The Committee took evidence of the representatives of the Department of Wastelands Development (Ministry of Rural Areas & Employment) on 23rd June, 1998.

4. The Report was considered and adopted by the Committee at their sitting held on 6th July, 1998.

5. The Committee wish to express their thanks to the officers of the Department of Rural Development (Ministry of Rural Areas & Employment) for placing before them the requisite material in connection with the examination of the subject. They also wish to express their thanks to the officers of the Ministry/Department who appeared before the Committee and placed their considered views.

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

NEW DELHI;  
July 9, 1998  
Asadha 18, 1920 (Saka)

KISHAN SINGH SANGWAN,  
*Chairman,*  
*Standing Committee on*  
*Urban & Rural Development.*



## CHAPTER I

### INTRODUCTORY

1.1 The Ministry of Rural Areas and Employment consists of three Departments (i) Department of Rural Development; (ii) Department of Rural Employment and Poverty Alleviation; and (iii) Department of Wastelands Development.

1.2 The Department of Rural Development deals with Centrally Sponsored Programmes/Schemes like Rural Water Supply and Sanitation Programme, Land Records, National Social Assistance Programme, Roads in Special Problem Areas, Training & CAPART.

1.3 The overall Demands for Grants of the Department for 1998-99 are for Rs. 2,530 crore.

1.4 The Demands for Grants of the Department are presented to Parliament under Demand No. 71.

The detailed Demands for Grants of the Department were laid in Parliament on 9th June, 1998.

1.5 In the present Report the Committee have restricted their examination to only major issues concerning programmes (i) Accelerated Urban Water Supply Programme (ii) Rural Sanitation Programme (iii) National Institute of Rural Development (NIRD), Strengthening/establishment of State Institutes for Training in Rural Development (SIRD) Establishment, Strengthening of Extension Training Centres (ETCs), Organisation of training course Seminars and Workshops, Council for Advancement of People's Action and Rural Technology (CAPART) in the context of budgetary allocation in Demands for Grants for the year 1998-99.

## CHAPTER II

### AN OVERALL ANALYSIS OF DEMANDS FOR GRANTS FOR THE YEAR 1998-99 OF THE DEPARTMENT OF RURAL DEVELOPMENT (MINISTRY OF RURAL AREAS AND EMPLOYMENT)

2.1 Comparative position of the outlay during 8th Plan and 9th Plan—Annual Plans 1997-98 & 1998-99

	Rs. in crore
8th Plan Outlay	- 6450.00
Expenditure incurred during 8th Plan	- 5672.04
BE 1997-98	- 2195.00
RE	- 1985.00
Actual	- 2031.69
9th Plan proposed outlay	- 46955.00
9th Plan outlay as approved by Planning Commission	- not yet approved by the Planning Commission
BE 1998-99	- 2530.00

2.2 As per the data furnished by the Department in its written note the increase/decrease scheme-wise is as under:-

	Rs. in crore	% hike/decrease over BE 1997-98 + increase - Decrease
	1	2
(i) Rural Water Supply Programme	(+) 325.00	(+)24.96%

	1	2
(ii) Scheme for Promotion of Voluntary Schemes	(+) 10.00	(+) 100 %
(iii) Agrarian Studies and computerisation of Land Records	(+) 10.00	(+) 50.05%
(iv) Strengthening of Revenue Administration and updating of Land Records	(-) 10.00	(-) 53.19%
(v) Promotion of Voluntary Schemes	(+) 10.00	(+) 100%
(vi) Roads in special problem areas	(-)00.48	(-) 25%

2.3 When asked how far the schemes will be affected where the outlay has been retained at 1997-98 level, the Department in its written note has stated that two major schemes of the Department of Rural Development are Rural Sanitation Programme and National Social Assistance Programme. Under Rural Sanitation Programme, the targets are likely to be affected by 5% as compared to the targets achieved during 1997-98. As regards NSAP, it has been stated that seeing the trend of expenditure during the last three years and also keeping in view the opening balances with the State Governments, the budget provision made for 1998-99 which is at 1997-98 level would be sufficient to meet the requirements of the States/UTs during the current year. The other minor schemes of the Department for which small budget provisions have been made are not likely to be affected to a great extent.

2.4 Further when asked to submit the reasons for variations between outlay and expenditure during 8th Plan and also between Budget Estimates, Revised Estimates and actuals during 1997-98, the Department in its written note has clarified the position that even though the Five-Year Plan lays down the outlays under each sector, the availability depends on the allocations made in the annual plans as decided by the Planning Commission from year to year.

2.5 The main shortfall in utilisation occurred under NSAP where against a provision of Rs. 1482 crore, Rs. 932 crore only could be utilised. The shortfall was mainly due to the delay in the grounding of the scheme by the States and the reduced off take by the States.

2.6 In so far as the Rural Water Supply is concerned, as against Eighth Plan outlay of Rs. 5100 crores, the Planning Commission through the Annual Plans had provided only Rs. 4310 crore out of which Rs. 4142 crore were released. The shortfall of about Rs. 168 crore occurred due to cuts etc., as imposed by the Ministry of Finance and due to other technical reasons such as non-reappropriation of funds provided under one head to another head within the same Scheme. Further in the case of the scheme for strengthening of revenue machinery and updating of land records, the utilisation was less on account of the States not being able to contribute the required 50% share. In the case of the scheme for Agricultural Marketing, the shortfall occurred due to non-approval of new schemes by the Planning Commission.

2.7 The reason for variation between B.E. 1997-98 and R.E. 1997-98 has been given as the cut of Rs. 210 crore imposed by Ministry of Finance under NSAP keeping in view the expenditure incurred under the scheme during the previous two years and huge opening balances with the States.

2.8 The reason for variation between R.E. 1997-98 and Actuals for 1997-98 has been given as the Ministry of Finance allowed to restore an amount of Rs. 70 crore over and above the R.E. provision taking in account the additional requirement of funds from the State Governments.

2.9 The Department has proposed for 9th Plan an outlay to the tune of Rs. 46,955.00 crore. When asked the reasons for proposing enhanced outlay, the Department has stated that as per the initial proposal of the Department of Rural Development which was submitted to the Planning Commission in November, 1996, the proposed outlay was Rs. 46,955.00 crore in which the major enhancement in the outlay was proposed under the new scheme for Rural Link Roads (Rs. 15,000 crore), NSAP (Rs. 8,953.79 crore) and RWSP (Rs.18,000 crore). However, a revised proposal was submitted to Planning Commission on 29.5.1997. As per the revised proposal the outlay for rural roads was excluded as the scheme was not yet approved. Similarly, the outlay under NSAP and Rural Water Supply Programmes have been reduced from

Rs. 8,953.79 crore to Rs. 4,660.00 crore; and from Rs. 18,000 crore to Rs. 11,000 crore respectively. Thus, the revised proposed outlay was Rs. 17,160.00 crore.

### **The latest Methodology of cut off limit of BPL**

2.10 In the Annual Report 1997-98 of the Ministry of Rural Areas and Employment, the latest methodology of cut-off limit for below poverty line has been given according to which All India cut off line for BPL is Rs. 266.27 per mensem per capita.

2.11 It has been submitted by the Department in its written note that at present, a BPL census for the 9th Plan is under progress. However, under this census, families are being identified on the basis of expenditure criteria and the Planning Commission has indicated different monthly per capita expenditure for different States, the all India average of which is Rs. 266.27 per month per capita. This limit will help in the identification of people below poverty line. A list will be prepared of the beneficiaries so that it can be assured that these schemes targetted towards them are reached to them.

2.12 In so far as allocation of funds is concerned, the allocations are made every year in the Annual Plan in accordance with the provision of the Five Year Plan allocations. When the Five Year Plans are formulated, all factors including the extent of poverty, the extent of resources available etc. are taken into account. The 9th Plan is yet to be finalised.

**2.13 The Committee note that out of 8th Plan outlay of Rs. 6450 crore, funds to the tune of Rs. 5672.04 crore could actually be released. The basic reason for the lesser release as could be seen from the above mentioned paras is the shortfall in expenditure under various schemes. While the underspending of Rs. 270 crore under NSAP could be appreciated as it being a new scheme the ineffective implementation of various schemes could not be appreciated as the same is the main reason for getting lesser outlay from the Planning Commission. The implementation of the respective schemes is analysed scheme-wise in the succeeding paragraphs of the Report. The Committee recommend that the Government should evaluate the performance of different schemes implemented during 8th Plan and should take corrective measures to improve the implementation of the schemes during 9th Plan.**

**2.14 While appreciating the Government's concern for Rural Development as is evident from the revised proposed outlay to the tune of Rs. 17,160 crore for 9th Plan, the Committee would like that Government should give more importance to the execution and implementation of the schemes. It is also urged that evaluation of the schemes should be got done concurrently by independent agencies.**

**2.15 The Committee hope that Government will take care of the latest cut-off limit of below poverty line as per the latest BPL survey being carried out by the Planning Commission, for the identification of persons below poverty line for different schemes and allocation of funds to respective States/UTs.**

## CHAPTER III

### SCHEME-WISE EVALUATION OF DEMANDS FOR GRANTS 1998-99 ACCELERATED RURAL WATER SUPPLY PROGRAMME (ARWSP)

**Demand No. 71**

**Major Head 2215, 3601, 3602**

#### **The objectives of the Programme**

3.1 National Drinking Water Mission was launched as one of the five societal missions in 1986 to accelerate the process of providing safe drinking water to the rural masses. During 1991-92, the National Drinking Water Mission was renamed as Rajiv Gandhi National Drinking Water Mission.

3.2 The coverage of drinking water supply is achieved through the following schemes:

Minimum Needs Programme (State Sector)

Accelerated Rural Water Supply Programme (Centrally Sponsored).

Mission activities like:

Mini Missions (55 districts) as District based integrated projects for rural water supply on long term basis.

Five Sub-Missions for tackling Guineaworm Eradication, Control of Fluorosis, Removal of Excess Iron, Control of brackishness and Scientific Source Finding, Conservation of Water and Recharging of Aquifers.

All the above programmes aim at ensuring safe drinking water supply of 40 litres per capita per day for human beings and an additional 30 litres per capita per day for cattle in Desert Development Programme areas.

3.3 Comparative data with regard to 8th Plan outlay and outlay during the first two years of 9th Plan

		Rs. in crore
8th Plan outlay	-	5100.00
Expenditure incurred	-	4142.71
Outlay as proposed for 9th Plan and revised proposed outlay	-	18000.00 and 11,000 respectively
Outlay approved for 9th Plan	-	not yet decided by Planning Commission
BE 1997-98	-	1302.00
RE 1997-98	-	1302.00
Actual	-	1301.05
BE 1998-99	-	1627.00

*Status with regard to Not Covered & Partially Covered and habitations*

3.4 The Department in its written note has submitted that as per the provisional reports received from the States, 102270 Not Covered & Partially Covered habitations have been provided with safe drinking water facilities and the expenditure incurred for coverage was Rs. 999.62 crore under ARWSP and Rs. 1574.38 crore under Minimum Need Programme during 1997-98. It has further been mentioned that the provisional targets for coverage of Not Covered & Partially Covered habitations during 1998-99 are given as one lakh habitations. The minimum estimated requirements of funds to cover all the NC&PC habitations by 2002 AD has been given as Rs. 9101 crore.

3.5 When asked as to how many years will it take to cover all Not Covered & Partially Covered habitations with the present trend of outlay of the Department, it has been mentioned that it will take a minimum of 7 years to cover all Not Covered & Partially Covered habitations identified during 1991-94 survey and re-verified during 1996-97.



3.6 The position of expenditure as reported by States/UTs and implementing agencies is as below:—

**Central Sector (RGNDWM) ARWSP**

(Rupees in Crore)

Year	Allocation	Expenditure by the Ministry	Expenditure reported by the States/UTs implementing agencies
1992-93	460.00	458.998	483.551
1993-94	740.00	737.020	589.287
1994-95	810.00	809.970	711.870
1995-96	1110.00	1039.732	972.076
1996-97	1110.00	1093.020	941.700
<b>Total (8th Plan)</b>	<b>4230.00</b>	<b>4138.740</b>	<b>3698.484</b>
1997-98*	1302.00	1299.910	980.740

\*provisional

Year	Target (ARWSP+MNP)		Achievement (ARWSP+MNP)	
	No. of villages/habitations	Population (in lakhs)	Villages/habitations covered	Population benefited
1992-93	33533	172.873	34360	172.388
1993-94	40212	198.148	41488	163.179
1994-95	58916	217.271	70934	223.655
1995-96	86746	266.915	93272	313.023
1996-97	96307	276.502	99651	320.082
<b>Total (8th Plan)</b>	<b>315714</b>	<b>1131.709</b>	<b>339705</b>	<b>1192.327</b>
1997-98*	99613	302.788	83144	286.752

\*provisional

On an overall basis, there was no shortfall in achievement in coverage of villages/habitations and population coverage during the Eighth Plan.

3.7 The Department while mentioning the reasons for mismatch between expenditure by the Ministry and expenditure as reported by the States/UTs, implementing agencies has submitted that the figures shown under the column "expenditure" by the Ministry indicates the release of ARWSP funds by the Ministry to the States. Most of the piped water supply schemes have a gestation period of minimum of 1-3 years. The expenditure incurred and the amount released will not match in a particular financial year. This is basically due to the fact that financial commitment and physical commissioning of the schemes are carried out in different periods of time in phases.

3.8 The expenditure position when considered separately for ARWSP & MNP, the position as reported by the Department is as below:—

		(Rs. in crore)		
Year		Outlay	Release	Expenditure
1996-97	ARWSP	1110.00	1093.02	941.70
	MNP	1502.16	1295.85	1325.59
1997-98	ARWSP	1302.00	1299.91	977.23
	MNP	1643.38	1429.98	1312.92

3.9 When asked about the reasons for low expenditure under ARWSP as compared to MNP the Department as per its written reply has submitted that water supply being a State subject, the Central assistance is provided only to supplement the efforts of the State Government. As the expenditure incurred by some of the States during 1997-98 is still to be reported, the actual ARWSP expenditure during 1997-98 will be more than Rs. 977.23 crore. The allocation and release of ARWSP funds are usually less than the Minimum Need Programme provision made by most of the States and in absolute terms the expenditure under the ARWSP would always be less than or at best equal to the MNP expenditure. Further many State Governments take up RWS schemes under the MNP providing funds thereto. Establishment expenditure and Users' O&M expenditure is also booked under the MNP, boosting the overall expenditure.

3.10 The position of financial progress in respective States/UTs in 1996-97 and 1997-98 as given in Performance Budget is at

Appendices-I & II respectively. It could be seen therefrom that under ARWSP during 1996-97 the percentage of expenditure of available funds in Assam, Bihar, Goa, Meghalaya, Nagaland, Tamil Nadu, A&N Islands, D&N Haveli, Daman & Diu, Delhi, Lakshadweep, Pondichery is less than 60%. The position in A&N Islands, Daman & Diu, Delhi and Lakshadweep is further worse as the said percentage is 0%. Similarly during 1997-98, percentage expenditure of available funds under ARWSP is less than 60% in Bihar, Goa, Gujarat, J&K, Kerala, MP, Manipur, Nagaland, U.P., West Bengal, A&N Island, D&N Haveli, Daman & Diu, Delhi, Lakshadweep & Pondichery.

3.11 When asked for the reasons for low percentage of expenditure in the above mentioned States/UTs, it is submitted by the Department that the delay in release of funds by Finance Department to the implementing Departments led to poor expenditure in respect of Assam and Nagaland. In the case of Meghalaya, poor expenditure under ARWSP has been indicated due to mixing up of MNP and ARWSP expenditure. It has been stated further that the exact reason is being ascertained from the State Government.

While furnishing reasons for 0% of expenditure in some of UTs as mentioned in Para 3.10 above, the Department has stated that almost all the Union Territories are not availing the ARWSP funds as they carry out rural water supply activities from their own resources. But as could be seen from Appendix - I, that certain allocation is earmarked against UTs, under ARWSP excepting Lakshadweep.

As regards position in Bihar, the Department has submitted that the financial and physical achievement is not satisfactory due to time-consuming procedural formalities. A task force of expert visited Bihar recently for an in-depth study of implementation of projection Bihar. The report submitted by the task force has been sent to the State Government of Bihar with a request to simplify and improve their planning, approval, implementation and monitoring procedure so that better results could be achieved. With regard to Goa it is mentioned that work on only one water supply scheme is under progress, which would cover all the remaining NC habitations. Further, Government of Tamil Nadu had carried forward from the previous year, a huge opening balance under ARWSP, consequent to booking of expenditure for entire O&M under the MNP.

### **Financial achievement during 1997-98**

3.12 As regards Financial Achievement during 1997-98 it is submitted by the Department that the financial achievement as on 31.3.1998 in respect of most of the States has now been received. The percentage of expenditure of available funds under ARWSP during 1997-98 in respect of Gujarat, Kerala, Manipur, U.P. and West Bengal is above 60% and that of Goa and M.P. is almost 60%. The latest expenditure report in respect of Madhya Pradesh is yet to be received. The reconciled final expenditure reports from Jammu and Kashmir, Manipur and Nagaland are yet to be received. The implementing agencies in Jammu and Kashmir could not carry out works in some of the disturbed areas. The position in respect of UTs is by and large same as that of 1996-97.

3.13 It has further been mentioned that no Central assistance has been provided during 1997-98 to the States where no expenditure was incurred during 1996-97. The Government of Pondicherry has submitted a proposal of funds for 1997-98 and accordingly Rs. 10 lakh has been released.

3.14 The position of opening balances with different States/UTs for 1996-97 & 1997-98 is given at Appendixes I and II respectively it could be seen therefrom that so far as ARWSP is concerned, there are huge opening balances as compared to their allocation with some of the States like Bihar, Goa, Nagaland, Tamil Nadu, D&N Haveli. When asked for the reasons for huge opening balances with these States/UTs, it has been mentioned in the written note that as per the guidelines for implementation of rural water supply programmes, States are allowed to carry forward 25% of the current allocation to them keeping in view the phasing out of expenditure and to ensure smooth flow of funds.

#### *Advance Planning for Ninth Five Year Plan*

3.15 The salient features of the planning for the Ninth Five Year Plan as per the written note of the Department are likely to be as under:

- (a) Coverage of all the remaining not covered habitations and partially covered habitations in the next five years.
- (b) Tackling the problem of quality of drinking water for the habitations seriously affected with excess fluoride and arsenic in drinking water.

- (c) Conservation of water and recharge of aquifers including rejuvenation, construction and improving the well tried successful traditional structures like dug wells, tankas, oornies etc. with appropriate innovation to improve the supply of quality water.
- (d) Transfer of ownership of the assets and responsibility for maintenance and repairs to the local community and Panchayati Raj Institutions.

3.16 When asked about the concrete planning on the part of the Government to achieve the said laudable objectives during Ninth Five Year Plan, the Department in the written note has mentioned that:

- (a) As per the action plans submitted by the States, all the remaining not covered habitations and partially covered habitations would be covered during the next five years, subject to availability of funds.
- (b) States have been requested to prepare and implement action plan for tackling the problem of quality of drinking water.
- (c) States have been advised to take appropriate action for conservation and recharge of aquifers by adopting to legislative measures for control of groundwater and conservation of water on the basis of model bill circulated in June, 1996 by the Ministry of Water Resources. States have been requested to adopt traditional water harvesting techniques and undertake watershed development programmes.
- (d) The States have been instructed to transfer the ownership of assets and responsibility of their maintenance and repairs to Panchayati Raj institutions and local communities during the first meeting of the Empowered Committee held on 1.2.96. The States are being regularly reminded to implement the same.

*Repairs and maintenance of assets created under Rural Water Supply Programme*

3.17 On the question of repairs and maintenance of the assets created under Rural Water Supply Programme, the Secretary during evidence stated "it is true that they are not able to give the required funds for repairs, yet during this year they have proposed to increase

the percentage of allocation for maintenance from 10% to 15% of the allocation."

*The problem of contaminated water supply*

3.18 As per Annual Report water testing facility is available at District headquarters. When the attention of the Government was drawn towards the problem of contaminated water, the Secretary during his evidence stated "it is true that the number of pollution effected villages is increasing. The problem of salinity, floride and oxygen increases with the level of ground water going low. The dependece on ground water is increasing. At present the condition is that 90% ground water is used for irrigation. As a result water level is going down. Till April, this year, the power of allocation of funds for pollution effected villages was centralised. But since the problem has increased, it is not possible for the Government to plan for the whole country. From this year, the power to sanction funds has been decentralised."

3.19 The Committee are concerned to note the underspending under one of the priority programmes of the Government viz ARWSP. Out of the total outlay of Rs. 5100 crore, funds to the tune of Rs. 4142.71 crore only could actually be spent during 8th Plan. The Committee would like to recommend that the implementation of the Programme during 8th Plan should be evaluated so as to find the shortcomings in the implementation of the programme and to take necessary corrective measures in this regard. The Committee would like to be informed of the results of the evaluation and also about the steps taken in this regard.

3.20 The Committee appreciate the revised proposed outlay of Rs. 11,000 crore as proposed by the Department to Planning Commission for 9th Plan and the laudable objective of covering all NC & PC habitations by 2005 A.D. considering providing water to rural masses as the priority programme of the Government. They would like to recommend that sufficient funds should be provided during 9th Plan so that the targets during 9th Plan are not spilled over. While recommending for higher outlay, the Committee would urge that the Department should ensure that there is 100% utilisation of funds.

3.21 They note that one of the reasons for underspending is the release of major part of the outlay at the fag end of the year. They strongly recommend that the funds should be released in a phased

manner in a particular year as per the guidelines so as to avoid release of funds during the fag end of the year. There is also a need to strengthen the monitoring mechanism. The Committee recommend that State Governments should be requested to ensure timely submission of the Utilisation Certificates so that the funds could be released in time.

3.22 It is observed that in some of the States the reason for under utilisation as found by the task force is time-consuming procedural formalities. The Committee urge that guidelines should be issued by the Centre to all the States/UTs to simplify their implementation and monitoring procedure for the effective implementation of the schemes.

3.23 The Committee note that besides covering all the habitations under the Programmes, of equal importance is the repair and maintenance of the assets created under the Programme. They appreciate that Government has proposed to increae funds for repairs and maintenance from 10% to 15%. It is observed that with the implementation of the Constitution (73rd Amendment) Act, 1992, the process of decentralisation of powers is going on. They would like that the responsibility of repairs and maintenance should be handed over to Panchayats as a matter of principle. While recommending this the Committee take note of varying levels of financial status of Panchayats in the country. They hope that while devolving the responsibilities of maintenance of Panchayats, the Government will take care of the financial status of the respective Panchayats.

3.24 The Committee further note that the capacity building of Panchayats is the major area of concern. While recommending for devolution of powers, they would like to recommend that Government should think of taking steps for the capacity building of Panchayats through State Governments. It is, therefore, recommended that certain fixed percentage of Central and State's allocation for the maintenance and repairs should directly be released to Panchayats. This will not only strengthen the financial capability of Panchayats but will also ensure the proper maintenance and repairs of the different assets created under Centrally Sponsored Programmes/Schemes.

3.25 The Committee note the problem of contaminated water as explained by the Secretary during his evidence and would like that

**Government should pay adequate attention towards this and the outlay for sub missions working in this field should be increased. Besides it is also recommended that water testing kits should be made available at Block level.**

**3.26 The Committee feel that only enhanced outlay for maintenance and repairs and supplying of water testing kits would not be sufficient unless the technical hands are not available with the implementing agency. They, therefore, recommend that to make the necessary technical hands available to the implementing agency, the Government should consider to link the TRYSEM programme to ARSWP.**

**3.27 The Committee also observe that in our country the philanthropic individuals/social/charitable organisations have been contributing their might to make available drinking water for the people and animals alike. They feel that Government should not only keep this tradition alive but should try to encourage it by providing necessary tax incentives etc. to such individuals/organisations and to channelise their efforts for better utilization. They also feel that the Government should also try to involve industrial corporate houses to adopt/ neighbouring villages/group of villages for supplying drinking water. They will like the Government to consider this suggestion which will go a long way in not only augmenting resources but supplementing the efforts of the Government to solve the drinking water problem.**

*Policy changes towards the problem of drinking water in rural areas*

**3.28 When the attention of the Secretary was invited to the fact that in the country though the land has been accepted as a resource, water is not being accepted as a resource, the Secretary agreed that there was a need to treat the water as an economic resource. At present the water was being treated by the people as an open access property it was not being treated as community resource. He added that the "water needs to be changed from being an open-access resource to a community resource. It should be seen as a resource belonging to the community".**

**3.29 The Committee feel that unless the water was treated as a community resource, no meaningful initiative could be taken in the direction of solving water problem in the country. The Committee,**



**therefore, recommend that efforts should be made to change the view and approach of the people towards water so that it is treated as a community resource instead of treating it as an open access resource.**

3.30 When it was pointed out by the Committee that there was no integrated approach and emphasis on the optimum utilisation of the existing resources already available with the Government in different Departments under different heads to fulfil the basic human need of drinking water, the Secretary agreed and stated that 'this is not a problem of funds alone. That is why emphasis has been on changing the policy and changing the way we define the problem that is to be treated.'

**3.31 The Committee feel that it is not the lack of resources which is obstructing the solving of drinking water problem in the country but it is the lack of an integrated approach towards the problem and lack of a national water policy. The Committee, therefore, recommend that with a view to have integrated approach to solve the drinking water problem, Government should consider to formulate a National Water Policy.**

#### *Area Specific Programmes*

3.32 When the attention of the Secretary was invited to the fact that at present same model was being replicated everywhere instead of having area specific programmes and whether to have a better implementation of the scheme different possibilities should not be combined by providing adequate flexibility in the guidelines for the programme he stated that they were giving more powers to the Gram Panchayats in this regard. Upto now the power of sanctioning the scheme was centralised in the hands of Central Government. However, as the problem of supplying quality drinking water was getting worse day by day, the Central Government has decided that the power of sanctioning projects would be vested in the State Government with effect from current year. As regards supplying water through pipeline, it was stated by the Secretary that recourse to piped water supply has to be taken in those areas where water source was either not available in the village or if available was not fit for drinking purposes.

**3.33 The Committee note that the Central Government has decided to transfer the power of sanctioning projects under Rural**

**Water Supply Scheme to the State Governments. They hope that with this changes the State Governments will be selecting such mode of drinking water supply which would be most suited to a particular area.**

*Special Provision for Desert Areas*

3.34 When asked whether Government will like to make some special provisions on the lines of provisions made for hilly areas for supplying drinking water in desert areas of Rajasthan, the Secretary stated that they have already made special provisions for desert areas i.e. (i) availability of 70 litres of water as against 40 litres for other areas (ii) special provision in allocation formula for desert blocks. They were further considering to revise the formula so as to allocate more money to such problem States like Rajasthan. They were also proposing to give weightage to quality of available water in the formula. However, this proposal is yet to be discussed with the Planning Commission.

3.35 The Committee note that the Government was considering to revise the formula for allocation of funds under Rural Water Supply Scheme so as to allocate more funds to the problem States like Rajasthan. They also note that the said formula is yet to be discussed with the Planning Commission. The Committee recommend that in view of the importance of drinking water, the formula should be finalised in consultation with the Planning Commission, at the earliest so that during next budget, allocations under the scheme could be made as per revised formula.

*Priority to store rain water*

3.36 On being pointed out that at present only 17% of rain water was being stored and rest 83% was allowed to go waste, therefore, there was a need to clean the existing ponds and tanks on priority basis so that the rain water could be stored to the maximum possible extent, the Secretary while accepting the need for storing rain water stated that they had already emphasised that under the JRY and EAS, cleaning and desilting of ponds and tanks should be taken up on priority basis. However, as the 70% of funds under the scheme goes directly to Gram Panchayats, many of them do not give due priority to this work.

He further stated "As far as rain water harvesting and construction of dams are concerned, we have very good suggestions, but they also

require a very high degree of people's participation, because in the past, 50 years ago, there were structures which were maintained by the people. Today, because of a large number of measures that we are taking there is a feeling in the villages that everything should come from the Government. I am not saying that people should not expect from the Government, but the maintenance of these decentralised dams and maintenance of these rain water harvesting structures will be very difficult unless people's Committees are formed, user groups are formed and they are given the responsibility of maintaining some of these structures.

Sir, in the revised policy that we are preparing, there is a very important sector of total policy reform and we have suggested to the Government that 20 per cent of our total funds should be reserved for those States which are going to do policy reform and in which these measures which you have suggested are very much there that wherever rain water harvesting is being done, wherever people's Committees are being formed, wherever people are willing to maintain these structures, those are the villages, those are the States which should get more money. So, hopefully if the policy is approved, we will certainly have all these suggestions implemented."

**3.37 The Committee recommend that with a view to store the rain water to the maximum possible extent, not only the existing ponds and tanks should be cleaned/desilted but new ponds/tanks should also be dug where feasible. To achieve this objective it should be impressed upon the panchayats that no work deserves more priority for execution under JRY/EAS as compared to water supply works.**

**3.38 The Committee further note that the Government was considering to revise policy so as to involve people in harvesting rain water. The proposed policy also intends to increase allocations for such villages where the people's Committees maintained the water structures in their villages. The Committee hope that the said policy will be finalised soon and implemented vigorously so as to encourage involvement of people in the field.**

## CHAPTER IV

### CENTRAL RURAL SANITATION PROGRAMME (CRSP)

#### **Major Head:**

**Demand No. 2215, 3601 & 3602**

4.1 The Rural Sanitation Programme launched in 1986, under the NREP, RIEGP and Indira Awas Yojana now forms part of Jawahar Rozgar Yojana.

#### **Salient Features**

- Subsidy component limited to 80% for persons below poverty line.
- Setting up of rural sanitary marts.
- Sanitary complexes for women.
- Integrated approach to village sanitation by construction of drains, pavement of lanes, garbage soak pits, health education, etc.
- Resources to be shared between the Centre and the State Government in the ratio of 1:1.
- Setting up of water sanitation villages.
- Information, Education and Communication (IEC) for creation of awareness, health education etc.

Sanitation is a State subject, yet the Centre has been providing necessary help and support to the States/UTs.

In 1954, the sanitation programme was introduced in the health sector. In 1986, it was included in the 20 Point Programme. This was also included as part of the State Sector Minimum Needs Programme from 1987-88.

4.2 Financial allocation during 8th Plan and first two years of 9th Plan :—

	Rs. in crore
8th Plan outlay	380.00
Expenditure incurred	233.77
9th Plan outlay as proposed to the Planning Commission	3150.00
9th Plan outlay as approved by the Planning Commission	Not yet decided
BE 97-98	100.00
RE 97-98	100.00
Actual Expenditure	96.73
BE 98-99	100.00

4.3 Physical and Financial achievements :—

**Physical Progress**

Year	CRSP		MNP	
	Target	Achievement	Target	Achievement
1992—93	90285	51272	248977	281766
1993—94	211943	134190	286132	177779
1994—95	322006	257394	349050	334939
1995—96	422401	412852	447888	468447
1996—97	407162	548777	381011	675366
VIII Plan	1459261	1404485	1748521	1938297
1997—98	778836	554133	721321	462382

**Financial Progress**

Year	Allocation	CRSP		MNP	
		Release	Expend.	Provision	Expend.
1992—93	2000.000	2163.995	1454.651	4936.380	5396.850
1993—94	3000.00	3267.058	2861.766	5689.600	5174.750
1994—95	6000.000	5964.914	5234.470	9536.490	6950.260
1995—96	6000.000	5942.419	5935.310	9207.270	8569.900
1996—97	6000.000	6051.319	8975.580	21423.760	13466.660
VIII Plan	23000.000	23389.705	24461.777	50793.500	39558.420
1997—98	10000.000	9668.000	7935.020	20812.170	9237.460

As per the written replies furnished by the Department the physical achievement is around 100% in CRSP & more than 100% in MNP, but the financial achievement under MNP i.e. Rs. 395.58 crore is lesser than the provision of Rs. 507.93 crore made during that year.

4.4 Regarding mismatch between physical & financial achievements under CRSP & MNP, the Department has stated that States have used "low subsidy" options, where per capita subsidy is less than the National norms entailing greater degree of beneficiaries participation. The other reason is the general lack of priority to sanitation accorded by the State Governments. In fact, only after 1993 some serious efforts are being made on this point. At the same time vigorous efforts are not uniformly made by all the States.

4.5 When asked for the reasons for shortfall in financial achievement during 1997-98 for CRSP and MNP, the Govt. in their written note have stated that "under CRSP, the allocation was increased from Rs. 60 crore in 1996-97 to Rs. 100 crore in 1997-98. The reasons for the shortfall in expenditure during 1997-98 is due to the lack of capacity to absorb sudden increase of funds. Sufficient demand has to be created by generating awareness. Beneficiary contribution is also critical to this programme. Our efforts are primarily aimed at BPL families. Dependence on a single model had also contributed towards poor coverage."

### *Status of sanitation in Rural Areas*

4.6 As per Performance Budget 1998-99, according to National Sample Survey Organisation (NSSO) (44th Round 1988-89) about 10.96% of rural households had access to sanitary facilities. Further the main reason for the low coverage is the absence of demand or felt need; very low priority accorded to sanitation, low community participation, absence of user involvement; inadequate emphasis on infrastructure, education, lack of co-ordination, lack of adequate infrastructure, institutional mechanism and sector planning and shortage of trained man-power.

### *Planning of the Govt. regarding sanitation*

4.7 When asked about the long term planning of the Department to rectify the said shortcomings, it was stated in the written note that a comprehensive policy review is contemplated and a draft Expenditure Finance Committee (EFC) Memo. is under circulation. The note envisages the use of upto 50% of CRSP funds as "seed money" to propagate low cost sanitation, based on felt needs, greater private sector involvement and the "vertical upgradation" concept. The subsidy structure would be changed to target the poorer segments and to ensure that the States get the right incentives to explore low cost sanitation through people's participation. A new component on school sanitation, a very vital component of CRSP, is proposed to be introduced, since the school children have the potential of acting as the most persuasive advocates for the benefit of sanitation in their own households. Increased technological options would also pave way for increased acceptance and coverage.

### *The total allocation required during 9th Plan*

4.8 The total allocation required to achieve the targets during 9th Plan is given at Appendix III. As could be seen from the said Appendix the annual outlay required under CRSP will be about Rs. 220 crores. It has been mentioned by the Department in its written note that the Planning Commission is being approached for higher allocation. In order to reduce the gap between the outlay and requirement, it is proposed to adopt a major policy shift from "low subsidy to non-subsidy" regime, with special emphasis on the creation of demand for sanitation services, increased awareness generation, a higher degree of beneficiary participation and the institution of an alternate delivery mechanism through rural sanitary marts and production centres.

4.9 The Government in its written note has furnished the following details about the extent of subsidy :—

Item	Subsidy by		Contribution by Users/Panchayats
	Centre	State	
(a) Construction of Sanitary latrines and conversion of dry latrines for individual households below poverty line	40%	40%	20%
(b) Village Complex for women	35%	35%	30%
(c) Drains & other sanitation facilities	25%	25%	50%
(d) Awareness campaigns, health education, demand creation etc.	upto 10% of annual allocation		Nil
(e) Administrative cost	upto 3% of annual allocation		Nil

*Allocation for awareness*

4.10 On a query whether 10% of annual allocation on awareness campaign, health education, demand creation etc., is sufficient keeping in view the fact that lack of demand from the user is the main reason for the less coverage of rural population with sanitation facilities as admitted by the Department, it has been stated in the written note that the allocation is inadequate and it is proposed to be increased considering the importance and criticality of these components, in increasing coverage of sanitation.

*SC/ST Coverage*

4.11 As per Performance Budget 1998-99 the percentage coverage of SC/ST population out of the total rural population (1991 census)



till the end of 31st March, 1998 is as under :—

Category	% coverage (provisional)
General	91.69
SCs	87.86
STs	94.32
Overall coverage	91.26

4.12 When asked for the lower coverage of SCs population as compared to General Category of population, the Department in its written reply has stated that as all the States are not uniformly implementing the programme, there is a poor overall coverage. The issue will be taken up with the State Governments. Further, in view of the proposed changed approach this will be adequately taken care of as per the guidelines.

4.13 The Committee note the serious state of rural sanitation that only 10.96% of rural population have access to sanitation. They further observe that the meagre outlay provided under the scheme during 8th Plan could not be utilised. Out of Rs. 380 crore, the utilisation was to the tune of Rs. 233.17 crore. Similar trend is indicated during 1996-97. While analysing the physical and financial achievements under the scheme in different States and UTs, the Committee note that the main weakness in the implementation of the scheme is the shortfall in the number of takers. That speak volume of the lack of awareness for the need of sanitation on the part of the rural masses. The Committee appreciate the efforts made by the Government to analyse the weaknesses of the implementation of the scheme and to adopt a major shift from low subsidy to non-subsidy regime. The Committee recommend that the Government should make sufficient allocation of funds under the scheme. While recommending for increased outlay, it is urged that Department should allocate the substantial percentage of funds for publicity and campaigning. The need for sanitation should be aroused in rural masses by making efforts by Print and Electronic media. Besides, Panchayats and NGOs can also play an important role in this regard. The Department should give a fresh look to the aspect of rural

sanitation and find out as to how Panchayats and NGOs can be involved in making rural masses aware of the need for sanitation.

4.14 The Committee note the lower coverage of SCs population as compared to General Category as stated by the Department. They recommend that the Department should take necessary corrective steps to ensure more coverage of SCs, the under privileged section of the society under the programme.

4.15 The Committee note that one of the features of CRSP is subsidy limited to 80% for persons below poverty line. It is also found that the Department has proposed to adopt a major shift from low subsidy to non-subsidy regime during the 9th Plan. The Committee observe that Rural Sanitation Programme should not be confined to Below Poverty Line families alone in a village. Rather the CRSP should be launched in a holistic manner so as to benefit all categories of people habitating in a particular village/area.

4.16 As the women can play an important role in the effective implementation of CRSP, the Government should try to find out as to how women can be involved in this programme.

## CHAPTER V

### NATIONAL SOCIAL ASSISTANCE PROGRAMME

#### Demand No. 71

#### Major Head 2235

5.1 National Social Assistance Programme introduces a National Policy for social assistance to poor households. The programme represents a significant step towards the fulfilment of the Directive Principle contained in articles 41 and 42 of the Constitution recognising the concurrent responsibility of the Centre and State Governments in the matter. It is a Centrally Sponsored Programme to extend 100 per cent Central Assistance to the States/UTs to provide the benefits under it. The Programme has come into effect from 15.8.95.

5.2 The scales of benefits under the NSAP would be as below:

**National Old Age Pension Scheme (NOAPS):** Rs. 75 per month per beneficiary. About 54 lakh beneficiaries are sought to be covered. An outlay of Rs. 455 crores is earmarked for this scheme during 1997-98.

**National Family Benefit Scheme (NFBS):** Rs. 5,000 in case of death due to natural causes and Rs. 10,000 in case of accidental death of the primary breadwinner, to the bereaved household. About 4.6 lakh beneficiaries are sought to be covered under this Scheme. An outlay of Rs. 156 crores earmarked for this purpose during 1997-98.

**National Maternity Benefit Scheme (NMBS):** Rs. 300 per pregnancy upto the first two live births. About 46 lakh beneficiaries are sought to be covered under this scheme and an outlay of Rs. 80 crore is earmarked for this purpose during 1997-98.

5.3 8th Plan outlay and outlay during the first two years of 9th Plan:

	Rs. in Crore
8th Plan outlay	—
Expenditure	933.83

	Rs. in Crore
9th Plan Proposed outlay	8953.79
and revised Proposed outlay	4660.00
Approved outlay 9th Plan	Not yet finalised
BE 1997-98	700.00
RE 1997-98	490.00
Actual 1997-98	560.00
BE 1998-99	700.00

*Opening Balances with States under NSAP*

5.4 The following is the position of Opening Balance under NSAP as per the written note furnished by the Department:

	As on 1.4.97 Rs. in crore
<b>National Old Age Pension Scheme (NOAPS)</b>	
OB	147.58
Allocation	455.37
Release	386.29
Expenditure	324.54
<b>National Family Benefit Scheme (NFBS)</b>	
OB	79.90
Allocation	156.15
Release	117.60
Expenditure	92.15
<b>National Maternity Benefit Scheme (NMBS)</b>	
OB	43.70
Allocation	- 80.24
Release	49.57
Expenditure	52.44

5.5 When asked about the reasons for unspent amount with the States/UTs, the Department has stated that the release of NSAP funds is dependent on the States/UTs furnishing information on substantial utilisation of funds released earlier (i.e. more than 50% for first instalment and more than 60% for second instalment). As the requisite information reached late, the release of funds continued till end of March, 1997. As such funds were actually, remitted to the respective NSAP Accounts late in May/June, 97 entailing huge opening balance at the beginning of the year 1997-98. Some States also could not utilise the funds available with them due to lesser number of beneficiaries identified in comparison to prescribed numerical ceilings.

5.6 On the question of taking steps to improve the implementation of the scheme, the Department has further stated that several steps such as frequent review meetings with State Secretaries, discussions on essential implementation of the programme in the Central Advisory Committee meeting and special publicity campaign have been taken by them. Letters have also been addressed to the Chief Ministers and Chief Secretaries of the States which have been found lagging behind. State Governments have been requested to ensure that the application forms are widely available in regional languages; verification of application is prompt and stricts sanctions are expeditious; delays are eliminated in Government and procedures are simplified for the best result in implementation of the three schemes under NSAP. State Government have been given funds and have been requested to give wide publicity to three Schemes.

*Total number of beneficiaries under the scheme*

5.7 Almost all the Districts have now furnished the data and the same is being compiled. As stated by the Department State/UTs have reported 4460723 beneficiaries under NOAPS, 193837 families benefited under NFPS and 1425130 beneficiaries under NMBS.

*Numerical and Qualifying Financial entitlement for States/UTs*

5.8 The total requirement of funds on All India basis during 1997—98 has been given as Rs. 871.92 crore against the All India Numerical Ceiling as given below:—

Old Age Pension	5371600
Family Benefit Scheme	456800
Maternity Benefit Scheme	4596.700

5.9 When asked about the basis for furnishing the numerical ceiling, the Department in the written note has stated that the numerical ceiling for each scheme under NSAP has been prescribed separately. It is based on Government. Such as population, poverty ratio in total population proportion of 65 + age group, age specific mortality in the 30-59 age group, crude birth rate, proportion of first two live births in total live birth etc. In calculating the numerical ceiling at the time of inception of the programme (w.e.f. 15.8.95), the poverty ratio for 1987-88 was taken into account as most of the States have not yet reached the numerical ceiling based on poverty ratio for 1987-88.

5.10 When asked whether the Department has taken care of the new cut-off poverty line 1996-97 as given in the annual Report 1997-98 (page 158) while deciding the numerical ceiling and qualifying financial entitlement, the Department has stated in the written note that the Government has not yet changed the ceiling according to revised poverty line.

#### *Monitoring of NSAP*

5.11 As per the written note of the Department effective implementation and efficient monitoring of NSAP is done by obtaining monthly and quarterly reports, organising review meetings and field visits. The funds are also released after getting statements on utilisation of substantial part of funds available with the district authorities. During 1997-98, the Utilisation Certificate for 1995-96 and 1996-97 as also Audit Reports for the year 1995-96 were required to release 2nd instalment.

As per the written note of the Departments for effective implementation, the following steps have been taken:—

- (1) Letters are addressed to Chief Ministers of States by Minister (RA&E).
- (2) A National level Advisory Committee under the Chairpersonship of Smt. Nirmala Buch, Retd. Secretary (RD) has been set up.
- (3) As per Guidelines on NSAP, the State level and District level Committees for implementation of NSAP are set up in States/UTs.

- (4) 1% of total State allocation of fund is released to States/UTs for giving wide publicity on NSAP.
- (5) Frequent review meetings with State Nodal Secretaries are held from time to time. Are Officers of the Ministry visits States/UTs.
- (6) Steps have been taken to publicise the schemes through AIR, T.V., Songs and Drama Division, Directorate of Field Publicity of Ministry of Information and Broadcasting.
- (7) A reputed research organisation has been requested to evaluate implementation of NSAP in 8 States namely, Bihar, Madhya Pradesh, M.P., Kerala, Orissa, West Bengal, Maharashtra and Gujarat.

#### *Old Age Pension Scheme*

5.12 On the issue of raising the amount of old age pension, the Secretary during evidence states as below:—

“This is to supplement the schemes of the State Government. Many State Governments are putting money on this and our amount of Rs. 75 per head is an additionality. If we have more resources, we can certainly like to increase this amount. Due to resource constraint, we are not able to do that.”

5.13 On the question of decreasing the age to become eligible for old age pension from 65 years to 60, the Secretary stated:—

“In regard to relaxation in age, if we do that then the number would increase. They have given the number of people who are above 65 years. They made an assumption that if the average age is so much, then th people below the poverty line also living up to that age.”

#### *Mode of disbursing money*

5.14 The Secretary during the evidence stated that under the scheme, NSAP, the mode of disbursement in different States is different. In U.P. the disbursement is through Banks. In M.P. and Orissa, it is through Panchayats.

5.15 The Committee note that the Government could not release the allocated money under the three components of the programme. They appreciate the difficulties being experienced by States in the implementation of the programme, it being a new one. They recommend that sufficient funds as per the numerical ceiling criterion of the Department should be provided during 9th Plan. Besides recommending for higher outlay, the Committee would like to recommend that more stress should be made to make the rural masses aware of the programme. Besides popularising the programme through print and electronic media, necessary steps should be taken to fix bill boards in local language at the important public places like village Panchayat, railway station, bus stops etc.

5.16 The Committee note that Panchayats and NGOs can play an important role in this regard. For selection of beneficiary, Panchayats and NGOs should also be involved. The necessary guidelines in this regard should be issued by the Centre. It is further recommended that 1% of the funds earmarked for publicity is not sufficient. It should be enhanced.

5.17 The Committee note that to ensure an impartial selection there is an urgent need to bring transparency in the process of selection of beneficiaries. The information with regard to the beneficiaries should be readily available and provided to local MPs/ MLAs on request. The Committee would like to recommend that Government should consider relaxing the age for admissibility of old age pension from 65 years to 60 years.

5.18 The Committee note that different States are disbursing money to the beneficiaries by different modes like through Banks/ Panchayats/Money Orders, etc.

The Government should conduct a sample survey to find out as to what mode of payment was more effective and efficient enabling the pension amount to reach the beneficiary without involving any middleman or getting reduced. As a result of such survey, the Government should consider to apply the best suited mode of payment to all States.

5.19 The Secretary informed the Committee that as regards old age pension scheme, according to a Cabinet note prepared by them, the Panchayat/Gram Sabha are proposed to be empowered to sanction



the old age pension. He also stated that they have suggested to double the amount under Maternity Benefit Scheme from present Rs.300/- p.m. to Rs.600/- p.m. and the amount to be given on the death of a bread winner of BPL family should be Rs.10,000/- irrespective of cause of death. They have made a provision of Rs. 700/- crore in the Budget 1998-99.

5.20 The Committee appreciate the changes proposed to be taken by the Government under the schemes of NSAP. They hope that the Government will not only approve the present allocation of Rs. 700/- crore but will also release it during the year.

**CHAPTER VI**  
**LAND REFORMS**

**Demand No. 71**

**Major Head 2506**

*A. Centrally sponsored scheme for strengthening of Administration and updating of land records*

6.1 The scheme was started in the 7th Plan to provide financial assistance to States for early completion of survey and settlement operations, pre-service and in-service training of revenue, survey and settlement staff, inclusion of new technology in the work of preparation, maintenance and updating of land records, selective strengthening of revenue machinery at various levels etc.

Comparative position of outlay during 8th Plan and first two years of 9th Plan 1997-98 & 1998-99.

	(Rs. in crore)
8th Plan outlay	175.00
Expenditure during 8th Plan	97.85
9th Plan Proposed outlay	325.00
BE 1997—98	18.80
RE 1997-98	18.80
Actual 1997-98	18.83
BE 1998-99	8.80

6.2 When asked about the reasons for slashing the outlay for the scheme during 1998-99, the Department in its written note has stated that the slashing of outlay is because the overall allocation under the Land Reform Schemes has been approved at the level of 1997-98 and

there is higher requirement of funds under the Centrally Sponsored Scheme of Computerisation of Land Records as 518 projects in various States/UTs on computerisation of land records are to be financed without any disruption. In fact, this is a committed expenditure to run the programme in all the project Districts. Accordingly, the Budget provision under the SRA & ULR scheme has been reduced from Rs. 18.80 crores during 1997-98 to Rs. 8.80 crores. The budget provision of Rs. 8.80 crore under the Scheme is the minimum committed expenditure for completion of construction activities *viz* Training Institute for Revenue, Survey and Settlement Staff, Record Rooms for maintenance of Land Records etc. The additional requirement under the Scheme is proposed to be met from savings under various other Schemes of the Department.

6.3 When asked how far the reduction in outlay will affect the scheme, it was submitted by the Department that Budget outlay of Rs. 8.80 crore is estimated to be sufficient to bear the committed expenditure relating to on going schemes, in addition to provide some small assistance to specific State Schemes. The Ministry has, requested the State Governments to take up revisional survey settlement operations for effective updation of land records. If good response is received from States the Programme Division may require to mobilise additional funds through re-appropriation from other schemes of the Ministry.

6.4 It has been stated by the Department in the written note that efforts are being made for enhancement of Central share during Ninth Plan from present 50% to 80% for all States except for the North-Eastern States, in whose case, 100% Central assistance is proposed to be provided.

*The position of expenditure incurred by States/UTs*

6.5 The information regarding State/UT wise position in respect of expenditure incurred against the funds released is given at Appendix IV.

It could be seen from the Appendix that in the case of States/UTs of Andhra Pradesh, Assam, Gujarat, Jammu & Kashmir, Karnataka, Manipur, Meghalaya, Nagaland, Orissa, Rajasthan, Sikkim, Tripura, West Bengal, Andaman & Nicobar Islands, Chandigarh and Dadra & Nagar Haveli the actual expenditure since the inception of the scheme is less

than 60% when asked for the reasons for lower expenditure incurred by these States/UTs, the Department in its written note has submitted that the main reason for lower level of expenditure by most of these States is that they have not been able to provide State share in time along with the Central releases. Further, major amounts to these States have been sanctioned for construction works *viz*; which are being executed by them through the PWD over on which the Revenue Department does not have full control. Hence the States are facing some difficulty to speed up execution of the construction works and submit necessary utilisation certificates. It is also mentioned that 'the Revenue Department has to collect the expenditure position from its District/Tehsil Level offices which are to collect the same from the executing agencies. The collection/compilation process of the information at the State level takes some time. Hence, the Expenditure already incurred, does not instantly reflect in the reports submitted by the State Governments. However, all the States/UTs have been requested for taking necessary steps for utilisation of all available unspent balances expeditiously. Since utilisation certificates for the year 1997-98 have not so far been received from most of the States, on receipt of the same it is expected that utilisation of funds might improve significantly.

**6.6** The Committee note that the outlay for 1998-99 has been slashed to Rs. 8.80 crore from Rs. 18.80 crore during 1997-98 to provide more funds under the second segment of programme i.e. under Land Records (Computerisation of Land Records). They hope that the more outlay as provided under the computerisation programme will be used fully. They further hope that the lesser outlay would not affect the implementation of the SRA & ULR as claimed by the Department.

**6.7** The Committee note the shortfall in expenditure as reported by certain States/UTs. They note that SRA & ULR scheme is to be implemented by the Revenue Machinery at the State level and they equally appreciate their limitation. The Committee recommend that coordination amongst the various implementing agencies should be strengthened.

**6.8** The Committee note that States are not able to provide the required 50% matching share. To reduce burden on the States and to further improve the implementation, the Department is considering the enhancement of Central share from 50 to 80%. They hope that final decision in this regard will be taken urgently.

6.9 The Committee note that the allocation for two schemes of land records (i) SRA & ULR (ii) computerisation of land records is made under the broad heading Land Reforms. They note that Land Reforms in the activity under the jurisdiction of State Governments. Besides the activities involved under the said programmes relate to Land Records. They will like to recommend that to give correct picture about the activities being undertaken under the programme, the Government should change the nomenclature of the head suitably.

*B. Agrarian Studies and Computerisation of Land Records*

6.10 As a programme, during 1998-99, pilot project for Computerisation of Land Records was taken up as a sub-scheme of Agrarian Studies. Upto the year 1992-93, 21 projects on computerisation of Land Records were taken up. Since 1993-94, the programme was separated from the Scheme of Institution for Agrarian Studies and came under the category of a Central Sector Scheme.

**Plan outlay during 8th & 9th Plan**

	(Rs. in Crore)
8th Plan outlay	65.00
Expenditure	60.35
9th Plan Proposed outlay	378.00
9th Plan outlay as asked	Not yet decided
BE 1997-98	20.68
RE 1997-98	20.68
Actual Expenditure	20.67
BE 1998-99	30.68

6.11 When asked for the reason for increasing the outlay during 1998-99, the Department in written reply has stated that during the year 1998-99, the Programme Division proposes to run 518 on going projects with due financial support and include newly created districts, operationalise the scheme in large number of Tehsils/Blocks/Talukas/Mandals and also finance the State/UTs for scanning and digitization

of cadastral maps; and hence the budget estimate had to be stepped up.

6.12 As indicated in Performance Budget 1997-98, since inception of the scheme in 1988-89 till the end of the Eighth Plan period in 1996-97, 323 districts had been covered under the scheme.

The position in respect of funds released and expenditure incurred by States:—

6.13 The position in respect of funds released to States and the funds used so far alongwith the unspent balances has been given at Appendix V. The overall position as could be seen from the Appendix V is as below:—

	(Rs. in crore)
Funds released so far	8462.41
Funds used so far	1887.04
Unspent balance	6575.37

6.14 The Government in the written note gave the following reasons for huge underspending by State Governments:

- (a) Delay in development of appropriate and all comprehensive software as per the requirement of State Government,
- (b) Shortage of supply of Hardware and installation of the same by the NIC,
- (c) Lack of adequate training facilities to develop adequate official staff to handle the Computers,
- (d) Non-availability of good vendors for taking up the job of data entry work; and
- (e) Other logistic problems.

6.15 The Committee note that out of Rs. 84.62 crore released so far, outlay to the tune of Rs. 65.75 crore is lying unspent. Although they appreciate the objective as given in para 6.11 for enhancing the outlay during 1998-99, they are equally concerned over the huge underspending on the part of the States/UTs. They hope that Government would take the necessary corrective action to improve the implementation of the scheme so that 100% utilisation of funds is ensured.

## CHAPTER VII

### COUNCIL FOR ADVANCEMENT OF PEOPLE'S ACTION AND RURAL TECHNOLOGY

#### Demand No. 71

7.1 Funds to voluntary agencies, under various schemes are routed through the Council for Advancement of People's Action and Rural Technology (CAPART), a registered society under the aegis of the Ministry of Rural Areas and Employment.

7.2	(Rs. in crore)
8th Plan outlay	75.00
Expenditure	43.82
9th Plan Proposed outlay	30.00
BE 1997-98	12.00
RE 1997-98	12.00
Actual 1997-98	6.00
BE 1998-99	12.00

7.3 When asked for the reason of underutilisation of funds and low percentage of achievement, the Department in its written note has stated that at the time of release of second instalment of funds during 1996-97, as the audit of CAPART by C & AG for the year 1995-96 was still underway, the funds were released with the condition that in 1997-98 first instalment of funds will be released only after production of the Audited Statement of Accounts and the Utilisation Certificate for funds released in 1995-96. However, even at the time of considering the release of first instalment of 1997-98, the requisite documents were not available as the audit was still going on. Accordingly, in the interest of the programme only on ad-hoc release of funds to the extent of

Rs. 0.5 crore under this scheme was agreed to. This was less than full share of the first instalment. After completion of the audit for the year 1995-96, C & AG opined that the accounts were not properly drawn up and cannot be said to exhibit a true and fair affairs of the CAPART. Accordingly, C & AG desired that another audit be done after rectifying the defects. They requested that all the deficiencies and irregularities pointed out in the separate audit report for 1995-96 may be got set right in the accounts for 1996-97 and revised accounts submitted to them. In view of this position, it was decided in consultation with the Department of Expenditure that no further release of funds may be made to CAPART and the further release may be made only after accounts are set right. The audit of accounts for the year 1996-97 after rectifying the deficiencies irregularities pointed out in the separate audit report for 1995-96 is at present being carried out by C & AG.

7.4 The position of voluntary organisations number of projects and total amount sanctioned by CAPART for the different schemes of the Department is as below:—

(Rs. in crore)			
Name of the Scheme	No. of voluntary Organisations	No. of Projects	Total sanctioned Amount
ARWSP	1486	2000	64.32
CRSP	1963	2336	57.80
ARTS	508	987	40.67

7.5 On the question of the audit system of voluntary organisation by CAPART, the representative of CAPART in his evidence stated as below:—


“We deal with about 7,000 voluntary organisations. It will be quite impossible to do a complete audit or do the internal audit with each one of them. Our attempt has been to keep the bureaucracy and to keep the complete paper work to the barest minimum, so that the voluntary organisations functioning in rural areas are not unnecessarily hassled. But at the same time, we also insist on audited statement from a certified Chartered



Accountant from these organisations and a utilisation certificate from them. Most of these organisations, as I said, get assistance on the basis of the National Standing Committee's approval. There is a network. The names are known, the addresses are known, we publish their names, everybody knows the location of these organisations and we hope that this system would completely safeguard and also ensure that the money is not wasted and the work is done in a transparent manner."

**7.6 The Committee note with concern the shortfall in expenditure during 8th Plan and the first year of 9th Plan i.e. 1997-98. They find that funds could not be released during 1996-97 as the audit by C&AG was going on. It is observed that not only during 1997-98, but also during the whole 8th Plan the funds earmarked for the activities of CAPART could not be utilised by them fully. The Committee would like to know the reasons for the shortfall in expenditure during the 8th Plan.**

**7.7 The Committee note that there is no auditing of Accounts of the different CAPART assisted Vos by CAPART and the reason given is the large number of NGOs working in different programmes. The only check is an audited statement from a certified Chartered Accountant. The Committee feel that the existing system of auditing is not sufficient for the monitoring of accounts of different Vos. They appreciate the concern expressed by the Department that the number of Vos is too large. It is found that Vos are working for the different activities under the different Departments. The Committee would like to recommend that certain percentage of funds for CAPART should be earmarked for monitoring and evaluation of activities of voluntary organisations. The Government should think of having a foolproof mechanism for the monitoring of Vos so as to avoid misappropriation of funds by them. They would also like that the Government should evolve some foolproof mechanism to check the entry of bogus NGOs.**



## CHAPTER VIII

### TRAINING

#### **Demand No. 71**

#### **Major Head 91**

#### *Objectives of the Programme*

8.1 The massive thrust to a diverse range of rural development programmes aimed at rural employment and rural infrastructure development has generated a concomitant demand for trained personnel. More so since such programmes routinely call for very complex tasks requiring high levels of specialised skills in a considerable number of field personnel, be they officials or elected functionaries. Hence, training forms a very important part of nation-wide emphasis on accelerated rural development.

#### *Outlay for 1997-98 & 1998-99 to training institutes at Centre, State and sub-regional*

8.2 To handle the stupendous challenging task there is National Institute of Rural Development (NIRD) at the apex (Centre Level), 25 State Institutes of Rural Development (SIRD) at the State level and 87 Extension Training Centres (ETCs) at the sub-regional level.

#### 8.3

	BE 1997-98	BE 1998-99
NIRD	5.00	5.00
SIRD	3.25	3.25
ETC	3.00	3.00
Organisation of Training courses, Seminar & Workshop	0.50	0.50

8.4 It has been mentioned in the written note furnished by the Government that they regard awareness generation and imparting information to elected representatives and the associated officials as a matter of great importance and training and dissemination of information are high priority items for the Ministry. Further it has been stated that as per an estimate more than 30 lakh functionaries have to be trained within a span of one or two years.

*Training Programmes for Panchayats*

8.5 The details of training programmes on "Panchayati Raj" conducted by NIRD mostly for district level representatives as given in the written replies of the department are as below:

Year	No. of Programmes Conducted	No. of Participants
1993—94	11	136
1994—95	17	216
1995—96	16	299
1996—97	24	363
1997—98	20	267
<b>Total</b>	<b>88</b>	<b>1281</b>

8.6 The Committee note that with the enforcement of the Constitution (73rd Amendment) Act 1992, there is a big challenge before the Department to impart training to elected members of Panchayati Raj Institutions. With the recent process of decentralisation, more responsibilities are coming on Panchayati Raj functionaries and that explain the urgency to impart training to them. The Committee find that the number of participants imparted training so far by NIRD is very low. They recommend that the outlay for different Institutes for training should be stepped up while recommending for higher outlay, they desire that more and more training programmes should be arranged for Panchayat level functionaries.

## CHAPTER IX

### PANCHAYATI RAJ

#### **Demand No. 71**

#### **Major Head 3575**

9.1 Training of Panchayati Raj/Block level functionaries is primarily the responsibility of the State Governments. State Governments make necessary budgetary provisions for this purpose. The Government of India renders only limited assistance to the Panchayati Raj elected representatives and functionaries' training endeavours of the State Governments and that too on express demands from them. In anticipation of increased training activity, the Ministry proposed an outlay for Rs. 5 crore for 1998-99 i.e. an increase of Rs. 2 crore against outlay of 1987-88. The Planning Commission however did not agree, and desired that the outlay be kept at the same level as was made for 1997-98, i.e. Rs. 3 crore.

9.2 On being asked whether the current amount of Grants-in-aid would be sufficient to meet the requirements of funds for research and studies related to Panchayati Raj proposed to be undertaken by voluntary organisations/institutions, the Government in written reply have explained the position as under:

"In addition to Government of India funded research and studies, many voluntary agencies and NGOs are also carrying out studies and give reports to the Government of India. These studies are funded by the voluntary agencies either through their own resources or from funds that they directly receive from UN and other multilateral agencies. In some cases, UN agencies are also planning to make funds available for research and studies. Therefore, the present allocation would be sufficient to meet the requirements of funds for research and studies related to Panchayati Raj proposed to be undertaken by this Ministry through voluntary organisations/institutions."

**9.3 The Committee note that besides Central allocation for Panchayati Raj research and studies, State Governments make**

**budgetary provisions. Many NGOs are also involved in the process. They recommend that coordination between the activities of Central Government, State Government and NGOs should be maintained so as to get the optimal use of the allocation made at different levels. The Committee further note that NIRD is the main Institution for imparting training to Panchayati Raj functionaries. They would also like to recommend that linkages between the work done on research and studies under the said programme and NIRD should be maintained so as to make full use of the work done in the field.**

**9.4 The Committee urge that the Department should initiate a study on the status of the Panchayats with the implementation of the Constitution (73rd Amendment) Act, 1992 covering (i) the financial position of Panchayats vis-a-vis, the responsibility being entrusted to them with the implementation of 73rd Amendment (ii) the status of the State Finance Commissions to be constituted by the States (iii) technical capability (iv) mobilisation of internal resources by Panchayats. They would like to be apprised about the action taken in this regard.**

NEW DELHI;  
*July 9, 1998*  

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*Asadha 18, 1920 (Saka)*

KISHAN SINGH SANGWAN,  
*Chairman,*  
*Standing Committee on Urban*  
*& Rural Development.*

## APPENDIX I

### FINANCIAL PROGRESS UNDER RURAL WATER SUPPLY PROGRAMME (ARWSP MNP) DURING 1996-97

(Rs. in Lakhs)

Sl. No.	State/UT	Month	Accelerated Rural Water Supply Programme							Minimum Needs Programme		
			Opening balance as on 1.4.96	Allocation	Releases	Total Availability of funds (4+6)	Expenditure	Expend. as % of Available fund	Expend. as % of Allocation	Provision	Expenditure	Expend. as % of provision
1	2	3	4	5	6	7	8	9	10	11	12	13
1.	Andhra Pr.	3/97	1432.26	6618.00	6672.18	8104.44	8033.54	99.13	121.39	6618.00	8895.94	134.42
2.	Arun. Pr.	3/97	529.45	1200.00	1200.00	1729.45	1670.64	96.60	139.22	1953.00	2002.31	102.52
3.	Assam	3/97	704.93	2026.00	2353.57	3058.50	1445.87	47.27	71.37	5992.00	6069.68	101.30
4.	Bihar	3/97	3297.89	7795.00	3113.00	6410.89*	3423.79	53.41	43.92	8634.00	5849.30	67.75
5.	Goa	3/97	170.00	189.00	550.35	720.35	367.10	50.96	194.23	375.00	563.67	150.31

1	2	3	4	5	6	7	8	9	10	11	12	13
6.	Gujarat	3/97	759.49	3882.00	3882.00	4641.49	4158.89	89.60	107.13	6680.00	4289.42	64.21
7.	Haryana	3/97	653.00	1451.00	1560.00	2213.00	1655.28	74.80	114.08	2640.00	2347.68	88.93
8.	Himachal Pr.	3/97	115.88	1303.00	1906.00	2021.88	11957.76	96.83	150.25	5290.00	5363.97	101.40
9.	J&K	3/97	483.51	3652.00	3669.00	4152.51	2691.73	64.82	73.71	4349.15	6068.33	139.53
10.	Karnataka	3/97	1028.67	6087.00	6720.74	7749.41	6777.26	87.46	111.34	6972.67	8278.88	118.73
11.	Kerala	3/97	1247.76	3095.00	3263.70	4511.46	3238.52	71.78	104.64	5164.00	4718.18	91.37
12.	M.P.	3/97	841.35	7327.00	7313.61	8154.96	7609.57	93.31	103.86	7452.64	7138.25	95.78
13.	Maharashtra	3/97	0.00	8810.00	9181.00	9181.00	7292.05	79.43	82.77	23096.35	23011.04	99.63
14.	Manipur	3/97	169.48	440.00	478.56	648.04	637.33	98.35	144.85	1423.00	1553.20	109.15
15.	Meghalaya	3/97	40.91	472.00	572.00	612.91	320.45	52.28	67.89	1700.00	1700.00	100.00

1	2	3	4	5	6	7	8	9	10	11	12	13
16.	Mizoram	3/97	32.71	337.00	428.91	461.62	365.56	79.19	108.47	650.00	649.71	99.96
17.	Nagaland	3/97	664.27	422.00	422.00	1086.27	427.52	39.36	1101.31	500.00	632.20	126.44
18.	Orissa	3/97	182.57	3468.00	4153.83	4336.40	3292.46	75.93	94.94	4270.00	2803.07	65.65
19.	Punjab	3/97	259.72	1105.00	1289.00	1548.72	1230.88	79.48	111.39	2900.00	1614.21	55.66
20.	Rajasthan	3/97	313.22	7256.00	8456.00	8769.22	8847.96	100.90	121.94	14450.00	10511.11	72.74
21.	Sikkim	3/97	0.89	372.00	472.00	472.89	572.00	120.96	153.76	839.97	839.97	100.00
22.	Tamil Nadu	3/97	1713.43	5247.00	5333.00	7046.43	3427.70	48.64	65.33	533.00	6487.92	121.66
23.	Tripura	3/97	0.00	418.00	850.00	850.00	860.18	101.20	205.78	3500.00	2285.60	65.30
24.	Uttar Pradesh	3/97	390.27	12278.00	11728.19	12118.46	10490.63	86.57	85.44	24170.87	14241.52	58.92
25.	West Bengal	3/97	190.97	4740.00	4521.25	4712.22	3601.67	76.43	75.98	4000.00	3153.75	78.84



1	2	3	4	5	6	7	8	9	10	11	12	13
26.	A&N Islands	3/97	4.40	25.00	0.00	4.40	0.00	0.00	0.00	410.00	634.67	154.80
27.	D&N Haveli	3/97	55.00	15.00	3.00	58.00	0.00	0.00	0.00	134.00	134.00	100.00
28.	Daman & Diu	3/97	0.00	10.00	0.00	0.00	0.00	0.00	0.00	92.00	82.43	89.60
29.	Delhi	3/97	0.00	30.00	0.00	0.00	0.00	0.00	0.00	500.00	484.73	96.95
30.	Lakshadweep	3/97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	56.20	56.20	100.00
31.	Pondicherry	3/97	20.00	20.00	10.00	30.00	28.50	95.00	142.50	70.00	98.11	140.16
<b>Total</b>			<b>15302.03</b>	<b>90090.00</b>	<b>90102.89</b>	<b>105404.92</b>	<b>84424.84</b>	<b>80.10</b>	<b>93.71</b>	<b>150215.85</b>	<b>132559.05</b>	<b>88.25</b>
<b>Summary</b>			<b>Budget</b>			<b>Releases</b>			<b>Expend.</b>			
<b>ARWSP (Normal+DDP)</b>			<b>15894.13</b>	<b>93090.00</b>	<b>94632.89</b>	<b>89213.14</b>						
<b>Monitoring &amp; Evaluation</b>				<b>50.00</b>	<b>0.00</b>	<b>0.00</b>						
<b>ARWSP (M&amp;I Units)</b>				<b>250.00</b>	<b>181.95</b>	<b>181.95</b>						

1	2	3	4	5	6	7	8	9	10	11	12	13
	Mini-Missions (Works & core Staff)			10.00	0.00	54.74						
	Sub-Missions			10020.00	10200.00	3859.74						
	Professional Services			560.00	435.05	.435.05						
	Research			300.00	50.24	50.24						
	CAPART		1997.00	1500.00	0.00	327.00						
	HRD/Training			800.00	675.85	0.00						
	IEC			1300	1478.00	0.00						
	MIS			1500.00	1600.00	0.00						
	Exhibition			50.00	32.09	32.09	Gujarat	538.27	315.00	315.00	107.19	
	Seminar/Conference			50.00	10.66	10.66	Haryana	0.00	990.00	990.00	1553.08	
	Assistance From WHO/UNICEP			10.00	5.00	5.00	H.P.	4.33	28.00	28.00	39.83	
	CPMC Bombay—Other Charges			10.00	0.00	0.00	J&K	49.50	36.00	66.00	46.80	
	Economic Survey (1996)			1500.00	0.00	0.00	Rajasthan	0.00	3131.00	3131.00	3041.40	
	Grand Total			111000.00	109301.73	94169.61	Total	692.10	4500.00	4530.00	4788.30	

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## APPENDIX II

### FINANCIAL PROGRESS UNDER RURAL WATER SUPPLY PROGRAMME (ARWSP MNP) DURING 1997-98

(Rs. in lakhs)

Sl. No.	State/UT	Month	Opening balance as on 1.4.96	Accelerated Rural Water Supply Programme						Minimum Needs Programme				
				Allocation	Releases	Total Availability of funds (4+6)	Expenditure	Expend. as % of Available fund	Expend. as % of Allocation	Provision	Expenditure	Expend. as % of provision		
1	2	3	4	5	6	7	8	9	10	11	12	13		
1.	Andhra Pr.	3/98	70.90	7964.00	8711.18	8782.08	8782.08	8782.08	100.00	110.27	8811.18	8811.18	100.00	
2.	Arun. Pr.	2/98	58.81	1444.00	2476.00	2534.81	1959.24	77.29	135.68	2656.00	1933.01	72.78		
3.	Assam	3/98	1612.63	2438.00	2376.52	3989.15	1801.81	45.17	73.91	6417.00	7004.27	109.15		
4.	Bihar	1/98	3898.95	9380.00	0.00	3898.95	45.38	1.16	0.48	8634.00	1140.25	13.21		
5.	Goa	12/97	353.25	227.00	196.50	549.75	328.27	59.71	144.61	305.00	352.45	115.56		

1	2	3	4	5	6	7	8	9	10	11	12	13
6.	Gujarat	1/98	482.60	4672.00	5540.12	6022.72	4441.80	73.75	95.07	10200.00	6816.88	66.83
7.	Haryana	3/98	557.72	1746.00	2269.16	2826.88	1893.44	66.98	108.44	2625.00	2228.35	84.89
8.	Himachal Pr.	2/98	64.12	1568.00	1680.97	1745.09	1138.71	65.25	72.62	5691.42	4576.76	80.42
9.	J&K	1/98	1460.78	4395.00	4676.00	6136.78	2339.20	38.12	53.22	5238.36	4119.76	78.65
10.	Karnataka	12/97	972.15	7325.00	9285.00	10257.15	9146.56	89.17	124.87	8495.81	9877.30	116.26
11.	Kerala	2/98	1272.94	3724.00	3564.65	4837.59	2773.73	57.34	74.48	5164.00	1982.87	34.80
12.	M.P.	1/98	545.39	8817.00	8345.68	8891.07	5112.81	57.51	57.99	6575.87	4745.77	72.17
13.	Maharashtra	3/98	0.00	10602.00	12087.19	12087.19	10465.00	86.58	98.71	23461.60	24904.94	106.15
14.	Manipur	11/97	10.71	529.00	907.00	917.71	224.67	24.48	42.47	1510.88	172.64	11.43
15.	Meghalaya	3/98	292.46	568.00	743.20	1035.66	730.94	70.58	128.69	1200.00	1190.83	99.24

1	2	3	4	5	6	7	8	9	10	11	12	13
16.	Mizoram	12/97	96.06	406.00	583.63	679.69	490.08	72.10	120.71	600.00	605.09	100.85
17.	Nagaland	2/98	658.75	422.00	211.00	869.75	211.00	24.26	50.00	422.00	346.27	82.05
18.	Orissa	1/98	1043.94	4173.00	5038.39	6082.33	3468.91	57.03	83.13	4504.00	3416.90	75.86
19.	Punjab	3/98	317.84	1330.00	1713.99	2031.83	1784.28	87.82	134.16	2235.00	1718.57	76.89
20.	Rajasthan	2/98	0.00	8732.00	10737.53	10737.53	8069.68	75.15	92.42	18070.00	12534.03	69.36
21.	Sikkim	3/98	0.00	372.00	435.60	435.60	435.60	100.00	117.10	817.00	1118.90	136.95
22.	Tamil Nadu	2/98	3618.73	6314.00	5834.38	9453.11	7947.00	84.07	125.86	7200.00	10642.08	147.81
23.	Tripura	2/98	0.00	503.00	762.00	762.00	994.62	130.53	197.74	1147.00	1205.55	105.10
24.	Uttar Pradesh	11/97	1627.83	14775.00	15182.66	16810.49	7403.06	44.04	50.11	23116.98	11331.28	49.02
25.	West Bengal	3/98	110.55	5704.00	4411.46	5522.01	4422.36	80.09	77.53	75.00.00	7299.85	97.33

1	2	3	4	5	6	7	8	9	10	11	12	13
26.	A&N Islands	3/98	4.40	12.50	0.00	4.40	0.00	0.00	0.00	450.00	451.37	100.30
27.	D&N Haveli	2/98	58.00	12.50	0.00	58.00	0.00	0.00	0.00	283.00	158.58	0.00
28.	Daman & Diu	6/97	0.00	12.50	0.00	0.00	0.00	0.00	0.00	62.00	31.23	50.37
29.	Delhi	2/98	0.00	5.00	0.00	0.00	0.00	0.00	0.00	750.00	417.52	55.67
30.	Lakshadweep	2/98	0.00	12.50	0.00	0.00	0.00	0.00	0.00	70.00	91.00	130.00
31.	Pondicherry	2/98	1.50	5.00	10.00	11.50	1.84	16.00	36.80	125.73	66.12	52.59

54

<b>Total</b>			20191.01	108190.00	107779.81	127970.82	86412.07	67.52	79.87	164338.84	131291.60	79.89
<b>Summary</b>				<b>Budget</b>	<b>Releases</b>	<b>Expend.</b>						
ARWSP (Normal+DDP)			21095.39	112690.00	112956.30	90867.59						
Monitoring & Evaluation				50.00	16.90	0.00						
ARWSP (M&I Units)				250.00	185.99	185.99						

1	2	3	4	5	6	7	8	9	10	11	12	13
	Mini-Missions			1.00	0.00		0.06					
	Sub-Missions			12000.00	12200.41		6448.91					
	Professional Services			500.00	466.58		0.00					
	Research			150.00	150.00		0.00					
	[ CAPART		1670.00	1.00	0.00		202.00	DDP States	O.B.	Alloca- tion	Release	Expendi- ture
	HRD/Training			500.00	500.00		0.00	Gujarat	746.08	315.00	346.50	0.00
	IEC			947.00	576.70		0.00	Haryana	0.00	990.00	990.00	1514.66
	MIS			3000.00	2899.00		0.00	H.P.	0.00	28.00	28.00	19.02
	Exhibition			50.00	17.19		17.19	J&K	68.70	36.00	18.00	10.80
	Seminar/Conference			40.00	1.54		0.88	Rajasthan	89.60	3131.00	3045.69	2911.04
	Assistance From WHO/UNICEF			10.00	10.00		0.00	Andhra Pradesh	0.00	0.00	95.60	0.00
	CPMC Bombay—Other Charges			11.00	10.00		0.00	Karnataka	0.00	0.00	652.70	0.00
	Grand Total		2396.75	130200.00	129990.61		97722.62	Total	904.38	4500.00	5176.49	4455.52

### APPENDIX III

#### BASIS FOR PLAN ALLOCATION

The demand level for TSCs would depend critically on the States' perceptions regarding their shares. Accordingly, the total MNP expenditure for all States per year has been taken as the base.

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Current annual MNP provision (all States)	Rs. 20817 lakh
Typical district rural population	10 lakh
BPL segment @40%	4 lakh
BPL Segment without sanitation	3.5 lakh*
BPL household (HH) @ 5 persons/HH	0.7 lakh
Total hardware cost @Rs. 1200 (minimum unit cost)	Rs. 840 lakh*
Total TSC cost, assuming hardware <70% of total	Rs. 1200 lakh
GOI share	Rs. 771 lakh
State share	Rs. 261 lakh
Beneficiaries' share	Rs. 168 lakh

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\* (higher side)

Assuming States generate TSC using 50% of their MNP in the initial years and using State share/TSC @Rs. 261 lakh, maximum number of TSCs possible each year.

$$= \frac{20817 \times 0.5}{261} = 40 \text{ approx.}$$

Maximum GOI liability @Rs. 771 lakh = Rs. 307.46 crore

Further, assuming a three-year implementation period, the annual GOI liability for TSCs would be around Rs. 100-110 crore. Since this is to be upto 50% of the overall CRSP allocation, the total CRSP outlay required would be about Rs. 220 crore/year.



**APPENDIX IV**

**ACTUAL EXPENDITURE REPORTED BY STATES/UTs UNDER THE CENTRALLY SPONSORED SCHEME FOR STRENGTHENING OF REVENUE ADMINISTRATION & UPDATION OF LAND RECORDS (SRA & ULR)**

S.No.	States/UTs	upto 1990-91	Funds utilised								Total	%age
			1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98			
1	2	3	4	5	6	7	8	9	10	11	12	
1.	Andhra Pradesh	22.730		38.250	13.000	20.500				94.480	54.676	
2.	Arunachal Pradesh	1.000					16.640	73.640		91.280	60.450	
3.	Assam	100.000		50.00				52.000		202.000	50.856	
4.	Bihar	89.250	10.000	100.000			616.315			815.565	75.666	
5.	Gujarat		45.895	1.280	3.460	73.830	14.735	10.535		149.735	42.941	
6.	Goa	14.490	10.700	11.000	13.500	16.565	14.485			80.740	106.321	

1	2	3	4	5	6	7	8	9	10	11	12
7.	Haryana	14.300	49.235	24.995	25.000	38.000	31.250	18.755	152.300	60.198	
8.	Himachal Pradesh		49.235	36.500	11.000	49.265	50.000	126.000	322.000	72.355	
9.	J&K	5.020	35.000	31.110	54.940	56.730	197.000		379.800	35.462	
10.	Karnataka	7.500	25.000			29.610	182.075	111.510	355.695	47.492	
11.	Kerala	83.645	19.995	37.990	32.480	85.255	120.115	243.267	622.747	79.848	58
12.	Madhya Pradesh	309.090	143.975	350.405	230.850	119.975	185.805	61.325	319.825	1721.250	94.655
13.	Maharashtra				99.065	188.995	215.000	125.000	628.060	62.200	
14.	Manipur	0.150							0.150	0.249	
15.	Meghalaya								0.000	0.000	
16.	Mizoram	15.000		29.500	22.100	29.650	220.000		316.250	92.268	

1	2	3	4	5	6	7	8	9	10	11	12
17.	Nagaland	2.735	7.625	30.000	30.000	50.000		27.590		37.950	54.487
18.	Orissa	78.250		30.000	30.000	50.000				188.250	52.936
19.	Punjab		9.450	227.764	276.272	0.881	231.990	146.656		893.013	76.393
20.	Rajasthan	125.530	15.320	97.580	84.870	46.035	64.815	0.250		434.400	44.682
21.	Sikkim				4.970	1.035		0.030		6.035	8.464
22.	Tamil Nadu	5.765	39.580	34.505	29.320	94.290	70.000	0.110	47.120	320.690	88.826
23.	Tripura	5.910	5.415		1.288	5.200	5.363	35.317		58.493	53.382
24.	Uttar Pradesh	99.250		231.890	528.015	64.940	144.200	96.090		1164.385	66.361
25.	West Bengal	103.310	75.220		69.995	95.975	136.260		75.000	555.760	39.919
26.	A&N Islands		5.800	0.250	5.570	2.710				14.330	33.302

1	2	3	4	5	6	7	8	9	10	11	12
27.	Chandigarh				8.120	0.630				8.750	27.344
28.	D&N Haveli									0.000	0.000
29.	Delhi	20.420		7.480	8.110	5.050	3.200			44.260	71.387
30.	Daman & Diu			6.500						6.500	100.000
31.	Lakshdweep						13.500	12.210		25.710	100.000
32.	Pondicherry		9.990	31.340		15.400	16.940			73.670	63.171
<b>Total</b>		1103.345	508.200	1378.339	1551.925	1090.521	2549.688	1140.285	441.945	9764.248	63.534

## APPENDIX V

### FUNDS RELEASED TO STATES UNDER COMPUTERISATION OF LEVEL RECORDS

(Rs. in lakhs)

Sl. No.	Name of the State	Funds Released	Funds Released	Funds Released	Funds Released	Funds Released	Funds Released	Funds Released	Funds Released	Funds Released	Funds used so far	Unspent Balance
		Before 92-93	During 92-93	During 93-94	During 94-95	During 95-96	During 96-97	During 97-98	During 98-99	During 99-00	During 00-01	
1	2	3	4	5	6	7	8	9	10	11	12	
1.	A.P.	25.00	0.00	78.00	105.00	210.00	15.00	0.00	433.00	190.00	243.00	243.00
2.	Assam	25.00	0.00	33.00	50.00	50.00	80.00	97.50	335.50	67.56	267.94	
3.	Bihar	20.00	0.00	30.00	100.00	0.00	0.00	367.50	517.50	20.00	497.50	
4.	Gujarat	25.00	0.00	10.00	10.00	120.00	0.00	75.00	240.00	15.00	225.00	
5.	Goa	0.00	0.00	15.00	5.00	0.00	20.00	0.00	40.00	14.00	26.00	
6.	Haryana	21.00	0.00	19.00	55.00	180.00	0.00	19.00	294.00	50.19	243.81	

1	2	3	4	5	6	7	8	9	10	11	12
7.	Himachal Pr.	25.00	0.00	15.00	50.00	55.00	60.00	0.00	205.00	27.32	177.68
8.	J&K	25.00	0.00	4.00	20.00	0.00	0.00	30.00	79.00	NR	#Value!
9.	Karnataka	25.00	0.00	43.00	28.00	120.00	95.00	69.20	380.20	76.03	304.17
10.	Kerala	25.00	0.00	40.00	30.00	200.00	30.00	69.00	394.00	183.85	210.15
11.	M.P.	33.00	0.00	45.00	90.00	75.00	45.00	485.50	773.50	229.27	544.23
12.	Maharashtra	25.00	0.00	60.00	95.00	195.00	241.00	197.50	813.50	277.74	535.76
13.	Manipur	25.00	0.00	0.00	0.00	0.00	124.88	0.00	149.88	25.00	124.88
14.	Mizoram	0.00	0.00	15.00	10.00	0.00	60.00	0.00	85.00	25.00	60.00
15.	Orissa	32.50	0.00	55.00	30.00	135.00	270.00	0.00	522.50	38.63	483.87
16.	Punjab	25.00	0.00	53.62	45.00	0.00	75.00	52.50	251.12	31.82	219.30

1	2	3	4	5	6	7	8	9	10	11	12
17.	Rajasthan	25.00	0.00	50.00	68.00	150.00	210.00	0.00	503.00	38.36	464.64
18.	Sikkim	12.00	0.00	0.00	0.00	20.00	0.00	0.00	32.00	22.00	10.00
19.	T.N.	25.00	0.00	83.00	45.00	90.00	210.00	60.00	513.00	91.64	421.36
20.	Tripura	25.00	0.00	40.00	20.00	0.00	15.00	75.80	175.80	85.32	90.48
21.	U.P.	25.00	0.00	75.00	129.00	165.00	270.00	247.50	911.50	48.31	863.00
22.	W.B.	25.00	0.00	85.00	65.00	235.00	180.00	173.00	763.00	330.00	433.00
23.	D&N Haveli	0.00	0.00	12.38	0.00	0.00	0.00	0.00	12.38	NR	#Value!
24.	Delhi	8.03	0.00	0.00	0.00	0.00	0.00	0.00	8.03	NR	#Value!
25.	Pondicherry	0.00	0.00	15.00	0.00	0.00	0.00	0.00	15.00	NR	#Value!
26.	Chandigarh	0.00	0.00	0.00	0.00	0.00	15.00	0.00	15.00	NR	#Value!
<b>Grand Total</b>		<b>501.53</b>	<b>0.00</b>	<b>876.00</b>	<b>1050.00</b>	<b>2000.00</b>	<b>2015.88</b>	<b>2019.00</b>	<b>8462.41</b>	<b>1887.04</b>	<b>6575.37</b>

## APPENDIX VI

### MINUTES OF THE FIFTH SITTING OF THE COMMITTEE ON URBAN & RURAL DEVELOPMENT HELD ON TUESDAY, 23RD JUNE, 1998

The Committee sat from 1500 hrs. to 1830 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

#### PRESENT

Shri Kishan Singh Sangwan — *Chairman*

#### MEMBERS

##### *Lok Sabha*

2. Shri D.S. Ahire
3. Dr. Shafiqur Rahman Barq
4. Shri Sriram Chauhan
5. Shrimati Malti Devi
6. Shri Vinod Khanna
7. Shri Subhash Maharia
8. Shri Bir Singh Mahato
9. Shri Rameshwar Patidar
10. Shri Mullappally Ramachandran
11. Shri Chatin Singh Samaon
12. Shri Nikhilananda Sar
13. Shri I.M. Jayaram Shetty
14. Dr. Ram Vilas Vedanti

##### *Rajya Sabha*

15. Shri Nilotpal Basu
16. Shri N.R. Dasari
17. Shri C. Apok Jamir



18. Shri Onkar Singh Lakhawat
19. Prof. A. Lakshmisagar
20. Shri Jagdambi Mandal
21. Shri Suryabhan Patil Vahadane

## SECRETARIAT

1. Shri S.C. Rastogi — *Director*
2. Smt. Sudesh Luthra — *Under Secretary*

*Representatives of the Ministry of Rural Areas & Employment  
(Department of Rural Development)*

1. Dr. N.C. Saxena, Secretary
2. Dr. P.L. Sajeev Reddy, Secretary (RE&PA)
3. Shri M. Shanker, Additional Secretary & Financial Advisor
4. Shri Satish Chandra, Joint Secretary
5. Shrimati Sudha Pillai, Joint Secretary
6. Shri Palat Mohandas, Joint Secretary
7. Shri Sukumar Das, Joint Secretary
8. Shri N. Ramji, Director General, (CAPART)
9. Shri T.R. Verma, Director General, (NIAM)
10. Shri M.K. Mandal, Agricultural & Marketing Advisor
11. Shri Balram, Economic Adviser
12. Shri V.N. Mishra, Economic Adviser

2. At the outset, the Chairman welcomed the representatives of the Ministry of Rural Areas & Employment (Department of Rural Development) and members of the Committee to the sitting. He drew the attention of the witnesses to the provisions of Direction 55(1) of the Directions by the Speaker.

3. The Secretary, Department of Rural Development briefed the Committee about the various programmes and schemes of the Department.

4. Thereafter, the Committee took up for consideration Demands for Grants 1998-99 of the Department of Rural Development and took evidence of the representatives of the Department on the concerned Demands for Grants.

5. A verbatim record of the proceedings was kept.

*The Committee then adjourned.*

## APPENDIX VII

### MINUTES OF THE THIRTEENTH SITTING OF THE COMMITTEE ON URBAN & RURAL DEVELOPMENT HELD ON MONDAY, THE 6TH JULY, 1998

The Committee sat from 1700 hrs. to 1845 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

#### PRESENT

Shri Kishan Singh Sangwan — *Chairman*

#### MEMBERS

##### *Lok Sabha*

2. Dr. Shafiqur Rahman Barq
3. Shri Sriram Chauhan
4. Shri Shivraj Singh Chouhan
5. Shri Subhash Maharia
6. Shri Bir Singh Mahato
7. Shri Subrata Mukherjee
8. Shri Chandresh Patel
9. Shri Rameshwar Patidar
10. Shrimati Jayanti Patnaik
11. Shri Ramjidas Rishidev
12. Shri I.M. Jayaram Shetty
13. Shri Daya Singh Sodhi
14. Shri K. Venugopal

##### *Rajya Sabha*

14. Shri Nilotpal Basu
15. Shri C. Apok Jamir

16. Shri Onkar Singh Lakhawat
17. Prof. A. Lakshmisagar
18. Shri Jagdambi Mandal

## SECRETARIAT

1. Shri S.C. Rastogi — *Director*
2. Smt. Sudesh Luthra — *Under Secretary*

2. The Committee took up for consideration the Draft Report on Demands for Grants 1998-99 of the Department of Rural Development of the Ministry of Rural Areas & Employment.

3. The Committee adopted the Report on Demands for Grants (1998-99) of the Department of Rural Development with certain modifications as indicated in *Annexure*.

4. The Committee then authorised the Chairman to finalise the Report after getting it factually verified from the concerned Department/Ministry and present the same to the Houses of Parliament.

*The Committee then adjourned.*

(See para 3 of the Minutes dated 6.7.1998)

Page No.	Para No.	Modifications
1	2	3
6	2.13	<p><i>For para No. 2.13 substitute the following:—</i></p> <p><i>“2.13 The Committee note that out of 8th Plan outlay of Rs. 6450 crore, funds to the tune of Rs. 5672.04 crore could actually be released. The basic reason for the lesser release as could be seen from the above mentioned paras is the shortfall in expenditure under various schemes. While the underspending of Rs. 270 crore under NSAP could be appreciated as it being a new scheme the ineffective implementation of various schemes could not be appreciated as the same is the main reason for getting lesser outlay from the Planning Commission. The implementation of the respective schemes is analysed scheme-wise in the succeeding paragraphs of the Report. The Committee recommend that the Government should evaluate the performance of different schemes implemented during 8th Plan and should take corrective measures to improve the implementation of the schemes during 9th Plan.”</i></p>

1	2	3
6.	2.14	<p><i>After para 2.14 add the following:</i></p> <p>“It is also urged that evaluation of the schemes should be got done concurrently by independent agencies”.</p>
18-19	3.21 to 3.24	<p><i>For para 3.21 to 3.24 substitute the following:</i></p> <p>“3.21 They note that one of the reasons for underspending is the release of major part of the outlay at the fag end of the year. They strongly recommend that the funds should be released in a phased manner in a particular year as per the guidelines so as to avoid release of funds during the fag end of the year. There is also a need to strengthen the monitoring mechanism. The Committee recommend that State Governments should be requested to ensure timely submission of the Utilisation Certificates so that the funds could be released in time.</p> <p>3.22 It is observed that in some of the States the reason for underutilisation as found by the task force is time-consuming procedural formalities. The Committee urge that guidelines should be issued by the Centre to all the States/UTs to simplify their implementation and monitoring procedure for the effective implementation of the schemes.</p>

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*Repair and Maintenance of assets*

3.23 The Committee note that besides covering all the habitations under the Programmes, of equal importance is the repair and maintenance of the assets created under the Programme. They appreciate that Government has proposed to increase funds for repairs and maintenance from 10% to 15%. It is observed that with the implementation of the Constitution (73rd Amendment) Act, 1992, the process of decentralisation of powers is going on. They would like that the responsibility of repairs and maintenance should be handed over to Panchayats as a matter of principle. While recommending this the Committee take note of varying levels of financial status of Panchayats in the country. They hope that while devolving the responsibilities of maintenance on Panchayats, the Government will take care of the financial status of the respective Panchayats.

*Financial Position of Panchayats*

3.24 The Committee further note that the capacity building of Panchayats is the major area of concern. While recommending for devolution of powers, they would like to recommend that Government should think of taking steps for the

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capacity building of Panchayats through State Governments. It is, therefore, recommended that certain fixed percentage of Central and State's allocation for the maintenance and repairs should directly be released to Panchayats. This will not only strengthen the financial capability of Panchayats but will also ensure the proper maintenance and repairs of the different assets created under Centrally Sponsored Programmes/ Schemes".

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*After para 3.27 add the following:*

"3.28 When the attention of the Secretary was invited to the fact that in the country though the land has been accepted as a resource, water is not being accepted as a resource, the Secretary agreed that there was a need to treat the water as an economic resource. At present the water was being treated by the people as an open access property it was not being treated as a community resource. He added that the "water needs to be changed from being an open-access resource to a community resource. It should be seen as a resource belonging to the community".

3.29 The Committee feel that unless the water was treated as a community resource, no meaningful initiative could be taken in the



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direction of solving water problem in the country. The Committee, therefore, recommend that efforts should be made to change the view and approach of the people towards water so that it is treated as a community resource instead of treating it as an open access resource.

3.30 When it was pointed out by the Committee that there was no integrated approach and emphasis on the optimum utilisation of the existing resources already available with the Government in different Departments under different heads to fulfil the basic human need of drinking water, the Secretary agreed and stated that 'this is not a problem of funds alone. That is why emphasis has been on changing the policy and changing the way we define the problem that is to be treated.'

3.31 The Committee feel that it is not the lack of resources which is obstructing the solving of drinking water problem in the country but it is the lack of an integrated approach towards the problem and lack of a national water policy. The Committee, therefore, recommend that with a view to have integrated approach to solve the drinking water problem, Government should consider to formulate a National Water Policy.

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*Area Specific Programmes*

3.32 When the attention of the Secretary was invited to the fact that at present same model was being replicated everywhere instead of having area specific programmes and whether to have a better implementation of the scheme different possibilities should not be combined by providing adequate flexibility in the guidelines for the programme he stated that they were giving more powers to the Gram Panchayats in this regard. Upto now the power of sanctioning the scheme was centralised in the hands of Central Government. However, as the problem of supplying quality drinking water was getting worse day by day, the Central Government has decided that the power of sanctioning projects would be vested in the State Governments with effect from current year. As regards supplying water through pipeline, it was stated by the Secretary that recourse to piped water supply has to be taken in those areas where water source was either not available in the village or if available was not fit for drinking purposes.

3.33 The Committee note that the Central Government has decided to transfer the power of sanctioning projects under Rural Water Supply

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Scheme to the State Governments. They hope that with this changes the State Governments will be selecting such mode of drinking water supply which would be most suited to a particular area.

*Special Provision for Desert Areas*

3.34 When asked whether Government will like to make some special provisions on the lines of provisions made for hilly areas for supplying drinking water in desert areas of Rajasthan, the Secretary stated that they have already made special provisions for desert areas i.e. (i) availability of 70 litres of water as against 40 litres for other areas (ii) special provision in allocation formula for desert blocks. They were further considering to revise the formula so as to allocate more money to such problem States like Rajasthan. They were also proposing to give weightage to quality of available water in the formula. However, this proposal is yet to be discussed with the Planning Commission.

3.35 The Committee note that the Government was considering to revise the formula for allocation of funds under Rural Water Supply Scheme so as to allocate more funds to the problem States like Rajasthan. They also note that the said

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formula is yet to be discussed with the Planning Commission. The Committee recommend that in view of the importance of drinking water, the formula should be finalised in consultation with the Planning Commission, at the earliest so that during next budget, allocations under the scheme could be made as per revised formula.

*Priority to store rain water*

3.36 On being pointed out that at present only 17% of rain water was being stored and rest 83% was allowed to go waste, therefore, there was a need to clean the existing ponds and tanks on priority basis so that the rain water could be stored to the maximum possible extent, the Secretary while accepting the need for storing rain water stated that they had already emphasised that under the JRY and EAS, cleaning and desilting of ponds and tanks should be taken up on priority basis. However, as the 70% of funds under the scheme goes directly to Gram Panchayats, many of them do not give due priority to this work.

He further stated "As far as rain water harvesting and construction of dam are concerned, we have very good suggestions, but they also require a very high degree of

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people's participation, because in the past, 50 years ago, there were structures which were maintained by the people. Today, because of a large number of measures that we are taking there is a feeling in the villages that everything should come from the Government. I am not saying that people should not expect from the Government, but the maintenance of these decentralised dams and maintenance of these rain water harvesting structures will be very difficult unless people's Committees are formed, user groups are formed and they are given the responsibility of maintaining some of these structures.

Sir, in the revised policy that we are preparing, there is a very important sector of total policy reforms and we have suggested to the Government that 20 per cent of our total funds should be reserved for those States which are going to do policy reform and in which these measures which you have suggested are very much there that wherever rain water harvesting is being done, wherever people's Committees are being formed, wherever people are willing to maintain these structures, those are the villages, those are the States which should get more money. So, hopefully if the policy is approved,

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we will certainly have all these suggestions implemented.

3.37 The Committee recommend that with a view to store the rain water to the maximum possible extent, not only the existing ponds and tanks should be cleaned/desilted but new ponds/tanks should also be dug where feasible. To achieve this objective it should be impressed upon the panchayats that no work deserves more priority for execution under JRY/EAS as compared to water supply works.

3.38 The Committee further note that the Government was considering to revise policy so as to involve people in harvesting rain water. The proposed policy also intends to increase allocations for such villages where the people's Committees maintained the water structures in their villages. The Committee hope that the said policy will be finalised soon and implemented vigorously so as to encourage involvement of people in the field.

28.

*After para 4.14 add the following:*

"4.15 The Committee note that one of the features of CRSP is subsidy limited to 80% for persons below poverty line. It is also found that Department has proposed to adopt a major shift from low subsidy to

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non-subsidy regime during the 9th Plan. The Committee observe that Rural Sanitation Programme should not be confined to Below Poverty Line families alone in a village. Rather the CRSP should be launched in a holistic manner so as to benefit all categories of people habitating in a particular village/ area.

4.16 As the women can play an important role in the effective implementation of CRSP, the Government should try to find out as to how women can be involved in this programme."

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5.17

*For para 5.17 substitute the following:*

"5.17 The Committee note that to ensure an impartial selection there is an urgent need to bring transparency in the process of selection of beneficiaries. The information with regard to the beneficiaries should be readily available and provided to local MPs/MLAs on request. The Committee would like to recommend that Government should consider relaxing the age for admissibility of old age pension from 65 years to 60 years."

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*After para 5.18 add the following:*

"5.19 The Secretary informed the Committee that as regards old age pension scheme, according to a Cabinet note prepared by them, the

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Panchayat/Gram Sabha are proposed to be empowered to sanction the old age pension. He also stated that they have suggested to double the amount under Maternity Benefit Scheme from present Rs. 300/- p.m. to Rs. 600/- p.m. and the amount to be given on the death of a bread winner of BPL family should be Rs. 10,000/- irrespective of cause of death. They have made a provision of Rs. 700 crore in the Budget 1998-99.

5.20 The Committee appreciate the changes proposed to be taken by the Government under the schemes of NSAP. They hope that the Government will not only approve the present allocation of Rs. 700 crore but will also release it during the year."

*After para 9.3 add the following:*

"9.4 The Committee urge that the Department should initiate a study on the status of the Panchayats with the implementation of the Constitution (73rd Amendment) Act, 1992 covering (i) the financial position of Panchayats *vis-a-vis*, the responsibility being entrusted to them with the implementation of the constitution (73rd Amendment) Act, 1992 (ii) the status of the State Finance Commissions to be constituted by the States (iii) technical capability (iv) mobilisation of internal resources by Panchayats. They would like to be apprised about the action taken in this regard."



## APPENDIX VIII

### STATEMENT OF RECOMMENDATIONS/OBSERVATIONS

Sl. No.	Para No.	Recommendations/Observations
1	2	3
1.	2.13	The Committee note that out of 8th Plan outlay of Rs. 6450 crore, funds to the tune of Rs. 5672.04 crore could actually be released. The basic reason for the lesser release as could be seen from the above mentioned paras is the shortfall in expenditure under various schemes. While the underspending of Rs. 270 crore under NSAP could be appreciated as it being a new scheme the ineffective implementation of various schemes could not be appreciated as the same is the main reason for getting lesser outlay from the Planning Commission. The implementation of the respective schemes is analysed scheme-wise in the succeeding paragraphs of the Report. The Committee recommend that the Government should evaluate the performance of different schemes implemented during 8th Plan and should take corrective measures to improve the implementation of the schemes during 9th Plan.
2.	2.14	While appreciating the Government's concern for Rural

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		<p>Development as is evident from the revised proposed outlay to the tune of Rs. 17,160 crore for 9th Plan, the Committee would like that Government should give more importance to the execution and implementation of the schemes. It is also urged that evaluation of the schemes should be got done concurrently by independent agencies.</p>
3.	2.15	<p>The Committee hope that Government will take care of the latest cut-off limit of below poverty line as per the latest BPL survey being carried out by the Planning Commission, for the identification of person below poverty line for different schemes and allocation of funds to respective States/UTs.</p>
4.	3.19	<p>The Committee are concerned to note the underspending under one of the priority programmes of the Government viz. ARWSP. Out of the total outlay of Rs. 5100 crore, funds to the tune of Rs. 4142.71 crore only could actually be spent during 8th Plan. The Committee would like to recommend that the implementation of the Programme during 8th Plan should be evaluated so as to fund the shortcomings in the implementation of the programme and to take necessary corrective measures in this regard. The Committee would like to be</p>

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		informed of the results of the evaluation and also about the steps taken in this regard.
5.	3.20	The Committee appreciate the revised proposed outlay of Rs. 11,000 crore as proposed by the Department to Planning Commission for 9th Plan and the laudable objective of covering all NC & PC habitations by 2005 A.D. considering providing water to rural masses as the priority programme of the Government. They would like to recommend that sufficient funds should be provided during 9th Plan so that the targets during 9th Plan are not spilled over. While recommending for higher outlay, the Committee would urge that the Department should ensure that there is 100% utilisation of funds.
6.	3.21	They note that one of the reasons for underspending is the release of major part of the outlay at the fag end of the year. They strongly recommend that the funds should be released in a phased manner in a particular year as per the guidelines so as to avoid release of funds during the fag end of the year. There is also a need to strengthen the monitoring mechanism. The Committee recommend that State Governments should be requested to ensure timely submission of the Utilisation

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		Certificates so that the funds could be released in time.
7.	3.22	It is observed that in some of the States the reason for underutilisation as found by the task force is time-consuming procedural formalities. The Committee urge that guidelines should be issued by the Centre to all the States/UTs to simplify their implementation and monitoring procedure for the effective implementation of the schemes.
8.	3.23	The Committee note that besides covering all the habitations under the Programmes, of equal importance is the repair and maintenance of the assets created under the Programme. They appreciate that Government has proposed to increase funds for repairs and maintenance from 10% to 15%. It is observed that with the implementation of the Constitution (73rd Amendment) Act, 1992, the process of decentralisation of powers is going on. They would like that the responsibility of repairs and maintenance should be handed over to Panchayats as a matter of principle. While recommending this the Committee take note of varying levels of financial status of Panchayats in the country. They hope that while devolving the responsibilities of maintenance of

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9.	3.24	<p>Panchayats, the Government will take care of the financial status of the respective Panchayats.</p>
		<p>The Committee further note that the capacity building of Panchayats is the major area of concern. While recommending for devolution of powers, they would like to recommend that Government should think of taking steps for the capacity building of Panchayats through State Governments. It is, therefore, recommended that certain fixed percentage of Central and State's allocation for the maintenance and repairs should directly be released to Panchayats. This will not only strengthen the financial capability of Panchayats but will also ensure the good maintenance and repairs of the different assets created under Centrally Sponsored Programmes/ Schemes.</p>
10.	3.25	<p>The Committee note the problem of contaminated water as explained by the Secretary during his evidence and would like that Government should pay adequate attention towards this and the outlay for submissions working in this field should be increased. Besides it is also recommended that water testing kits should be made available at Block level.</p>
11.	3.26	<p>The Committee feel that only enhanced outlay for maintenance</p>

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and repairs and supplying of water testing kits would not be sufficient unless the technical hands are not available with the implementing agency. They, therefore, recommend that to make the necessary technical hands available to the implementing agency, the Government should consider to link the TRYSEM programme to ARSWP.

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3.27

The Committee also observe that in our country the philanthropic individuals/social charitable organisations have been contributing their might to make available drinking water for the people and animals alike. They feel that Government should not only keep this tradition alive but should try to encourage it by providing necessary tax incentives etc. to such individuals/organisations and to channelise their efforts for better utilization. They also feel that the Government should also try to involve industrial corporate houses to adopt/ neighbouring villages/ group of villages for supplying drinking water. They will like the Government to consider this suggestion which will go a long way in not only augmenting resources but supplementing the efforts of the Government to solve the drinking water problem.

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13.	3.29	<p>The Committee feel that unless the water was treated as a community resource, no meaningful initiative could be taken in the direction of solving water problem in the country. The Committee, therefore, recommend that efforts should be made to change the view and approach of the people towards water so that it is treated as a community resource instead of treating it as an open access resource.</p>
14.	3.31	<p>The Committee feel that it is not the lack of resources which is obstructing the solving of drinking water problem in the country but it is the lack of an integrated approach towards the problem and lack of a national water policy. The Committee, therefore, recommend that with a view to have integrated approach to solve the drinking water problem, Government should consider to formulate a National Water Policy.</p>
15.	3.33	<p>The Committee note that the Central Government has decided to transfer the power of sanctioning projects under Rural Water Supply Scheme to the State Governments. They hope that with this changes the State Governments will be selecting such mode of drinking water supply which would be most suited to a particular area.</p>

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16.	3.35	<p>The Committee note that the Government was considering to revise the formula for allocation of funds under Rural Water Supply Scheme so as to allocate more funds to the problem States like Rajasthan. They also note that the said formula is yet to be discussed with the Planning Commission. The Committee recommend that in view of the importance of drinking water, the formula should be finalised in consultation with the Planning Commission, at the earliest so that during next budget, allocations under the scheme could be made as per revised formula.</p>
17.	3.37	<p>The Committee recommend that with a view to store the rain water to the maximum possible extent, not only the existing ponds and tanks should be cleaned/desilted but new ponds/tanks should also be dug where feasible. To achieve this objective it should be impressed upon the Panchayats that no work deserves more priority for execution under JRY/EAS as compared to water supply works.</p>
18.	3.38	<p>The Committee further note that the Government was considering to revise policy so as to involve people in harvesting rain water. The proposed policy also intends to increase allocations for such villages where the people's Committees</p>



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maintained the water structures in their villages. The Committee hope that the said policy will be finalised soon and implemented vigorously so as to encourage involvement of people in the field.

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4.13

The Committee note the serious state of rural sanitation that only 10.96% of rural population have access to sanitation. They further observe that the meagre outlay provided under the scheme during 8th Plan could not be utilised. Out of Rs. 380 crore, the utilisation was to the tune of Rs. 233.17 crore. Similar trend is indicated during 1996-97. While analysing the physical and financial achievements under the scheme in different States and UTs, the Committee note that the main weakness in the implementation of the scheme is the shortfall in the number of takers. That speak volume of the lack of awareness for the need of sanitation on the part of the rural masses. The Committee appreciate the efforts made by the Government to analyse the weaknesses of the implementation of the scheme and to adopt a major shift from low subsidy to no subsidy regime. The Committee recommend that the Government should make sufficient allocation of funds under the scheme. While recommending for increased outlay, it is urged that

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		<p>Department should allocate the substantial percentage of funds for publicity and campaigning. The need for sanitation should be aroused in rural masses by making efforts by Print and Electronic media. Besides, Panchayats and NGOs can also play an important role in this regard. The Department should give a fresh look to the aspect of rural sanitation and find out as to how Panchayats and NGOs can be involved in making rural masses aware of the need for sanitation.</p>
20.	4.14	<p>The Committee note the lower coverage of SCs population as compared to General Category as stated by the Department. They recommend that the Department should take necessary corrective steps to ensure more coverage of SCs, the under privileged section of the society under the programme.</p>
21.	4.15	<p>The Committee note that one of the features of CRSP is subsidy limited to 80% for persons below poverty line. It is also found that Department has proposed to adopt a major shift from low subsidy to non-subsidy regime during the 9th Plan. The Committee observe that Rural Sanitation Programme should not be confined to Below Poverty Line families alone in a village. Rather the CRSP should be</p>

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		launched in a holistic manner so as to benefit all categories of people habitating in a particular village/ area.
22.	4.16	As the women can play an important role in the effective implementation of CRSP, the Government should try to find out as to how women can be involved in this programme.
23.	5.15	The Committee note that the Government could not release the allocated money under the three components of the programme. They appreciate the difficulties being experienced by States in the implementation of the programme, it being a new one. They recommend that sufficient funds as per the numerical ceiling criterion of the Department should be provided during 9th Plan. Besides recommending for higher outlay, the Committee would like to recommend that more stress should be made to make the rural masses aware of the programme. Besides popularising the programme through print and electronic media, necessary steps should be taken to fix bill boards in local language at the important public places like village Panchayat, railway station, bus stops etc.
24.	5.16	The Committee note that Panchayats and NGOs can play an

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		<p>important role in this regard. For selection of beneficiary, Panchayats and NGOs should also be involved. The necessary guidelines in this regard should be issued by the Centre. It is further recommended that 1% of the funds earmarked for publicity is not sufficient. It should be enhanced.</p>
25.	5.17	<p>The Committee note that to ensure an impartial selection there is an urgent need to bring transparency in the process of selection of beneficiaries. The information with regard to the beneficiaries should be readily available and provided to local MPs/MLAs on request. The Committee would like to recommend that Government should consider relaxing the age for admissibility of old age pension from 65 years to 60 years.</p>
26.	5.18	<p>The Committee note that different States are disbursing money to the beneficiaries by different modes like through Banks/Panchayats/money orders, etc.</p> <p>The Government should conduct a sample survey to find out as to what mode of payment was more effective and efficient enabling the pension amount to reach the beneficiary without involving any middleman or getting reduced. As a result of such survey, the Government should consider to</p>

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		apply the best suited mode of payment to all States.
27.	5.19	The Secretary informed the Committee that as regards old age pension scheme, according to a Cabinet note prepared by them, the Panchayat/Gram Sabha are proposed to be empowered to sanction the old age pension. He also stated that they have suggested to double the amount under Maternity Benefit Scheme from present Rs. 300/- p.m. to Rs. 600/- p.m. and the amount to be given on the death of a bread winner of BPL family should be Rs. 10,000/- irrespective of cause of death. They have made a provision of Rs. 700 crore in the Budget 1998-99.
28.	5.20	The Committee appreciate the changes proposed to be taken by the Government under the schemes of NSAP. They hope that the Government will not only approve the present allocation of Rs. 700 crore but will also release it during the year.
29.	6.6	The Committee note that the outlay for 1998-99 has been slashed to Rs. 8.80 crore from Rs. 18.80 crore during 1997-98 to provide more funds under the second segment of programme <i>i.e.</i> under Land Records (Computerisation of Land Records). They hope that the more outlay as

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		provided under the computerisation programme will be used fully. They further hope that the lesser outlay would not affect the implementation of the SRA & ULR as claimed by the Department.
30.	6.7	The Committee note the shortfall in expenditure as reported by certain States/UTs. They note that SRA & ULR scheme is to be implemented by the Revenue Machinery at the State level and they equally appreciate their limitation. The Committee recommend that coordination amongst the various implementing agencies should be strengthened.
31.	6.8	The Committee note that States are not able to provide the required 50% matching share. To reduce burden on the States and to further improve the implementation, the Department is considering the enhancement of Central share from 50 to 80%. They hope that final decision in this regard will be taken urgently.
32.	6.9	The Committee note that the allocation for two schemes of land records (i) SRA & ULR (ii) computerisation of land records is made under the broad heading Land Reforms. They note that Land Reforms in the activity under the jurisdiction of State Governments. Besides the activities involved

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33.	6.15	<p>under the said programmes relate to Land Records. They will like to recommend that to give correct picture about the activities being undertaken under the programme, the Government should change the nomenclature of the head suitably.</p> <p>The Committee note that out of Rs. 84.62 crore released so far, outlay to the tune of Rs. 65.75 crore is lying unspent. Although they appreciate the objective as given in para 6.11 for enhancing the outlay during 1998-99, they are equally concerned over the huge underspending on the part of the States/UTs. They hope that Government would take the necessary corrective action to improve the implementation of the scheme so that 100% utilisation of funds is ensured.</p>
34.	7.6	<p>The Committee note with concern the shortfall in expenditure during 8th Plan and the first year of 9th Plan <i>i.e.</i> 1997-98. They find that funds could not be released during 1996-97 as the audit by C&amp;AG was going on. It is observed that not only during 1997-98, but also during the whole 8th Plan the funds earmarked for the activities of CAPART could not be utilised by them fully. The Committee would like to know the reasons for the shortfall in expenditure during the 8th Plan.</p>

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35.	7.7	<p>The Committee note that there is no auditing of Accounts of the different CAPART assisted VOs by CAPART and the reason given is the large number of NGOs working in different programmes. The only check is an audited statement from a certified Chartered Accountant. The Committee feel that the existing system of auditing is not sufficient for the monitoring of accounts of different VOs. They appreciate the concern expressed by the Department that the number of VOs is too large. It is found that VOs are working for the different activities under the different Departments. The Committee would like to recommend that certain percentage of funds for CAPART should be earmarked for monitoring and evaluation of activities of voluntary organisations. The Government should think of having a foolproof mechanism for the monitoring of VOs so as to avoid misappropriation of funds by them. They would also like that the Government should evolve some foolproof mechanism to check the entry of bogus NGOs.</p>
36.	8.6	<p>The Committee note that with the enforcement of the Constitution (73rd Amendment) Act, 1992, there is a big challenge before the Department-to impart training to elected members of Panchayati Raj</p>



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Institutions. With the recent process of decentralisation, more responsibilities are coming on Panchayati Raj functionaries and that explain the urgency to impart training to them. The Committee find that the number of participants imparted training so far by NIRD is very low. They recommend that the outlay for different Institutes for training should be stepped up while recommending for higher outlay, they desire that more and more training programmes should be arranged for Panchayat level functionaries.

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9.3

The Committee note that besides Central allocation for Panchayati Raj research and studies, State Governments make budgetary provisions. Many NGOs are also involved in the process. They recommend that coordination between the activities of Central Government, State Governments and NGOs should be maintained so as to get the optimal use of the allocation made at different levels. The Committee further note that NIRD is the main Institution for imparting training to Panchayati Raj functionaries. They would also like to recommend that linkages between the work done on research and studies under the said programme and NIRD should be maintained so as to make full use of the work done in the field.

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38.	9.4	The Committee urge that the Department should initiate a study on the status of the Panchayats with the implementation of the Constitution (73rd Amendment) Act, 1992 covering (i) the financial position of Panchayats <i>vis-a-vis</i> , the responsibility being entrusted to them with the implementation of 73rd Amendment, (ii) the status of the State Finance Commissions to be constituted by the States, (iii) technical capability, (iv) mobilisation of internal resources by Panchayats. They would like to be apprised about the action taken in this regard.

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38.	9.4	<p>The Committee urge that the Department should initiate a study on the status of the Panchayats with the implementation of the Constitution (73rd Amendment) Act, 1992 covering (i) the financial position of Panchayats <i>vis-a-vis</i>, the responsibility being entrusted to them with the implementation of 73rd Amendment, (ii) the status of the State Finance Commissions to be constituted by the States, (iii) technical capability, (iv) mobilisation of internal resources by Panchayats. They would like to be apprised about the action taken in this regard.</p>

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