# STANDING COMMITTEE ON RURAL DEVELOPMENT

(2019-20)

2

# **SEVENTEENTH LOK SABHA**

# **MINISTRY OF PANCHAYATI RAJ**

DEMANDS FOR GRANTS (2019-20)

# **SECOND REPORT**



# LOK SABHA SECRETARIAT NEW DELHI

# SECOND REPORT STANDING COMMITTEE ON RURAL DEVELOPMENT (2019-20)

(SEVENTEENTH LOK SABHA)

# **MINISTRY OF PANCHAYATI RAJ**

# DEMANDS FOR GRANTS (2019-20)

Presented to Lok Sabha on 05.12.2019

Laid in Rajya Sabha on 05.12.2019



# LOK SABHA SECRETARIAT NEW DELHI

December, 2019/Agrahyana, 1941 (Saka)

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# **COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT (2019-20)**

# Shri Prataprao Jadhav- Chairperson

# **MEMBERS**

# Lok Sabha

- 2. Shri Sisir Kumar Adhikari
- 3. Shri A.K.P. Chinraj
- 4. Shri Rajveer Diler
- 5. Shri Sukhbir Singh Jaunapuria
- 6. Dr. Mohammad JHawed
- 7. Prof. Rita Bhauguna Joshi
- 8. shri Nalin Kumar Kateel
- 9. Shri Mohammad Azam Khan
- 10. Shri Narendra Kumar
- 11. Shri Baidyanath Prasad Mahto
- 12 Shri Janardan Mishra
- 13. Shri Kinjarapu Ram Mohan Naidu
- 14. Shri B.Y. Raghavendra
- 15. Shri Talari Rangaiah
- 16. Smt. Gitaben Vajesingbhai Rathva
- 17. Smt. Mala Rajya Laxmi Shah
- 18. Shri Vivek Narayan Shejwalkar
- 19. Shri Brijbhushan Sharan Singh
- 20. Shri Indra hang Subba
- 21. Shri K. Sudhakaran

# Rajya Sabha

- 22. Shri Ritabrata Banerjee
- 23. Shri Manas Ranjan Bhunia
- 24. Shri Shamsher Singh Dullo
- 25. Shri Nazir Ahmed Laway
- 26. Shri Naranbhai J. Rathwa
- 27. Shri A.K. Selvaraj
- 28. Shri Ram Shakal
- 29. Shri Ajay Pratap Singh
- 30. Shri Lal Sinh Vadodia
- 31. Vacant

# **SECRETARIAT**

- 1. Shri Abhijit Kumar
- 2. Shri S. Chatterjee
- 3. Smt. Emma C. Barwa
- 4. Shri Satish Kumar

- Additional Secretary
- Director
- Additional Director
- Assistant Executive Officer

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INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2019-20)

having been authorised by the Committee to submit the Report on their behalf, present

the Second Report on Demands for Grants (2019-20) of the Ministry of Panchayati Raj.

2. Demands for Grants have been examined by the Committee under Rule 331E (1)

(a) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee took evidence of the representatives of the Ministry of

Panchayati Raj on 06 November, 2019.

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

27 November, 2019.

5. The Committee wish to express their thanks to the officials of the Ministry of

Panchayati Raj for placing before them the requisite material and their considered views

in connection with the examination of the subject.

6. The Committee would also like to place on record their deep sense of

appreciation for the invaluable assistance rendered to them by the officials of Lok Sabha

Secretariat attached to the Committee.

NEW DELHI; 27 November, 2019

06 Agrahyana, 1941 (Saka)

Prataprao Jadhav Chairperson,

**Standing Committee on Rural Development** 

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# REPORT PART I

#### NARRATION ANALYSIS

# I. Introduction

Since independence the participation of local people for development of rural areas through Panchayati Raj System was provided through 73<sup>rd</sup> Amendment in the constitution of India. Part IX was inserted in the Constitution as a sequel to the 73<sup>rd</sup> Constitution Amendment in 1993. Consequently 'Panchayats' have assumed Constitutional mandatory status. As per the Constitution, three tiers of Panchayats are to be constituted, through elections, every five years, except in States/Union Territories with population less than 20 lakhs, where Panchayats of two tiers may be created. The Constitution envisages that Panchayats will function as institutions of local government and prepare plans and implement schemes 'for economic development and social justice'.

- 1.2 The primary objective of the Ministry of Panchayati Raj (MoPR) overseas the implementation of Part IX of the Constitution, implementation of Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) in the Fifth Schedule areas and operationalizing District Planning Committees in terms of Article 243 ZD of Part IX-A of the Constitution. Since most of the actions including framing of laws rests with the State Governments, the Ministry strives to reach its goals with regard to improvements in the functioning of Panchayats primarily through policy interventions, advocacy, capacity building, persuasion and financial support. The aim of the Ministry is to make Panchayati Raj Institutions (PRIs) an effective, efficient and transparent vehicle for local governance, social change and public service delivery mechanism meeting the aspirations of local population.
- 1.3 When asked whether the existing system of Panchayati Raj has achieved the desired results as envisaged in the Constitution 73rd (Amendment) Act of 1992, the Ministry informed as under:-

"'Panchayats' being 'Local Government' is a State subject under Part IX and List II (State List) of Seventh Schedule (Article 246) of the Constitution and the State Legislatures pass legislations suitable to their context within the framework of Article 243. Mandatory provisions incorporated through the 73<sup>rd</sup> Amendment include three tiers of Panchayats, direct election to seats at all three tiers of Panchayats and indirect elections to offices of chairpersons of Block and District Panchayats, reservations in seats and offices for the SCs, STs and

women, rotation of reserved seats and offices of chairpersons, setting up of State Election Commissions, holding elections to Panchayats every five years etc. These provisions have by and large been implemented by all the States/UTs covered under Part IX of the Constitution of India. This has resulted in the strengthening of Panchayati Raj System in the country, and has helped in improving the life of rural citizens and marginalized people.

Article 243G allows discretion to the States in the matter of devolution of powers (funds, functions and functionaries) to Panchayats. The States vary in the extent to which they have devolved powers to the Panchayats to plan, implement and monitor schemes for economic development and social justice. Union Government has continuously persuaded the State Governments to devolve powers to the Panchayats and has provided assistance to enable them to perform devolved functions effectively and efficiently.

To strengthen the Panchayati Raj system, the Central Government devolves funds through Finance Commissions to Panchayats. Under the Fourteenth Finance Commission (FFC), Rs. 2,00,292.20 Crore have been allocated to the Gram Panchayats constituted under Part IX of the Constitution in 26 States, amounting to an assistance of Rs. 488 per capita per annum at an aggregate level, for the award period 2015-20, for delivering basic services including water supply, sanitation including septic management, sewerage and solid waste management, storm water drainage, maintenance of community assets, maintenance of roads, footpaths and street-lighting, and burial and cremation grounds, and any other basic service within the functions assigned to them under relevant legislations. The FFC grant is more than three times the grants given under Thirteenth Finance Commission. Upto 10% of grants can be used by Gram Panchayats for their operation and maintenance including purchase of computer, paying wages for contractual staff etc. The FFC funds have improved the living conditions of the people in the rural areas.

With the aim of strengthening the Panchayati Raj Institutions (PRIs), the Government is implementing newly restructured Centrally Sponsored Scheme (CSS) of Rashtriya Gram Swaraj Abhiyan (RGSA) w.e.f. 2018-19 for achieving Sustainable Development Goals (SDGs) with main thrust on convergence with Mission Antyodaya and emphasis on strengthening PRIs in the 117 aspirational districts. The total approved budget outlay for the scheme for four years is Rs. 7255.50 crore. The scheme extends to all States and UTs. RGSA has programmatic focus for phased saturation mode on ensuring basic orientation training for the Elected Representatives of Panchayats, within six months of their election. Refresher trainings have to be ensured within 2 years. It incorporates greater thrust for e-enablement of Panchayats for e-governance to enhance efficiency and transparency."

# II. Overall Analysis

- 1.4 Demand No. 70 which related to Ministry of Panchayati Raj mainly provides funds for implementation of the newly restructured scheme of Rashtriya Gram Swaraj Abhiyan (RGSA) and small schemes i.e. Incentivization of Panchayats, Media & Publicity, Mission Mode project on E-Panchayats, Action Research & Research Studies and International Co-operation.
- 1.5 Under Demand No. 70, the Ministry of Panchayati Raj has been allocated a sum of Rs.871.37 crore for the fiscal year 2019-20 with Scheme component of Rs.840.04 crore and Non-Scheme component (Secretariat Service) of Rs.31.33 crore. This outlay is 5.60% more than the previous year (2018-19) BE of Rs.825.17 crore.
- 1.6 The details of head-wise allocation for the financial year 2019-20 are as under:-

S.N	Name of the scheme	BE 2019-20
	Plan Schemes	
1.	Rashtriya Gram Swaraj Abhiyan (RGSA)	762.34
2.	Incentivization of Panchayats	44.00
3.	Media & Publicity	15.00
4.	Mission Mode project on E-Panchayats	15.50
5.	Action Research & Research Studies	3.00
6.	International Co-operation	0.20
	Non-Plan	
7.	Secretariat Service	31.33
	Total	871.37

1.7 The Committee have been informed that the Ministry of Panchayati Raj has been implementing a restructured Centrally Sponsored Scheme of Rashtriya Gram Swaraj Abhiyan (RGSA) from 2018-19 and the major portion of the Ministry's allocation goes into this Scheme.

# III. Outlay and Expenditure

1.8 The scheme wise financial performance during last three years i.e. 2016-17 to 2018-19 including the erstwhile scheme of Capacity Building- Panchayat Sashktikaran Abhiyan (CB-PSA) is given below:-

(Rs. in Crore)

S.	Name of the 2016-17			2017-18			2018-19			
N.	Scheme	BE	RE	Actual	BE	RE	Actual	BE	RE	Actual
				Exp.			Exp.			Exp.
Plar	Plan Scheme									
1.	Media & Publicity	8.00	8.00	8.00	11.00	11.00	9.08	15.00	15.00	13.24
2.	Action Research & Research Studies	15.00	2.50	2.50	4.00	1.80	1.10	3.00	2.00	2.00
3.	Mission Mode Project on E- Panchayats	22.00	16.55	16.55	17.00	13.00	12.81	20.00	11.91	10.07
4.	Incentivization of Panchayats	38.00	33.00	33.00	34.00	34.00	34.00	46.00	41.00	41.01
5.	*RGSA/CB- PSA	655.0 0	592.95	592.77	691.90	638.10	622.41	720.80	622.41	598.27
6.	International Co-operation	0.10	0.10	0.24	0.20	0.20	0.14	0.20	0.20	0.15
7.	International Contribution	1.90	1.90	1.84	1.90	1.90	1.97	0.00	0.00	0.00
8.	ATM Services in Panchayat Bhawans	10.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00
Total of Scheme		750.00	655.00	654.90	770.00	700.00	681.51	805.00	692.52	664.74
Non	Scheme									
10	Secretariat Service	18.33	20.15	19.08	20.79	19.21	18.78	20.17	23.74	22.64
	Grant Total	768.33	675.15	673.98	790.79	719.21	700.29	825.17	716.26	687.38

<sup>\*</sup> From 2018-19, the scheme has been restructured as RGSA

1.9 When asked about the reasons for reduction in allocation at RE stage during the last three consecutive years, the Ministry in a written reply stated as under:

"The Budgets at RE stage were reduced from Rs.768.33 crore to Rs.675.15 crore in 2016-17, from Rs.790.79 crore to Rs.719.21 crore in 2017-18 and from 825.17 crore to 716.26 crore during 2018-19 mainly due to Budget reduction under the scheme of RGPSA/CB-PSA/RGSA. The releases under RGPSA/CB-PSA/RGSA are on Annual Action Plan (AAP) of the States/UTs subject to the approval of Central Executive Committee (CEC) of the scheme and opening balance available with the States/UTs. However, expenditure was Rs.673.98 crore in 2016-17 which is around 100% of the allocation at RE stage of Rs.675.15 crore, Rs.700.29 crore in 2017-18, which is around 97% of allocation at RE stage of Rs.719.21 crore and Rs.687.38 crore in 2018-19, which is around 96% of allocation at RE stage of Rs.716.26 crore."

1.10 Looking at declining trend at RE stage during the last three consecutive financial years, what policy initiatives have been taken by the Ministry to utilize the fund allocation in time to avoid reduction at RE stage, the Ministry in a written submission informed as under:-

"The Ministry is actively striving to achieve maximum outcomes of the allocated budget. In order to provide the States full year for implementation of the approved activities, the Annual Action Plans (AAPs) under RGSA for 33 States / UTs were approved well in advance i.e. in the month of February, 2019. The Ministry has been closely monitoring the progress of the activities approved for the current year and States/UTs are constantly being impressed upon to undertake/ accomplish these activities with the funds available and seek further funds if required. Funds to the tune of Rs. 169.35 crore have been released so far. States are being persistently requested for providing Utilization Certificate for the amount released to them. Some States are also likely to come up with the request for release of second installment. In view of the existing pace of demands, it is expected that the Ministry will be able to spend allocated amount in the current financial year."

1.11 During the evidence, the Secretary, MoPR also informed the allocated budget vis-a-vis expenditure during the current financial year i.e. 2019-2020 as under:-

SI.	Name of the Scheme	2019-20				
No.		BE	RE	*Actual		
1	Rashtriya Gram Swaraj Abhiyan (RGSA)	762.34	762.34	147.69		
2	Incentivization of Panchayats	44.00	44.00	0.23		
3	Media & Publicity	15.00	15.00	2.13		
4	Mission Mode project on E-Panchayats	15.50	15.50	0.00		
5	Action Research & Research Studies	3.00	3.00	0.77		
6	International Co-operation	0.20	0.20	0.15		
	Total of Plan Schemes	840.04	840.04	150.97		

<sup>\*</sup> up to 30 September, 2019

# IV. Scheme-wise Analysis

# (A) Rashtriya Gram Swaraj Abhiyan (RGSA)

- 1.12 In the context of budget speech of Hon'ble Finance Minister in 2016-17, the Government on 21.04.2018 approved the restructured Centrally Sponsored Scheme of Rashtriya Gram Swaraj Abhiyan (RGSA) w.e.f the financial year 2018-19 with the primary aim of strengthening PRIs for achieving sustainable Development Goals with main thrust on convergence with Mission Antyodaya and emphasis on strengthening PRIs in the 117 Aspirational districts. The scheme was launched by Hon'ble Prime Minister on 24.04.2018 on the occasion of National Panchayati Raj Day.
- 1.13 The scheme has been approved for implementation from 01.04.2018 to 31.03.2022 with total budget outlay of Rs. 7255.50 crore out of which State share will be Rs. 2755.50 crore and the Central share will be Rs. 4500 crore. The scheme extends to all States and UTs including Part IX areas comprising about 2.67 lakh Gram Panchayats as well as Institutions of Rural Local Government in non Part IX areas where Panchayats do not exists. The sharing pattern for the State component is in the ration of 60:40 except NE and Hilly States where Central and State sharing is in the ration of 90:10. For all UTs, Central share is 100%.

# (i) Objectives of RGSA

1.14 With regard to the objectives of RGSA, the Ministry in its written reply stated as under:-

"The main objectives of the scheme of RGSA are:

- Develop governance capabilities of PRIs to deliver on SDSs.
- Enhance capabilities of Panchayats for inclusive local governance with focus on optimum utilization of available resources and convergence with other schemes to address issues of national importance.
- Enhance capabilities of Panchayats to raise their own sources of revenue.
- Strengthen Gram Sabhas to function effectively as the basis forum of people's participation with focus on vulnerable groups, transparency and accountability within the Panchayat system.
- Develop a network of institutions of excellence to support capacity building and handholding for PRIs.
- Support Panchayats for local economic development and income enhancement with a view to sustainably increase economic activities, focused on processing and marketing of local products."

# (ii) Financial performance

1.15 The financial performance at the national level showing Budget Estimates (BE), Revised Estimates (RE) and Actual Releases from 2016-17 and so far is as under:-

(Rs. in crore)

Year	Financial Performance							
	BE	RE	Actual					
2016-17	655.00	592.95	592.77					
2017-18	691.90	638.10	622.41					
2018-19	720.80	622.41	598.27					
2019-20	762.34	762.34	*147.69					

<sup>\*</sup> as on 30.09.2019

- 1.16 The Ministry of Panchayati Raj has been implementing a restructured Centrally Sponsored Scheme of Rashtriya Gram Swaraj Abhiyan (RGSA) from 2018-19 and the major portion of the Ministry's allocation goes into this scheme. The allocation under RGSA was Rs. 720.80 crore during 2018-19 (BE) which increased by 5.76 % to Rs. 762.34 crore during 2019-20 (BE), whereas the enhancement in the allocation of RGSA during 2019-20 (BE) is about 22.48 % higher from the 2018-19 (RE). The restructured scheme of RGSA was launched in 2018-19 considering the announcement of Hon'ble Finance Minister in his Budget Speech of 2016-17. However, funds during 2016-17 and 2017-18 were provided to States towards strengthening of Panchayats under the scheme of Capacity Building Panchayat Sashaktikaran Abhiyan (CB-PSA) for activities viz. capacity building and training, training infrastructure, human resource for training, e-enablement, IEC and Project Management Unit (PMU) etc.
- 1.17 Enquired about the reasons for non-utilization of funds under RGSA during the previous financial year i.e. 2018-19, the Ministry informed as under:-

"The scheme of RGSA is demand driven in nature. Further, since the scheme was new, it required certain preparatory activities to be accomplished before the implementation could begin. Although, the Annual Action Plan for 32 States/ UTs, were approved, the 1<sup>st</sup> installment of funds were released in the reduced scale due to higher unspent balance at their end. Further, while some States did not claim for 2nd Installment, in some cases lesser releases of 2<sup>nd</sup> installment could be made due to funding being reduced at RE stage."

1.18 When asked about the utilization of budget during the current financial year under the scheme, the Ministry informed as under:-

"The Ministry is striving to achieve maximum outcomes of the allocated budget. The newly restructured scheme of RGSA comprises of the components for which financial assistance is being provided to the Panchayati Raj Departments of the States which include components of CB&T and also for infrastructure requirement etc. Support is also to be provided on a modest scale for construction of Gram Panchayat Buildings. The Ministry has been closely monitoring the progress of the activities approved during the current year and States are constantly being impressed upon to undertake/ accomplish activities with the funds available and seek further release of installments, if required."

1.19 When asked about the priorities of the Ministry during the current financial year, the Ministry in a written reply stated as under:-

"During the current year, the main priority is to implement the scheme of RGSA in a more effective and focused manner so as to evolve the scheme in to a sophisticated, customized resource for graduated capacity building. Special emphasis would be on digital literacy of all Elected Representatives (ERs) and also on mobilizing, educating and transforming the ward members or Panches into sectoral resource persons with a clear role and thus greater influence to transform them into agents of change. There would be continued emphasis on the SHG-PRI convergence through joint trainings. The focus would also be in realizing the objective of smart governance and provision of online services through co-location of Common Service Centres (CSCs) in the Gram Panchayat Bhawans. Under the scheme, efforts are being made to enhance and support the CB&T of Panchayati Raj Institutions (PRIs) for convergent action to deliver basic services and achieving development goals. With an objective to prepare a comprehensive and holistic GPDPs for 2020-21 by Gram Panchayats across the country in a campaign mode, the People's Plan Campaign (PPC) "Sabki Yojana Sabka Vikas" has again been launched from 02.10.2019 to conclude on 31.12.2019."

1.20 Asked whether the Ministry has reviewed the performance of the Panchayati Raj Institutions (PRIs) in the country alongwith deficiencies noticed in the functioning of Panchayats as institutions of local Self Government, the Ministry summarised as under:-

"The subject Panchayats, which is part of "Local Government", is included in the State List in the Seventh Schedule of the Constitution of India. The implementation of the provisions of Part IX of the Constitution is reviewed by the Ministry from time to time through studies and discussions in review meetings with the States. The performance of the Panchayats depends on the extent of powers and resources devolved to them, which varies from State to State. The performance of Panchayats is monitored by the State Governments. MoPR supports States in building capacities of Panchayats for rural governance. It also helps States in developing guidelines for participatory planning by Panchayats and preparation of Gram Panchayat Development Plans; bring in efficiency,

transparency and accountability for achieving development objectives. MoPR has also developed a suite of core common software applications, collectively known as Panchayat Enterprise Suite (PES) Applications to aid Panchayats to undertake functions like planning, budgeting, implementation, accounting, monitoring and delivery of citizen services.

Inadequate devolution of powers, manpower constraints, inadequate/ poor capacities of elected representatives and functionaries of Panchayats, lack of basic infrastructure and amenities in Panchayats, social inequalities and lack of transparency etc. are shortcomings in the functioning of Panchayats. To address these hurdles, MoPR has taken various measures which include issuing guidelines/ advisories to States from time to time on effective devolution, basic infrastructure/amenities, strengthening of Gram Sabhas, enhancing the presence and participation of women in Gram Sabha and Panchayat meetings, allocation of 10% of Panchayat funds for women centric activities and to curb the cases of proxy attendance by relatives of Elected Women Representatives (EWRs) etc. Besides, assistance is also provided to the States/ UTs for capacity building of Elected Representatives and Functionaries of Panchayats under the scheme of Rashtriya Gram Swaraj Abhiyan (RGSA)."

1.21 Further, the Committee enquired about the major constraints being faced by the Ministry to implement its schemes and what efforts are being made by the Ministry to overcome these constraints, the Ministry in their written reply stated as under:-

"Capacity Building & Training (CB&T) of various stakeholders of Panchayats is a complex task, involving 31.00 lakh Elected Representatives and a range of stakeholders such Elected Representatives, Panchayat Functionaries including Panchayat Development Officers, Secretaries, Accountants etc., Line Departmental Officials who work with Panchayats, Gram Sabha or Citizens, Self Help Groups (SHGs) as well as other stakeholders who impact Panchayats in various ways, such as public representatives and experts. The challenge is to reach out to this diverse group while ensuring high quality and context specific CB&T. In addition to this, some Panchayats also suffer from lack of buildings for their Offices, HR Support, connectivity of e-enabling apparatus etc. Attempt has been made to address these issues through the scheme of RGSA. Besides, it is observed that although "Panchayats" is a State subject, the States have not been able to invest in strengthening of Panchayati Raj System due to various reasons. Further, the absorptive capacity of funds also varies across the States/UTs which results in delay in actualization of activities approved under the Annual Action Plans (AAPs) of respective State/UT.

To realize the complete benefits of e-Panchayat Mission Mode Project, it is imperative that all the GPs are connected with internet and have adequate infrastructure. Hence, e-Panchayat MMP is dependent on the roll out of BharatNet Project which seeks to connect all the GPs in the country. However, merely, laying the optical fibre does not address the concerns. The last mile connectivity is also equally significant. Besides, constraints of trained manpower and capacity pose significant challenge in the rollout of e-Panchayat across States. States are currently in different levels of preparedness in terms of e-enablement."

- 1.22 During the evidence, the Secretary, MoPR also explained various measures for streamlining newly restructured scheme of RGSA, the details are as under:-
  - Single Nodal Account for each state-fund flows till last mile through PFMS to track progress and effective corrective steps. On pilot basis first for Assam, Odisha, Rajasthan and UP
  - A Management Information System for RGSA for eliciting proposals according approval and tracking progress will be constantly updated.
  - Early approval of annual action plan and provision for supplementary plan in mid-year and
  - Constant monitoring
- 1.23 The Committee further enquired about the monitoring mechanism of the RGSA scheme, the Ministry stated as under:-

"It is stated that the scheme of RGSA is under implementation for a period over one and half year. Still the Ministry regularly monitors the progress of implementation of scheme including utilisation of funds with States/UTs through meetings, video-conferences etc. Further, release of funds to the States/UTs is considered depending upon the status of utilization of funds released earlier. In addition to this, an online monitoring and reporting system (MIS) for RGSA has been developed and has been operationlised. Transaction based PFMS has been introduced for release and tracking of funds under RGSA."

- 1.24 The Committee have been informed during evidence that there are 2,53,399 lakh Gram Panchayats in the country, out of which 6,716 are Block Panchayats, 654 are District Panchayats. Also there are 30.45 lakh PRIs elected members out of which 13.79 lakh about 45 % are elected Women representatives in PRIs.
- 1.25 During the evidence, the Secretary, MoPR informed the Committee about infrastructure facilities under RGSA to Gram Panchayats, the details are as under:-

SI.No.	Infrastructure facilities	Item	Numbers In (%) (in Lakhs) Percentage
(i)	Building	No. of GPs without Building	62,957 25 %
		No. of GPs with Building	1,90.442 75 %
(ii)	Computers	No. of GPs without Computers	1,19,430 47 %
		No. of GPs with Computers	
(iii)	Connectivity	No. of GPs without internet connectivity	125383 49 %
		No. of GPs with connectivity	128016 51 %

1.26 Further, on the issue of Gram Panchayat Buildings, the Secretary, MoPR added during evidence as under:-

"हमारी जो किमयां रही है, उनको हम दूर करने की कोशिश करेंगे। भवनों की स्थिति आज यह है कि 1,90,442 मतलब लगभग 75 प्रतिशत के करीब पंचायतें हैं, उनके पास भवन है। 62,957 के पास भवन नहीं है। महात्मा गांधी नरेगा के अन्तर्गत, अन्य कार्यक्रमों के अन्तर्गत और कुछ राज्यों में पंचायतों के कार्यक्रमों से भवनों के निर्माण का काम चलता रहा है। निश्चित रूप से यूपी और बिहार दो राज्यों में भवनों की स्थिति खराब है।"

1.27 As regards, internet connectivity in Gram Panchayats, the Secretary, MoPR informed as under:-

"इंटरनेट वाली बात बहुत महत्वपूर्ण है। आज के दिन 1,25,343 पंचायतों, जो कुल संख्या का 49 प्रतिशत है, में इंटरनेट की सुविधा है। कम्प्यूटर्स की उपलब्धता करीब 47 प्रतिशत पंचायतों, 1,19,430 पंचायतों में है। वैसे हमारी एमआईएस की जितनी भी व्यवस्थाएं हैं, सबमें ऑफलाइन मोड में भी एंट्री की व्यवस्था की गई है, ताकि अगर इंटरनेट कनेक्शन नहीं है, तब भी वे उसको ऑफलाइन मोड में कर सकें और जब इंटरनेट कनेक्टिविटी स्थापित होती है, वह डेटा स्वतः उसमें फीड हो जाता है। यह एक कठिनाई है, आईटी और टेलिकॉम मंत्रालयों के माध्यम से हमारा निरंतर यह प्रयास है कि ऑप्टिक फाइबर वाला काम और बाकी काम, जो सुदूर पंचायतों में इंटरनेट सुविधा देने के लिए हैं, उन्हें

और गित देकर, तेजी से आगे बढ़ाया जाए, क्योंकि इस सुविधा की आवश्यकता हमें अन्य सभी कार्यक्रमों में पड़र ही है। प्रधानमंत्री आवास योजना में भी पैसा हितग्राही के खाते में जा रहा है, उसे भी यह सुविधा समय और नजदीक में मिल सके, इसके लिए हम इस नेटवर्क के बारे में माननीय सांसदों के सुझाव को पुनः आईटी और टेलिकॉ मिनिस्ट्री के साथ शेयर करेंगे, तािक हम और बेहतर कर सकें।"

# (B) Incentivization of Panchayats

- 1.28 The Ministry of Panchayati Raj (MoPR) incentivizes best performing Panchayats through awards and also documents their best practices since 2011-12 under Panchayat Empowerment and Accountability Incentive Scheme (PEAIS). The initiative has been continued by MoPR under Rajiv Gandhi Panchayat Sashktikaran Abhiyan (RGPSA). Incentivisation of Panchayats has been included as a separate scheme/budget head w.e.f. 2016-17. The awards are given on the National Panchayati Raj Day celebrated on 24<sup>th</sup> of April every year. This incentivization encourages Panchayat representatives who make special efforts; creates models for the Panchayats and Gram Sabhas to follow and focuses public attention on Panchayats' performance, which encourages all Panchayats to improve their performance. Finally, this creates an eco-system for overall good governance at the local level.
- 1.29 The funds allocated under scheme for the year 2019-20 is at BE Rs. 44.00 crore as compared to BE for the year 2018-19 is at Rs. 46.00 crore.
- 1.30 Under the Incentivization of Panchayats, awards are given under the following categories:-
  - (i) Deen Dayal Upadhyay Panchayat Sashaktikaran Puraskar (DDUPSP): given to best performing Panchayats (District, Intermediate and Gram) in recognition of the good work done for improving delivery of services and public goods. DDUPSPs are given for general and following nine thematic categories:
    - Sanitation
    - Civic Services (drinking water, street light, infrastructure)
    - Natural Resource Management
    - Serving Marginalized Section (women, SC/ST, disabled, senior citizen)
    - Social Sector Performance
    - Disaster Management
    - CBOs/ Individuals taking voluntary actions to support Gram Panchayats
    - Innovation in revenue generation
    - e-Governance
  - (ii) Nanaji Deshmukh Rashtriya Gaurav Gram Sabha Puraskar (NDRGGSP): given to Gram Panchayats (GPs) for their outstanding contribution to the socio-economic development by involving Gram Sabhas.
  - (iii) Gram Panchayat Development Plan (GPDP) Award: Introduced during the year 2018, this award is conferred to best performing Gram Panchayats (GPs) across the country which have developed their GPDPs according to the State/UT specific guidelines prepared in line with the model guidelines issued by Ministry of Panchayati Raj (MoPR) [or adopted as such].

- (iv) Child-friendly Gram Panchayat Award: This award has been instituted during the year 2018-19 for best performing GPs/Village Councils (VCs) (one in each State/UT) for adopting child-friendly practices.
- (v) e-Panchayat Puraskar: given to States/UTs for promoting e-enablement of PRIs for bringing in efficiency, transparency and accountability in their functioning. The main aim of this award is to encourage the Panchayats for the use of information and communication technology and to incentivize those States/U'l's, which have made dedicated efforts in adopting and implementing the e-Panchayat Applications and enabling electronic delivery of services through Panchayats & equivalent rural bodies. The States/UTs are analyzed on the basis of the performance assessment parameters.
- 1.31 When asked about the reasons for less allocation at Rs. 44 crore for the current financial year as compared to previous year, the Ministry informed as under:

"The release of award money under the Incentivization of Panchayats scheme depends upon the receipt of confirmation from States/UTs in the form of Utilization Certificates (UCs) regarding transfer of award money to the awardee Panchayats/similar level bodies. BE 2019-20 for Rs.44.00 crore was sought in view of the expenditure likely to be incurred on receipt of pending UCs from States/UTs.

1.32 Asked about the priorities of the Ministry during the current financial year, the Ministry informed as under:-

"Through Incentivization of Panchayats scheme, a holistic approach has been taken by MoPR towards creating an overall system of good governance by which deserving Panchayats/similar level local bodies/States/UTs gets recognition while setting a model for others to follow. Conscious and continuous efforts of this Ministry towards strengthening of awards and thereby awarding the best performers across the country are to be continued under the scheme."

- 1.33 Further, asked about the physical achievements of previous year, the Ministry informed as under:-
  - "During the fiscal year 2018-19, nominations for National Panchayat Awards 2019 under the categories of awards namely, Child-friendly Gram Panchayat Award (Introduced during the year 2018-19 for one Gram Panchayat/Village Council in each State/UT for adopting child-friendly practices), e-Panchayat Puraskar, Deen Dayal Upadhyay Panchayat Sashaktikaran Puraskar, Nanaji Deshmukh Rashtriya Gaurav Gram Sabha Puraskar and Gram Panchayat Development Plan Award were invited. In view of the General Elections to the House of the Lok Sabha 2019, the celebration of NPRD function scheduled for 24.04.2019 was deferred.

1.34 In this regard, State/UT-wise details of National Panchayat Awards 2019 are as under:-.

SI.	State/UT	CECDA	NDRGGSP	DDUPSP			_	e-Panchayat	
No.	State/UT	CFGPA	NDRGGSP	DP	GP	IP	Total	Puraskar	
1.	Andhra Pradesh	1	1	1	6	4	11	0	
2.	Arunachal Pradesh	0	0	1	0	0	1	0	
3.	Assam	1	0	1	3	0	4	1 (2 <sup>nd</sup> Prize Category-I)	
4.	Bihar	1	1	0	3	0	3	0	
5.	Chhattisgarh	1	1	1	5	2	8	1 (Third Prize Category-I)	
6.	Gujarat	1	1	1	7	2	10	0	
7.	Haryana	1	1	1	3	2	6	0	
8.	Himachal Pradesh	1	1	1	3	2	6	0	
9.	Jammu & Kashmir	1	0	0	0	0	0	0	
10.	Jharkhand	0	0	1	3	2	6	1 (Second Prize Category-IIA)	
11.	Karnataka	1	1	1	3	2	6	1 (First Prize in Category-IIB)	
12.	Kerala	1	1	1	3	2	6	0	
13.	Madhya Pradesh	1	0	2	9	2	13	0	
14.	Maharashtra	0	1	1	14	2	17	1 (First Prize Category-I)	
15.	Manipur	1	1	1	2	0	3	0	
16.	Meghalaya	1	0	0	0	0	0	0	
17.	Odisha	0	1	1	3	2	6	0	
18.	Punjab	1	1	1	7	2	10	0	
19.	Rajasthan	1	1	1	5	1	7	0	
20.	Sikkim	1	1	1	2	0	3	0	
21.	Tamil Nadu	1	1	1	6	2	9	1 (First Prize Category-IIA)	
22.	Telangana	1	1	1	4	2	7	0	
23.	Tripura	1	1	1	2	1	4	0	
24.	Uttar Pradesh	0	1	2	30	4	36	0	
25.	Uttarakhand	1	1	1	4	2	7	0	
26.	West Bengal	1	1	1	3	2	6	0	
27.	A & N Islands	1	0	0	0	0	0	0	
TOTAL		22	20	25	130	40	195	6	

- CFGPA: Child-friendly Gram Panchayat Award
- NDRGGSP: Nanaji Deshmukh Rashtriya Gaurav Gram Sabha Puraskar
   DDUPSP: DeenDayal Upadhyay Panchayat SashaktikaranPuraskar,

1.35 Further, the Committee enquired whether any comprehensive assessment has been made to assess the progress at the ground level, the Ministry stated as under:-

"As an encouragement, under the Incentivization of Panchayats scheme, the Panchayats/ similar level local bodies/States/UTs are awarded for their outstanding contribution in various sectors/categories. These awards are generally conferred on National Panchayati Raj Day (NPRD) celebrated every year and is widely publicized at national level and well attended by the representatives from various Panchayats/States/UTs across the country thereby highlighting the widespread status of the scheme. The celebration of the occasion is aimed to highlight the important role of Panchayats in overall governance and development. Further, the nominations for Deen Dayal Upadhyay Panchayat Sashaktikaran Puraskar and Nanaji Deshmukh Rashtriya Gaurav Gram Sabha Puraskar received through States/UTs are also got verified through independent agencies to validate the nominees for awards. The detailed reports submitted to MoPR in this regard highlights the performance of PRIs under various sectors."

# (C) Media and Publicity

- 1.36 The Media and Publicity Scheme aims at effective communication through electronic and print media for advocacy and publicity regarding all aspects of Panchayati Raj in the country, for building the capacities of Panchayats and enhancing their performance. To strengthen Panchayats and Gram Sabhas, MoPR needs to reach out to multiple and diverse target groups including PRI representatives, officials of Panchayats and those who implement programmes, policy makers and opinion makers and the rural population. Given the divergent nature of the stakeholders to be addressed, multiple media options are adopted.
- 1.37 The Committee have been informed that a quarterly Newsmagazine "Gramoday Sankalp", published and distributed by Ministry of Panchayati Raj on behalf of three Ministries viz., Ministry of Panchayati Raj, Rural Development and Drinking Water and Sanitation. It is expected that this newsletter will act as a vehicle for direct communication between the Policy makers and Gram Panchayats. With more emphasis being laid on the social media as a powerful tool for ensuring wider reach and in order to fulfill the Government's commitment to engage with people directly; the Ministry of Panchayati Raj its created Facebook page (www.facebook.com/ministryofpanchayatiraj) in the year 2014 and also launched the official twitter handle (@MoPR GOI) and (@MoPRIndia). The initiatives/ programmes

of Ministry of Panchayati Raj and the important related developments taking place are communicated through these platforms.

- 1.38 Asked about the allocation of Rs. 15 crore will be sufficient for the current financial year i.e. 2019-20, the Ministry informed that the allocation for the current financial year seems to be adequate to carry out the IEC activities of the Ministry.
- 1.39 When enquired about the priorities of the Ministry for the current fiscal year regarding Media and Publicity, the Ministry in their written reply stated as under:-
  - Holding of 'National Panchayat Awards 2019' function to felicitate the bestadjudged States and best-performing PRIs;
  - Publication of "Gramoday Sankalp" magazine to create awareness among the general public as well as elected representatives of Gram Panchayats, about the issues/ initiatives relating to the Ministry;
  - Publication of the Annual report of the Ministry to provide information about the various activities of the Ministry;
  - Managing of Social Media related activities concerning the Ministry;
  - Publication of advertisements, audio-visual programmes of this Ministry in various newspapers through Bureau of Outreach and Communication (BOC), erstwhile Directorate of Advertising and Visual Publicity (DAVP)
- 1.40 Further, when, the Committee enquired about the broad areas under which funds are utilised under the scheme, MoPR in their written reply stated as under:-

"The Media and Publicity Scheme aims at effective communication through the electronic and the print media for advocacy and publicity regarding Panchayati Raj and its programmes which aim to build capacity within, and enhance the performance of Panchayats at all levels. The Ministry has been making efforts to disseminate information through the print and electronic media as well as through social media, outdoor publicity, newsletter, community radio stations, traditional forms of mass communications such as participation in major fairs & Mela etc. Following are some major achievements of the Ministry under this scheme:

- (i) Publication and distribution of 5 issues of magazine "Gramoday Sankalp" from April 2017 to March 2019 to the 2.6 lakh Elected Representatives of Panchayats across the country;
- (ii) Organizing National Panchayati Raj Day on 24.04.2017 and 24.04.2018

Other than these, a number of advocacy and awareness activities were undertaken in respect of the following major rural outreach initiatives/ Abhiyans launched by the Government of India during the last three years through IEC interventions:

- (i) Gramoday se Bharat Uday Abhiyan (14th April 24th April 2016);
- (ii) Sankalp Parv in all Panchayats across the country (15 August 2017);
- (iii) Sankalp Se Siddhi Abhiyan New India Movement (2017–2022);
- (iv) Swachhta Hi Sewa Abhiyan (15th September 2nd October 2017);

- (v) Gram Swaraj Abhiyan / Extended Gram Swaraj Abhiyan (2018)
- (vi) People's Plan Campaign / Sabki Yojana Sabka Vikas (2nd October 31st December 2018)"

# (D) Mission Mode Project e-Panchayat

- 1.41 e-Panchayat is one of the Mission Mode Projects (MMP) under the Digital Indian programme of Government of India that seeks to transform the functioning of Panchayati Raj Institutions, making them more transparent, accountable and effective as last mile cutting edge organs of decentralized local self-government. Core Common software Applications have been developed that addresses various aspects of Panchayats' functioning such as planning, budgeting, implementation, accounting, monitoring, social audit and delivery of citizen services like issue of certificates, licenses, etc. Together these software applications constitute the Panchayat Enterprise Suit. Besides, some States have also developed their own state-specific applications for similar purpose. Now, a Mission Mode project on e-Panchayat scheme became one of the central components of restructured Rashtriya Gram Swaraj Abhiyan scheme from 2018-19.
- 1.42 Against the BE allocation of Rs. 20 crores for 2018-19, Rs. 15.50 crores has been made for year 2019-20. The allocation and utilization of funds under the scheme during the last three years are as under:-

(Rs. in crore)

SI. No.	Year	BE	RE	Actual Expenditure
1.	2016-17	22.00	16.55	16.55
2.	2017-18	17.00	13.00	12.81
3.	2018-19	20.00	11.91	10.07
4.	2019-20	15.50	15.50	*0.00

<sup>\*</sup> As on 30.09.2019

- 1.43 The objectives of Mission Mode Project on e-Panchayat are as under:-
  - Decision making support system for Panchayats
  - Transparency, disclosure of information to citizens, social audit.
  - Better and convergent delivery of services to citizens
  - Improving internal management and efficiency
  - Capacity building of representatives and officials.

# (E). Action Research and Research Studies Scheme

- 1.44 Action Research & Research Studies (AR&RS) scheme takes up studies on subjects relevant to Panchayati Raj Institutions (PRIs) in the country through Academic Institutions/Research Organizations/registered Societies/Non Profit Organizations / SIRDs having specialized experience to undertake such studies. Every year, Ministry identifies certain subjects / themes as per need, and research studies and action researches are commissioned. Such studies are critical, as Panchayati Raj is an evolving area and new developments take place continuously.
- 1.45 The Committee have been informed that the allocation has been restricted to an amount of Rs. 3.00 crore under the scheme during the current year will be sufficient for meeting the committed liabilities during the current year.
- 1.46 The Committee further enquired about the projects which have sanctioned so far since inception of the scheme, the Ministry in their written reply stated as under:-

"A total number of 82 studies have been sanctioned under the scheme of Action Research & Research Studies (AR&RS) till date. Funds sanctioned under the scheme are released in three instalments in the ratio 30:30:40 to the organizations for conducting the studies sanctioned to them after the agency completes the following condition for each installment as mentioned below:

- (i) The first installment of 30% is released after the selected agency submits the requisite bond in a prescribed format, a Performance Security in the form of a bank Guarantee, detail study design, including methodology and size etc., details of the project team, timelines of various stages of the study and preparation of the report. The study design and methodology to be adopted has been presented and approved by the Ministry before starting the process.
- (ii) The second installment of 30% is released on furnishing of:
  - (a) A certificate of utilization of more than 80% of the funds released as first installment is submitted duly endorsed by a chartered accountant:
  - (b) An item-wise audited statement of expenditure is provided;
  - (c) On submission of the interim report, a presentation is made on the interim report.
- (iii) The third and final installment of 40% is released on furnishing of:
  - (a) 10 copies of the Final Report along with the soft copy in a CD (print version) on the project on approval i.e. after making a final presentation and incorporating the suggestions (if any) in the final print:
  - (b) Certificate of Utilization of actual utilization / total expenditure incurred on the project verified by a Chartered Accountant.
  - (c) Audited Statement of Account indicating the actual expenditure incurred.

1.47 The Committee also asked about the non completion of research studies, the Ministry in their written replies stated as under:-

"Most of the studies sanctioned by the Ministry have been completed. Only sixteen studies are in progresses which are expected to be finalized very soon. It is pertinent to mention here that out of these sixteen studies, eight studies were sanctioned at the fag end of the last financial year and the duration for their completion is one year from the date of sanctioning the study. The reasons for non-completion of the other eight research studies sanctioned during the previous years was that the pace of data collection and authentication of the data collected involved a detailed exercise that is time consuming. Due to such genuine constraints, the organizations had taken extension of time for the completion of the studies. The Ministry does impose a time line for the completion of a project depending upon the area of the work, the sample to be covered. The agency(s) who delay the projects are penalized."

1.48 The Committee also enquired about the priorities of the Ministry in the current financial year under the scheme, the Ministry in their written reply stated as under:-

"The Ministry under the scheme has undertaken initiatives to conduct studies like (a) Study to assess the performance of Panchayats in revenue Generation and Management of Common Property Resources (b) Impact of Gram Panchayat Development Plan (GPDP) in ensuring Good Governance in Rural Areas and (c) Technological interventions at the GP level for creation of Employment and Better Delivery of Services. Some other topics under consideration are (a) Status of Implementation of the PESA and its implementation for achievement of PESA objectives with special reference to the utilization of Central and State Grants and a Roadmap for Future and (b) Study to assess the effectiveness of prescribing minimum educational qualification for contesting Panchayat elections. These studies are expected to bring out many meaningful pointers for framing effective and far reaching policies for strengthening the Panchayati Raj system on various counts. The inputs so generated would help the Ministry and the State Government(s) to frame the policies based on the actual position at the ground level and to the PRIs effective institutions for delivery of basic services to the rural masses."

# Part-II

# **Observations/ Recommendations of the Committee**

The Committee take note that the Rule 331 G of the Rules of Procedure and Conduct of Business in Lok Sabha relating to examination of Demands of Grants by the Departmentally Related Standing Committees (DRSCs) was suspended by the Hon'ble Speaker, Lok Sabha to enable the House to pass the Demands for Grants for the year 2019-20 without the same being referred to the concerned DRSCs. Hon'ble Speaker, Lok Sabha however, made observations in the House on 11.07.2019 that the Demands would, however, stand referred to the Standing Committees for examination and report to the House. The Committee have accordingly examined the Demands for Grants of the Ministry of Panchayati Raj.

2.2 The Committee note that the detailed Demands for Grants (2019-20) of the Ministry of Panchayati Raj under demand no. 70 were laid in Lok Sabha on 10 July, 2019. The Gross Budgetary support of the Ministry is Rs. 871.37 crore in which Plan outlay for schemes is Rs. 840.04 crore and Non-Plan outlay for Secretariat Service is Rs. 31.33 crore. The Committee have examined in detail the Demands for Grants of the Ministry of Panchayati Raj for the year 2019-20. Observations/Recommendations of the Committee are detailed in succeeding paragraphs.

# Analysis of Demands

2.3 The democratic structure of the Country is properly reflected through its robust Panchayati Raj Institutions (PRIs). These PRIs hold extreme relevance in our fast developing country. The essence of 'good governance' gets portrayed by the efficient functioning of PRIs. In this context, the Committee are of unanimous view that across the country, there is a strong need for capacity building of the Panchayats. The Committee find that the allocation of funds for the current fiscal year 2019-20 stands at only Rs. 840.04 crore. The Committee feel that at the first instance, the Budget allocation appear to be not sufficient to meet the vision of strengthening of PRIs across the country. Therefore, the Committee strongly recommend that the Ministry should vigorously pursue the matter with the Ministry of Finance and NITI Ayog for considering enhanced budgetary support for strengthening the Panchayati raj institutions all over the country.

(Recommendation SI.No. 1)

2.4 The Committee are also dismayed to note that there are continuous declining trend at RE stage during the last three fiscal years and express their serious concern. The Committee feel that cut in funds at RE stage would adversely impact the progress of schemes of the Ministry which are meant to meet basic human needs of the people. The Committee are not convinced with the reasons cited by the Ministry that slow pace of release of funds is due to late submission of proposal by the States and non-furnishing/discrepancies in documents like Utilization Certificates, physical and financial reports alongwith audit reports etc. The Committee are of the view that these are not good enough causes for reduction in funds at RE stage. These aspects cast

shadow upon the optimum administrative stronghold of the Ministry over the States machinery and reeks of blatant flouting of laid down guidelines. The Committee are constrained to note that such reductions have adversely impacted the progress of works under these schemes. The Committee, therefore, recommend that the Ministry should make sincere and concerted efforts to fully absorb the allocated budget so as to avoid reduction of budget at RE stage in future and also to ensure that the laid down guidelines are followed in letter and spirit by all stakeholders.

(Recommendation SI.No. 2)

# Rashtriya Gram Swaraj Abhiyan (RGSA)

2.5 The Committee observed that Rashtriya Gram Swaraj Abhiyan (RGSA) is a newly restructured scheme with the primary aim of strengthening Panchayati Raj Institutions (PRIs) for achieving Sustainable Development Goals (SDGs) with main thrust on convergence with Mission Antyodaya and emphasis on strengthening PRIs in the 117 Aspirational Districts. The scheme has been approved for implementation from 01.04.2018 to 31.03.2022 with total budget outlay of Rs. 7255 crore out of which State share will be Rs. 2755.50 crore and the Central share will be Rs. 4500 crore. The Committee were informed that the scheme extends to all States and UTs including Part IX areas comprising about 2.67 lakh Gram Panchayats as well as Institutions of Rural Local Government in non Part IX areas where Panchayats do not exists. However, the Committee are perturbed to note that inspite of the importance of the scheme for increasing the knowledge, capability, involvement and responsiveness for PRIs, the allocation of funds for the current fiscal year has been placed at Rs. 762.34 crore only from the previous year allocation of Rs. 720.80 crore. It is quite baffling as to out of a total central share of Rs. 4500 crore a mere Rs. 1483.14 crore has been released so far. This is an early indication that at this pace of Centre release there could not be optimum fund utilization meant for this scheme. This does not augur well for the success of the scheme and the Committee are of the considered view that such an important scheme for the upliftment of PRIs with an outlay of only Rs. 762.34 crore for the entire country may not make much impact or out reach to the intended beneficiaries. Keeping in view the importance of the scheme, the Committee strongly recommend that allocation to the scheme should be substantially increased and expeditiously utilized so that the decentralized governance through PRIs is served even better through this scheme.

(Recommendation SI.No. 3)

# **Shortage of Panchayat Bhavans**

2.6 During the course of examination, the issue of large number of Gram Panchayats in the country without Panchayat Bhavans cropped up before the Committee in a big way. The Secretary, MoPR admitted during evidence that as many as 62,957 Gram Panchayats (GPs) are managing without Panchayat Bhavans. In this connection, it came out before the Committee that MoPR is already seized of the issue and have termed it very crucial for smooth functioning of Panchayat for delivery of services to people. The MoPR has however, clarified that since providing infrastructure in Gram Panchayats is within the purview of States, it is upto the States to provide the Panchayat Bhavans in Gram Panchayats. The Ministry however, on its part has impressed upon the States from time to time for doing the needful. Further, the MoPR has also informed that construction of Gram Panchayat Bhavans has been notified as one of the permissible activities under MGNREGA and funds required for

material for construction can be pooled form MGNREGA and in this regard the Ministry is pursuing with the Ministry of Rural Development.

In view of the large number of requirement of Gram Panchayat Bhavans, the Committee recommend that the Ministry should expeditiously work out a time table for construction of Gram Panchayat Bhavans in Gram Panchayats and necessary logistics may be provided to the States by using MGNREGA/FFC Funds also.

(Recommendation SI.No. 4)

# Lack of trained manpower in Gram Panchayats

2.7 The issue of lack of trained manpower in Gram Panchayat also came up before the Committee prominently. The Committee were informed that inadequate trained manpower in terms of manager, development officers, accountants, engineers at Gram Panchayat level is being experienced in most of the States. The Committee noted that the staff availability in GPs is extremely low and particularly, the situation is worst where one Panchayat Sachiv is managing as many as 5 to 6 GPs approximately. With a view to address the situation, the MoPR has already prioritised operationalising the Gram Panchayat Development Plans and FFC Grants for looking after trained manpower requirements at Gram Panchayat level in the country.

The Committee feel that progress of the State-wise level of training is far from satisfactory and needs to be up-scaled in a big way. The MoPR has also admitted candidly before the Committee that there is strong need to develop capacity building of PRIs in the changed scenario. Meanwhile, the Ministry has also spelt out various State level workshops to be held from time to time and discussion held in various States/UTs. The Secretary, MoPR apprised the

Committee that the Government is trying to address the issue in a multipronged way only for GP level. In the light of acute shortage of trained
manpower at Gram Panchayat level and in view of slow progress with regard
to training in almost all States barring few States, the Committee recommend
that the aspect of making available the trained manpower to Gram Panchayats
be taken up by MoPR with State Governments in a comprehensive and timebound manner.

(Recommendation SI.No. 5)

# Mission Mode Project on e-Panchayat

2.8 The Committee observed that e-Panchayat is one of the Mission Mode Projects (MMP) under Digital India Programme. The Committee have been informed that e-Panchayat seeks to transform the functioning of Panchayati Raj Institutions (PRIs) making them more transparent, accountable and effective as organs of Decentralized Self-Governing Institutions. The Ministry have further added that the funds allocated to the scheme which is at Rs. 15.50 crore for the current fiscal year will be used for activities such as updation and maintenance of software application, National Project Management Unit (NPMU) and development of Gram Panchayat Spatial Application (GPSA) for enhancing transparency. However, the Committee feel that to achieve the goal of e-Panchayats in the country, all the Panchayats of the country should be digitally enabled and secondly the internet connectivity should be made easily available and should be glitch free. Only having provision of infrastructure set up would not suffice the whole rationale behind the idea of fully functioning e-Panchayats. The Internet/Broadband connection need to be spruced up on an urgent basis so that there is no impediment in the functioning of e-mode of the Panchayats for the prompt and speedy services. Therefore, the Committee

strongly recommend that the Ministry should work more vigorously to ensure availability of hassle free internet services to e-Panchayats to make them more effective and successful in their functioning in all over the country especially in the backward and far-flung regions. If need be the Ministry may coordinate with other Ministries for providing basic infrastructure facilities.

(Recommendation SI.No. 6)

# Media and Publicity

2.9 The Committee note that the Media and Publicity Scheme aims at effective communication through the electronic and the print media for advocacy and publicity regarding Panchayati Raj and its programmes which aim to build capacity within, and enhance the performance of Panchayats at all levels. The Committee informed that the Ministry has been making efforts to disseminate information through the print and electronic media as well as through social media, outdoor publicity, newsletter, community radio stations, traditional forms of mass communications such as participation in major fairs & Melas etc. The Committee are unhappy to note that meagre amount of Rs. 15 crore has been allocated for the current fiscal year i.e. 2019-20. Therefore, the Committee are of the strong view that as Media and Publicity are very important through which the rural populace are made aware about the panchayats and gram sabha services and schemes and that more funds should be allocated under this head.

(Recommendation SI.No. 7)

# **Setting up of Industry**

2.10 The Committee during the course of evidence were informed about the new component of "setting up of industry" under RGSA scheme. The Ministry stated that the industry being set up would be based on local resources and local products and Panchayats would be the common facility centre for processing and marketing. This would make Panchayats self-sufficient to an extent. The Committee while appreciating it, feel that concept of organic farming and making useful products out of agri-waste should also be taken into consideration. The Committee, therefore, strongly recommend that MoPR should expedite the process of "setting up of industry" at the earliest possible time-frame and that it should be implemented all over the country as it would provide jobs and employment to many rural people in the village itself.

(Recommendation SI. No. 8)

# **Incentivization of Panchayats**

2.11 The Committee note that under the scheme "Incentivization of Panchayats" the Ministry incentivizes best performing Panchayats through awards and also documents their best practices starting in 2011-12 under Panchayat and Accountability Incentive Scheme (PEAIS) and these initiatives were continued under RGPSA. From the year, 2016-17 the scheme has been revamped and included as a separate scheme/budget head. The allocation under BE for 2019-20 was at Rs. 44 crore.

The Committee desire that funds that have been allocated to the scheme are optimally and fully utilized for giving boost to the best performing Panchayats and also to encourage Panchayats to improve their functioning to get the awards being given under this scheme. The Committee also feel that Incentivization of Panchayats and awards being given to best Panchayats

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should be advertised so that more and more Panchayats would be inspired to

do their best. The Committee also hope that Ministry of Panchayati Raj would

be fair and consistent in choosing the best performing Panchayats in the

Country and the winning Panchayats should be highlighted in Media specially

among the rural masses so that more and more Panchayats are encouraged to

give their best in their functioning.

(Recommendation SI. No. 9)

Fit India Movement

2.12 During the deliberations, the Committee were told about the 'Fit India

Programme' which is successfully running in the Country on the behest of

Hon'ble Prime Minister. This is indeed a novel idea aimed at improving and

strengthening the health in general and holistic mental/physical development

of the citizens of the country. The Committee, in this regard, felt it appropriate

that such campaign need to be promoted and propagated at each level of the

country. Therefore, the Committee urge the Ministry to explore the feasibility

of setting up 'Open Air Gyms' in the parks under Gram Panchayats and utilize

the labour component of MGNREGS to expedite the process of giving thrust

to the campaign through this effort.

(Recommendation SI. No. 10)

NEW DELHI;

27 November, 2019

06 Agrahayana, 1941 (Saka)

PRATAPRAO JADHAV

Chairperson,

Standing Committee on Rural Development

#### Annexure-I

# **STANDING COMMITTEE ON RURAL DEVELOPMENT (2019-2020)**

# MINUTES OF THE THIRD SITTING OF THE COMMITTEE HELD ON WEDNESDAY, THE 06th NOVEMBER, 2019

The Committee sat from 1100 hrs. to 1300 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

## **PRESENT**

Shri Prataprao Jadhav -- Chairperson

# MEMBERS Lok Sabha

- 2. Shri A.K.P. Chinraj
- 3. Shri Rajveer Diler
- 4. Shri Sukhbir Singh Jaunapuria
- 5. Dr. Mohammad Jawed
- 6. Prof. Rita Bahuguna Joshi
- 7. Shri Nalin Kumar Kateel
- 8. Shri Narendra Kumar
- 9. Shri Baidyanath Prasad Mahto
- 10. Shri Janardan Mishra
- 11. Shri Talari Rangaiah
- 12. Smt. Gitaben Vajesingbhai Rathva
- 13. Shri Vivek Narayan Shejwalker
- 14. Shri Brijbhushan Sharan Singh
- 15. Shri Indra Hang Subba
- 16. Shri K. Sudhakaran

# Rajya Sabha

- 17. Shri Nazir Ahmed Laway
- 18. Shri Naranbhai Jemlabhai Rathwa
- 19. Shri Ajay Pratap Singh
- 20. Shri Lal Sinh Vadodia

# Secretariat

1. Shri Abhijit Kumar - Additional Secretary

2. Smt. Emma C. Barwa - Additional Director

# Representatives of the Ministry of Panchayati Raj

Shri Amarjeet Sinha - Secretary

2. Shri Sanjay Kumar Singh - Additional Secretary

3. Shri Sanjeev Kumar - Additional Secretary &

Financial Advisor

4. Smt. Sujata Sharma - Economic Advisor

5. Shri S.K. Patjoshi - Joint Secretary

6. Shri Alok Prem Nagar - Joint Secretary

7. Shri Ajay Shankar Singh - Chief Controller of Accounts

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened for taking the evidence of the representatives of the Ministry of Panchayati Raj in connection with the examination of Demands for Grants (2019-20) relating to Ministry of Panchayati Raj.

# [Witnesses were then called in]

- 3. After welcoming the witnesses, the Chairperson drew the attention to the fact that the discussions made here were to be treated as confidential and not to be made public till the Report of the Committee was presented to Parliament. The Chairperson in his opening remarks broadly explained the scheme-wise funds proposed for 2019-20 under different Panchayati Raj development schemes. Thereafter, the Secretary, Ministry of Panchayati Raj made a Power Point Presentation *inter-alia* highlighting allocations viz. utilisation of funds in different years so far alongwith the Plan allocation for 2019-20 and the initiatives taken under different schemes of Ministry of Panchayati Raj.
- 4. Thereafter, the Members raised queries on issues related to adequacy of funds for different schemes and its impact on the implementation of the schemes etc., which were responded to by the witnesses.
- 5. The Chairperson then thanked the representatives of the Ministry of Panchayati Raj and asked them to furnish written information on points raised by the Members on which the replies are not readily available with them as soon as possible to this Secretariat.

[The Witnesses then withdrew]
A verbatim record of the proceedings has been kept.

The Committee then adjourned.

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# Annexure II

# **STANDING COMMITTEE ON RURAL DEVELOPMENT (2019-20)**

# MINUTES OF THE FIFTH SITTING OF THE COMMITTEE HELD ON WEDNESDAY, THE 27 NOVEMBER, 2019

The Committee sat from 1000 hrs. to 1020 hrs. in New Committee Room 'D', Ground Floor, Parliament House Annexe Building, (PHA), New Delhi.

#### **PRESENT**

Shri Prataprao Jadhav -- Chairperson

# MEMBERS LOK SABHA

- 21. Dr. Mohammad Jawed
- 22. Prof. Rita Bahuguna Joshi
- 23. Shri Narendra Kumar
- 24. Shri Janardan Mishra
- 25. Shri Kinjarapu Ram Mohan Naidu
- 26. Shri Talari Rangaiah
- 27. Smt. Mala Rajya Laxmi Shah
- 28. Shri Brijbhushan Sharan Singh

# **RAJYA SABHA**

- 29. Shri Shamsher Singh Dullo
- 30. Shri Nazir Ahmed Laway
- 31. Shri Naranbhai Jemlabhai Rathwa
- 32. Shri A. K. Selvarai
- 33. Shri Ram Shakal
- 34. Shri Ajay Pratap Singh
- 35. Shri Lal Sinh Vadodia

## **SECRETARIAT**

- Shri Abhijit Kumar Additional Secretary
- 2. Shri S. Chatterjee Director
- 3. Smt. Emma C. Barwa Additional Director
- 2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting convened for consideration and adoption of Three Draft Reports on Demands for Grants

(2019-20) pertaining to XXX XXX XXX XXX the Ministry of Panchayati Raj.

3. Thereafter, the Committee took up for consideration the Draft Reports and adopted the same without any modifications. The Committee also authorized the Chairperson to finalize the Draft Reports taking into consideration consequential changes arising out of factual verification, if any, by the concerned Ministry and to present the same to both the Houses of Parliament.

The Committee then adjourned.

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XXX Not related to the Draft Report