

(d) Only nine single use complimentary Cheque passes have been issued during the last two months under discretionary powers as compared to 4,018 and 6,161 passes issued in 1997-98 and 1996-97 respectively.

Panchayati Raj

*235. SHRI SADASHIVRAO DADODA MANDLIK: Will the Minister of RURAL AREAS AND EMPLOYMENT be pleased to state:—

(a) whether the Grants being allocated under the Panchayati Raj System are inadequate to meet the requirement;

(b) whether the Government propose to increase the amount of grants;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTER OF RURAL AREAS AND EMPLOYMENT (SHRI BABAGOUDA PATIL): (a) to (d) The Panchayats receive grants from different sources. First, the State Finance Commissions (SFCs) constituted as per the provisions under Article 24-I of the Constitution are required to review the financial position of Panchayats and to make recommendations to the Governor regarding the principles which should govern the distribution between the State and the Panchayats of the net proceeds of the taxes, duties, tolls and fees leviable by the State and grants-in-aid from the Consolidated Fund of the States. The SFCs have also to recommend measures needed to improve the financial position of the Panchayats. Secondly, Panchayats receive grants on the recommendations of the Central Finance Commission. In addition to the above, funds under Jawahar Rozgar Yojana are distributed among DRDAs/Zilla Parishads, Intermediate Panchayats and Village Panchayats in a district in the ratio of 15:15:70. Funds under other programmes of the Ministry, namely, Million Wells Scheme, Integrated Rural Development Programme, Indira Awaas Yojana, Drought Prone Areas Programme etc. are also given to the Panchayats.

However, these grants would not be sufficient for the Panchayats to fulfill their responsibilities if all the 29 subjects listed in the Eleventh Schedule of the Constitution are transferred to the Panchayats without concomitant finances from the concerned line Ministries/Departments. The Government have urged the States to devolve

adequate financial powers to panchayats and also to prepare technical manuals for works so that panchayats at various levels are able to execute development works on the basis of transparent guidelines in these manuals.

2. Article 280 (bb) specifies that the Central Finance Commission make recommendations to the President as to the measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayats in the State on the basis of the recommendations made by the Finance Commission of the State. The Eleventh Finance Commission would recommend on the devolution of resources to panchayats for five years commencing from 1st April, 2000. The Eleventh Finance Commission is expected to take into account the recommendations of the SFCs and recommend suitable financial arrangements in respect of the panchayats.

IDSMT Schemes

*236. SHRI A. SIDDARAJU:
SHRI MUKUL WASNIK:

Will the MINISTER OF URBAN AFFAIRS AND EMPLOYMENT be pleased to state:

(a) whether proposals have been received from various States for Integrated Development of Small and Medium Towns;

(b) if so, the details thereof State-wise;

(c) the number of proposals received and approved by the Government separately; and

(d) the amount released during 1997-98 therefor?

THE MINISTER OF URBAN AFFAIRS AND EMPLOYMENT (SHRI RAM JETHMALANI): (a): Yes, Sir.

(b) and (c): Under the IDSMT Scheme guidelines, in force since August, 1995, proposals in respect of 224 towns, recommended by the State Level Sanctioning Committee, have been received out of which proposals in respect of 171 towns were approved by Government of India till March 31, 1998 as per Statewise details given in the enclosed Statement.

(d) : During 1997-98, in respect of aforesaid schemes, total Central share amounting to Rs. 9.85 crores has been released. Details are given in the enclosed Statement.