

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:1319
ANSWERED ON:15.07.2004
DIRECT FUNDING TO PANCHAYATS
Singh Shri Uday

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Union Government has recently mooted a proposal of direct funding to Panchayat Raj Institutions for rural development schemes as reported in the `Hindu` dated July 1, 2004;
- (b) if so, whether several State Governments have opposed the move of the Union Government of direct funding to Panchayat Raj Institutions;
- (c) if so, the details thereof;
- (d) whether the Government at Centre is trying to snatch the powers of the State Governments to implement rural development schemes; and
- (e) if so, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRIMATI SURYAKANTA PATIL)

(a) to (e) The National Common Minimum Programme of the Government inter-alia aims at ensuring that all funds given to the States for implementation of Poverty Alleviation and Rural Development Schemes by Panchayats are neither delayed nor diverted. It further states that after consultations with the States, the Government will consider crediting elected Panchayats with such funds directly. Therefore, there is no such proposals of direct funding to Panchayati Raj Institutions for Rural Development Schemes at present.