

STANDING COMMITTEE ON RURAL DEVELOPMENT

(2016-2017)

34

SIXTEENTH LOK SABHA

MINISTRY OF PANCHAYATI RAJ

DEMANDS FOR GRANTS

(2017-18)

THIRTY-FOURTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

THIRTY-FOURTH REPORT
STANDING COMMITTEE ON RURAL DEVELOPMENT
(2016-2017)
(SIXTEENTH LOK SABHA)

MINISTRY OF PANCHAYATI RAJ

DEMANDS FOR GRANTS
(2017-18)

Presented to Lok Sabha on 20.03.2017

Laid in Rajya Sabha on 20.03.2017



LOK SABHA SECRETARIAT

NEW DELHI

March, 2017/Phalguna 1938 (Saka)

CRD No. 131

Price : Rs.

© 2017 BY LOK SABHA SECRETARIAT

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Thirteenth Edition) and Printed by _____.

	<u>CONTENTS</u>	Page No.
	COMPOSITION OF THE COMMITTEE	(ii)
	INTRODUCTION	(iii)
	<u>REPORT</u>	
	<u>PART- I</u>	
	<u>CHAPTER - I</u>	
1.	INTRODUCTION	1
	<u>CHAPTER - II</u>	
2.	Budgetary Allocation	3
	<u>CHAPTER - III</u>	
3.	Scheme-wise Analysis	10
	A. Rajeev Gandhi Panchayat Shashktikaran Abhiyan (RGPSA)	10
	B. Media and Publicity	13
	C. Action Research and Research Scheme	14
	D. Rashtriya Gram Swaraj Abhiyan (RGSA)	17
	(i) Incentivization of Panchayats	18
	(ii) Mission Mode Project : e-Panchayat	19
	(iii) Capacity Building Panchayat Shashktikaran Abhiyan (CBPSA)	22
	(iv) ATMs Service in Panchayat Bhawans	25
	<u>PART – II</u>	
	Observations/Recommendations the Committee.....	27
	<u>ANNEXURES</u>	
i.	Notes on Demands of Grants (2017-18) pertaining to Ministry of Panchayati Raj	36
ii.	Minutes of 6th sitting of the Committee held on 21 March, 2017	38
iii.	Minutes of 9th sitting of the Committee held on 17 March, 2017	40

**COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT
(2016-2017)**

Dr. P. Venugopal -- Chairperson

MEMBERS

Lok Sabha

2. Shri Sisir Adhikari
3. Shri Kirti Azad
4. Shrimati Renuka Butta
5. Shri Harishchandra Deoram Chavan
6. Shri Sanjay Dhotre
7. Shri Biren Singh Engti
8. Shri Vijay Kumar Hansdak
9. Shri Ajay Mishra (Teni)
10. Shri Manshankar Ninama
11. Dr. Ramesh Pokhriyal "Nishank"
12. Shrimati Mausam Noor
13. Shri Prahlad Singh Patel
14. Shri Gokaraju Ganga Raju
15. Dr. Anbumani Ramadoss
16. Shri Jugal Kishore Sharma
17. Dr. Yashwant Singh
18. Dr. Naramalli Sivaprasad
19. Shri Balka Suman
20. Shri Ladu Kishore Swain
21. Shri Chintaman Wanaga

Rajya Sabha

22. Shri Munquad Ali
23. Shri D. Bandyopadhyay
24. Shri Bishnu Charan Das
25. Shri Shamsher Singh Dullo
26. Shri Mahendra Singh Mahra
27. Shri Narayan Lal Panchariya
28. Shri A.K. Selvaraj
29. Shri Shiv Pratap Shukla
30. Shri Rewati Raman Singh
31. Shri Devender Goud T.

SECRETARIAT

- | | | |
|-----------------------|---|---------------------|
| 1. Sh. Abhijit Kumar | - | Joint Secretariat |
| 2. Sh. S. Chatterjee | - | Director |
| 3. Smt. B. Visala | - | Additional Director |
| 4. Smt. Emma C. Barwa | - | Deputy Secretary |

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2016-2017) having been authorised by the Committee to submit the Report on their behalf, present the Thirty-Fourth Report on Demands for Grants (2017-18) 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 21 February, 2017.
4. The Report was considered and adopted by the Committee at their sitting held on 17 March, 2017.
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;
17 March, 2017
26 Phalguna, 1938 (Saka)

DR. P. VENUGOPAL
Chairperson,
Standing Committee on Rural Development

PART - I
CHAPTER- I
INTRODUCTION

1.1 The Ministry of Panchayati Raj (MoPR) oversees the implementation of the Part IX of the Constitution, the provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) and Article 243 ZD in Part IX A of the Constitution relating to District Planning Committees (DPCs). The Ministry aims to encourage and support States to devolve powers to Panchayats, build the capacities of Panchayats, create an environment for making Panchayats accountable, strengthen DPCs and promote decentralized planning and implement PESA.

1.2 Till 2014-15, the Ministry implemented two major schemes viz. the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) and Backward Regions Grant Fund (BRGF) along with the schemes of Media & Publicity, Action Research and Research Studies, Contribution to International Bodies and UN Assisted Project. However, w.e.f. 2015-16, the State component of the RGPSA and the BRGF scheme got delinked from Central support and stand transferred to the States to be met from their own resources. The Central component of the RGPSA continues to be implemented by this Ministry. The administrative expenditure of the Ministry, up till the current year, has been met under the Central Plan; however, it has been transferred to non-plan w.e.f. 2016-17.

1.3 Elaborating further, the Ministry in their written reply have stated that:-

“Part IX of the Constitution mandates a three tier system of Panchayati Raj Institutions (PRIs) and two tier PRIs for States with population less than 20 lakhs, reservation of seats and offices of chairpersons for Scheduled Castes (SCs) Scheduled Tribes (STs) women; election to PRIs every 5 years through independent State Election Commission and setting up of the State Finance Commission once in 5 years for the rational devolution of finances to Panchayat. The Constitution

mandates the Panchayats to function as institutions of self government (Article 243 G read with Schedule XI), but leaves the precise devolution of powers and responsibilities to the States. States also have a key role to play in building the capacities of Panchayats, and creating a framework for accountability. The objective of the three-tier Panchayati Raj System is to attain decentralized and participatory local self government to ensure inclusive development with social justice and effective delivery of basic services.”

CHAPTER II**BUDGETARY ALLOCATION**

2.1 The Demands for grants (Demand No.68) for the year 2017-18 of Ministry of Panchayati Raj (MoPR) were laid on the table on 08.02.2017 and are given in Annexure I.

2.2 The scheme-wise allocation of funds is as follows:-

Sl. No.	Scheme Name	2016-17			2017-18
		BE	RE	Exp. Upto 3.2.2017	BE
I.	Action Research & Publicity				
1.	Action Research	15.00	2.50	1.38	4.00
2.	International Contribution	1.90	1.90	0.00	1.90
3.	Media & Publicity	8.00	8.00	7.00	11.00
II.	Digital India Initiative e-Panchayat				
1.	Mission Mode Project on e-Panchayats	22.00	16.55	8.28	17.00
2.	Incentivization of Panchayats	38.00	33.00	29.03	34.00
3.	ATM Services in Panchayat Bhawans	10.00	0.00	0.00	10.00
III.	Capacity Building: Panchayat Sashaktikaran Abhiyan				
1.	Capacity Building: Panchayat Sashaktikaran Abhiyan	655.00	592.95	546.78	691.90
2.	International Co-operation	0.10	0.10	0.00	0.20
	Total of Plan	750.00	655.00	592.47	770.00
IV.	Secretariat Service (Non Plan)	18.33	20.15	15.62	20.79
	Grand Total (Plan & Non Plan)	768.33	675.15	608.09	790.79

2.3 On being enquired about the targets fixed for various activities and the amount actually utilised vis-a-vis the achievements during the 12th Five Year Plan (2012-2017), the Ministry in their reply have stated as under:-

“The overall outlay for the Ministry during the 12th Plan period was Rs.40,853 crore. The annual budget estimate of the Ministry during 2014-15, 2015-16 & 2016-17 are Rs.7,000 crores, Rs. 394 crores & 768.33 Crores respectively. The budgets at RE stage were reduced to Rs. 3,400 crore, Rs. 220 crores and 675.15 respectively during this period mainly due to budget cut under RGPSA and BRGF. The actual expenditure during 2014-15, 2015-16 and 2016-17 was Rs. 3389.70 crore, 207.38 and Rs. 607.04 crore (upto December, 2016) respectively. The B.E. for 2017-18 to the Ministry is Rs. 790.79 crore.”

2.4 The details of funds allocated during the 12th FYP alongwith expenditure is given in the following table:-

Plan allocation and utilization under MoPR for the 12th Plan and Annual Plans from 2012-13 to 2016-17 (as on 31.01.2016)

(Rs. in crore)

Sl. No.	Scheme	12 th Plan Outlay	2012-13			2013-14			2014-15			2015-16			2016-17			2017-18
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual	BE	R.E.	Actual	BE	R.E.	Actual upto 12/2016	
1	Secretariat Economic Service (Management Cell, Plan)	125.00	20.00	20.00	13.22	22.00	22.00	14.65	25.00	22.00	19.28	25.00	20.00	16.71	18.33	20.15	14.67	20.79
2	International Cooperation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a.	Membership to International Local Governance Bodies (CLGF)-contribution)	0.50	0.10	0.10	0.07	0.10	0.10	0.08	0.10	0.10	0.00	0.10	0.10	0.0	0.10	0.10	0.00	0.20
b.	Projects assisted by UN Agencies	24.50	4.90	8.90	8.90	4.90	4.90	0.32	1.90	1.90	1.61	1.90	1.90	0.66	1.90	1.90	0.00	1.90
3	Media & Publicity	100.00	17.00	12.00	12.00	15.00	15.00	14.42	20.00	10.00	5.52	5.00	5.00	4.99	8.00	8.00	7.00	11.00
4	Action Research & Research Studies.	19.00	3.00	3.00	0.69	3.00	3.00	2.18	3.00	2.00	0.65	2.00	2.00	0.62	15.00	2.50	1.38	4.00
5	Resource Support to State	8.00	8.00	5.00	1.60	-	-	-	-	-	-	-	-	-	-	-	-	-
6	PMEYSA	-	1.75	1.75	1.74	-	-	-	-	-	-	-	-	-	-	-	-	-
7	RBH	-	0.25	0.25	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-
8	RGPSA *	11270.00	205.00*	179.00*	172.22	655.00	655.00	629.58	1050.00	527.00	525.64	360**	191.00	189.40	655.00*	592.9499	546.74	691.90
10.	Mission Mode Project on e-panchayat														22.00	16.55	8.28	17.00
11.	Incentivisation of Panchayats														38.00	33.00	28.97	34.00
12	ATM services in Panchayat Bhawans														10.00	0.0001	0.00	10.00
13.	e-Panchayats	-	40.00	36.00	5.80	-	-	-	-	-	-	-	-	-	-	-	-	-
14	BRGF	29306.00	5050.00	3734.00	3720.00	6500.00	2800.00	2800.00	5900.00	2837.00	2819.26	-	-	-	-	-	-	-
	Total	40853.00	5350.00	4000.00	3936.35	7200.00	3500.00	3461.23	7000.00	3400.00	3389.70	394.00	220.00	207.38	768.33	675.15	607.04	790.79

Note: * Includes PEAIS and RGSY. From 2015-16, the schemes of RGPSA (state component) and BRGF have been delinked from central support. The scheme RGPSA has been renamed as Capacity Building : *Panchayat Sashaktikaran Abhiyan* from 2016-17

** Amount of Rs 360 crore includes Rs 300 crore received through first batch of supplementary Grant. From RGPSA's B.E 2015-16(Head:2515), Rs. 320.00 crore is for Central Components & Rs.40 .00 crore for NE regions (Head:2552).

*** From RGPSA's B.E 2016-17(Head:2515), Rs. 580.00 crore is for Central Components & Rs.75 .00 crore for NE regions (Head:2552)

2.5 The Committee further enquired about the reasons for variation in the BE/RE and the actual expenditure for the year 2013-2014, 2014-2015 and 2015-2016 year-wise, the Ministry in their written reply stated as under:-

“In 2013-14, the BE under RGPSA was enhanced substantially as the small schemes of e-Panchayat, RGSY, PEAIS, PMEYSA and Resource Support to States were subsumed under RGPSA. In 2012-13 the total allocation for the above small schemes along with a notional allocation for RGPSA (Rs. 50 crores) was Rs. 254.75 crore. In 2013-14, the BE for RGPSA was Rs. 655.00 crores, which was an enhancement of 257% compared to the BE in 2012-13 of the schemes subsumed in RGPSA. The BE under RGPSA was further enhanced in 2014-15 to Rs.1050 crore but this was slashed to Rs.527 crore at the RE stage. In the years 2013-14 and 2014-15, almost all the RE under RGPSA was spent. However, in 2015-16, the State component of the RGPSA scheme got delinked from Central support and stands transferred to the States to be met from their own resources. The Central component of the scheme continues to be implemented by this Ministry. The BE under RGPSA for 2016-17 is Rs. 655 crore which includes Rs. 75 crore for North Eastern Area.

Under BRGF, the BE was increased from Rs. 5050 crore to Rs. 6500 crore from 2012-13 to 2013-14. However, the RE under BRGF was Rs. 3734 crores in 2012-13 and in 2013-14 it was only Rs. 2800 crore. In 2014-15 the BE was Rs. 5900 crore while the RE was only 2837 crore. The cuts in BRGF have taken place at the RE stage. Nearly the whole of RE has been spent. In 2015-16 there is no allocation under BRGF as the scheme has been transferred to the States.

The 12th plan outlay of “Media and Publicity” is Rs. 100.00 crore. The utilization as a percentage of RE was 100%, 96.13%, 25.5% and 99.2% during 2012-13, 2013-14, 2014-15 and 2015-16 (upto January 2016). The low utilization during 2014-15 could be attributed to non-celebration of National Panchayati Raj Day, due to implementation of modal code of conduct for Lok Sabha elections and non maturing of films commissioned during the year for payment.

The 12th plan outlay of “Action Research and Research studies” is Rs. 19.00 crore. The utilization as a percentage of RE was 23%, 72.6%, 18% and 18% during 2012-13, 2013-14, 2014-15 and 2015-16. (upto January 2016). The low utilization in the last year and the current year can be attributed to a concerted decision to undertake only need based studies”.

2.6 The Committee enquired about the meager increase in outlay at BE level for the year 2017-18 and whether the funds were sufficient to meet the requirement of the Ministry. The Ministry in the written reply have stated as under:-

“The B.E. for 2017-18 which has been indicated as Rs. 790.79 crore is a 3% increase over the B.E. of 2016-17, however, as compared to R.E. of 2016-17, the increase is about 17% . At present the funds allocated are deemed satisfactory particularly in view of the enhanced level of flow of funds under the Fourteenth Finance Commission (FFC) recommendations and also the increase share of States in the Central taxes”.

2.7 The Committee further enquired about the priorities of the MoPR during the current financial year, the MoPR in their written reply stated as under:-

“The main focus of the Ministry during 2017-18 will be to concentrate efforts for capacity building of the Panchayati Raj Institutions (PRIs). The Ministry will make concentrated efforts to involve various stakeholders in the capacity building of PRIs and their empowerment. The innovations in providing the better service at the grassroot level will be encouraged and the best practices will be shared with various Panchayati Raj Institutions to encourage them for their replication. The end result which the Ministry would expect is a tangible improvement in governance at the grassroot level. For this purpose increased use of technology will also be encouraged to ensure efficiency and transparency in the PRIs”.

2.8 The Committee then enquired about the reasons for increase in allocation at the RE stage for the year 2016-17 at Rs.675.15 cr, the MoPR in their written reply informed as under:-

“The allocation at R.E. stage has been reduced from B.E. stage of Rs. 768.33 crore to Rs. 675.15 crore during 2016-17, which in 2017-18 at B.E. stage is Rs. 790.79 crore. The major increase has been in “Capacity Building under Panchayat Sashaktikaran Abhiyan”, where the R.E. for 2016-17 is Rs. 592.95 crore, increased to Rs. 692 crore in B.E. 2017-18, which seems to be satisfactory to meet the anticipated expenditures”.

2.9 On being asked about the actual expenditure of the Ministry in all the schemes for the year 2016-2017, the MoPR in their written reply stated as under:-

“During 2016-17, total actual expenditure upto 16th Feb, 2017 is Rs. 609.92 crore including Secretariat Service. The details of which are given in the table below:

(Rs. in Crore)				
S. No.	Scheme	B.E 2016-17	R.E. 2016-17	Total expenditure with Authorization
1	Secretariat Services (Non Plan)	18.33	20.15	16.94
2	Action Research & Publicity	15.00	2.50	1.49
3	ATM Services in Panchayat Bhawans	10.00	0.00	0.00
4	Capacity Building; Panchayat Sashaktikaran Abhiyan	580.00	592.95	546.78
5	Contribution to Internal Organizations Panchayati Raj	2.00	2.00	0.00
6	Incentivization of Panchayats	38.00	33.00	29.44
7	Media & Publicity Panchayati Raj	8.00	8.00	7.00
8	Mission Mode project on e-Panchayats	22.00	16.55	8.27
9	Provisions for North Eastern Area	75.00	00.00	0.00
Grand Total		768.33	675.15	609.92

2.10 On the reasons for less amount of actual expenditure during the previous years, the MoPR in their written reply stated as under:-

“The total expenditure during 2015-16 was Rs. 207.38 crore against the R.E. of Rs. 220.00 crore. However, during 2016-17, the total expenditure upto 16th Feb, 2017 is Rs. 609.92 crore against the R.E. of Rs. 675.15 crore which is about 90% of the R.E. and it is anticipated that the entire amount will be utilized by 31st March, 2017”.

2.11 The Committee also enquired about the steps being taken by the MoPR to utilise the allocated fund in the current financial year, the Ministry in their written reply stated as under:-

“The Ministry has planned a strategy to plan the expenditure and monitor it month wise. Since the budget allocation has been made available in advance this year this would facilitate the Ministry to get the proposals of capacity building from the States well in time and their approval will also be conveyed without much delay. This would facilitate the programme implementing agencies to plan their capacity building programme more efficiently and systematically”.

CHAPTER III
SCHEME-WISE ANALYSIS

A. RAJEEV GANDHI PANCHAYAT SHASHAKTIKARAN ABHIYAN (RGPSA)

3.1 According to the Ministry, the centrally sponsored scheme of RGPSA was launched during the 12th Five year Plan period to strengthen the Panchayati Raj system across the country and to address the critical gaps. This scheme promoted devolution of Powers to Panchayats by States and the creation of a framework to make Panchayats more accountable. Under the RGPSA, financial assistance had been provided to States/UTs for construction and repair of Gram Panchayat Building, capacity building and training of elected representatives and functionaries of PRIs, Administrative and Technical manpower to Gram Panchayats, Institutional Structure for training and faculty support for training, e-enablement including purchase of computers, special support to Panchayat Processes etc.

3.2 With effect from the year 2015-16, the provision of funds to the States under the scheme was transferred to the States and due to funds constraints and in the context of FFC award to Gram Panchayat, funds have been provided to States to meet their Capacity Building obligations under FFC Award particularly training support for Gram Panchayat Development Plan (GPDP), training infrastructure and HR, HR for PESA and e-governance and for programme management costs.

3.3 Upto 2014-15, the funding pattern of the scheme was 75:25 by Central and State Governments except for North Eastern States where it was 90:10. During 2015-16, as the funds were received under central component only, the funds were provided as 100% central funding.

3.4 Cumulative central release to States so far under the scheme was Rs 1253.42 Cr (*from 2012-13 to 2015-16*), against which expenditure reported by the States is Rs 1089.76 Cr. From the current year, new restructured scheme- Rashtriya Gram Swaraj Abhiyan (RGSA) is under formulation.

3.5 In this regard, the Committee enquired about the reasons for transfer of RGPSA to the States, MoPR in their written reply stated as under:-

“From 2015-16, the States got enhanced devolution of resources from 32% to 42% as recommended by the FFC. This provided much needed flexibility to the States to formulate and implement the capacity building plans as per local requirements especially to address the issues of strengthening of Panchayati Raj Institutions in the States. It was on account of understanding the need for capacitating Panchayats for delivering on their Constitutional responsibility and also in realizing the targets of Sustainable Development Goals (SDGs) in the context of FFC award, the supplementary funds were provided for meeting the committed liabilities of States and for undertaking crucial capacity building and training activities with particular reference to Gram Panchayat Development Plan (GPDP) Trainings. In the changed scenario, the Government decided to support the States for training activities, HR support for training, e-governance and PESA activities. The activities supported during 2015-16 were continued during 2016-17”.

3.6 The Committee further enquired about the monitoring mechanism of the RGPSA scheme, the MoPR stated as under:-

“The monitoring of the implementation of this scheme through submission of various documents by State Governments viz. periodical physical & financial progress report, utilization certificate, audit reports etc. The Ministry also follows the implementation of its scheme through periodic review meetings with the Principal Secretaries of Panchayati Raj Departments of States and visits to the States by officers of the Ministry. States have been asked from time to time to submit the physical progress and utilization of funds. The Ministry is also advocating for adoption of technology to bring more transparency and accountability. Under the e-Panchayat Mission Mode Project, 11

applications have been developed and some of the States have their own applications and the States have been requested to synchronize with the PES (Panchayat Enterprise Suite). These applications make provisions for the Panchayati Raj Institutions to upload their GPDPs accounts and status of implementation etc. A dashboard has also been designed where the latest information on the status of GPDP is monitored. A mobile application m-Asset to map all assets (physically located within the geographical boundary of a Panchayat/equivalent body for public use). It is an extension of National Asset Directory (NAD), rendered on a Mobile platform. The Ministry has also developed a mobile application RAGAV (Rashtriya Gram Anudaan evam Vikas) Dashboard to monitor the progress of preparation of GPDPs and efficient & effective implementation of the recommendations made by the FFC at the users convenience."

3.7 The cumulative achievements made under the scheme of RGPSA/ RGSA are as under:

Activity	Physical Achievement
No of new Panchayat Bhavan constructed	2209
No of repair constructed	6346
Total no of ERs, functionaries and other stakeholders trained	3221638
State Panchayat Resource Centres constructed	7
District Panchayat Resource Centres constructed	46
Faculty to SPRC positioned	43
Faculty to DPRC positioned	59

3.8 The Ministry elaborating the challenges and constraints with regard to implementation of RGPSA in their written reply stated as under:-

"The Ministry during the last one year has been strategically repositioning itself so as to be able to facilitate State Governments, especially the States that are weak in Devolution and capacity building, to institutionalise the strengthening of Panchayati Raj institutions in the States, and to focus on bringing quality and depth to the capacity building effort. The Ministry has proactively worked with the states in the preparation of Gram Panchayat Development Plans. The 12th five

year plan outlay for RGPSA is Rs. 11270 crore. The scheme had a BE of Rs.1050 crore in 2014-15. Funds were curtailed in 2015-16 to Rs.60 crore under the central component in view of the huge transfers to Panchayats under the FFC award. However it was soon realized that the need to train local governments has actually increased manifold on account of the roll out of the FFC award and the ensuing initiative for convergent local planning at the Gram Panchayat level. Therefore an additional amount of Rs.300 crore was provided in the first batch of supplementary demands, with an assurance to consider providing an additional Rs.300 crore in the next supplementary subject to actual requirement. Accordingly, sanction was issued to the tune of Rs.584.86 crore for the proposals of 23 States/UTs. The sanctions were issued primarily for conduct of training for Gram Panchayat Development Plans and for building the institutional capacity for training in the States. However, the budgetary provision of RGPSA at RE stage was curtailed - originally to Rs.141 crore in December 2015, and then on reconsideration, to Rs 191 crore in February 2016. The funds for RGPSA are extremely critical, as the cut in RGPSA coincided with the stoppage of central support under the BRGF, whose capacity building component was widely used by States for PRI training. Till date Rs.112 Cr has been released. Proposals for the remaining amount are under process.

Further, a comprehensive overhaul of the RGPSA scheme is being proposed in the context of the institution of the FFC award. SFCs need to be strengthened, budgetary and auditing practices streamlined, reporting systems improved, institutional capability for capacity building enhanced and best practices scaled up. Innovative transaction methodologies including mentoring and handholding support for Panchayats need to be promoted. Incentivisation for reform and performance including revenue generation has to be incorporated. The massive training initiated for GP level planning needs to be continued and completed."

B. MEDIA AND PUBLICITY

3.9 To strengthen Panchayats and Gram Sabhas, Ministry of Panchayati Raj needs to reach out to multiple and diverse target groups, the rural populace especially the Below Poverty Line (BPL) families, PRI representatives, officials of Panchayats and those who implement programmes, NGO personnel as well as policy makers and opinion makers. The Media and Publicity Scheme aims at effective communication through the electronic and the print media for advocacy and publicity regarding Panchayati Raj, as well as building the capacities of Panchayats and

enhancing their performance. Given the divergent nature of the stakeholders to be addressed, multiple media options are adopted. The Ministry has sponsored programmes on radio and television and commissioned training films under the scheme.

3.10 Against the BE allocation of Rs. 8.00 crores and RE of Rs. 8.00 crores for 2016-17 BE of Rs. 11.00 crores has been made for year 2017-18.

3.11 The Committee enquired about the broad areas for which funds are utilised under the scheme, MoPR in their written reply stated as under:-

“Media and Publicity Scheme aims at better and more 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. Under this scheme, conferences and meetings are held with Elected Representatives, officers of the Department of Panchayati Raj in States/UTs, Experts, Academicians, Social Activists, NGOs etc. at regular intervals. 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 media activities undertaken so far have mostly been focused on core issues relating to the role of PRIs, increasing their effectiveness and advocacy in their favour. The policies, schemes and programmes formulated and implemented by this Ministry have been highlighted through mass-media campaigns utilizing different occasions. Declaration of 24th April of every year as “National Panchayati Raj Day” and observance of (i) “Year of the Gram Sabha” during the period from 2nd October 2009 to 2nd October 2010 and (ii) “Gramoday se Bharat Uday Abhiyan” during the period from 14th April to 24th April 2016 are considered as major initiatives towards creating awareness generation among the general masses as well as among all the stake-holders of Panchayati Raj”.

C. ACTION RESEARCH AND RESEARCH STUDIES SCHEME

3.12 This is a central sector plan scheme, implemented from 2007-08. Under the scheme, research and action research studies, relevant to Panchayati Raj are taken

up through Academic Institutions / Research Organizations / Registered Societies / Non Profit Organizations / SIRDs etc having specialized experience in research and evaluation in the areas of Panchayati Raj. Action Research proposals that provide an in-depth analysis for long – term issues, assess impact and document experiences in Panchayati Raj are supported under this scheme. This is funded 100% by Government of India (GOI).

3.13 The scheme is a tool for better policy formation. Under the scheme, financial support is provided to Academic Institutions/ NGOs/ Research Organisations / Registered Societies / Non Profit Organisations /SIRDs having specialized experience in research and evaluation in the areas of Panchayati Raj. The allocation for the year 2017-18 (B.E) is Rs. 4.00 crores whereas in year 2016-17 RE was at Rs. 2.50 crore and BE was at Rs. 15.00 crore.

3.14 The Committee asked about the reasons for the substantial decrease of funds under the scheme during 2017-2018, the MoPR in their written reply stated as under:-

“The B.E. during the last four years i.e. 2012-13, 2013-14, 2014-15 and 2015-16 has been Rs. 3.00 crore (R.E. Rs. 2.00 crore), Rs. 3.00 crore (R.E. Rs. 3.00 crore), Rs. 3.00 crore (R.E. Rs. 2.00 crore) and Rs. 3.00 crore (R.E. Rs. 2.00) respectively under the scheme of “Action Research and Research Studies (AR&RS)”. However, during 2016-17, an allocation of Rs. 15.00 crore at B.E. stage was made and it was anticipated that this allocation would be utilized to strengthen / build the research capacity of SIRDs and Panchayati Raj Training Institutions depending upon their requirements. The allocation has been restricted to an amount of Rs. 2.50 crore at R.E. stage under the scheme of “Action Research & Research Studies (AR&RS)”, which will be sufficient for meeting the committed liabilities during the current year”.

3.15 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 71 studies have been sanctioned under the scheme of “Action Research & Research Studies (AR&RS)” till date, as per the table below:

Year	Total No. of Studies Sanctioned
2007-08	15
2008-09	10
2009-10	18
2010-11	7
2011-12	5
2012-13	5
2013-14	4
2014-15	1
2015-16	3
2016-17 (As on 13 th Feb, 2017)	3
TOTAL	71

3.16 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 eight studies are in progress which are expected to be finalized very soon. The reasons for non-completion of these 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.”

3.17 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:-

“Most of the studies sanctioned by the Ministry have been completed. Only eight studies are in progress which are expected to be finalized very soon. The reasons for non-completion of these 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."

D. RASHTRIYA GRAM SWARAJ ABHIYAN (RGSA)

3.18 The Rashtriya Gram Swaraj Abhiyan (RGSA) will focus on capacity building of Panchayati Raj Institutions for convergent action to deliver basic services and achieve development goals. Under RGSA comprehensive efforts will be made to support and enhance the capacity building and training facilities for all stakeholders with particular thrust on the aspects of GPDP.

3.19 A Committee has been constituted under Chairmanship of Vice Chairman NITI Aayog to restructure the proposed Rashtriya Gram Swaraj Abhiyan to address the current challenges faced by the rural local bodies and increased fund flow to Gram Panchayats particularly through FFC. Committee is finalizing the various components of the restructured scheme of RGSA and its report will be available in about a month and a half.

Release of funds to States towards capacity building and training activities of Panchayats during 2016-17

3.20 From the 2016-17, new restructured scheme- Rashtriya Gram Swaraj Abhiyan (RGSA) is under formulation. Pending finalization of scheme of RGSA, it has been decided to continue the financial assistance to States towards capacity building & training activities of PRIs. Funds to the tune of Rs. 544 cr. (approx) has so far been released to 22 States (as on 02/01/2017). During the current year too, as the funds

have been received under central component only, the funds have been provided as 100% central funding.

3.21 Under RGSA there are 4 components namely (i) Mission mode Project on e-Panchayats, (ii) Incentivization of panchayats, (iii) ATM Services in Panchayat Bhawans and (iv) Capacity Building-Panchayat Sashaktikaran Abhiyan (PSA) with allocation of BE 2017-18 of Rs. 17.00 crore, Rs. 34.00 crore, Rs. 10.00 crore and Rs. 691.90 crore respectively.

(i) Incentivization of Panchayats

3.22 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 Sashaktikaran Abhiyan (RGPSA). From 2016-17, the scheme has been revamped with slight modifications and is proposed to be a part/subscheme of Rashtriya Gram Swaraj Abhiyan (RGSA). The awards are given on the National Panchayati Raj Day celebrated on 24th 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.

3.23 The Committee enquired about the detailed plan for utilization of the allocation of funds under this scheme in the current financial year, the Ministry in their written reply stated as under:-

" Under the Incentivization of Panchayats Scheme the Ministry gives prize money under the following categories :

(i) **Panchayat Sashaktikaran Puraskar (PSP)** given to best performing Panchayats (District, Intermediate and Gram) across the States/UTs in recognition of the good work that is done for improving delivery of services and public goods. PSPs 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

One-third of the total PSP awards are proposed in the categories of thematic awards.

(ii) **Rashtriya Gaurav Gram Sabha Puraskar (RGGSP)** was instituted in the year 2010 in order to incentivize, appreciate and encourage the Gram Panchayats of the country, for outstanding performance, through effective Gram Sabhas, especially in respect of creating improvements in the social and economic structure of the village. The main objective of instituting this award is to strengthen the institution of Gram Sabha and to highlight it as the institution for people's participation, collective decisions and social audit.

The ongoing technical support to States is envisaged to be continued using this allocation. It will be used for activities like maintenance of software applications, national project management unit, sending trainers to States to train Master Trainers, etc.

(ii) **Mission Mode Project on e-Panchayat**

3.24 e-Panchayat is one of the Mission Mode Projects (MMP) under digital India Programme. Under the programme, a suite of core common software applications has been developed to address various aspects of Panchayat functioning including budgeting, planning, accounting, monitoring, social audit and delivery of citizen services. The MoPR proposes to launch new initiatives to further leverage the

Information and Communication Technology (ICT) tools and applications which can dramatically reshape the governance and improve the lives of millions of the rural Indians. Besides the ongoing activities, the new components/activities proposed include providing financial support to States/UTs for (a) setting up e Governance Resource Groups at State and District levels, (b) manpower and ICT infrastructure support to Gram Panchayats, wherever they do not exist, (c) setting up SATCOM facilities at State, District and Block levels for distance learning/training in partnership with ISRO (d) developing mobile and offline versions of software applications, enabling GPs to take maximum benefit from BharatNet (e) incentivization for best performing PRIs, and (f) collaboration with academia, NGOs, SHGs for empowering the PRIs. This is funded 100% by GoI.

3.25 Based on the nation-wide study, Core Common Applications were envisaged that addresses various aspects of Panchayats' functioning viz. from internal core functions 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 Suite (PES). Besides, some States have also developed their own State-specific applications for similar purpose. The Software Applications are gradually being adopted by States/UTs, as per their level of preparedness. To incentivize the implementation of e-Panchayat, the best performing States are conferred with the annual e-Puraskars.

3.26 In the 12th Five Year Plan period, e-Panchayat MMP had been dovetailed with the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) scheme of MoPR and funds for e-enablement of Panchayats were provided from the RGPSA scheme,

as per the State-specific requirements for e-enablement indicated by States/UTs in their annual RGPSA plans.

3.27 Under e-Panchayat Mission Mode Project, Panchayats across the country are advised to follow the Model Accounting System (MAS) for Panchayats jointly prepared by the Ministry & C&AG. The Model Accounting System (MAS) envisions to usher in uniform accounting practices amongst the PRIs across the country and encompasses elements of both accrual & cash basis of accounting requirements. In this reference, PRIASoft (an online Application, (<http://accountingonline.gov.in>)) has been designed to mirror all the MAS requirements.

3.28 The Committee were also informed by the Ministry of Panchayati Raj about the web based application in their written reply as under:-

"PRIA Soft is a web-based application under the e-Panchayat Mission Mode Project that facilitates the compliance of States with the Model Accounting System (MAS), as well as enables the State to financially manage the Panchayati Raj Institutions (PRIs) in a better manner. It further assists in fulfilling the goal of achieving transparency and accountability in the maintenance of PRI accounts, thus, increasing the credibility of the governance efforts of the PRIs. Since the accounts are being put in public domain through web, the effort helps in making PRIs RTI-compliant straightaway. PRIASoft is one of the most used Application and been in use for almost seven years now and the Ministry (in consultation with O/o C&AG) has continuously been promoting the adoption and usage of PRIASoft. The performance of PRIASoft may be seen through the following statistics (as on March 01, 2016 available at (<http://accountingonline.gov.in>))

No. of PRI's	Total No. Of PRI's	Total No. Of PRI's with Masters	Total No. Of PRI's with Vouchers	Total No. Of Receipt Voucher	Total No. Of Payment Voucher
Zilla Panchayat	619	605	484	443	947717
Block Panchayat & Equivalent	6632	6387	5561	5174	1907855
Village Panchayat & Equivalent	254552	243760	199838	183706	38382337
Total*	261803	250752	205883	189323	41237909

3.29 The Secretary, MoPR with regard to internet connectivity during the course of evidence stated as under:-

‘आज की स्थिति में हम सभी को जानकारी है कि इंटरनेट की कनेक्टिविटी एक चुनौती है। अभी हमने कुछ लघु फिल्मों दिखाई थीं। उसमें काफी पंचायतों को दिखाया गया, जहां कनेक्टिविटी है, उन्होंने डिजिटल पंचायत के रूप में क्रांति प्राप्त कर ली है। उसका एक उदाहरण हमने यहां प्रस्तुत किया था और ऐसे कई उदाहरण हैं परन्तु सभी ग्राम पंचायतों में आज की स्थिति में कनेक्टिविटी हो, ऐसा नहीं है, इसीलिए इस वर्ष बजट की घोषणा में वित्त मंत्री जी ने इस बात का जिक्र किया है कि अगले वर्ष के मध्य तक डेढ़ लाख ग्राम पंचायतों में कनेक्टिविटी सुनिश्चित कर ली जाएगी और उसी हिसाब से टाइम टेबल बनाया गया है कि किस प्रकार से सभी जगह डिजिटल और इंटरनेट कनेक्टिविटी हो। हम जो ई-एनेबलमेंट का प्रयास करेंगे, ऐसा बहुत जगह इसीलिए इस वर्ष बजट की घोषणा में वित्त मंत्री जी ने इस बात का जिक्र किया है कि अगले वर्ष के मध्य तक डेढ़ लाख ग्राम पंचायतों में कनेक्टिविटी सुनिश्चित कर ली जाएगी और उसी हिसाब से टाइम टेबल बनाया गया है कि किस प्रकार से सभी जगह डिजिटल और इंटरनेट कनेक्टिविटी हो। हम जो ई-एनेबलमेंट का प्रयास करेंगे, ऐसा बहुत जगह नहीं हुआ है, हमने कुछ उदाहरण यहां प्रस्तुत किए हैं और कुछ हमारे संज्ञान में है। इसी के अनुरूप हम आगे बढ़ेंगे।’

(iii) Capacity Building Panchayat Sashaktikaran Abhiyan(CBPSA)

3.30 The Capacity Building Panchayat Sashaktikaran Abhiyan (CBPSA) will focus on capacity building of Panchayati Raj Institution for convergent action to deliver basic services and achieve development goals. Comprehensive efforts will be made

to support and enhance the capacity building and training facilities for all stakeholders with particular thrust on the aspects of Gram Panchayat Development Programme.

3.31 Under above mentioned scheme in BE 2016-17 Rs. 655.00 crore has been allocated and in BE 2017-18 Rs. 691.90 crore has been allocated.

3.32 The Committee enquired about the detailed, objectives and targets being identified to be achieved through CBPSA scheme, in this regard Ministry in their written reply stated as under:-

"Some of the key objectives proposed to be achieved after the restructured scheme is finalized are as follows:-

1. Enhance capabilities of Panchayats for good, inclusive local governance with special emphasis on participatory local planning and development and attainment of SDGs.
2. Strengthen and activate Gram Sabhas, Ward Sabhas/Mahila Sabhas as effective institutions with social inclusion of all citizens particularly the disadvantaged groups.
3. Support innovations in local governance through capacity building, harnessing innovative local solutions and nurturing model panchayats.
4. Promote devolution of powers and responsibilities to Panchayats in accordance with the spirit of the Constitution and the Panchayat Extension to Scheduled Areas (PESA) Act, 1996.
5. Enable convergence of institutions, resources and services at the level of the Panchayats to promote holistic and inclusive development.
6. Strengthen/create institutions for capacity building at the national, state, district and block levels for capability building and enable them to achieve adequate quality standards in infrastructure, facilities, human resources and services.
7. Promote a network of institutions of excellence to support capacity building for Panchayati Raj Institutions.
8. Plan and support activities related to realization of the mandate of Ministry of Panchayati Raj."

3.33 The Committee then enquired about the plan being envisaged by the Ministry to spend allocation of Rs.691.00crore in the current financial year, the Ministry in their written reply stated as under:-

"As already submitted the newly proposed scheme of RGSA will be launched in 2017-18 after being approved by all the competent authority. Though many of ingredient of the scheme will be those contained in the scheme of RGPSA, some new element may be included in the new scheme. Besides, additional thrust is to be placed on activities relating to enhancement of Capacity Building towards PRIs and other stakeholders particularly training support for Gram Panchayat Development Plan (GPDP), training infrastructure and HR, HR for PESA and e governance, and for programme management costs. "

3.34 The Committee were further informed by the Ministry about the number of Elected representatives and functionaries as under:-

" Trainings of Elected Representatives and functionaries:

Activity	2013-14	2014-15	2015-16	2016-17
Total no. of ERs and functionaries training sanctioned under RGPSA	10,96,825	17,21,786	67,32,598	53,01,785

3.35 During the course of evidence with regard to the training of PRIs, Secretary, MoPR stated as under:-

‘हमने अपने प्रस्तुतीकरण में प्रशिक्षण को एक चुनौती बताया था, क्योंकि यह बहुत बड़े पैमाने का काम है। यह बहुत छोटे-छोटे स्तर पर गावों में भी आयोजित होता है। इस बात पर विचार-विमर्श चल रहा है, जिसके बारे में प्रस्तुतीकरण में बताया गया था कि कैसे इन प्रशिक्षण कार्यक्रमों को ऐसे आयोजित किया जाये, जिससे की वास्तव में जानकारी रहे कि प्रशिक्षण हुआ, कितने लोग उसमें सम्मिलित हुए और मिनिंगफुल प्रशिक्षण दिया गया। यह नहीं कि कुछ लोगों को इकट्ठा कर दिया गया और प्रशिक्षण हो गया, लेकिन वहां किसी को जानकारी नहीं है। इस योजना का मूल्यांकन नीति

आयोग अपने अंतिम चरणों में कर रहा है। इस पर भी गंभीरता से विचार किया जा रहा है। इसके लिए भी हमारे सुझाव दिये गये हैं।’

3.36 The Secretary, MoPR added as under:-

‘ इसके बारे में मैंने अपने एक पायलट प्रोजेक्ट का जिक्र अपने प्रस्तुतीकरण में किया था कि जो पंचायत सेक्रेटरी और सरपंचों के साथ किया गया था, उसमें यह बात भी उभर कर आयी है कि प्रशिक्षण केवल मुख्य जगह पर हो। केवल छोटे-छोटे गांव या कहीं इस प्रकार से न आयोजित किया जाये कि जिसकी जानकारी लोगों को न हो। यदि कोई प्रमुख स्थान होगा तो प्रशिक्षण देने वाले भी बेहतर लोग वहां पर उपस्थित हो सकेंगे, छोटी जगहों पर लोगों को जाने में दिक्कत भी होती है। जिला मुख्यालय के सुझाव को, अभी जो रिस्ट्रक्चरिंग चल रहा है, उसमें उसको देंगे।’

(iv) ATMs Services in Panchayat Bhawans

3.37 A scheme for providing ATM services at Panchayat Bhawans was being conceptualized during 2016-17 in consultation with several stakeholders. However, the scheme could not be conceptualized during 2016-17 and will now be taken up in 2017-18 as a sub-scheme under the RGSA scheme of MoPR, for which an inter-ministerial committee has already been constituted.

3.38 The Committee were further informed about the construction and repair of Gram Panchayat buildings sanctioned in RGPSA as under:-

" Construction & Repair of Gram Panchayat buildings sanctioned in RGPSA

Activity	2013-14	2014-15	2015-16
No of new Panchayat Bhavan sanctioned	3128	2497	6
No of repair sanctioned	7727	8356	0
Computer infrastructure to Gram Panchayats	22506	29948	622 (*)

Note:(*) Funds were not provided to States during 2015-16 under RGPSSA scheme for construction/repairs of GP Ghars. Only UTs were sanctioned under this component."

3.39 In this regard, during the course of evidence, the Secretary, MoPR submitted as under:-

‘ ग्रामपंचायत भवनों के लिए बजट में कोई विशेष प्रावधान नहीं किया जाता है, इसमें हमारी योजना है कि हम राज्य सरकारों से प्रस्ताव मंगवाते हैं और उनके द्वारा जो प्रस्ताव यहां पर दिये जाते हैं, उसके अनुरूप ही जो बजट हमारे पास उपलब्ध होता है, उसमें से उनको राशि उपलब्ध कराते हैं। परन्तु कई राज्यों, आंध्र प्रदेश, तेलंगाना इत्यादि राज्यों ने मनरेगा की भी सहायता ली है और ग्राम पंचायत के भवन बनाये हैं। ग्राम पंचायत के भवन बनाने के लिए उन्हें मात्र एक स्रोत पर निर्भर रहने की आवश्यकता नहीं है। चूंकि, यह पूरा विषय राज्य सरकारों के पास है, हम उनसे ही अपेक्षा रखते हैं कि वह इसमें सहायता करें, परंतु केन्द्र भी अपनी ओर से सहायता दे।’

OBSERVATIONS/ RECOMMENDATIONS

1. Demands for Grants for 2017-18

The Committee note that the Detailed demands for Grants (2017-18) of the Ministry of Panchayati Raj under Demand No. 68 were laid on the table of the House on 08.02.2017. Under Demand No. 68, the Ministry of Panchayati Raj has been allocated sum of Rs. 790.79 crore for the financial year 2017-18. The Committee have examined the Demands of the Ministry of Panchayati Raj for the year 2017-18. The Observations/Recommendations of the Committee have been set out in the succeeding paragraphs.

2. Budgetary Allocation

The Committee note that BE for the year 2016-17 was at Rs. 768.33 crore and RE of 2016-17 is Rs. 675.15 crore and BE of 2017-18 is at Rs. 790.79 crore. The Committee are not happy with the meagre increase at only 3% in the BE allocation for the current financial year and strongly feel that there should be substantial enhancement in the budgetary allocation especially at the BE level. The Committee also noted that though there has been almost 90% utilization of funds, still the Committee feel that there are un-utilized funds of Rs. 65.23 crore which does not reflect well on the Ministry. The Committee, therefore, strongly recommend that Ministry of Panchayati Raj should insist on higher allocation of funds and also envisage roadmap for utilization of funds so that there is no scope of under utilization of funds and also there is better implementation of the schemes. The Committee with deep concern note that actual utilization of funds under Ministry of Panchayati Raj for the year 2016-17

for some schemes are less than the allocated funds which include schemes like Action Research and Research Studies where the funds of Revised Estimate (RE) was at Rs. 2.50 crore whereas actual expenditure is at Rs. 1.38 crore similarly for Mission Mode Project on e-Panchayat, RE was at Rs. 16.55 crore whereas actual expenditure is Rs. 8.28 crore and in Membership to International Local Governance Bodies (CLGF-Contribution) RE was at Rs. 0.10 crore and actual expenditure is "NIL", the Committee also note that the actual expenditure under Membership to International Local Governance Bodies (CLGF-Contribution) has been "NIL" in the 2015-16. The Committee therefore, strongly recommend that the Ministry should ensure that the funds allocated for the schemes should be utilized judiciously so that the benefits of these schemes are fully accrued to the rural population. The Committee would like the Ministry to address these issues seriously and intimate the initiatives taken by them in this regard.

3. Rajeev Gandhi Panchayat Shashatikaran Abhiyan (RGPSA)

The Committee note that Rajeev Gandhi Shashatikaran Abhiyan (RGPSA) is a centrally sponsored scheme was launched during 12th Five Year Plan period to strengthen the Panchayati Raj system across the country and to address the critical gaps in its implementation. Further, w.e.f. year 2015-16, the provisions of funds to the States under scheme was transferred to States. During the year 2015-16, as the funds were received under Central component only, the funds were provided as 100% central funding. The Committee observe that a comprehensive overhaul of the RGPSA scheme is being proposed in the context of the institution of the Fourteenth Finance

Commission (FFC) award and the Ministry of Panchayati Raj has not given any specific time-frame as to when RGPSA will be overhauled. The Committee, therefore, strongly recommend that the Ministry of Panchayati Raj should expedite the process of restructuring of RGPSA within a specific timeframe. The Committee are concerned to note that one of the major challenges being faced by the Ministry in implementation of RGPSA is with regard to funding for RGPSA. The Committee observed that funds for RGPSA are extremely critical, as the cut in budgetary provisions of RGPSA was done in RE stage in 2015 and simultaneously stoppage of central support under Backward Regions Grant Fund (BRGF) whose capacity building component was widely used by States for PRI training and till date only Rs. 112 crore has been released and proposals for the remaining amount are under process. The Committee, therefore, strongly feel that the funding of the scheme till its overhaul is done, 12th Five Year Plan Outlay funds should be released to support the capacity building component widely used by the states for PRI training. The Committee hope that the challenges faced by Ministry of Panchayati Raj in implementation of RGPSA would be resolved expeditiously and a specific time frame would be chalked out for overhauling of RGPSA scheme.

4. Media and Publicity

The Committee note that for strengthening Panchayats and Gram Sabhas, the Ministry of Panchayati Raj needs to reach out to multiple and diverse groups especially the rural populace and Media and Publicity plays a very important and crucial role in this regard. The Committee are unhappy to note that there has been meagre increase in budgetary allocation for the year 2017-18 (Rs.11.00 crore) as against the BE allocation of Rs. 8.00 crore and RE

of Rs. 8.00 crores for the year 2016-17. The Committee have been assured by the Ministry that Rs. 11.00 crore allocation is sufficient for the Media and Publicity. However, the Committee is of the view that Media and Publicity being a very important scheme through which the rural populace are made aware about the panchayats and gram sabhas more funds should be allocated under this scheme. The Committee recommend that the Ministry of Panchayati Raj should have better allocation and utilization under this scheme and also Ministry of Panchayati Raj should approach Ministry of Finance for higher allocation.

5. Action Research and Research Studies Scheme

The Committee observe that Action Research and Research Studies Schemes that provide an in depth analysis for long term issues, assess impact and documentation in Panchayati Raj are carried out. The Committee, are constrained to note that there has been substantial decrease in BE allocation for the year 2017-18 at Rs. 4.00 crore as compared to BE for the year 2016-2017 which was at Rs. 15.00 crore. The Committee have been informed that in the year 2016-17, an allocation of Rs. 15.00 crore (BE) was done in anticipation to build/strengthen the research capacity of State Institute of Rural Developments (SIRDs) and Panchayati Raj Training Institutions. However, the Committee are not convinced with the reasoning given by the Ministry and observe that the actual utilization was at only Rs. 1.38 crore in the year 2016-17. The Committee, therefore, strongly recommend that the Ministry should be more prudent in making their budget estimates and utilize the funds allocated fully and judiciously. The Committee also hope with regard to non-

completion of research studies, the Ministry would keep a vigilant eye and ensure that the research studies are completed and made use for better implementation of various schemes of Ministry of Panchayati Raj. The Committee also strongly feel that the Ministry showed frame policies based on actual position at the ground level and should ensure delivery of basic services to the rural masses.

6. Rashtriya Gram Swaraj Abhiyan (RGSA)

The Committee observed that Rashtriya Gram Swaraj Abhiyan (RGSA) is a newly restructured scheme and finalization of scheme is still pending. The Committee have been informed by Ministry of Panchayati Raj that it has been decided to continue the financial assistance to States for capacity building and training activities of PRIs and funds to the sum of Rs. 544 crore (approx.) have so far been released to 22 States (as on 2/01/2017). Under this scheme there are 4 components namely (i) Mission mode project in e-panchayats (ii) Incentivization of Pachayats (iii) ATM services in Panchayat Bhawans and (iv) Capacity Building Panchayat Sashaktikaran Abhiyan (PSA) with allocation of BE for the year 2017-18 of Rs. 17.00 crore, Rs. 34.00 crore, Rs. 10.00 crore and Rs. 691.90 crore respectively. The Committee feel that restructuring process of RGSA should be completed within a specific time-frame. In this regard the Committee were also informed that proposed RGSA restructuring is being done to address the current challenges faced by the rural local bodies and increased flow of funds to Gram Panchayats particularly through FFC. Also, the committee constituted under Chairmanship of Vice-Chairman of NITI Aayog will finalise the report in a month and half. The Committee, therefore,

hope that the committee so constituted will be able to complete the report within the specific time frame and the Ministry will restructure RGSA as soon as possible for its effective implementation on the grounds.

7. Incentivization of Panchayats

The Committee note that under the scheme the Ministry incentivizes best performing Panchayats through awards and also documents their best practices starting in 2011-12 and these this initiatives have been continued under RGPDA and from the year 2016-17 the scheme has been revamped and proposed to be a part of RGSA. The allocation under BE for 2016-17 was at Rs. 38.00 crore, RE was at Rs. 33.00 crore and BE for 2017-18 is at Rs. 34.00 crore. The actual expenditure under this scheme upto 03.02.2017 has been Rs. 29.03 crore. The Committee desire that substantial funds has 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 hope that Ministry of Panchayati Raj would be fair and consistent in choosing the best performing Panchayats in the Country and the awarding of the 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.

8. Mission Mode Project on e-Panchayat

The Committee observed that e-Panchayat is one of the Mission Mode Projects (MMP) under Digital India Programme. The Ministry of Panchayati Raj

further informed the Committee that under the programme, a suite of core common software applications has been developed to address various aspects of Panchayat functioning including budgeting, planning, accounting, monitoring, social audit and delivery of citizen services. The Committee were also informed about the web based application PRIA-Soft which facilitates the compliance of States with Model Accounting System (MAS) as well as it enables the State to financially manage the PRIs in a better manner. However, the Committee are very unhappy to note that there is no network connectivity in major rural areas of the country. The Committee also note that by mid-next year 1.50 lakh Gram Panchayats will be connected digitally. The Committee, therefore, strongly recommend that Ministry of Panchayati Raj would take effective and expeditious steps to increase the connectivity coverage so that the e-Panchayat is enabled in every village of every State particularly in the North and Eastern States of the country.

9. Capacity Building : Panchayat Sashaktikaran Abhiyan (CBPSA)

The Committee note that Capacity Building Panchayat Sashaktikaran Abhiyan (CBPSA) will focus on capacity building of Panchayati Raj Institutions (PRIs) for convergent action to deliver basic services and achievement of development goals. The Committee further note that comprehensive efforts will be made to support and enhance the capacity building and training facilities for all stakeholders with particular thrust on the aspect of Gram Panchayat development Programme. The Committee also note that an enhanced BE for the year 2017-18 of Rs. 691.90 crore has been allocated for this scheme. Further, as regards plan being envisaged by the Ministry for

utilization of the enhanced allocation, the Ministry of Panchayati Raj emphasised that additional thrust would be placed on training support of Gram Panchayat Development Plan (GPDP), training infrastructure etc. However, the Committee are disappointed to note that there is severe lack of trained manpower in Panchayats and the training and awareness programme are not bearing desirable results. The Committee also note that the Elected Representatives(ERs) are not aware of their rights and privileges and this becomes a major hurdle in effective delivery of citizen services through PRIs. The Committee are also not satisfied with the reply given by Ministry of Panchayati Raj with regard to various steps being taken by them to impart training programme to the PRIs. The Committee, therefore, strongly recommend that Ministry of Panchayati Raj should take steps for effective capacity building of PRIs in the country specially in the poor and backward regions of the country. The Committee also hope that Ministry of Panchayati Raj would make judicious and full utilization of the enhanced budgetary allocation of Rs. 691.90 crore in the current financial year and train maximum number of PRIs in the country.

10. ATMs Services in Panchayat Bhawans

The Committee note that a scheme for providing ATM services in Panchayat Bhawans which was being conceptualized during 2016-17 will now be taken up in the year 2017-18 as a sub-scheme under the RGSA scheme of Ministry of Panchayati Raj, for which an inter-ministerial Committee has already been constituted. The allocated fund under BE for the year 2017-18 is Rs. 10.00 crore. The Committee therefore, hope that this year the

conceptualization of ATM services will be finalized and the amount allocated will also be utilized unlike last financial year. The Committee were also informed that no special provision is made in the budget for allocation of funds specifically for Construction and Repair of Gram Panchayat Bhawans. In this context, the Committee were further informed that based on the proposals submitted by the States, funds are allocated to the States by the Ministry out of the available budget. The Ministry of Panchayati Raj also submitted that States such as Andhra Pradesh, Telegana etc. are utilizing of MGNREGA for construction of Gram Panchayats Bhawans (GPB) and that there is no need for depending on one financial source only for the purpose. The Committee, therefore, recommend that the Ministry of Panchayati Raj alongwith Ministry of Rural Development can create a convergence plan with related schemes so that there is no hurdle in construction of Gram Panchayat Bhawans (GPB). The Committee also feel that Gram Panchayat Bhawans play a very important role in delivering various services to the citizens specially under Digital India Programme. The Committee also hope that Ministry of Panchayati Raj would make all out efforts and impress upon the States to work out time table for expeditious construction of GPBs across overall in country.

NEW DELHI;
17 March, 2017
26 Phalguna, 1938 (Saka)

DR. P. VENUGOPAL
Chairperson,
Standing Committee on Rural Development

Notes on Demands for Grants, 2017-2018

MINISTRY OF PANCHAYATI RAJ

DEMAND NO. 68

Ministry of Panchayati Raj

(In ₹ crores)

	Actual 2015-2016			Budget 2016-2017			Revised 2016-2017			Budget 2017-2018		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross Recoveries	208.67	...	208.67	768.33	...	768.33	675.15	...	675.15	790.79	...	790.79
Receipts	...	...	...	...	...	...	...	...	...	...	...	...
Net	208.67	...	208.67	768.33	...	768.33	675.15	...	675.15	790.79	...	790.79
A. The Budget allocations, net of recoveries, are given below:												
CENTRE'S EXPENDITURE												
Establishment Expenditure of the Centre												
1. Secretarial	18.00	...	18.00	18.33	...	18.33	20.15	...	20.15	20.79	...	20.79
Central Sector Schemes/Projects												
Action Research and Publicity	0.62	...	0.62	15.00	...	15.00	2.50	...	2.50	4.00	...	4.00
2. Action Research	0.66	...	0.66	2.00	...	2.00	2.00	...	2.00	2.10	...	2.10
3. International Contribution	4.99	...	4.99	8.00	...	8.00	8.00	...	8.00	11.00	...	11.00
4. Media and Publicity	6.27	...	6.27	25.00	...	25.00	12.50	...	12.50	17.10	...	17.10
Total-Action Research and Publicity	...	...	...	10.00	...	10.00	...	...	...	10.00	...	10.00
Rashtriya Gram Swaraj Abhiyan (RGSA)	...	...	...	655.00	...	655.00	592.95	...	592.95	691.90	...	691.90
5. ATM services in Panchayat Bhawans	184.40	...	184.40	38.00	...	38.00	33.00	...	33.00	34.00	...	34.00
6. Capacity Building- Panchayat Sashaktikaran Abhiyaan (PSA)	...	...	...	22.00	...	22.00	16.55	...	16.55	17.00	...	17.00
7. Incentivization of Panchayat	...	...	...	725.00	...	725.00	642.50	...	642.50	752.90	...	752.90
8. Mission Mode Project on e-Panchayats	184.40	...	184.40	750.00	...	750.00	655.00	...	655.00	770.00	...	770.00
Total-Rashtriya Gram Swaraj Abhiyan (RGSA)	190.67	...	190.67	768.33	...	768.33	675.15	...	675.15	790.79	...	790.79
Total-Central Sector Schemes/Projects	208.67	...	208.67	...	...	...	...	...	...	...	...	...
Grand Total	...	...	...	...	...	...	...	...	...	...	...	...
B. Developmental Heads												
Economic Services												
1. Other Rural Development Programmes	190.67	...	190.67	675.00	...	675.00	589.50	...	589.50	693.00	...	693.00

No. 68/Ministry of Panchayati Raj

Notes on Demands for Grants, 2017-2018

	Actual 2015-2016			Budget 2016-2017			Revised 2016-2017			(In ₹ crores) Budget 2017-2018		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
2. Secretariat-Economic Services	18.00	...	18.00	18.33	...	18.33	20.15	...	20.15	20.79	...	20.79
Total-Economic Services	208.67	...	208.67	693.33	...	693.33	609.65	...	609.65	713.79	...	713.79
Others												
3. North Eastern Areas	...	...	...	75.00	...	75.00	65.50	...	65.50	77.00	...	77.00
Total-Others	...	...	...	75.00	...	75.00	65.50	...	65.50	77.00	...	77.00
Grand Total	208.67	...	208.67	768.33	...	768.33	675.15	...	675.15	790.79	...	790.79

1. Secretariat:..The provision is for Secretariat expenditure of the Ministry of Panchayati Raj.

2. Action Research:..Financial assistance is extended to Academic Institutions having specialized experience in research, evaluation in the areas of rural development, for carrying out Action Research and Research Studies on various aspects of Panchayati Raj mainly to use it as a tool for better policy formulation.

3. International Contribution:..Provision is for Contribution to International Organizations for International cooperation in the area of local governance.

4. Media and Publicity:..Media & Publicity is intended to provide vital information and create awareness amongst the public regarding Panchayati Raj Institutions (PRIs) through audio & visual publicity and through Print and Electronic Media.

6. Capacity Building:..The Capacity Building Panchayat Sashaktikaran Abhiyan (CBPSA) will focus on capacity building of Panchayati Raj Institutions for convergent action to deliver basic services and achieve development goals. Comprehensive efforts will be made to support and enhance the capacity building and training facilities for all stakeholders with particular thrust on the aspects of Gram Panchayat Development Programme.

7. Incentivization of Panchayat:..Ministry of Panchayati Raj incentivizes best performing Panchayats through awards since 2011-12 to encourage Panchayat representatives who make special efforts; creates models for the Panchayats and Gram Sabhas. From 2016-17, the scheme has been revamped with slight modification and is proposed to be a part/subscheme of Rashtriya Gram Swaraj Abhiyan (RGSA). Awards are given on the National Panchayati Raj Day celebrated on 24th of April every year.

8. Mission Mode Project on e-Panchayats:..Under this project, provision is made for internal automation of Panchayats and to enable electronic service delivery through all the Panchayats in the country. It is part of Digital India programme of the Government of India. A suite of applications has been developed to address various aspects of Panchayats functioning including planning, budgeting, implementation, accounting, monitoring, social audit and delivery of citizen services like issue of certificates, licences, etc.

STANDING COMMITTEE ON RURAL DEVELOPMENT (2016-2017)MINUTES OF THE SIXTH SITTING OF THE COMMITTEE HELD ON
TUESDAY, THE 21st FEBRUARY, 2017

The Committee sat from 1430 hrs. to 1600 hrs. in Committee Room 'C',
Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Dr. P. Venugopal -- Chairperson

MEMBERSLok Sabha

2. Shri Sisir Adhikari
3. Shri Kirti Azad
4. Shri Sanjay Dhotre
5. Shri Ajay Misra (Teni)
6. Shri Manshankar Ninama
7. Dr. Ramesh Pokhriyal "Nishank"
8. Shri Gokaraju Ganga Raju
9. Shri Jugal Kishore Sharma
10. Dr. Yashwant Singh
11. Shri Chintaman Wanaga

Rajya Sabha

12. Shri Samsher Singh Dullu
13. Shri Mahendra Singh Mahra
14. Shri Narayan Lal Panchariya

Secretariat

- | | | |
|-----------------------|---|---------------------|
| 1. Shri Abhijit Kumar | - | Joint Secretary |
| 2. Shri S. Chatterjee | - | Director |
| 3. Smt. B. Visala | - | Additional Director |
| 4. Smt. Emma C. Barwa | - | Deputy Secretary |

Representatives of the Ministry of Panchayati Raj

- | | |
|-------------------------------|-------------------------------|
| 1. Shri J. S. Mathur | - Secretary |
| 2. Shri Anshu Prakash | - Additional Secretary and FA |
| 3. Shri B. D. Virdi | - Senior Advisor |
| 4. Shri S. K. Patjoshi | - Joint Secretary |
| 5. Shri Khushwant Singh Sethi | - Joint Secretary |

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 (2017-18) 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 2017-18 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 during 12th Plan (2012-17) alongwith the Plan allocation for 2017-18 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 and the impact on physical targets fixed for Financial Year 2017-18 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.

ConfidentialSTANDING COMMITTEE ON RURAL DEVELOPMENT (2016-2017)MINUTES OF THE NINTH SITTING OF THE COMMITTEE HELD ON
FRIDAY, THE 17 MARCH, 2017

The Committee sat from 1030 hrs. to 1045 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe (PHA), New Delhi.

PRESENT

Dr. P. Venugopal — Chairperson

MEMBERS
LOK SABHA

2. Shri Sanjay Dhotre
3. Shri Harishchandra Deoram Chavan
4. Shri Vijay Kumar Hansdak
5. Shri Ajay Mishra (Teni)
6. Shri Prahlad Singh Patel
7. Shri Gokaraju Ganga Raju
8. Shri Jugal Kishore Sharma
9. Dr. Yashwant Singh
10. Shri Ladu Kishore Swain
11. Shri Chintaman Wanaga

RAJYA SABHA

12. Shri Mahendra Singh Mahra
13. Shri Narayan Lal Panchariya
14. Shri A.K. Selvaraj
15. Shri Shiv Pratap Shukla

SECRETARIAT

- | | | |
|-----------------------|---|---------------------|
| 1. Shri Abhijit Kumar | - | Joint Secretary |
| 2. Shri S. Chatterjee | - | Director |
| 3. Smt. B. Visala | - | Additional Director |
| 4. Smt. Emma C. Barwa | - | Deputy Secretary |

2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting convened for consideration and adoption of Draft Reports on Demands for Grants (2017-18) of XXX XXX XXX the Ministry of Panchayati Raj XXX XXX XXX.

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

4. XXX XXX XXX.

The Committee then adjourned.
