STANDING COMMITTEE ON RURAL DEVELOPMENT

(2017-2018)

41

SIXTEENTH LOK SABHA

MINISTRY OF PANCHAYATI RAJ

[Action taken report on the Oberservations/Recommendations contained in Thirty Fourth Report on 'Demands for Grants (2017-18)' pertaining to Ministry of Panchayati Raj.]

FORTY-FIRST REPORT



LOK SABHA SECRETARIAT

NEW DELHI

FORTY-FIRST REPORT

STANDING COMMITTEE ON RURAL DEVELOPMENT (2017-2018) (SIXTEENTH LOK SABHA)

MINISTRY OF PANCHAYATI RAJ

[Action taken report on the Oberservations/Recommendations contained in Thirty Fourth Report on 'Demands for Grants (2017-18)' pertaining to Ministry of Panchayati Raj.]

Presented to Lok Sabha on 29 December, 2017 Laid in Rajya Sabha on 29 December, 2017



LOK SABHA SECRETARIAT

NEW DELHI

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COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT (2017-2018)

Dr. P. Venugopal -- Chairperson

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- 3. Shri Kirti Azad
- 4. Shri Harishchandra Chavan
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Rajya Sabha

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- 25. Shri Javed Ali Khan
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Secretariat

- 1. Shri Abhijit Kumar Additional Secretary
- 2. Shri 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

(2017-2018) having been authorised by the Committee to present the Report on their

behalf, present the 41st Report on the action taken by the Government on the recommendations contained in the 34th Report of the Standing Committee on Rural

Development (16th Lok Sabha) on 'Demands for Grants (2017-18)' pertaining to Ministry

of Panchayati Raj.

2. The Thirty-Fourth Report was presented to Lok Sabha on 20 March, 2017 and

was laid on the Table of Rajya Sabha on the same date. Replies of the Government to

all the recommendations contained in the Report were received on 4th June, 2017.

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

7th December, 2017.

4. An analysis of the action taken by the Government on the recommendations

contained in the Thirty Fourth Report (Sixteenth Lok Sabha) of the Committee is given in

Appendix-II.

NEW DELHI; 28 December, 2017

07 Pausha, 1939 (Saka)

DR. P. VENUGOPAL

Chairperson,
Standing Committee on Rural Development

(iii)

CHAPTER I

REPORT

This Report of the Standing Committee on Rural Development (2017-18) deals with the action taken by the Government on the Observations/Recommendations contained in their Thirty Fourth Report (Sixteenth Lok Sabha) on 'Demands for Grants (2017-18) pertaining to Ministry of Panchayati Raj'.

- 2. The Thirty-Fourth Report was presented to Lok Sabha on 20 March, 2017 and was laid on the Table of Rajya Sabha on the same date. The Report contained 10 Observations/Recommendations.
- 3. Action Taken Notes in respect of all the Observations/Recommendations contained in the Report have been received from the Government. These have been examined and categorised as follows: -
 - (i) Observations/Recommendations which have been accepted by the Government:
 Serial Nos. 1, 2, 3, 4, 5, 7, 8, 9 and 10

Total:09

Chapter-II

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of replies of the Government: Serial No. NIL

Total: 00 Chapter-III

(iii) Observation/Recommendation in respect of which replies of the Government have not been accepted by the Committee: Serial No. NIL

Total: 00 Chapter-IV

(iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:

Serial No. 6

Total:01

Chapter-V

- 4. The Committee desire that final reply in respect of recommendation for which only interim reply has been submitted by the Government included in Chapter V of this Report and Replies to recommendations made in the Chapter I of this Report may be furnished to the Committee expeditiously.
- 5. The Committee will now deal with action taken by the Government on some of their Observations/Recommendations that require reiteration or merit comments.

Media and Publicity

(Recommendation Serial No. 4, Para No. 4)

The Committee in their afore-said recommendation had recommended as under:-

- 6. "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."
- 7. The Ministry in their Action Taken Reply have stated as under:-
 - "As rightly observed by the Committee, Media & Publicity Scheme assumes greater significance in creating awareness about the role and functioning of Panchayati Raj Institutions (PRIs) among the masses, as well as to formulate new innovative programmes and to improve the existing ones through sharing of experiences etc. in the field of local self-government, and also to bring about a huge transformation in participative democracy so that PRIs especially Gram Panchayats become well-aware, well-informed & well-equipped and improve their performance & service-delivery mechanism ensuring accountability & transparency etc. MoPR

attaches great importance to IEC activities, which assume added significance in the context of the role of Panchayats in implementation of almost all Centrally Sponsored Schemes (CSSs) and direct transfer of grants to Gram Panchayats as recommended by Fourteenth Finance Commission (FFC). Although it is a significant challenge reaching the desired/ prime target audience, it is being strategized that the allocated funds be utilized effectively and judiciously to reach out the last mile.

The Committee was informed that the first issue of comprehensive magazine by the Ministry "Gramodaya Sankalp" was released during the National Panchayati Raj Day held on 24th April, 2017 at Lucknow, Uttar Pradesh. Major contents of the magazine have been embedded with the QR codes to enable readers to watch related audio-visual videos. More than two lakh copies of the magazine have been dispatched to all tier of Panchayats and Panchayat Secretaries of Gram Panchayats. The official YouTube channel of the Ministry has been launched on 24 April 2017, through which inspirational and training films or documentary on key issues relating to Panchayati Raj can be seen. Mobile Apps have been developed by the Ministry for accessing "Gramodaya Sankalp" magazine and the YouTube channel to harness the increasing uses of smartphones in rural areas.

The recommendation of the Committee as regards approaching the Ministry of Finance for higher allocation under Media & Publicity Scheme for its better, effective and result-oriented utilization has been noted. The higher allocation will be taken up with the Ministry of Finance at RE stage after substantial utilization of allocated budget."

Comments of the Committee

8. The Committee in their earlier recommendation had emphasized on the Media and Publicity schemes for generating awareness amongst the rural populace about the Panchayats and Gram Sabhas and the need for allocation of more funds in this area and recommended that Ministry of Panchayati Raj (MoPR) should have better allocation and utilization under the scheme and also that MoPR should approach Ministry of Finance for higher allocation. The MoPR in their Action Taken Reply have stated that the first issue of comprehensive magazine 'Gramodaya Sankalp' and official Youtube channel of Ministry was launched on 24 April, 2017. Mobile apps have also been developed to access the magazine and youtube channel through smartphone. Although,

these initiatives are very progressive but the Committee would like to point out here that these are highly dependent on network connectivity which at present is yet to reach desired standards particularly in the rural and backward areas. There is an urgent need to strengthen the network connectivity for widespread awareness in rural areas. The Committee is therefore, of the view that the other traditional means of communication viz. print media and radios/television should also be used extensively. The MoPR have further informed the Committee that the matter of higher allocation will be taken up with the Ministry of Finance at RE stage after substantial utilization of allocated budget. The Committee desire that MoPR should pursue the Ministry of Finance for more budget and also make all out efforts to educate the rural populace about Panchayati Systems and its schemes and also undertake an extensive awareness campaign in this regard. The allocated funds should be utilized effectively and judiciously to reach out the last mile. The Committee would like to be apprised of the action taken by the Ministry.

[OM. NO. H-11013/1/2017-Parl, dated 14 June, 2017]

Rashtriya Gram Swaraj Abhiyan (RGSA)

(Recommendation Serial No. 6, Para No. 6)

9. The Committee in their afore-said recommendation had recommended as under:"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."

10. The Ministry in their Action Taken Reply have stated as under:-

"It is stated that during the year 2016-17 against the RE provisions of Rs. 592.95 crore, funds were utilised to the tune of Rs. 592.94 crore. Out of this, funds to the tune of Rs. 586.42 crore were released to 25 States and one Union Territory under the scheme. As already submitted above in response to Recommendation No. 3 of the Committee, the Ministry of Finance has permitted this Ministry to utilize the funds under BE 2017-18 for this scheme for activities related to Capacity building and training and some other components as indicated in the above mentioned response to Recommendation No. 3. The Committee has submitted its report on 26th May, 2017. Formulation of restructured scheme is under process. Efforts will be made by this Ministry to obtain the approval of the scheme at the earliest."

[OM. NO. H-11013/1/2017-Parl, dated 14 June, 2017]

Comments of the Committee

11. The Committee in their earlier recommendation had stated that the restructuring process of Rashtriya Gram Swaraj Abhiyan (RGSA) should be completed within a specific time-frame. It was also informed to the Committee

that a Committee constituted under Chairmanship of Vice-Chairman of NITI Aayog would finalize the report at the earliest. In this regard, the Ministry of Panchayati Raj (MoPR) in their written reply have stated that the Committee under the Chairmanship of NITI Aayog has submitted its report on 26th May, 2017 and formulation of restructured scheme is under process and efforts are being made by the MoPR to obtain the approval of the scheme at the earliest. The Committee hope that the process of restructuring and approval of the scheme will be expedited so that the RGSA would be effectively implemented at the ground level at the earliest.

[OM. NO. H-11013/1/2017-Parl, dated 14 June, 2017]

Mission Mode Project on e-Panchayat

(Recommendation Serial No. 8, Para No. 8)

12. The Committee in their afore-said recommendation had recommended as under:-

"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."

13. The Ministry in their Action Taken Reply have stated as under:-

"In order to expedite the rollout of e-Panchayat, the availability of broadband connectivity at Panchayat level is a pre-requisite and the Department of Telecommunications(DoT) is in the process of modifying the implementation strategy of BharatNet to expedite the rollout of BharatNet to connect all the Gram Panchayats in the country (including North-East) by March, 2019. MoPR is regularly pursuing this matter with DoT."

Comments of the Committee

14. The Committee in their earlier recommendation had stated that Ministry of Panchayati Raj should take effective and expeditious steps to increase the connectivity coverage so that the e-Panchayat which is a mission mode project is enabled in every village of every State, particularly in North and Eastern States of the country. In this regard, the MoPR in their Action Take Reply have stated that to expedite the roll out of e-Panchayat, the availability of broadband connectivity at Panchayat level is a must and Department of Telecommunications (DoT) is in the process of modifying the implementation strategy of BharatNet by March, 2019 and MoPR is regularly taking up this matter with DoT. The Committee are unhappy with the Action Taken Reply from MoPR as the Committee feel that the MoPR are not making enough efforts to expedite the roll out of the e-Panchayat and Mission Mode Project for connecting Panchayats on e-Platform. The Committee, therefore, once again strongly recommend that the MoPR should make extra efforts to pursue Department of Telecommunication for completion of process of modification of implementation strategy of Bharat Net to expedite the rollout of Bharat Net to connect all the Gram Panchayats in the country (including North-East) by March. 2019 without which the initiative will

remain on paper only. The Committee hope that the MoPR would take up the matter with more urgency so that project is completed within the time-frame and there is no extension of the time-frame beyond March, 2019.

[OM. NO. H-11013/1/2017-Parl, dated 14 June, 2017]

ATMs Services in Panchayat Bhawans

(Recommendation Serial No. 10, Para No. 10)

15. The Committee in their afore-said recommendation had recommended as under:-

"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."

16. The Ministry in their Action Taken Reply have stated as under:-

"A pilot of the 'ATM services in Panchayat Bhawans' is planned to be undertaken once the same is approved under restructured RGSA, which is under process for formulation.

As regards the issue of construction of Gram Panchayat buildings, it is stated that as per information available with this Ministry there are around 48000 Gram Panchayats which do not have buildings. With a view to mitigate this problem, the Panchayati Raj Departments of States have been requested for issuing appropriate instructions to the concerned authorities of PRIs at all levels for construction of buildings at Gram Panchayat level utilizing inter alia the funds available under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). The guidelines of that scheme under Chapter 7, para 7.1.3 of the existing scheme provide for funds for construction of Gram Panchayat buildings. Ministry's letter to States No. K-11022/2/2017-CB dated 2nd May, 2017 for convergence with other schemes like MGNRES is enclosed as Annexure."

Comments of the Committee

17. The Committee in earlier recommendation had stated that Gram Panchayat Bhawans (GPBs) play a very important role in delivering various services to the citizens specially under Digital India Programme. Therefore, the Committee had recommended that MoPR should make efforts to impress upon the States to work out time-table for expeditious construction of GPBs across the country. The MoPR in their Action Taken Reply have stated that there are around 48,000 Gram Panchayat which do not have buildings. Further, they have stated that with a view to mitigate the problem, the Panchayati Raj Departments of the States have been requested for issuing appropriate instructions to the concerned authorities of PRIs at all level for construction of buildings at Gram Panchayats level utilizing under inter-alia the funds available Mahatma Gandhi National Rural The **Employment** (MGNREGS). Committee Guarantee Scheme are

disappointed to note that there are still 48,000 Gram Panchayats that do not have buildings and that it is a huge number keeping in view that GPBs play a very important part in delivering services to the citizens and also to connect every Gram Panchayat digitally under Digital India Programme and the absence of proper building affects the delivery system. The Committee, therefore, once again strongly recommend that MoPR should pursue the state Panchayati Raj Departments to utilize the funds available under MGNREGS to construct GPBs in each and every village on priority with adherence to strict timelines. The Committee would like to be apprised of the progress made in this regard.

[OM. NO. H-11013/1/2017-Parl, dated 14 June, 2017]

CHAPTER II

RECOMMENDATION WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Serial No. 1 & 2)

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.

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.

Reply of the Government

The Budget Estimate, Revised Estimate and Actual Expenditure for 2016-17 are as follows: -

(Rs. in crore)

Sl.	Major	Scheme Name		20	2016-17			
No	Head							
			BE	RE	Actual	Exp. as % age		
			2016-17	2016-17	Exp.	w.r.t to RE		
1	2	3	4	5	6	7		
1		Action Research & Publicity						
1.1	2515	Action Research	15.00	2.50	2.50	100.00		
1.2	2515	International Contribution	1.90	1.90	1.84	96.84		
1.3	2515	Media & Publicity	8.00	8.00	8.00	100.00		
2		Digital India Initiative e-Panchay	at					
2.1	2515	Mission Mode Project on e-	22.00	16.55	16.55	100.00		
		Panchayats						
2.2	2515	Incentivization of Panchayats	38.00	33.00	33.00	100.00		
2.3	2515	ATM Services in Panchayat	10.00	0.00	0.00	0.00		
		Bhawans						
3		Capacity Building: Panchayat Sa	ashaktikaran	Abhiyan				
3.1	2515	Capacity Building: Panchayat	655.00	592.95	592.77	99.97		
	2552	Sashaktikaran Abhiyan						
4	2515	International Co-operation	0.10	0.10	0.25	250.00		
		Total of Plan	750.00	655.00	654.91	99.99		
5	3451	Secretariat Service (Non Plan)	18.33	20.15	19.13	94.94		
		Grand Total (Plan & Non Plan)	768.33	675.15	674.04	99.84		

"From above table, it is obvious that the Ministry utilized 99.84% of the RE budget. In current year, the Ministry is making all out efforts for utilizing the allotted budget. Regular review of planning and allocation of budget is being conducted including meetings of Central Executive Committee (CEC) under chairmanship of the Secretary to expedite appropriate budget utilization. Further, States are being pursued to prepare

comprehensive annual action plan in accordance with schematic provisions."

[O.M. No. H-11013/1/2017-Parl dated 14 June, 2017]

Recommendation (Serial No. 3)

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.

Reply of the Government

"It had been submitted before the esteemed Committee that this Ministry had initiated the process for restructuring of RGPSA with the main objective of helping PRIs to develop governance capabilities. Consultations with State Governments had also been held as a part of the restructuring process of RGPSA. In the meantime, with a view to leverage the pivotal role of PRIs, it was decided to constitute an Expert Committee under the Chairmanship of Vice-Chairman NITI Aayog to restructure the existing scheme of Ministry of Panchayati Raj as Rashtriya Gram Swaraj Abhiyan (RGSA) to address the current challenges faced by the rural local bodies and the increased fund flow to the Gram Panchayats through Fourteenth Finance Commission award.

The Committee held four meetings on 19th December, 2016, 12th January, 2017, 20th February, 2017 and 17th March, 2017 including meeting with the Senior Officers of State Panchayati Raj Departments and Sarpanches and examined all aspects of the scheme. The Committee has submitted its report on 26th May, 2017. Formulation of the new restructured scheme is under process.

In the current year, following budget has been provided and Ministry has been allowed to utilize the budget upto September 30, in accordance with the schematic provision of RGPSA scheme:"

(Rs. in crore)

Sl.	Major	Scheme Name	2017-18
No	Head		BE
1	2	3	4
1		Action Research & Publicity	
1.1	2515	Action Research	4.00
1.2	2515	International Contribution	1.90
1.3	2515	Media & Publicity	11.00
2		Digital India Initiative e-Panchayat	
2.1	2515	Mission Mode Project on e-Panchayats	17.00
2.2	2515	Incentivization of Panchayats	34.00
2.3	2515	ATM Services in Panchayat Bhawans	10.00
3		Capacity Building: Panchayat Sashaktikaran Abhiyan	
3.1	2515	Capacity Building: Panchayat Sashaktikaran Abhiyan	691.90
4	2515	International Co-operation	0.20
		Total of Plan	770.00
5	3451	Secretariat Service (Non Plan)	20.79
		Grand Total (Plan & Non Plan)	790.79

Recommendation (Serial No. 4)

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.

Reply of the Government

"As rightly observed by the Committee, Media & Publicity Scheme assumes greater significance in creating awareness about the role and functioning of Panchayati Raj Institutions (PRIs) among the masses, as well as to formulate new innovative programmes and to improve the existing ones through sharing of experiences etc. in the field of local self-government, and also to bring about a huge transformation in participative democracy so that PRIs especially Gram Panchayats become well-aware, well-informed & well-equipped and improve their performance & service-delivery mechanism ensuring accountability & transparency etc. MoPR attaches great importance to IEC activities, which assume added significance in the context of the role of Panchayats in implementation of almost all Centrally Sponsored Schemes (CSSs) and direct transfer of grants to Gram Panchayats as recommended by Fourteenth Finance Commission (FFC). Although it is a significant challenge reaching the desired/prime target audience, it is being strategized that the allocated funds be utilized effectively and judiciously to reach out the last mile.

The Committee was informed that the first issue of comprehensive magazine by the Ministry "Gramodaya Sankalp" was released during the National Panchayati Raj Day held on 24th April, 2017 at Lucknow, Uttar Pradesh. Major contents of the magazine have been embedded with the QR codes to enable readers to watch related audio-visual videos. More than two lakh copies of the magazine have been dispatched to all tier of Panchayats and Panchayat Secretaries of Gram Panchayats. The official YouTube channel of the Ministry has

been launched on 24 April 2017, through which inspirational and training films or documentary on key issues relating to Panchayati Raj can be seen. Mobile Apps have been developed by the Ministry for accessing "Gramodaya Sankalp" magazine and the YouTube channel to harness the increasing uses of smartphones in rural areas.

The recommendation of the Committee as regards approaching the Ministry of Finance for higher allocation under Media & Publicity Scheme for its better, effective and result-oriented utilization has been noted. The higher allocation will be taken up with the Ministry of Finance at RE stage after substantial utilization of allocated budget."

[O.M. No. H-11013/1/2017-Parl dated 14 June, 2017]

Comments of the Committee

(Please see Paragraph No. 8 of Chapter I of the Report)

Recommendation (Serial No. 5)

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.

Reply of the Government

"Under the scheme of "Action Research & Research Studies (AR&RS)", the allocation was reduced to Rs. 2.50 crore at R.E. stage keeping in view the committed liability under the scheme. This amount of Rs. 2.50 crore was utilized completely.

The recommendations of the Hon'ble Committee to expedite the various studies being undertaken by the Ministry are noted. The matter is being pursued with the various research institutes to get the on- going studies completed expeditiously for sharing the findings with the States and other stakeholders.

To make the scheme more result oriented, a parallel exercise has also been undertaken to identify the new themes for launching the Action Research & Research Studies during the current financial year to meet the emerging requirements.

In the current year Rs. 4.00 crore has been allocated for the purpose and it is planned to utilize the entire allocated funds."

[O.M. No. H-11013/1/2017-Parl dated 14 June, 2017]

Recommendation (Serial No. 7)

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 RGPSA 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.

Reply of the Government

"Ministry of Panchayati Raj (MoPR) is making conscious efforts towards strengthening of Panchayats and motivating them through awards wherein due recognition is given to the best performing Panchayats and States/UTs of the country. This way, this Ministry has taken a holistic approach towards creating an overall system of good governance by which deserving Panchayats and States/UTs gets recognition while setting a model for others to follow. The best performing Panchayats are thus awarded on 24th of April every year on the occasion of National Panchayati Raj Day (NPRD).

Detailed Questionnaires for Awards have been developed by MoPR by utilizing various criteria/indicators to measure accountability system and transparent functioning of Panchayats. The nomination of Panchayats for awards is done by assessing and evaluating the information provided by the Panchayats on the basis of detailed marking scheme at various levels like Block Level Committee, District Level Committee, State Panchayat Performance Appraisal Committee and State Field Verification Teams. The nominations from States/UTs are invited online to reduce the time in the overall process.

Field verification of nominated Panchayats is also conducted through independent agencies (National Level Field Verification Agencies) engaged for this purpose by MoPR which are entrusted to validate the Panchayats nominated by the State Government/UT Administration for awards. A National Screening Committee for Panchayat Awards constituted in MoPR makes final selection of Panchayats for awards.

The entire RE 2016-17 allocation of Rs.33.00 crore under the Incentivization of Panchayats scheme has been utilized. The award money released for the awardee Panchayats is to be utilized for public purposes especially livelihood support, assets creation, civic amenities creation & maintenance and bridging the gaps in the funds received from Union/State Governments for various projects. The money so released is monitored through utilization certificates received from the concerned State Governments/UT Administrations.

This year NPRD was held on 24th April, 2017 at Lucknow, Uttar Pradesh. This was widely publicized at national level and well attended by the representatives from various Panchayats across the country apart from the ones selected for the Panchayat Awards. The celebration of the occasion was aimed to highlight the important role of Panchayats in overall governance and development. A total of 209 Panchayats across 25 States were awarded under various categories of Panchayat Awards. A wide coverage of the event including

the awards was done by the Media so that the Panchayats are made aware about the awards given by the Ministry."

[O.M. No. H-11013/1/2017-Parl dated 14 June, 2017]

Recommendation (Serial No. 8)

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.

Reply of the Government

"In order to expedite the rollout of e-Panchayat, the availability of broadband connectivity at Panchayat level is a pre-requisite and the Department of Telecommunications(DoT) is in the process of modifying the implementation strategy of BharatNet to expedite the rollout of BharatNet to connect all the Gram Panchayats in the country (including North-East) by March, 2019. MoPR is regularly pursuing this matter with DoT."

[O.M. No. H-11013/1/2017-Parl dated 14 June, 2017]

Comments of the Committee

(Please see Paragraph No. 14 of Chapter I of the Report)

Recommendation (Serial No. 9)

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.

Reply of the Government

"The restructuring of the scheme as RGSA is currently underway and the Committee under the Chairmanship of the Vice Chairman, NITI Aayog has recently submitted its recommendations. The Committee was entrusted with the task of making the capacity building programme for PRIs more comprehensive and responsive in a manner that adequate trained manpower would be available and ERs are duly made aware of their rights and duties for effective delivery of citizen services through PRIs. It is expected that this will lead to more effective training programmes to attain the desired results.

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The concept of GPDP would also be accordingly aligned with activities of capacity building and training. The issue of trained manpower will be taken care of appropriately, and in this regard National Institute of Rural Development and Panchayati Raj (NIRD&PR) Hyderabad is being involved in a substantial and comprehensive manner, for assisting in the field, for creating a pool of master trainers for ensuring effective capacity building and training of PRIs. Judicious and full utilisation of the available budgetary provisions of this Scheme in a targeted and effective manner is the goal of this Ministry.

All out efforts are sincerely being made by the Ministry for expeditious and full utilization of Rs. 691.90 crore for capacity building of Panchayats in different parts of the country. Every month CEC meetings are being held and states are being encouraged to submit comprehensive annual action plan in accordance with scheme."

[O.M. No. H-11013/1/2017-Parl dated 14 June, 2017]

Recommendation (Serial No. 10)

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.

Reply of the Government

"A pilot of the 'ATM services in Panchayat Bhawans' is planned to be undertaken once the same is approved under restructured RGSA, which is under process for formulation.

As regards the issue of construction of Gram Panchayat buildings, it is stated that as per information available with this Ministry there are around 48000 Gram Panchayats which do not have buildings. With a view to mitigate this problem, the Panchayati Raj Departments of States have been requested for issuing appropriate instructions to the concerned authorities of PRIs at all levels for construction of buildings at Gram Panchayat level utilizing inter alia the funds available under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). The guidelines of that scheme under Chapter 7, para 7.1.3 of the existing scheme provide for funds for construction of Gram Panchayat buildings. Ministry's letter to States No. K-11022/2/2017-CB dated 2nd May, 2017 for convergence with other schemes like MGNRES is enclosed as Annexure."

[O.M. No. H-11013/1/2017-Parl dated 14 June, 2017]

Comments of the Committee

(Please see Paragraph No. 17 of Chapter I of the Report)

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

- NIL -

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLY OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

- NIL -

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation (Serial No. 6, Para No. 1)

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.

Reply of the Government

"It is stated that during the year 2016-17 against the RE provisions of Rs. 592.95 crore, funds were utilised to the tune of Rs. 592.94 crore. Out of this, funds to the tune of Rs. 586.42 crore were released to 25 States and one Union Territory under the scheme. As already submitted above in response to Recommendation No. 3 of the Committee, the Ministry of Finance has permitted this Ministry to utilize the funds under BE 2017-18 for this scheme for activities related to Capacity building and training and some other components as indicated in the above mentioned response to Recommendation No. 3. The Committee has submitted its report on 26th

May, 2017. Formulation of restructured scheme is under process. Efforts will be made by this Ministry to obtain the approval of the scheme at the earliest."

[O.M. No. H-11013/1/2017-Parl dated 14 June, 2017]

Comments of the Committee

(Please see Paragraph No. 11 of Chapter I of the Report)

NEW DELHI; <u>28 December, 2017</u> 07 Pausha, 1939 (Saka) DR. P. VENUGOPAL

Chairperson,
Standing Committee on Rural Development

STANDING COMMITTEE ON RURAL DEVELOPMENT (2017-2018)

MINUTES OF THE SECOND SITTING OF THE COMMITTEE HELD ON THURSDAY, 07 DECEMBER, 2017

The Committee sat from 1130 hrs. to 1300 hrs. in Committee Room. 'B,' Ground Floor, Parliament House Annexe (PHA), New Delhi.

Dr. P. Venugopal -- Chairperson

MEMBERS Lok Sabha

- 2. Shri Sisir Adhikari
- 3. Shri Gokaraju Ganga Raju
- 4. Shri Vijay Kumar Hansdak
- 5. Shrimati Mausam Noor
- 6. Shri Prahlad Singh Patel
- 7. Smt. Renuka Butta
- 8. Dr. Yashwant Singh
- 9. Shri Ladu Kishore Swain
- 10. Shri Ajay Misra (Teni)
- 11. Shri Chintaman Wanaga

Rajya Sabha

- 12. Smt. Shanta Chhetri
- 13. Shri Shamsher Singh Dullo
- 14. Shri Javed Ali Khan
- 15. Shri Mahendra Singh Mahra
- 16. Shri K.T.S. Tulsi

SECRETARIAT

- 1. Shri. Shilpi Chatterjee Director
- Smt. Emma C. Barwa Deputy Secretary

Ministry of Rural Development (Department of Rural Development)

Shri Prasant Kumar - Joint Secretary
 Smt. Alka Upadhyaya - Joint Secretary
 Smt. Aparajita Sarangi - Joint Secretary

Government of Meghalaya

- 1. Shri Y. Tsering Chief Secretary
- 2. Smt. I.R. Sangma Secretary

- 2. At the outset, the Chairperson welcomed the members of the Committee to the sitting convened to consider and adopt two draft Reports viz. XXX XXX XXX XXX (ii) Draft Report on action taken by the Government on the recommendations contained in the 34th Report (16th Lok Sabha) on 'Demands for Grants (2017-18)' of the Ministry of Panchayati Raj XXX XXX XXX XXX.
- 3. The Committee took up for consideration two draft Reports and after deliberations adopted the same without any modifications. The Committee also authorized the Chairperson to finalize the reports and present the same to Parliament.

| 4. | XXX |
|----|-----|-----|-----|-----|-----|-----|-----|
| 5. | XXX |
| 6. | XXX |
| 7. | XXX |

XXX Not related to the Report.

APPENDIX - II

[Vide para 4 of Introduction of Report]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE THIRTY-FOURTH REPORT ON DEMANDS FOR GRANTS (2017-18) OF THE MINISTRY OF PANCHAYATI RAJ

I.	Total number of recommendations:	10
II.	Recommendations that have been accepted by the Government: Serial Nos. 1, 2, 3, 4, 5, 7, 8, 9 and 10	
	Total: Percentage:	09 90 %
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies : NIL	
	Total: Percentage:	00 0 %
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee :	
	Serial No. NIL	
	Total: Percentage:	0 0 %
V.	Recommendations in respect of which final replies of the Government are still awaited : 6	
	Total: Percentage:	01 10 %