

STANDING COMMITTEE ON RURAL DEVELOPMENT

(2017-2018)

50

SIXTEENTH LOK SABHA

MINISTRY OF PANCHAYATI RAJ

IMPROVEMENT IN THE FUNCTIONING OF PANCHAYATS

FIFTIETH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

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**(SIXTEENTH LOK SABHA)**

**MINISTRY OF PANCHAYATI RAJ**

**IMPROVEMENT IN THE FUNCTIONING OF PANCHAYATS**

Presented to Lok Sabha on 19.07.2018

Laid in Rajya Sabha on 19.07.2018



**LOK SABHA SECRETARIAT**

**NEW DELHI**

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## CONTENTS

		Page No.
COMPOSITION OF THE COMMITTEE (2017-2018) .....	(iii)	
INTRODUCTION .....	(iv)	
<b>REPORT</b>		
<b>PART I</b>		
<b>I. Chapter I</b>	<b>Introduction</b>	<b>1</b>
	Reservation of seats for disadvantaged/marginalized sections in Panchayats	3
	Reservation for women	3
	Vision/Mission of the Ministry of Panchayati Raj	3
	Devolution of Powers	4
<b>II. Chapter II</b>	A.    Role of Fourteenth Finance Commission	5
	B.    Condition for Release of Funds	7
	C.    Other United Funds	9
	D.    Capacity Building Monitoring of Expenditure by Gram Panchayat under FFC	9
<b>III. Chapter III</b>	A.    Capacity Building - Panchayat Sashaktikaran Abhiyan (CB-PSA)	11
	B.    Releasing of Funds to States under CPSA	12
	C.    New Approach for Capacity Building & Training (CB&T)	13
<b>IV Chapter IV</b>	<b>Various Areas of Improvements in functioning of Panchayats</b>	<b>16</b>
	A.    Gram Panchayats Development Plan (GPD)P	16
	B.    Incentivization of Panchayats	17
	C.    Improvement in the Functioning through e-Panchayat	19
<b>V. Chapter V</b>	<b>MISCELLANEOUS</b>	<b>21</b>
	A.    Awareness Generation	21
	B.    Awareness Generation through various Media forms	22
	C.    Common Service Centres (CSC) in Gram Panchayats	23
<b>Part II Recommendations/Observations</b>		<b>25</b>
(i)	Annexure I	37
(ii)	Annexure II	39
(iii)	Annexure III	40
(iv)	Minutes of the Third sitting held on 09 January, 2018	41
(v)	Extract of Minutes of the 12th Sitting of the Committee held on 26.06.2018	43

## COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT

(2017-2018)

**Dr. P. Venugopal** -- *Chairperson*

**MEMBERS**

***Lok Sabha***

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

***Rajya Sabha***

22. Shri Ajay Pratap Singh<sup>^</sup>
23. Smt. Shanta Chhetri
24. Shri Shamsher Singh Dullo
25. Shri Javed Ali Khan
26. Shri Rathwa Naranbhai Jemlabhai<sup>\$</sup>
27. Shri Narayan Lal Panchariya
28. Shri A.K. Selvaraj
29. Shri Prashanta Nanda<sup>#</sup>
30. Shri K.T.S. Tulsi
31. Shri Lal Singh Vadodia

**Secretariat**

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

\*Nominated to the Committee w.e.f. 27.04.2018 vice Shri Chintaman Wanga.

<sup>^</sup> Nominated to the Committee w.e.f. 02.06.2018

<sup>\$</sup> Nominated to the Committee w.e.f. 02.06.2018

<sup>#</sup> Nominated to the Committee w.e.f. 02.06.2018

## **INTRODUCTION**

I, the Chairperson of the Standing Committee on Rural Development (2017-2018) having been authorized by the Committee to submit the Report on their behalf, present the Report on 'Improvement In The Functioning of Panchayats' of the Ministry of Panchayati Raj.

2. The Committee had a briefing of the representatives of the Ministry of Panchayati Raj on 09th January, 2018.

3. The Draft Report was considered and adopted by the Committee at their sitting held on 13.07.2018.

4. 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.

5. The Committee 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;**  
**13 July, 2018**  
**22 Ashadha, 1940 (Saka)**

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

**REPORT  
PART – I**

**I. INTRODUCTION**

This is a matter of pride for all of us that we have a continuing system of 'Panchayats' and 'Panch Parmeshwar' for local development and solving the problems of common people. After independence the participation of local people for development of rural areas through Panchayati Raj System was provided in Indian Constitution through 73<sup>rd</sup> amendment. This system was made mandatory with some flexibility to State Government and given a structured framework. Panchayats are cornerstone of local self governments and peoples' participation in governance mandated in Part IX of the Constitution of India. Part IX was inserted in the Constitution as a sequel to the 73<sup>rd</sup> Constitution Amendment Act. Consequently 'Panchayats' have assumed Constitutional mandatory status. As per the Constitution, three tiers of Panchayats are to be constituted, through elections every five years, except in States with population less than 20 lakhs, where Panchayats at two tiers may be created. The Constitution envisages that Panchayats will function as institutions of local government and prepare plans and implement schemes 'for economic development and social justice'.

1.2 Panchayat system has been an integral part of our culture and civilization. After independence, the participation of local people for development of rural areas was provided in Indian Constitution. Through 73<sup>rd</sup> Amendment Panchayati Raj system has made mandatory along with basic framework for the system.

1.3 Decentralization is key to promote good governance and to improve quality and reach of public service delivery at the grassroots. It also leads to enhanced transparency and accountability. Participatory local budgeting, which involves transfer of decision-making powers related to local budget allocation from public administrators to local governments and citizens, tends to accelerate further decentralization. Participatory budgeting, bestows opportunity to citizens to deliberate over part of the resource allocation in their communities, opening up possibilities of greater matching of resources with local needs.

1.4 The Ministry of Panchayati Raj was created as a separate Ministry on 27<sup>th</sup> May 2004. It has the primary objective of overseeing the implementation of Part IX of the Constitution, implementation of the provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) in the Fifth Schedule areas. Since under the provision in the Constitution, most of the actions including framing of laws rests with the State Governments, the Ministry strives to reach its goals with regard to improvements in the functioning of Panchayats primarily through policy interventions, advocacy, capacity building, persuasion and also through financial support.

1.5 73<sup>rd</sup> Constitutional Amendment Act (CAA), 1992 incorporated as the Part IX of the Constitution includes the following mandated provisions for Panchayats:-

- (i) Three tiers of Panchayats except in States with population below 20 lakhs. (Article 243-B)
- (ii) Direct election to seats at all three tiers of Panchayats [Article 243C(2)]
- (iii) Indirect elections for chairpersons of Block and District Panchayats [Article 243C(5)(b)]
- (iv) Reservation in seats for the Scheduled Castes and Scheduled Tribes in proportion to their respective population [Article 243 D(1)];
- (v) Reservation of not less than one third seats and offices of chairpersons for women including within SC and ST reservations [Article 243D(3)]
- (vi) Rotation of reserved seats and offices of Chairpersons [Article 243D(3)& (4)]
- (vii) Election to Panchayats every five years [Article 243 E]
- (viii) Constitution of State Finance Commissions [Article 243I] every five years to review the financial position of Panchayats and make recommendations to Governor regarding distribution between the State and Panchayats of taxes, duties, tolls etc.
- (ix) Setting up of State Election Commission (SEC) and vesting the superintendence, directions and control of the preparation of electoral rolls for and the conduct of all election to the Panchayats in SEC [Article 243K]

1.6 The application/ operation of the following provisions in Part IX have been left to the discretion of the respective States:

- (i) Powers of Gram Sabha [Article 243A]
- (ii) Direct election of president of Village Panchayat [Article 243C(5)(a)]
- (iii) Reservation of seats in Panchayats in favour of backward class of citizens [Article 243D(6)]
- (iv) Powers, authority and responsibilities of Panchayats [Article 243G]
- (v) Powers to impose taxes by and fund of, the Panchayats [Article 243H]

**Reservation of seats for disadvantaged/marginalized sections in Panchayats:**

1.7 Article 243 D of the Constitution of India provides for the reservation of seats for the scheduled castes and Scheduled Tribes in every Panchayat (at all levels) in proportion of their population in the Panchayat area. Reservation of seats for the Scheduled Castes and Scheduled Tribes at all levels of Panchayat is a mandatory provision and generally the State Governments have complied to this by making a provision in their respective Panchayati Raj Acts.

**Reservation for women:**

1.8 Reservation of one third seats for women (including the seats reserved for the Scheduled Castes and Scheduled Tribes) by rotation is mandatory provision and the State Governments have already made provision in this regard. 20 States viz. Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Maharashtra, Odisha, Rajasthan, Sikkim, Tripura, Uttarkhand, West Bengal, Madhya Pradesh, Assam, Bihar, Tamil Nadu, Telangana and Punjab have already raised reservation for women from the minimum stipulated 33.3% to 50% in the PRIs, taking women representation in PRIs to 46%. Reserved seats for SC, ST and Women are also rotated by States. Rotation of reserved seats are mandated under the Constitution and the precise modalities for rotation are left to the discretion of States.

**Vision/Mission of the Ministry of Panchayati Raj**

1.9 To attain decentralized and participatory local self-government through Panchayati Raj Institutions (PRIs)

**Mission:**

1.10 Empowerment, enablement and accountability of Panchayati Raj Institutions to ensure inclusive development with social justice, and efficient delivery of services.

1.11 The Ministry has been striving for achieving vision and mission through implementation of comprehensive schemes, Finance Commission Awards, Capacity Building, Advocacy etc. for Panchayati Raj systems.

### **Devolution of Powers**

1.12 The Committee were further informed about the devolution of powers as under:-

"'Panchayat' being a State subject the devolution of powers and authority to Panchayats has been left to the discretion of States. In terms of Article 243G of the Constitution the State Legislatures are to consider the 29 matters illustratively set out in the Eleventh Schedule for devolution to the Panchayats for the planning of economic development and social justice schemes. As devolution of powers to PRIs is left to the discretion of States, the profile of devolution varies across the States.

The Ministry encourages States to devolve powers (3Fs i.e. Funds, Functions and Functionaries) to PRIs. MoPR has regularly reviewed the status of devolution with States. MoPR also incentivizes States for devolution of powers. An assessment is made from time to time by an independent agency regarding the extent to which various States have devolved funds, functions and functionaries (3Fs) to Panchayats. States that are ranked high are used to be awarded on Panchayati Raj Day on 24<sup>th</sup> April.

This Ministry has actively promoted the crucial role of the Gram Sabha for the robust and vibrant functioning of Panchayati Raj system. Ministry has from time to time, issued comprehensive guidelines, advisories, instructions etc for the effective functioning of the Gram Sabha and for holding regular meetings of Gram Sabhas. In many States it is found that even the number of mandatory Gram Sabha meetings may not be taking place and the Gram Sabha meeting may take place but it may be attended by a very few people. As a result of persuasion by MoPR, many States have put up a quorum for participation of women. Thus, MoPR encourages other States to include such provision in their Acts so that women's issues are discussed in Mahila Sabha first and then put up before the Gram Sabha."

## CHAPTER - II

### **A. Role of Fourteenth Finance Commission (FFC) Grants**

2.1 Article 280(3) (bb) of the Constitution inserted vide the 73rd Amendment Act States that "the measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayats in the State on the basis of the recommendations made by the Finance Commission of the State". Accordingly, Union Finance Commissions are required to make recommendations to augment the Consolidated Fund of a State to supplement the resources of the Panchayats in the State on the basis of the recommendations made by the Finance Commission of the State.

2.2 The Ministry of Panchayati Raj regarding role of Fourteenth Finance Commission Grants informed the Committee as under:-

"Under Fourteenth Finance Commission (FFC) for the award period 2015-20, grants to the tune of Rs.2,00,292.20 crore are being devolved to Gram Panchayats constituted under Part IX of the Constitution, amounting to an assistance of Rs.488 per capita per annum at an aggregate level for 26 States for delivering basic services, creation of reliable data base of local bodies' receipts & expenditure through audited accounts and for improvement of own source revenue. For the first time, Finance Commission grants have been decided to be given directly to Gram Panchayats and the grant is more than three times the 13<sup>th</sup> Finance Commission grant (2010-15)."

### **Allocation and Release of Thirteenth Finance Commission Grants to rural local bodies (2010-15):**

**(Rs. in crore)**

<b>Year</b>	<b>Allocation</b>	<b>Release</b>
2010-11	5959.11	5781.25
2011-12	10203.41	8403.18
2012-13	14407.44	10216.93
2013-14	16547.89	17644.29
2014-15	18042.86	16210.96
<b>Total</b>	<b>65160.71</b>	<b>58256.61</b>

90 percent of the FFC grants are the basic grant and 10 percent is the performance grant (applicable from 2016-17 onwards). Performance Grants applicable w.e.f. 2016-17, has to be released subject to the condition that gram panchayat will have to submit audited annual

accounts that relate to a year not earlier than two years preceding the year in which the gram panchayat seeks to claim the performance grant. It will also have to show an increase in the own revenues of local bodies over the preceding years as reflected in the audited accounts. The Grants provided are intended to be used to support and strengthen the delivery of basic civic services, as mentioned above, including water supply, sanitation including septage management, sewerage and solid waste management, storm water drainage, maintenance of community assets, maintenance of roads, footpaths and street-lighting, and burial and cremation grounds, and any other basic service within the functions assigned to them under relevant legislations.

- (i) It is mandatory for the States to release the FFC Grants within 15 days of its receipt to the GPs electronically. For delays beyond 15 days, interest is to be paid by States at the prevailing RBI rates from States' own funds.
- (ii) To facilitate better monitoring of the release/sector-wise expenditure made by GPs from FFC grants, MoPR has developed online system (MIS) under PlanPlus (<http://planningonline.gov.in/ffcReport.jsp>). MoPR has facilitated MIS to enable States to co-ordinate planning and review of FFC grants.
- (iii) A Dashboard has been created that has also been translated into a mobile application RAGAV (Rashtriya Gram Anudaan E�am Vikas Dashboard). Data entry in the application has to be provided by the States to ensure transparency and visibility.
- (iv) MoPR is pursuing with States for constitution and regular meetings by States of High Level Monitoring Committee (HLMC) headed by Chief Secretary for monitoring and concurrent evaluation of local bodies.
- (v) A Coordination Committee under the Chairpersonship Secretary, Panchayati Raj has also been constituted to inter-alia guide and support States and local bodies in the implementation of FFC recommendations, monitor progress of expenditure of grants by local bodies and suggest remedial measures in terms of the MoF guidelines.
- (vi) In order to ensure that the vast financial resources with the Panchayats are properly utilized for the purpose for which they are provided and the recommendations of the FFC relating to proper maintenance of accounts by the Panchayats and their audit are implemented, MoPR through Institute of Public Auditors of India (IPA) has prepared state specific budget, accounts and audit manuals for 35 State/ UTs except Delhi. These manuals when adopted by the States are expected to assist the State Governments and Gram Panchayats in fast tracking the maintenance and auditing of accounts on a uniform pattern in the entire country, in line with the

Model Accounting System advocated by the office of the Comptroller & Auditor General of India.

## **B. Conditions for Release of Funds**

2.3 The Ministry of Panchayati Raj also informed about the conditions for release of grants to the States as under:-

"Grants are provided to duly constituted Panchayats as provided in Part IX of the Constitution and receipt of Utilisation Certificate (UC) for the previous installment drawn in the prescribed format of the guidelines dated 8-10-2015 to be furnished by the State."

Performance Grants applicable w.e.f. 2016-17, will be released only on fulfillment of these two conditions-

- (i) GPs to submit audited annual accounts that relate to the year two years preceding the year in which the GP is eligible to claim the grant.
- (ii) GP also to show an increase in the own revenues over the preceding years as reflected in the audited accounts.

### **Scheme for Performance Grants:**

MoPR has developed a scheme for disbursal of performance grants by the States containing MoF Guidelines' criteria for preparation of Gram Panchayat Development Plans (GPD) and display of FFC expenditure in the MoPR Dashboard to promote transparency and accountability in addition to measurement of Sanitation and Immunization Status towards achievements of FFC objectives.

### **Releases of Basic and Performance Grants recommended by FFC:**

- (i) Since September, 2016, the Ministry of Panchayati Raj (MoPR) has been mandated to recommend release of FFC grants to rural local bodies, as per decision taken by Ministry of Finance (MoF).

### **Status of Allocation/Release under Fourteenth Finance Commission to rural local bodies as on 31.12.2017:**

(Rs. in crore)

Grants	2015-16		2016-17		2017-18	
	Allocation	Release	Allocation	Release	Allocation	Release
<b>Basic Grant</b>	21624.46	21510.46	29942.87	28529.37	34596.26	23830.20
<b>Performance Grant</b>	--	--	3927.65	3499.45	4444.71	-----
<b>Total</b>	21624.46	21510.46 (99.47%)	33870.52	32028.82 (94.56%)	39040.97	23830.20 (61.04%)

Total amount of FFC Grants released to the rural local bodies so far is Rs.77369.48 crore. Statement showing allocation and release of basic and performance grants for the year 2015-16, 2016-17 and 2017-18 is at **Annexure-II**. Further, the details of state wise release of Thirteenth Finance Commission grants for the period 2012-13 to 2014-15 & FFC grants for the period 2015-16 to 2017-18 are given at **Annexure-III**.

#### 2.4 The Secretary during the oral evidence further clarified as under:-

"एक अन्य माननीय सदस्य ने भी इसके बारे में उल्लेख किया है। जब तक किसी भी एजेंसी, चाहे वह कोई पंचायत हो या कोई भी डिपार्टमेंट हो, जब तक वहां उस राशि के प्रॉपर यूटिलाइजेशन और प्रोजेक्ट एक्सेक्यूशन में सटिसफैक्शन न हो, तब तक यह समय पाना बहुत मुश्किल होता है की उस राशि का सदुपयोग हुआ है या नहीं हुआ है। इस कारण वहां ऑडिट होना महत्वपूर्ण है। मैं यह मंटा हूँ की सी.ए.जी ऑडिट में भले ही दिक्कत होती हो, लेकिन सभी पंचायतें लोकल ऑडिट करवा रही हैं। इस कारण 14वें वित्त आयोग द्वारा इन पंचायतों के लिए स्वीकृत राशि उनके ऑडिट के बाद दी जाती हैं। शासन का यह प्रयास है की सभी पंचायतों का ऑडिट हो। अतः जिन पंचायतों का ऑडिट नहीं हो पाता है, हम उन राज्यों से उन्हें राशि न निर्गमित करने के लिए कहते हैं।

एक अन्य माननीय सदस्य ने यह विषय रेज किया था की कुछ राज्यों में एफ.एफ.सी. की राशि नहीं दी गई है। हम इसके बारे में उन राज्यों से जानकारी प्राप्त करेंगे, की उन्हें किन कारणों से यह राशि प्राप्त नहीं हुई है। यदि केंद्र सरकार के वित्त विभाग के नियम और राज्य शासन की मैनेडेटरी कंडीशंस मीट हो जाती हैं, तो हम यह राशि राज्यों को निर्गमित करते हैं, जिन्हे 15 दिनों के भीतर वह राशि पंचायतों को देनी होती है। विगत वर्ष असम ने इसमें काफी विलम्ब किया था। इस कारण उलटिमटेली असम राज्य को with interest, उस पूरी राशि को पंचायतों को निर्गमित करना पड़ा था।"

#### 2.5 The Secretary further added as under:-

"From there, after the eligibility is certified by us, then they look into their fund release mechanism and issue the money to the States. The States, as per the 14th Finance Commission mandate, have to have it given to the gram panchayats. Some States have started doing it online; others by whatever methodology. But, it should reach the accounts of the gram panchayat within 15 days. As I mentioned, Assam had delayed by several months and ultimately they had to pay the amount to the panchayats with interest. Once it reaches there, then the panchayats have to take action on the funds that have been received by them. Then, of course, the States, we have constituted these committees, online mechanism etc. whereby information on that has to flow back to us."

### **C. Other Untied Funds**

2.6 The Committee were also informed about the other Untied Funds as under:-

"In addition, Panchayats at all three levels receive SFC grants and also raise their own revenue through various sources like tax and non-tax means. Since one of the criteria for 10 percent performance grant under FFC is increase of OSR, this Ministry has been making efforts to educate and empower GPs to generate OSR. A follow-up workshop to the earlier workshop of 2015 was conducted by MoPR in February- March, 2017 at Deendayal Research Institute (DRI), Jabalpur with all the states to assess the OSR situation of the states and suggest improvement mechanisms. Many states are now conducting capacity building of their elected representatives and functionaries for OSR generation by Panchayats."

### **D. Monitoring of Expenditure by Gram Panchayats under FFC Grants**

2.7 The Ministry while elaborating the Monitoring system of expenditure by Gram Panchayats under FFC stated as under:-

- (i) As per Ministry of Finance (MoF) guidelines, FFC coordination Committee has been constituted under the Chairmanship of Secretary, Ministry of Panchayati Raj (MoPR) to provide guidance and support to the State Governments and Local Bodies on implementation of the FFC recommendations and also monitor the releases and utilization of FFC funds. At the State level, High Level Monitoring Committees (HLMCs) are set up under the Chairmanship of the Chief Secretary towards monitoring and evaluation of utilization of FFC funds.
- (ii) To facilitate better monitoring of the release/sector-wise expenditure made by GPs from FFC grants, MoPR has developed online system (MIS) under PlanPlus application (<http://planningonline.gov.in/ffcReport.jsp>). Data level entry has to be provided by the State.

2.8 The Committee were further informed about the advisories issued by Ministry of Panchayati Raj to States for implementation of recommendations by FFC as under:-

- (i) "Activities which can be undertaken by Panchayats utilizing the 10% allocation towards providing administrative and technical

support for O&M and capital expenditure by the GPs has been issued vide letter dated 16.12.2015.

- (ii) For provision of water supply and sanitation in Anganwadis and schools vide letter dated 18.03.2016.
- (iii) For display of details of works/activities undertaken by GPs for information of the public & beneficiaries vide letter dated 20.06.2016.
- (iv) For providing safe drinking water to rural people vide letter dated 27.09.2016.
- (v) For providing dustbins to every hamlet in Gram Panchayats vide letter dated 8<sup>th</sup> September, 2017."

2.9 The Committee during evidence enquired about the involvement of MPs and MLAs in the Panchayat working and funding. The Secretary, MoPR in this regard stated as under:-

"Sir, the 14th Finance Commission has said that this fund has to be given and executed by the gram panchayats. Their recommendations have been accepted by the Government of India. This issue can be looked at only by the 15th Finance Commission which has recently been constituted. We cannot change the norms of the 14th Finance Commission now."

### **CHAPTER - III**

#### **A. Capacity Building - Panchayat Sashaktikaran Abhiyan (CB-PSA)**

3.1 The Ministry of Panchayati Raj has been providing programmatic support for strengthening of PRIs, improvement in the functioning of Panchayat, advocacy support for inter-ministerial and multi-sectoral coordination, and capacity support for enhancing devolution to PRIs and finding solutions for local governance and outreach.

3.2 The Committee in this regard were informed about some of the major activities being taken up as under:-

- (i) "Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) in the <sup>th</sup> 12 Five Year Plan period i.e from 2012-13 upto 2015-16. The RGPSA addressed the major constraints relating to devolution of powers, lack of manpower, inadequate infrastructure and limited capacity in the effective functioning of Panchayats by providing manpower, infrastructure, trainings and advocacy for devolution of power to Panchayats and put in place structures of accountability. Funds to the tune of Rs.1253 crore had been released to the States up to 2015-16 towards the above activities. W.e.f. the year 2015-16, the State component of scheme was delinked from central support. In the context of larger devolution of funds made available to Gram Panchayats under FFC Awards support under the scheme was provided for Capacity Building requirement for GPDP, training infrastructure and HR, HR for PESA and e governance, and for programme management costs."
- (ii) In the context of budget speech of Hon'ble Finance Minister for 2016-17, the action is under way to launch the restructured Rashtriya Gram Swaraj Abhiyan (RGSA). The meeting of EFC in this regard is scheduled on 9<sup>th</sup> January, 2018. RGSA seeks to strengthen Panchayati Raj Institutions (PRIs) by way of capacity building of the PRIs and its functionaries. The scheme aims at enhancing the capacity of Panchayats for Panchayat governance, enabling them to prepare Gram Panchayat Development Plans (GPDP) in a participatory mode for optimum utilization of available resources, as well as to provide information on various government schemes and Panchayat processes to enable PRIs thereby to become more responsive towards citizen's needs.

3.3 The Committee with regard to the availability of personnel for working in Panchayats administrative work observed that there is shortage of trained administrative staff in the Panchayats. The Committee, therefore, enquired about the situation, the Secretary, during evidence stated as under:-

"संसद महोदय ने एक इशू रेज किया था की उत्तर प्रदेश में आठ-दस पंचायतों पर एक ग्राम सचिव है। अन्य माननीय सदस्यों ने भी इस तरह का उल्लेख किया था। इस प्रकार की स्थितियां कई राज्यों में थीं। इसको राज्यों से परस्यु किया गया और उत्तर प्रदेश में भी, जहाँ तक मेरी जानकारी है, ग्राम पंचायत सचिवों के लिए विज्ञापन दिया जा रहे हैं। मध्य प्रदेश में पिछले एक वर्ष से परिस्थितियां बदली हैं। वहाँ भी हरेक ग्राम पंचायत पर एक पंचायत सचिव का पद दिया गया है। केवल पंचायत सचिवों के मामले में ही नहीं, बल्कि कई विभागों में अधिकारीयों और कर्मचारियों की शॉर्टेज होती है। यह एक कन्टीन्यूअस इशू है, परन्तु में इस बात से सहमत हूँ की ग्राम पंचायत के सचिव प्रत्येक ग्राम पंचायत में होने चाहिए। यद्यपि पंजाब जैसे राज्यों में बहुत छोटी-छोटी ग्राम पंचायतें बना दी गयी हैं। जैसे पांच सौ की आबादी पर ग्राम पंचायतें बानी हुई हैं। इससे एक अलग समस्या आ रही है।"

3.4 The Committee further enquired about the lack of Junior Engineers in Gram Panchayats, in this regard, the Secretary, answered as under:-

"अपने विकास खंडों में जे-इज़ की कमी के बारे में भी प्रश्न उठाये थे। जैसा की आप सभी अवगत हैं की ये राज्य सरकारों के अधीन आते हैं और कई राज्य सरकारें इस पर बहुत ही तीव्रता से काम कर रही हैं। साउथ के राज्यों में भी इस तरह से किया जा रहा है। परन्तु केंद्र सरकार की ओर से हमने प्रस्तावित किया है की इसके लिए सहायता देंगे।"

#### **B. Releasing of Funds to States under CB-PSA**

3.5 The Committee examination were informed about the release of funds to the States as under:-

"Under the scheme of Capacity Building- Panchayat Sashaktikaran Abhiyan (CB-PSA)/ RGSA, funds have been provided to States towards strengthening of Panchayats. During 2016-17, funds to tune of Rs.585.87 crore had been released. During the current year, funds to the tune of Rs.467.15 crore have been released to 23 State, 1 UT till 31<sup>st</sup> December 2017 whose plans have been approved. Funds have been released to the

States towards strengthening of Panchayats on different activities viz. capacity building and training, training infrastructure, human resource for training, e-enablement, Information Education and Communication (IEC) and Project Management Unit (PMU) etc. The notable achievements made under CB-PSA include the following:

- (i) During 2015-16 an amount of Rs.168.47 crore, and during 2016-17, Rs.585.87 crore has been released to States/UTs.
- (ii) A total number of 48,95,156 Panchayat Elected Representatives and functionaries were trained in GPDP and other trainings during 2015-16 and 2016-17.
- (iii) Trainings for a total of 88.44 lakh Elected Representatives and Functionaries of Panchayats (which includes 17.25 lakhs as carry forward from previous year), including 55.68 lakh for GPDP have been sanctioned so far during 2017-18.
- (iv) Model guidelines for GPDP preparation were prepared and circulated to all States by the Ministry. Based upon these model guidelines, all the State governments where part IX of the constitution is applicable, have notified their State specific guidelines for preparation of GPDP.
- (v) During 2016-17 & 2017-18, total no of 2,44,062 & 1,91,864 GPDPs were prepared respectively by the Gram Panchayats across the country.
- (vi) Total number of 29 State Panchayat Resource Centres (SPRCs) and 267 District Panchayat Resource Centres have been sanctioned under RGSA.

#### **Last 3 years achievements under CB-PSA/RGSPA as on 31 December, 2017**

<b>Activity</b>	<b>FY2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Total</b>
<b>Training (GPDP)</b>	--	10,58,382	25,17,190	<b>35,75,572</b>
<b>Training (CB &amp; others)</b>	9,30,589	3,36,706	9,20,310	<b>22,50,173</b>
<b>Grand Total</b>	<b>9,30,589</b>	<b>14,57,656</b>	<b>34,37,500</b>	<b>58,25,745</b>

#### **C. New Approach for capacity Building & Training (CB&T)**

3.6 The Committee were informed about the new approach for capacity building (CB&T) as under:-

"In the context of larger devolution of funds under FFC Awards, operationalisation of Gram Panchayat Development Plan (GPDP) and India being signatory for achieving the Sustainable Development Goals (SDGs), a fresh approach to CB of Panchayats has become imperative. With the objective of re-aligning the strategy for training in the changed scenario, following

important initiatives are being taken by the Ministry in this regard:

- (i) Leveraging technology for greater outreach amongst the large number of Elected Representatives and Functionaries of Panchayats through use of SATCOM, use of smartphone based applications, use of social media, utilizing short films on best practices of Panchayats and use of portable hand held projectors for wider outreach.
- (ii) Trainings on subjects of national importance viz. water conservation, sanitation, health, education, rural development, women empowerment, digital transactions, Sustainable Development Goals etc.
- (iii) Enhanced focus on trainings on formulation of Gram Panchayat Development Plans (GPDPs).
- (iv) Exposure visits by Panchayat members to GPs with best practices.
- (v) Flexibility to States to evolve State specific training plans
- (vi) Enhanced role to National Institute of Rural Development & Panchayati Raj (NIRD&PR) for improved quality of training, online training programmes and support to State Institute of Rural Development (SIRDs) / Panchayati Raj Training Institutes (PRTIs).
- (vii) Suggestive Innovative training programme for Panchayat ERs and Functionaries involving subjects of national importance and with involvement of subject experts incorporating various training methodologies.
- (viii) Conference of State Panchayati Raj Ministers' to discuss sectoral issues, capacity building for Panchayats, best practices and way forward for the States.
- (ix) Strategic Workshops for developing strategies and solutions relevant to enhance the quality and outreach of CB initiatives for improving local governance, writeshops, video conferences etc organized at regular intervals.
- (x) The National Capability Building Framework 2014 has been prepared after iterative consultations to provide a definitive framework for capacity building for Elected Representatives of the three tiers of Panchayati Raj and for Panchayat Functionaries and other stakeholders that would enable the panchayats to provide local governance solutions and become drivers of local development and social justice.
- (xi) Online applications developed to cater to various aspects of Panchayats' functioning including planning, budgeting, implementation, accounting, monitoring, social audit and delivery of citizen services.
- (xii) Providing handholding support through State Level Workshops for strategy setting for GPDPs in those states."

3.7 The Committee were further informed that about the resource materials for capacity building as under:-

"Under the project for Strengthening Capacities of Panchayati Raj Institutions (SCPRI) supported by UNDP-India, this Ministry has been publishing resource materials on various thematic issues for Elected Representatives and functionaries of Gram Panchayats under the "Active Panchayat" series. The series is meant to inform elected representatives and functionaries of Gram Panchayats about the aspects of governance, drinking water, sanitation, health, child development, animal husbandry, water resources etc. in Gram Panchayats, and to build their capacities to address these issues within their areas.

All the books under the series have been prepared both in English and Hindi and shared with the States for use and adaptation as per state context, translation in local language, and distribution to every Gram Panchayat. The list of books are: 1) Sanitation in Gram Panchayats, 2) Drinking Water in Gram Panchayats, 3) Governance in Gram Panchayats, 4) Child Development in Gram Panchayats, 5) Animal Husbandry in Gram Panchayats, 6) Water Resources in Gram Panchayats, 7) Health Development in Gram Panchayats, 8) Community mobilization in PESA areas, 9) Women Empowerment by Gram Panchayat, 10) Gram Sabha Reader on Sanitation, 11) Training Manual on GPDP, 12) Kaleidoscope- a compilation of good practices in Panchayats.

Another set of Incremental Learning Modules for Panchayati Raj Institutions on Safe Childhood Programme has been launched in collaboration with National Commission for Protection of Child Rights (NCPCR) and UNICEF. Further, reference material for Panchayat representatives and functionaries has been prepared and published by Tata Institute of Social Sciences, Patna Cntre are - 1) Gram Sabha and Ward Sabha, 2) Gram Kachahri, 3) The Role of Panchayat Representatives and Functionaries, 4) Management and Supervision of Panchayat Functionaries, 5) Local Institutions and Services, 6) Planning and Budgeting, 7) People's Participation, Accountability and Transparency, 8) Gram Panchayat and Social Organizations, 9) Gram Panchayat and Rights of the Poor, 10) Panchayats and Poverty Alleviation, 11) Gram Panchayat and Social Justice, 12) Gram Panchayat and Women's Empowerment, 13) Gram Panchayat and the Rights of the Child, 14) Gram Panchayat and Senior Citizens, 15) Gram Panchayat and Persons with Disability, 16) Panchayati Raj and Public Health, 17) Environment and Panchayati Raj, 18) Panchayat's Own Sources of Income, 19) Innovative Practices by Gram Panchayats, and 20) Gram Panchayat: Leadership and Ethics."

## **CHAPTER - IV**

### **Various Areas of Improvements in Functioning of Panchayats**

#### **A. Gram Panchayat Development Plan (GPDP)**

4.1 The FFC Award has created an opportunity for convergent plans at the level and leadership by Panchayats in providing basic amenities and services to the people. MoPR has supported States to develop State specific guidelines for Gram Panchayat Development Plans (GPDP) which converge all the resources over which the Panchayats have command including FFC funds, MGNREGS funds, Swachh Bharat funds, etc. The Gram Panchayat Development Plans are also an opportunity for the community to be engaged in setting local development agenda and finding local solutions to development issues.

4.2 The Committee were informed that last issued model guidelines for formulation of Gram Panchayat Development Plan (GPDP) are as under:-

"Ministry of Panchayati Raj has issued model Guidelines for formulation of Gram Panchayat Development Plan (GPDP). All States have issued State-specific Guidelines for preparation of GPDP. The FFC Award has created an opportunity for convergent plans at the GP level and leadership by Panchayats in providing basic amenities and services to the people. The GP Development Plans are also an opportunity for the community to be engaged in setting local development agenda and finding local solutions to development issues.

The GPDP allows for different local models and innovations that would be locally appropriate and cost effective. It can help GPs to transform into institutions of local self-government. With the FFC award, the Gram Panchayats are now preparing comprehensive Gram Panchayat Development Plan (GPDP), converging all the resources over which GP has command and integrating these different functions. This is also to ensure efficiency in budgeting, increased accountability in performance and better delivery of development.

The Ministry has responded to the challenge of capacity building by supporting States to develop State specific guidelines for Gram Panchayat Development Plans (GPDP), which converge all the resources over which the Panchayats have command including FFC funds, State Grants Own Source of Revenue (OSR), MGNREGS funds etc. National Resource Group had been

constituted for handholding support for participatory planning processes of States. Ministry has also impressed upon States to focus on GPDP training by way of orientation for the respective roles of the supporting structures at cluster, block and district levels in participatory planning.

The preparation of Gram Panchayat Development Plan (GPDP) has been very successful as against 1,35,590 GPDP in 2015-16, 2,44,042 GPDP were prepared in 2016-17. 1,91,864 GPDPs has already been prepared in 2017-18."

4.3 The Committee during examination enquired about the role of NGOs and role of Panchayats in forming of GPDP. The Secretary, MoPR in this regard during evidence stated as under:-

"आपने एनजीओ के बारे में कहा। ऐसी बहुत सारी पंचायतें हैं, जहाँ के लिए ग्राम पंचायत प्लान्स बने हैं। कई सदस्यों ने भी कहा की कई जगह ग्राम पंचायतें होती हैं, जो कमजोर होती हैं, जहाँ कैपेसिटी बिल्डिंग की आवश्यकता होती है। अकेडेमिक इंस्टीटूशन्स की जहाँ तक बात हैं तो सर्टिफिकेट एनजीओज गाइड कर सकती हैं। लेकिन उस पर निर्णय ग्राम सभा या ग्राम पंचायत ही लेगी।"

#### **B. Incentivization of Panchayats**

4.4 The Committee were informed regarding improvement in the functioning of Panchayat through incentivization of Panchayats as under:-

"Ministry of Panchayati Raj (MoPR) is incentivizing best performing Panchayats recommended by the State Governments/ Union Territories since 2011-12 under Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) with the objective of due recognition of PRIs that perform their role well. This is an incentive for PRI representatives to improve PRI performance, bring the issue of PRI performance into prominence and focus the attention of policy makers and to encourage State Governments to develop their systems of assessment and encouragement. Incentivization encourages Panchayat representatives who make special efforts; creates models for the Panchayats and Gram Sabhas to follow and focuses public attention on good performers, which encourages all Panchayats to improve their performance. This also creates an ecosystem for overall good governance at the local level.

The initiative has been continued by MoPR under Rajiv Gandhi Panchayat Sashaktikaran Abhiyan. From 2016-17, the scheme has been revamped with slight modifications and is proposed to be a part/sub-scheme of Rashtriya Gram Swaraj Abhiyan. The awards

are given on the National Panchayati Raj Day celebrated on 24<sup>th</sup> of April every year."

4.5 The Categories of Awards for Panchayats are as under:-

**(i) Deen Dayal Upadhyay Panchayat Sashaktikaran Puraskar (DDUPSP):**

DDUPSP are given in 'General' and 'Thematic' categories for all three levels of Panchayats is given to best performing Panchayats (District, Intermediate and Gram Panchayat) across the States/UTs in recognition of the good work that is done by PRIs at each level for improving delivery of services and public goods. Nine thematic categories, for Panchayat Awards are as follow:

- (i) Sanitation,
- (ii) Civic services (drinking water, street light, infrastructure),
- (iii) Natural Resource Management,
- (iv) Serving Marginalized section (women, SC/ST, disabled, senior citizen),
- (v) Social sector performance,
- (vi) Disaster management,
- (vii) CBOs/ Individuals taking voluntary actions to support Gram Panchayats,
- (viii) Innovation in revenue generation, and
- (ix) e-Governance.

**(ii) Nanaji Deshmukh Rashtriya Gaurav Gram Sabha Puraskar (NDRGGSP):**

4.6 The NDRGGSP are given to Gram Panchayats for their outstanding contribution to the socio-economic development by involving Gram Sabhas.

- (iii) **e-Puraskar** is given for promoting e-enablement of Panchayati Raj Institutions (PRIs) for bringing in efficiency, transparency and accountability in their functioning. To recognize the performance of the States that demonstrate significant progress in the implementation and roll out of e-Panchayat MMP; the Annual e-Panchayat Puraskars are being conferred on the best performing States since 2011-12 with the main aim to encourage the Panchayats for the use of information and communication technology and to incentivize those States/UTs, which have made more efforts in adopting and implementing the e-Panchayat

Applications and enabling electronic delivery of services through Panchayats & equivalent rural bodies. The States/UTs are analyzed on the basis of the performance assessment parameters.

**C. Improvement in the Functioning Through e-Panchayat:**

4.7 The Committee during the examination were informed about the improvement in the functioning through e-Panchayat as under:-

"e-Panchayat is one of the Mission Mode Projects (MMP) under Digital India Programme that seeks to completely transform the functioning of Panchayati Raj Institutions (PRIs), making them more transparent, accountable and effective as last mile cutting edge units of decentralized local self-governments. The project was conceptualized based on the recommendations of Expert Group on 'IT Programmes of MoPR' in 2008. Pan-India field studies were conducted in 2009-10 for needs assessment at Panchayat level.

Based on the consultative study, under e-Panchayat, a suite of Core Common Software Applications (Panchayat Enterprise Suite) 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. Due to differentials in the level of preparedness for e-enablement at the Panchayat level, the pace of adoption of these Applications has been varied across States/UTs. Besides, some States have also developed their own State-specific applications for similar purpose. In the 12<sup>th</sup> Plan period, e-Panchayat MMP was dovetailed with the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) scheme of MoPR. Under RGPSA, support was provided to States for purchase of computers at GP level, engagement of contractual manpower and for programmes management. The project will be included as a sub-scheme under the Rashtriya Gram Swaraj Abhiyan (RGSA) scheme of MoPR. An allocation of Rs.17 crore was made for e-Panchayat for 2017-18.

States are continuously offered trainings on the usage of all PES applications.

PlanPlus and PRIASoft have been revamped to enable States to meet the planning and accounting requirements of Panchayats w.r.t. 14<sup>th</sup> FFC guidelines. The codes assigned to various administrative units under in Local Government Directory (LGD) are being mapped/seeded in other e-governance applications to enable interoperability of sectoral/schematic data at Panchayat level.

- LGD developed by MoPR is to be used by all the Central Government Ministries and State Governments as directed by Cabinet Secretariat
- LGD application developed and maintained by MoPR
- Captures all details of local governments/ entities in RLBs and ULBs and assigns unique code to them.
- Also links Panchayats with Assembly and Parliamentary Constituencies.
- Cabinet Secretariat mandated MoPR as custodian Ministry for standardization of location codes.
- Issued guidelines for use of LGD application/codes in all schemes across Union Ministries and States/UTs
- All the States/UTs have adopted LGD and data updation is currently under process
- 20 Union Ministries/Departments have begun activities for onboarding on LGD

MoPR is also promoting electronic delivery of services through Panchayats by encouraging co-location of Common Service Centres (CSCs) in GP bhawans. The ServicePlus application has been rolled out under the project to enable rapid rollout of electronic Services.

MoPR plans to use e-technology for capacity building and information dissemination upto GP level. Furthermore, efforts are also on to promote use of GIS for planning at Panchayat level.

The adoption of digital modes of payments at Panchayat level is also being encouraged through various training programmes and promotional activities, in partnership with the Digidhan Mission team of MeitY.

The ingress of technology has added new dimensions to the system of Local Self Government by making the process of governance and public administration much more efficient and effective. Specifically, the e-Panchayat applications has brought enhanced transparency to the government systems and also ensured effective access to government information and processes. Therefore Panchayat plans and accounts related information are now available in public domain. The Ministry is also collaborating with the various State governments for engaging space based technology to increase the outreach for training of Elected Representatives and Functionaries of Panchayats."

## CHAPTER V

### **MISCELLANEOUS**

#### **A. Awareness Generation**

5.1 The Committee were informed about the awareness generation about Panchayats being taken up by the Ministry as under:-

"National Panchayati Raj Day (NPRD) was organized at Lucknow (UP) on 24-4-2017. About 4000 representatives of Panchayati Raj Institutions from 26 States and 3 Union Territories participated in the function. The programme was organised on the theme of "Smart Gaon se Banega Naya Bharat". Special presentations were organised on the occasion on Swachhta and Digital/ Less Cash transactions. Two books supported by UNDP on 'Water Conservation in Gram Panchayats' and "Health Development in Gram Panchayats" were released during the function of NPRD on 24-4-2017. The book on "Water Conservation in Gram Panchayats" focuses on the critical issue of water conservation and management of water resources by Gram Panchayats. The book on "Health Development in Gram Panchayat" aims at building understanding of and capacitating Elected Representatives and functionaries of the GP on key public health issues and to act at the community level to improve public health status in the GP area. These two books will facilitate developing understanding of Gram Panchayats in these thematic areas and enhance capacities of PRIs for efficiently performing their roles as local governance institutions for managing water resources and health in their areas. Ministry of Panchayati Raj, organised a Conference of State Panchayati Raj Ministers on 27.06.2017 at Bhopal. Chief Minister of Madhya Pradesh addressed the Conference as Chief Guest. The Conference was presided over by Shri Narendra Singh Tomar, Union Minister of Panchayati Raj, Rural Development and Drinking Water & Sanitation. Ministers of Panchayati Raj from eleven States, Principal Secretaries, Senior Officers of Panchayati Raj Department of States, Representatives of National Institute of Rural Development & Panchayati Raj (NIRD&PR), Directors and Faculty Members of State Institutes of Rural Development (SIRDs), Officers of Social Sector Ministries, NITI Aayog, Representatives of multi-lateral organizations such as UNDP, UN-Women, UNICEF, NGOs working in this sector and subject matter experts participated in the deliberations of the Conference. During the Conference, panel discussions on Water Conservation, Smart Gaon for New India and Role of Panchayats in achieving Sustainable Development Goals were held. Publications on issues pertaining to Panchayats supported by UNICEF, UNDP and Tata Institute for Social Sciences

(TISS) were released. Forty two Sarpanches of Panchayats from different parts of country were felicitated in recognition of their performance. Empowering of Panchayati Raj Institutions were also deliberated and States were urged to devolve fund, function and functionaries to the Panchayats."

#### **B. Awareness Generation through Various Media forms**

5.2 The Committee were informed that MoPR has taken up usage of various forms of Media for awareness generation among the rural masses as under:-

"A quarterly newsletter for Panchayati Raj Institutions is being published jointly by Ministry of Panchayati Raj, Ministry of Rural Development and Ministry of Drinking Water and Sanitation. Physical copies were dispatched to all GPs in the country through India Post. Magazine is available in both Hindi and English languages .Ministry of Panchayati Raj also launch 'Gramoday Sankalp' - a mobile app on National Panchayati Raj Day celebration on 24<sup>th</sup> April 2017 to disseminate electronically the quarterly newsletter for Panchayats. The app can be downloaded from Google PlayStore on any smartphone. It contains content from the quarterly magazine published by the Ministry on quarterly basis. Besides textual content, the app will also enable access to audio-visual content over smartphone. The second issue of 'Gramoday Sankalp' news magazine has also been published and being distributed to the States.

#### **YouTube Channel of MoPR:**

Ministry of Panchayati Raj in its endeavour to provide an inclusive and enabling ecosystem for the Panchayats has created a YouTube channel, which officially launched on the National Panchayati Raj Day, 24th April, 2017. The channel contains a compilation of Audio-visual (AV) content relating to different aspects of Panchayati Raj systems, its functions, good practices and success stories, which would be accessible to anyone, from anywhere and at anytime. More than 100 videos already uploaded in various categories. The channel has been designed keeping in view the end user requirements, and categorising the videos under various subject areas such as Government of India schemes/ Initiatives, Good Practices/ Success Stories, Model Panchayats etc. In order to facilitate ease of searching and content retrieval capability, keywords/ tags have also been assigned to each content uploaded on the channel. Furthermore, in order to promote the channel among the grassroots and to bring in more visitors, tags in

both Hindi and English languages have been assigned to the hosted videos.

### **Social Media:**

Social Media offers a very powerful tool for ensuring wider outreach, combined with being inexpensive and ease of access for the society. Ministry has undertaken various initiatives aimed at leveraging the strengths of Social Media interventions for interaction with general public and dissemination of information and enhancing outreach. In order to fulfill the Government's commitment to engage with people directly; the Ministry of Panchayati Raj has its Facebook page MinistryOfPanchayatiRaj the official twitter handle is @mopr\_goi and Instagram account is ministryofpanchayatiraj. The initiatives/ programmes of Ministry of Panchayati Raj and the important related developments taking place are communicated to all stakeholders through these platforms."

### **C. Common Service Centres (CSC) in Gram Panchayats**

5.3 The Committee were informed about the Common Service Centers (CSC) in Gram Panchayats:-

"The Ministry of Electronics & Information Technology (MeitY) approved CSC 2.0 Project in August, 2015 under Digital India Programme for a period of four years (by August, 2019) to be implemented by CSC Special Purpose Vehicle (CSC –SPV). It envisages setting up of at least one Common Services Centre (CSC) at each Gram Panchayat (GP) level to cover all the 2.5 lakhs GPs across the country.

CSC 2.0 model is completely based on a service delivery / transaction oriented self sustainable entrepreneurship model with no viability gap funding. It was envisaged that applicant for CSC entrepreneurship should be motivated enough to be prime driver of social change and disperse his/her duties with utmost dedication. The motivated Village Level Entrepreneurs(VLEs) are getting onboarded under this entrepreneurship model, wherein, VLEs arrange for Capex and Opex for setting up and operation of CSCs. for day-to-day operation of CSCs and knowledge upgradation on new services, the VLEs are being regularly provided with handholding supports through training on Enterprise Development Programme. Efforts are being made to increase the portfolio of eServices by integrating various Union Ministry and States/UTs level services with the national level CSC-Digital Seva platform, so as to be

equally accessed from each of the CSCs, thereby increasing the sustainability of the CSC operators called Village Level Entrepreneurs (VLEs) in rural areas. As a result, CSC ecosystem now has the proven potential to create sustainable rural entrepreneurship redefining governance and to meet the expectation of the Government in transforming India into a digitally & socially empowered society. CSCs under Digital India movement have now become the agents of socio-economic changes in rural India."

5.4 The Committee during evidence observed that many Gram Panchayats in the country do not have Panchayat Bhawans and in this regard, the Committee enquired about the pace of construction of Gram Panchayat Bhawans in the country and also their maintenance. In this regard, the Secretary, during the course of evidence stated as under:-

"ग्राम पंचायतों के भवनों को बनाने और उसके रखरखाव के लिये हमारा प्रस्ताव है, जिस पर हम एक-दो महीने में आपको अवगत करा पाएंगे।"

## PART – II

### Recommendations/Observations

#### **Importance of Panchayati Raj**

The Committee observe that the Panchayati Raj system plays a very important role in local development and solving the problems of common people in the democratic system in the country. The Panchayati Raj system has been an integral part of our culture and civilization and after independence, the participation of local people for development of rural areas was provided in Indian Constitution. Through 73rd Amendment Panchayati Raj system has been made mandatory. The Committee feel that decentralization and giving power to the grassroots level is very important for the active participation of the rural masses. It leads to enhanced transparency and accountability. The Committee are satisfied to note that there are reservation of seats for disadvantaged/marginalized sections and also for women. The Committee will now be taking up issues in the subsequent paras.

(Recommendation Sl. No.1)

#### **2. Devolution of Powers**

The Committee note that 'Panchayats' being a State subject, the devolution of powers and authority to Panchayats has been left to the discretion of States. The profile of devolution thus varies across the States. The Ministry is also encouraging States to devolve powers (3Fs i.e. Funds, Functions and Functionaries) to the Panchayati Raj Institutions (PRIs) through incentive schemes. The Ministry is also actively promoting the Gram Sabhas for robust and vibrant functioning of the PRI system and has issued comprehensive

guidelines/instructions for their effective functioning and to hold regular meetings. However, the Committee observed that in reality even the mandatory Gram Sabha meetings are not taking place or are attended by very few people especially women representatives. The Committee, thus, strongly recommend that MoPR should impress upon all the State Governments to put quorum in the Gram Sabha meetings for participation of Panchayat representatives and women representatives. The Committee also note that subjects like fuel and fodder, non-convention energy sources, rural electrification including distribution of electricity, audit and non-formal education, small scale industries including food processing industries, technical training and vocational education have not been devolved in certain States and therefore, the Committee recommends that MoPR should pursue the States to devolve these subjects for giving Panchayats more power in these areas. The Committee recommend that State Governments should make vigorous efforts to devolve funds, functions and functionaries (3Fs) to Panchayats so that they are able to effectively plan economic development and social justice schemes. The Committee further desire that the States may also be requested to share the extent of devolution with each other for over-all development of rural India.

(Recommendation Sl. No.2)

### 3. Funding of Panchayats

The Committee note that the Finance Commission Grants (FFC) plays a very important role in helping and promoting the schemes and its implementation by the Panchayats in the country. For the award period 2015-2020, the Fourteenth

Finance Commission has devolved grants of Rs. 2,00,292.00 crores to the Gram Panchayats. The Committee note that the FFC grants were sub-divided into two parts i.e. Basic Grants (90%) and Performance Grants (10%) w.e.f. 2016-17. The Basic Grant is mandatorily to be released within 15 days to GPs by the States after it being credited to their account by the Union Government whereas the release of Performance Grants is subject to fulfillment of certain conditions. The Committee further note that for the first time, the Fourteenth Finance Commission grants have been decided to be given directly to Gram Panchayats and the grant is more than three times the Thirteenth Finance Commission grant (2010-15). The Committee are appreciative of this initiative. The Committee note that the Thirteenth Finance Commission Grants were not fully released and fell short of Rs. 6,904.10 crores against the total allocation which was at Rs. 65,160.71 crores. The Committee desire to be apprised of the reasons for the lesser release of grants and its impact on the effective and efficient implementation of schemes by the Panchayats.

The FFC Grants provided are intended to be used to support and strengthen the delivery of basic services including water supply, sanitation, sewerage and solid waste management and any other basic service within the functions assigned to them under relevant legislations. The Committee are unhappy to note that some State Governments have delayed in releasing funds to Panchayats and subsequently they had to pay the Panchayats interest and wherever Panchayats are not being audited, the grants are not released to them. The Committee therefore, strongly recommend that the Ministry should monitor

the release and expenditure of FFC Grants to ensure that there is no delay in the release of the FFC grants and it should also be ensured that the money distributed through FFCs should be done in a prudent manner and also ensure that the utilization of the grants should be done in proper and effective manner. The Committee recommend that MoPR should interact with the State Governments to release funds to Panchayats on time and encourage Panchayats to carry out local audit regularly so that release of FFC Grants are not delayed.

The Committee hope that MoPR would examine the matter along with State Governments for streamlining and simplifying all the related procedures.

(Recommendation Sl. No.3)

4. Capacity Building - Panchayat Sashaktikaran Abhiyan (CB-PSA)

The Committee observe that Ministry of Panchayati Raj has been providing programmatic support for strengthening of PRIs, improvement in the functioning of Panchayats, advocacy support for inter-ministerial and multi-sectional coordination and capacity support for enhancing devolution of PRIs and finding solution for local governance and outreach through Capacity Building Panchayat Sashaktikaran Abhiyan (CB-PSA). The Committee also note that the "Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA)" was implemented under the 12th Five Year Plan from 2012-13 to 2015-16 and funds to the tune of Rs. 1,253 crore has been released to the States upto 2015-16 towards addressing issues such as inadequate infrastructure, manpower training, advocacy of devolution of power to Panchayats etc. However, since year 2015-16 the State component of scheme was

delinked from central support. Now larger funds were made available to Gram Panchayats under FFC award and under the scheme there is provision for capacity building, training infrastructure, HR, HR for PESA, e-Governance and for programme management cost etc. The Committee in this regard are happy to note that MoPR are making efforts to strengthen Panchayati Raj Institutions (PRIs) by way of capacity building of the PRIs and its functionaries. The Committee, however, feel that the strengthening of PRIs through their capacity building and training should be given more encouragement from Centre and the State Governments so that they are enabled to prepare better Gram Panchayat Development Plans (GPDPs) as well as to provide information on various government schemes and Panchayats become more responsive towards citizen's needs.

The Committee further, observed that there is sever lack of support staff and personnel in the Panchayats such as Panchayat Secretary, Junior Engineers, Computer Operator, Data Entry Operators, Audit Account Staff etc. of Panchayats at the ground level and in delivery of services done by Panchayats. The Committee therefore, strongly recommend that MoPR should make serious efforts in recruitment and appointment of the support staff and technical staff so that smooth functioning of Panchayats is ensured.

(Recommendation Sl. No.4)

#### 5. Releasing of Funds to States under CB-PSA

The Committee observed that under the CB-PSA/RGSA, funds have been provided to States towards strengthening of Panchayats. During the year 2016-17,

funds to the tune of Rs. 585.87 crore has been released. During the current year, funds to the tune of Rs. 467.15 crore have been released to 23 States, 1 UT till 31st December, 2017 whose plan have been approved. Funds have been released to the States towards strengthening of Panchayats on different activities such as capacity building and training, human resource training, e-Enablement, etc. The Committee were informed that training for a total of 88.44 lakh elected representatives and functionaries including 55.68 lakh for GPDP have been sanctioned so far during 2017-18. The Committee are however, unhappy to note that there is no separate data for training imparted to the women elected representatives while giving the total number of 48,95,156 Panchayat Elected Representatives and functionaries who were trained in GPDP and other trainings during 2015-16 and 2016-17. The Committee, therefore, recommend that the training of Panchayat elected representatives should be done at vigorous pace and separate training programmes for women elected representatives should be chalked out so that all the elected representatives including women representatives are well trained in the various functioning and programmes of Panchayats.

(Recommendation Sl. No.5)

#### 6. New Approach for Capacity Building Training (CBT)

The Committee has been informed about the new approach being taken for Capacity Building and Training in the context of larger devolution of funds under FFC Awards, operationalization of Gram Panchayat Development Plan (GPDP) and India being signatory for achieving the Sustainable Development Goals (SDGS). A

fresh approach to capacity building of Panchayats has become imperative. The important initiatives being taken by the Ministry in this regard include leveraging of technology for greater outreach amongst the elected representatives of Panchayats via use of SATCOM, use of smartphone based applications, use of social media, utilizing short films on best practices for wide reach, training on subjects of national importance such as water conservation, sanitation, health education, women empowerment, flexibility to States to evolve State specific training plans etc. The Committee are happy to note that MoPR have taken concrete steps to make PRIs more effective and efficient in the new technological infused environment where PRIs will be required to be technology savvy and use media-platform to educate the masses and enhance their functioning. The Committee, therefore, strongly recommend that MoPR should earnestly pursue its endeavor of new approach for capacity building and training so that PRIs work towards the welfare of the rural masses.

(Recommendation Sl. No.6)

#### 7. Gram Panchayat Development Plan (GPDP)

The Committee note that MoPR has supported States to develop State-specific guidelines for Gram Panchayat Development Plan (GPDP) which converges all the resources over which the Panchayats have command including FFC funds, MGNREGS funds, Swachh Bharat funds etc. The GPDP are also an opportunity for the community to be engaged in solutions for development issues. The Committee were also informed that the preparation of GPDP has been very successful as against 1,35,590 GPDP in 2015-16, 2,44,042 GPDP were prepared in 2016-17. 1,91,864 GPDPs have already been prepared in 2017-18. The

Committee further note that scope of GPDP include poverty reduction, human development, social development, economic development, ecological development and basic services. The Committee note that although the NGOs and academic institutions are being involved in forming of GPDP, however, the Committee desire that suggestions and ideas of MPs, MLAs, local representatives and people across sections of society should be taken during the formation of GPDPs for making better plans and also involving all the stakeholders in the process of making of GPDPs. The Committee also appreciate the progress made in this area and hope that this pace and momentum is maintained through the involvement of more and more Gram Panchayats in making of GPDPs.

(Recommendation Sl. No.7)

#### 8. Incentivization of Panchayats

The Committee note that incentivization of Panchayats is being done since 2011-12 under Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) with the objective of due recognition of PRIs that perform their role well. The scheme has been revamped in 2016-17 with slight modifications and is to be a part/sub-scheme of Rashtriya Gram Swaraj Abhiyan and the awards are given on the National Panchayati Raj Day celebrated on 24th of April every year. The categories of awards include (i) Deen Dayal Upadhyay Panchayat Sashaktikaran Puraskar (DDUPSP and (ii) Nanaji Deshmukh Rashtriya Gaurav Gram Sabha Puraskar (NDRGGSP). In this regard, the Committee recommend that MoPR should be fair in selection process of Gram Panchayats and award the best functioning Gram Panchayats in the country for their outstanding contribution to the socio-

economic development. The Committee also hope that the large number of Panchayats should be made aware of the incentivization of Panchayats for awarding of best Panchayats in the country so that more number of Panchayats would strive to do their best and win the awards specially from far-flung and remote areas of country.

(Recommendation Sl. No.8)

9. e-Panchayats

The Committee note that the e-Panchayats under Digital India Programme seeks to completely transform the functioning of Panchayati Raj Institutions (PRIs) making them more transparent, accountable and effective as last mile cutting edge units of decentralized local self-governments. The project was conceptualized based on recommendations of Expert Group on 'IT Programmes of MoPR' in 2008. Based on the consultations study, under e-Panchayat, a suite of core common software applications (Panchayat Enterprise Suite) have 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 certificate, licenses etc. Also, MoPR is also promoting electronic delivery of services through Panchayats by encouraging co-location of Common Service Centres (CSCs) in GP Bhawans. The service plus application has been rolled out under the project to enable rapid roll out of electronic services. The Committee observe that the functioning of e-Panchayats is highly dependent on continuous internet connections for which supply of electricity is a pre-requisite, availability of computers and infrastructures including availability of personnel for operating e-Panchayats. The Committee therefore, strongly recommend that MoPR

should ensure that regular supply of electricity for internet connectivity and availability of well trained computer operating personnel should be made so that the working of e-Panchayat is a great success and the services of e-Panchayats reaches the rural masses.

(Recommendation Sl. No.9)

#### **10. Awareness Generation through various Media Platforms**

The Committee note that the MoPR is taking up awareness generation about Panchayats on a large scale. The MoPR informed that a quarterly news letter for Panchayati Raj Institutions is being published jointly by Ministry of Panchayati Raj, Ministry of Rural Development and Ministry of Drinking Water & Sanitation and this letter is issued to all Gram Panchayats (GPs) in the country through Indian Postal Services. The Committee note that MoPR in its endeavour to provide an inclusive and enabling ecosystem for the Panchayats has created 'youtube' channel which was officially launched on the National Panchayati Raj Day, 24th April, 2017. Social Media is also being used for interaction with general public and dissemination of information and enhancing the outreach. The Committee while noting the steps taken by the MoPR to create awareness generation about the success and features of Panchayats in the country hope that MoPR would reach all the villages in the country specially remote and hilly areas so that rural masses are made aware of the basic functions and services being rendered by the Panchayats for the development of rural areas in the country.

(Recommendation Sl. No.10)

## **11. Common Service Centres (CSC) in Gram Panchayats**

The Committee were informed that the Common Service Centers (CSC) 2.0 project in Gram Panchayats was launched in August, 2015 for period of four years (by August 2019) to be implemented by CSC Special Purpose Vehicle (CSC-SPV). It envisages setting up of at least one Common Service Center (CSC) at each Gram Panchayat (GP) level to cover all the 2.5 lakh GPs across the country. CSC 2.0 model is completely based on a service delivery/transaction oriented self sustainable entrepreneurship model with no viability gap funding. Further, under this programme efforts are being made to increase the portfolio of e-Services by integrating various Union Ministry and States/UTs level services with the national level CSC-Digital Seva Platform. CSC further hopes to create sustainable rural entrepreneurship redefining governance and to meet the expectation of the Government in transforming India into a digitally and socially empowered society. The Committee are satisfied to note that MoPR is taking outstanding measures for empowering rural masses digitally and recommend that MoPR should keep the continuous efforts to make the rural populace digital friendly and Panchayats technologically savvy.

In this regard, the Committee note that MoPR is monitoring electronic delivery services through Panchayats by encouraging co-location Common Service Centres (CSCs) in Gram Panchayat Bhawans. The Committee during the examination of DFG (2018-19) had strongly recommended that there is lack of Gram Panchayat Bhawans in the country and Gram Panchayat Bhawans play a very important role in delivering various services especially under Common Service

Center and Digital India Programme. The Committee, therefore, once again reiterate its recommendation that construction and maintenance of Gram Panchayat Bhawans should be done expeditiously and Ministry of Panchayati Raj should make all out efforts and impress upon the States to work out time-table for expeditious construction and maintenance work of Gram Panchayat Bhawans across the country. The Committee also observed that there is a variance in the make, model and cost of GPBs. The Committee, therefore, recommend that 'a standard model' which can be cost effective may be developed according to the topography of the particular village so that the construction of the GPBs is done in a cost effective manner and without difficulties. The Committee hope that MoPR would impress upon the State Governments to expedite the construction as well as the maintenance of Gram Panchayat Bhawans for successful implementation of Common Service Centres which will be localized in the Gram Panchayat Bhawans.

(Recommendation Sl. No.11)

NEW DELHI;  
13 July, 2018  
22 Ashadha, 1940 (Saka)

Dr. P. Venugopal  
*Chairperson,*  
Standing Committee on Rural Development

**Annexure I****Subject wise devolution of 29 subjects in States**

<b>Sl. No.</b>	<b>Subject</b>	<b>States where these subjects devolved</b>	<b>No. of states</b>
1.	Agriculture, including agricultural extension.	AP, Assam, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Odisha, Rajasthan, Sikkim, TN, Telangana, Tripura, UP, Uttarakhand, WB	21
2	Animal husbandry, dairying and poultry.	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Manipur, Odisha, Punjab, Rajasthan, Sikkim, TN, Telangana, Tripura, Uttarakhand, WB	23
3	Fisheries.	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Manipur, Odisha, Rajasthan, Sikkim, TN, Telangana, Tripura, UP, WB	22
4	Land improvement, implementation of land reforms, land consolidation and soil conservation.	AP, Assam, Bihar, Chhattisgarh, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Manipur, Odisha, Rajasthan, Sikkim, TN, Telangana, UP, WB	18
5	Minor forest produce.	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Odisha, Rajasthan, Sikkim, TN, Telangana, UP, WB	20
6	Minor irrigation, water management and watershed development.	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Maharashtra, Odisha, Rajasthan, Sikkim, TN, Telangana, UP, Uttarakhand, WB	20
7	Social forestry and farm forestry.	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Rajasthan, Sikkim, TN, Tripura, UP, WB	19
8	Fuel and fodder.	AP, Assam, Gujarat, Haryana, HP, Karnataka, Kerala, Rajasthan, Sikkim, TN, UP, WB	12
9	Khadi, village and cottage industries.	AP, Assam, Bihar, Chhattisgarh, Haryana, HP, J&K, Karnataka, Kerala, MP, Maharashtra, Rajasthan, Sikkim, TN, UP, WB	16
10	Non-conventional energy sources.	AP, Bihar, Chhattisgarh, Haryana, HP, Karnataka, Kerala, Maharashtra, Odisha, Rajasthan, Sikkim, TN, UP, WB	14
11	Rural electrification, including distribution of electricity.	AP, Assam, Bihar, Chhattisgarh, Haryana, HP, Karnataka, Kerala, Rajasthan, Sikkim, TN, UP, WB	13
12	Small scale industries, including food processing industries.	AP, Assam, Chhattisgarh, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Rajasthan, Sikkim, TN, Tripura, UP, WB	16
13	Adult and non-formal education	AP, Assam, Gujarat, Haryana, HP, J&K, Karnataka, Kerala, Maharashtra, Odisha, Sikkim, TN, UP, WB	14
14	Cultural activities	AP, Bihar, Gujarat, Haryana, HP, Jharkhand, Karnataka, Kerala, Maharashtra, Punjab, Sikkim, TN, UP, WB	14
15	Drinking water	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Maharashtra, Odisha, Punjab, Rajasthan, Sikkim, TN, Telangana, UP, Uttarakhand, WB	21
16	Education, including primary and secondary schools	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Odisha, Punjab, Rajasthan, Sikkim, TN, Telangana, Tripura, UP, Uttarakhand, WB	23
17	Family welfare	Assam, Bihar, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Odisha, Punjab, Rajasthan, Sikkim, TN, Tripura, UP, Uttarakhand, WB	20

Sl. No.	Subject	States where these subjects devolved	No. of states
18	Health and sanitation, including hospitals, primary health centres and dispensaries	AP, Assam, Bihar, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Odisha, Punjab, Rajasthan, Sikkim, TN, Telangana, Tripura, Uttarakhand, WB	21
19	Libraries	AP, Haryana, HP, Karnataka, Kerala, MP, Maharashtra, Punjab, Sikkim, TN, WB	11
20	Maintenance of community assets	Gujarat, Haryana, HP, J&K, Karnataka, Kerala, Maharashtra, Odisha, Sikkim, TN, UP, WB	12
21	Markets and fairs	AP, Chhattisgarh, Gujarat, Haryana, HP, J&K, Karnataka, Kerala, MP, Maharashtra, Odisha, Punjab, Rajasthan, Sikkim, TN, UP, WB	17
22	Poverty alleviation programme	AP, Assam, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Maharashtra, Manipur, Odisha, Rajasthan, Sikkim, TN, Telangana, UP, Uttarakhand, WB	19
23	Public distribution system.	Assam, Bihar, Chhattisgarh, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Maharashtra, Odisha, Rajasthan, Sikkim, Tripura, UP, Uttarakhand, WB	17
24	Rural housing.	AP, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Karnataka, Kerala, Maharashtra, Odisha, Punjab, Rajasthan, Sikkim, TN, Tripura, UP, Uttarakhand, WB	19
25	Roads, culverts, bridges, ferries, water-ways and other means of communication	AP, Assam, Chhattisgarh, Gujarat, Haryana, HP, J&K, Karnataka, Kerala, Maharashtra, Manipur, Odisha, Rajasthan, Sikkim, TN, Tripura, UP, WB	18
26	Social welfare, including welfare of the handicapped and mentally retarded	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Odisha, Rajasthan, Sikkim, TN, Telangana, Tripura, UP, WB	21
27	Technical training and vocational education	AP, Haryana, HP, J&K, Karnataka, Kerala, Rajasthan, Sikkim, TN, UP	10
28	Welfare of weaker sections- in particular, of Scheduled Castes and the Scheduled Tribes	Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Odisha, Rajasthan, Sikkim, TN, Telangana, UP, WB	17
29	Women and child development	AP, Assam, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Maharashtra, Odisha, Rajasthan, Sikkim, TN, Telangana, UP, Uttarakhand, WB	19

**Source:** Compiled in Ministry of Panchayati Raj from details of 25 states from TISS Devolution study 2015-16

## Annexure-II

## Allocation and Release of Basic and Performance Grants to State Governments for Rural Bodies (RLBs) for the year 2015-16, 2016-17 and 2017-18 recommended by FFC (as on 31.12.2017)

(Rs. in crore)

S. N.	States	2015-16		2016-17						2017-18						Total Allocation (BG & PG) - 2017-18	Total release (BG & PG) - 2017-18		
		Basic Grant		Basic Grant		Performance Grant		Total Allocation (BG & PG) - 2016-17	Total release (BG & PG) - 2016-17	Basic Grant		Performance Grant		Allocation	Release				
		Allocation	Release	Allocation	Release	Allocation	Release			Allocation	Release	Allocation	Release						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)				
1	#Andhra Pradesh	934.34	928.41	1293.75	1285.43	169.70	168.62	1463.45	1454.05	1494.81	737.72	192.04	0.00	1686.85	737.72				
2	Arunachal Pradesh	88.52	88.52	122.58	61.29	16.08	16.08	138.66	77.37	141.62	0.00	18.2	0.00	159.82	0.00				
3	Assam	584.80	584.80	809.76	404.88	106.22	106.22	915.98	511.10	935.60	0.00	120.2	0.00	1055.80	0.00				
4	Bihar	2269.18	2269.18	3142.08	3142.08	412.15	0.00	3554.23	3142.08	3630.39	3630.39	466.41	0.00	4096.80	3630.39				
5	Chhattisgarh	566.18	566.18	783.98	783.98	102.84	102.84	886.82	886.82	905.81	905.81	116.37	0.00	1022.18	905.81				
6	Goa	14.44	14.44	20.00	10.00	2.62	2.62	22.62	12.62	23.10	0.00	2.97	0.00	26.07	0.00				
7	Gujarat	932.25	932.25	1290.86	1290.86	169.32	169.32	1460.18	1460.18	1491.47	745.74	191.61	0.00	1683.08	745.74				
8	Haryana	419.28	419.28	580.57	580.57	76.15	76.15	656.72	656.72	670.80	670.80	86.18	0.00	756.98	670.80				
9	Himachal Pradesh	195.39	195.39	270.56	270.56	35.49	35.49	306.05	306.05	312.60	312.60	40.16	0.00	352.76	312.60				
10	#Jammu & Kashmir	373.96	367.72	517.81	0.00	67.92	66.79	585.73	66.79	598.29	0.00	76.86	0.00	675.15	0.00				
11	Jharkhand	652.83	652.83	903.96	903.96	118.57	118.57	1022.53	1022.53	1044.45	1044.45	134.18	0.00	1178.63	1044.45				
12	#Karnataka	1002.85	972.36	1388.62	1368.20	182.15	179.46	1570.77	1547.66	1604.42	1580.18	206.13	0.00	1810.55	1580.18				
13	Kerala	433.76	433.76	600.62	600.61	78.78	78.78	679.40	679.39	693.96	693.96	89.16	0.00	783.12	693.96				
14	Madhya Pradesh	1463.61	1463.61	2026.62	2026.62	265.84	265.84	2292.46	2292.46	2341.57	2341.57	300.83	0.00	2642.40	2341.57				
15	Maharashtra	1623.32	1623.32	2247.77	2247.77	294.84	294.84	2542.61	2542.61	2597.10	2597.10	333.66	0.00	2930.76	2597.10				
16	Manipur	22.25	22.25	30.80	30.80	4.04	4.04	34.84	34.84	35.59	0.00	4.57	0.00	40.16	0.00				
17	Odisha	955.52	955.52	1323.09	1323.09	173.55	173.55	1496.64	1496.64	1528.71	1528.71	196.4	0.00	1725.11	1528.71				
18	Punjab	441.70	441.70	611.61	305.81	80.23	80.23	691.84	386.04	706.66	0.00	90.79	0.00	797.45	0.00				
19	Rajasthan	1471.95	1471.95	2038.17	2038.17	267.35	267.35	2305.52	2305.52	2354.92	1177.46	302.55	0.00	2657.47	1177.46				
20	Sikkim	16.03	16.04	22.20	22.20	2.91	2.91	25.11	25.11	25.65	12.82	3.3	0.00	28.95	12.82				
21	Tamil Nadu	947.65	947.65	1312.19	1312.19	172.12	172.12	1484.31	1484.31	1516.12	758.06	194.78	0.00	1710.90	758.06				
22	Telangana	580.34	580.34	803.58	803.58	105.41	105.41	908.99	908.99	928.47	464.24	119.28	0.00	1047.75	464.24				
23	Tripura	36.24	36.24	50.18	50.18	6.58	6.58	56.76	56.76	57.98	28.99	7.45	0.00	65.43	28.99				
24	#Uttar Pradesh	3862.60	3852.60	5348.45	5334.58	701.57	699.75	6050.02	6034.33	6179.65	3089.83	793.92	0.00	6973.57	3089.83				
25	Uttarakhand	203.26	203.26	281.45	281.45	36.92	36.92	318.37	318.37	325.19	325.19	41.78	0.00	366.97	325.19				
26	#W. Bengal	1532.21	1470.86	2121.61	2050.51	278.30	268.97	2399.91	2319.48	2451.33	1184.59	314.93	0.00	2766.26	1184.59				
	<b>Total</b>	<b>21624.46</b>	<b>21510.46</b>	<b>29942.87</b>	<b>28529.37</b>	<b>3927.65</b>	<b>3499.45</b>	<b>33870.52</b>	<b>32028.82</b>	<b>34596.26</b>	<b>23830.20</b>	<b>4444.71</b>	<b>0.00</b>	<b>39040.97</b>	<b>23830.20</b>				
	%		99.47		95.28			89.10		94.56		68.88		0			61.04		

#Released on pro-rata basis as per information provided by the State Government.

Source: Compiled in Ministry of Panchayati Raj

## Annexure III

**Status of Release of Finance Commission grants to Rural Local Bodies during 2012-13 to 2017-18**

**(Rs. in crore)**

<b>S. N.</b>	<b>States</b>	<b>Thirteenth Finance Commission</b>			<b>Fourteenth Finance Commission</b>		
		<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
1	Andhra Pradesh	0.00	1585.56	1744.4	928.41	1454.05	737.72
2	Arunachal Pradesh	0.00	21.24	36.33	88.52	77.37	0.00
3	Assam	495.73	304.13	352.76	584.80	511.10	0.00
4	Bihar	981.49	1528.59	1254.7	2269.18	3142.08	3630.39
5	Chhattisgarh	362.96	574	393.28	566.18	886.82	905.81
6	Goa	0.00	1.66	0.00	14.44	12.62	0.00
7	Gujarat	154.42	591.13	527.04	932.25	1460.18	745.735
8	Haryana	242.77	325.35	238.36	419.28	656.72	670.80
9	Himachal Pradesh	86.14	177.24	151.78	195.39	306.05	312.60
10	Jammu & Kashmir	121.77	157.81	199.11	367.72	66.79	0.00
11	Jharkhand	408.84	443	380.36	652.83	1022.53	1044.450
12	Karnataka	801.85	1553.77	976.48	972.36	1547.66	1580.179
13	Kerala	250.8	708.36	527.44	433.76	679.39	693.96
14	Madhya Pradesh	854.82	1285.46	757.38	1463.61	2292.46	2341.57
15	Maharashtra	1356.12	1092.32	1787.82	1623.32	2542.61	2597.10
16	Manipur	13.79	32.84	129.98	22.25	34.84	0.00
17	#Meghalaya	0.00	28.78	20.73	0.00	0.00	0.00
18	#Mizoram	12.78	32.29	14.27	0.00	0.00	0.00
19	#Nagaland	0.00	7.53	17.97	0.00	0.00	0.00
20	Odisha	365.09	476.58	454.73	955.52	1496.64	1528.710
21	Punjab	132.59	301.99	416.04	441.70	386.04	0.00
22	Rajasthan	887.21	1188.78	872.96	1471.95	2305.52	1177.46
23	Sikkim	11.63	30.66	38.36	16.04	25.11	12.825
24	Tamil Nadu	408.84	529.68	668.48	947.65	1484.31	758.06
25	Telangana	0.00	0.00	895.16	580.34	908.99	464.235
26	Tripura	33.57	51.45	66.1	36.24	56.76	28.99
27	Uttar Pradesh	1496.44	3821.02	2121.81	3852.60	6034.33	3089.83
28	Uttarakhand	39.18	140.74	98.81	203.26	318.37	325.19
29	W. Bengal	698.1	652.33	1068.32	1470.86	2319.48	1184.59
	<b>Total</b>	<b>10216.93</b>	<b>17644.29</b>	<b>16210.96</b>	<b>21510.46</b>	<b>32028.82</b>	<b>23830.204</b>

#Fourteenth Finance Commission grants are not applicable to the States of Meghalaya, Mizoram and Nagaland.

**STANDING COMMITTEE ON RURAL DEVELOPMENT (2017-2018)****MINUTES OF THE THIRD SITTING OF THE COMMITTEE HELD ON  
TUESDAY, THE 09 JANUARY, 2018**

The Committee sat from 1500 hrs. to 1700 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

Dr. P. Venugopal -- *Chairperson*

**MEMBERS**

Lok Sabha

2. Shri Sisir Adhikari
3. Shri Kirti Azad
4. Shri Jugal Kishore Sharma
5. Dr. Ramesh Pokhriyal "Nishank"
6. Shri Prahlad Singh Patel
7. Shrimati Renuka Butta
8. Shri Balka Suman
9. Shri Ladu Kishore Swain
10. Shri Ajay Misra (Teni)
11. Shri Chintaman Wanaga

Rajya Sabha

12. Shri Shamsher Singh Dullo
13. Shri Javed Ali Khan
14. Shri Mahendra Singh Mahra
15. Shri A.K. Selvaraj
16. Shri A. V. Swamy
17. Shri Lal Singh Vadodia

Secretariat

1. Shri Abhijit Kumar	- Additional Secretary
2. Shri S. Chatterjee	- Director
3. Smt. Emma C. Barwa	- Deputy Secretary

**Representatives of the Ministry of Panchayati Raj**

1. Shri J. S. Mathur	- Secretary
2. Dr. Bala Prasad	- Additional Secretary
3. Shri S. N. Tripathi	- Additional Secretary & Financial Advisor
4. Smt. Sujata Sharma	- Economic Advisor
5. Shri Sanjeeb Kumar Patjoshi	- Joint Secretary
6. Shri Khushwant Singh Sethi	- Joint Secretary

2. At the outset, the Chairperson welcomed the members of the Committee to the sitting convened to take evidence of the representatives of the Ministry of Panchayati Raj pertaining to the subject 'Improvement in the functioning of Panchayats'.

*[Witnesses were then called in]*

3. After welcoming the witnesses, the Chairperson read out Direction 55(1) of the 'Directions by the Speaker' regarding confidentiality of the proceedings. Hon'ble Chairperson in his opening remarks highlighted various issues pertaining to Improvement in the functioning of Panchayats such as disbursement of money from Centre to the States, Physical and Financial status fixed and the results achieved, funds allocated and their utilization by different States/UTs etc.

4. Thereafter, Members sought clarifications on various issues relating to the subject. These were replied to by the representatives of Ministry of Panchayati Raj.

5. The Hon'ble Chairperson then thanked the representatives of Ministry of Panchayati Raj and queries on which the information was not readily available, the Ministry of Panchayati Raj was directed to furnish written replies to the Secretariat.

*[The witnesses then withdrew]*

6. The Committee also decided to undertake study tour of 2 days from 20 to 22 January, 2018 to Chennai and Madurai.

8. A Verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**Confidential****STANDING COMMITTEE ON RURAL DEVELOPMENT (2017-2018)****MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE HELD ON  
TUESDAY, THE 26<sup>th</sup> June, 2018**

The Committee sat from 1500 hrs. to 1525 hrs. in Committee Room No. E, Basement, Parliament House Annex, New Delhi.

Dr. P. Venugopal -- *Chairperson*

**MEMBERS****Lok Sabha**

2. Shri Gokaraju Ganga Raju
3. Shri Prahlad Singh Patel
4. Dr. Yashwant Singh
5. Shri Ladu Kishore Swain
6. Shri Ajay Misra (Teni)
7. Smt. Sajda Ahmed

**Rajya Sabha**

8. Shri Ajay Pratap Singh
9. Shri Javed Ali Khan
10. Shri Rathwa Naranbhai Jemlabhai
11. Shri Prashanta Nanda
12. Shri Lal Sinh Vadodia

**Secretariat**

1. Shri Abhijit Kumar	-	Additional Secretary
2. Shri S. Chaterjee	-	Director
3. Smt. B. Visala	-	Additional Director

..2/-

2. At the outset, the Chairperson welcomed the Members of the Committee to the sitting convened to consider and adopt two Draft Reports viz. (i) XXX XXX XXX XXX (ii) 'Improvement in the functioning of Panchayats' of the Ministry of Panchayati Raj. The Chairperson also informed that Shri Ajay Pratap Singh, MP, Shri Rathwa Naranbhai Jemlabhai, MP and Shri Prashanta Nanda, MP have since been nominated to the Committee w.e.f. 02<sup>nd</sup> June, 2018.

3. Thereafter, the Committee took up for consideration of the aforementioned Draft Reports and adopted the same 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/lay the same to both the Houses of Parliament.

The Committee then adjourned.

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XXX : Not related to Draft Report