

Funds for PRIs as per UPA's programme

4550. SHRI MANI SHANKAR AIYAR: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) the present status of the scheme formulated by the Ministry for Efficient and Simple Financial Management System and on-line Transfer and Tracking of Funds, based on the earlier proposal for electronic tagging and tracking of Central funds meant for deployment at the Panchayat level; and

(b) in this connection, the progress with respect to ensuring that State Governments and Union Territory Administrations ensure that funds for Panchayati Raj Institutions (PRIs) reach PRJs 'without delay and diversion' as pledged in the UPA's Common Minimum Programme?

THE MINISTER OF PANCHAYATI RAJ (SHRI V. KISHORE CHANDRA DEO):

(a) and (b) The mechanism of efficient and simple financial management system and on-line transfer and tracking of funds is presently being implemented in the Backward Regions Grand Fund Scheme administered by the Ministry of Panchayati Raj. The Guidelines of the Scheme, *inter-alia*, stipulate that all funds will be transferred to the Consolidated Funds of State Governments. Those funds that are to be transferred to Panchayats and Municipalities by the State Governments will be transferred to their bank accounts, following the same stipulations as prescribed for the devolution of 12th Finance Commission Grants, namely, within 15 days of the release of funds to the Consolidated Fund. From the State level, the funds will be directly deposited into the bank accounts of the Panchayat or Municipality concerned, using the mechanism of bank transfers suggested by the Task Force of the Ministry of Panchayati Raj to study the feasibility of rapid transfer of funds through banks to Panchayats. Further, it has also been stipulated that in case of delay in transfer of funds by the State Governments beyond the 15 days period, a penal interest @ equal to RBI bank rate shall be required to be transferred by the State Governments to PRIs/ULBs along with such delayed transfer of fund.

Centrality of Panchayati Raj Institutions

4551. SHRI MANI SHANKAR AIYAR: Will the Minister of Panchayati Raj be pleased to state:

(a) whether a detailed advisory was issued to all Union Ministries undertakings Centrally Sponsored Schemes and Additional Central Assistance regarding the need to review their respective guidelines to ensure the centrality of Panchayati Raj Institutions in planning and implementation in conformity with the provision of the Constitutions;

(b) if so, the details of the progress achieved in the last two years; and

(c) the reasons for which the process of reviewing the guidelines has not been uniform across Union Ministries, resulting in some lagging far behind others?

THE MINISTER OF PANCHAYATI RAJ (SHRI V. KISHORE CHANDRA DEO):

(a) and (c) This Ministry has taken up the issue of centrality of Panchayati Raj Institutions in various Centrally Sponsored Schemes (CSSs) and Additional Central Assistance (ACAs) in various forums. Among the major CSSs, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Saakshar Bharat Mission, Indira Awas Yojana (IAY), Pradhan Mantri Adarsh Gram Yojana (PMAGY) and National Rural Drinking Water Programme (NRDWP) provide significant roles and responsibilities to Panchayats. Under the Backward Regions Grant Fund (BRGF), which is an ACA, Ministry of Panchayati Raj (MoPR) provides untied funds through States to Panchayats and Municipalities on the basis of plans made by Panchayats. The Ministry of Drinking Water and Sanitation has revised the NRDWP guidelines under which, from 2011-12, in the inter-State allocation criteria, 10% scheme funds have been linked to States' performance on a Management Devolution Index (MDI) which measures the extent to which a State has decentralized the management of the programme. Ministry of Health and Family Welfare has issued instructions in July, 2011 that Village Health, Sanitation and Nutrition Committee should preferably function as a sub-committee of the Gram Panchayat. In the revised Sarva Shiksha Abhiyan guidelines of 2011, responsibilities of Panchayats in elementary education have been indicated. The extent to which various Ministries have incorporated the role of Panchayats in scheme guidelines varies as per the existing structure of the scheme and perceptions of that Ministry about the role of Panchayats etc.

Projection of Panchayati Raj Institutions

4552. SHRI MANI SHANKAR AIYAR: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether as against the Ministry's projection to the Thirteenth Finance Commission of a requirement of over Rs. 1,00,000 crore for Panchayati Raj Institutions, the Basic Grant and Performance Grant taken together amount only to Rs. 63,050 crore, that is, 40 per cent less than asked for;

(b) the progress in regard to the release of Basic and Performance Grants, State-wise; and

(c) the proposed projection of Panchayati Raj Institutions' requirement to the Fourteenth Finance Commission?