

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
RAJYA SABHA
UNSTARRED QUESTION NO. 2945
TO BE ANSWERED ON 12.12.2016

ADVERSE IMPACT OF SLASHED BUDGET

2945. SHRI SANJAY RAUT

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the functioning of Panchayati Raj institutions has been adversely affected, due to slashed budgetary allocations to the Ministry;
- (b) if so, the details in this regard;
- (c) whether the Ministry would suffer severely because of discontinuation of Backward Regions Grant Fund allocations; and
- (d) if so, the details regarding its major consequences?

ANSWER

MINISTER OF STATE OF PANCHAYATI RAJ
(SHRI PARSHOTTAM RUPALA)

(a) to (d): No, Sir. There has not been any adverse impact on the functioning of Panchayati Raj Institutions (PRIs) due to slashed budgetary allocations to this Ministry on account of delinking of District component of Backward Regions Grant Fund (BRGF) and state component of Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) w.e.f. 2015-16. Under the 14th Finance Commission (FFC) award, a much larger amount i.e. Rs.2,00,292.2 crore has been allocated for the period 2015-20 as compared to Rs.65160 crore recommended under 13th Finance Commission. These funds are directly flowing to the Gram Panchayats. Further based on FFC award, States also got enhanced share of allocation in the central taxes i.e. from 32% to 42% which has provided much needed flexibility to the States to formulate and implement the development plans as per local requirements especially to address the issues of backwardness.
