

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO. 2963
TO BE ANSWERED ON 04.01.2018

Development of Economy at Panchayat Level

†2963. SHRI ALOK SANJAR:
SHRIMATI KAMLA DEVI PAATLE:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the Government proposes to take steps for the manufacture of products from raw materials available in the rural areas and to take the export potential thereof so as to facilitate employment to the rural people and to improve the rural economy;
- (b) if so, the details thereof;
- (c) whether his Ministry has signed any Memorandum of Understanding with any other agency/organisation for the export of products from the rural areas;
- (d) if so, the details thereof; and
- (e) the other steps taken by the Government to encourage the rural people to develop economy at panchayat level and to provide incentives to the rural people for improving their financial position at panchayat level during the last three years and the current year?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF PANCHAYATI RAJ
(SHRI PARSHOTTAM RUPALA)

(a) & (b) Ministry of Micro, Small and Medium Enterprises is implementing various schemes through Khadi and Village Industries Commission and Coir Board for the manufacture of products from raw materials available in the rural areas so as to facilitate employment to the rural people and to improve the rural economy. These schemes are Prime Minister Employment Generation Programme; Fund for Regeneration of Traditional Industries; Scheme for Promoting Innovation, Rural Industry and Entrepreneurship; Market Promotion Development Assistance;

Strengthening Infrastructure of existing weak Khadi Institutions and Assistance for Marketing Infrastructure; Khadi Reform and Development Programme; Coir Vikas Yojana and Coir Udyami Yojana.

(c) No.

(d) Does not arise.

(e) The Ministry of Rural Development, *inter alia*, is implementing rural development schemes, namely, Mahatama Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Pradhan Mantri Aawas Yojana-Gramin (PMAY-G), Pradhan Mantri Gram Sadak Yojana (PMGSY), Deen Dayal Antyodaya Yojana- National Rural Livelihood Mission (DAY-NRLM), Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) and National Social Assistance Programme (NSAP) through State Governments and Union Territory Administrations. The objective of these programmes is to bring about overall improvement in the quality of life in rural areas through employment generation, strengthening of livelihood opportunities, ensuring minimum national standard for social assistance and provision of other basic amenities. PRIs have been entrusted central role in the implementation and monitoring of rural development schemes. As per MGNREGA Act, the Gram Panchayats are responsible for identification of work to be taken up as per the recommendation of Gram Sabha and in terms of cost at least 50% of the total work shall be executed by the Gram Panchayats. Under PMAY-G, beneficiaries are identified through Gram Sabha based on the Socio Economic Caste Census, 2011 data.

As envisaged under Article 243 G of the Constitution, the Panchayats function as institutions of local self-governance and implement schemes for economic development and social justice in rural areas. Under Fourteenth Finance Commission (FFC) for the award period 2015-20, grants to the tune of Rs. 2,00,292.20 crore for the period from 2015 to 2020 are being devolved to Gram Panchayats (GPs) 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. The FFC funds are expected to improve the living conditions of the people in the rural areas as these relate to the provision of basic services and other essential infrastructure for the people and thus provide stimulus for economic development. The allocation and release of Finance Commission Grants (13th Finance Commission for the year 2014-15 and 14th Finance Commission for the years 2015-16 to 2017-18) for Rural Local Bodies for the last three years and current year are given in **Annexure**.

Annexure

Annexure referred to in reply of Lok Sabha Unstarred Question no. 2963 for 04.01.2018

Allocation and release of Finance Commission Grants (13th Finance Commission for the year 2014-15 and 14th Finance Commission for the years 2015-16 to 2017-18) for Rural Local Bodies for the last three years and current year

(Amount Rs. in crore)

Year	2014-15	2015-16	2016-17	2017-18	Total
Allocation	18042.86	21624.46	33870.52	39040.97	112578.81
Release	16210.96	21510.46	32028.82	23830.20	93580.44
