

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO. 1878
TO BE ANSWERED ON 28.07.2016

SOURCE OF INCOME OF PANCHAYATS

1878. SHRI P.KUMAR

Will the Minister of PANCHAYATI RAJ be pleased to state:

- a) whether there is any proposal to increase the sources of income of the village Panchayats along with the measures to strengthen the Panchayati Raj Institutions (PRIs); and
- b) whether Government is aware of the fact that rural development has been affected after implementation of MGNREGA and if so, the details thereof and the manner in which PRIs would be strengthened?

ANSWER

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

(a): Article 243H of the Constitution bestows upon the Legislature of the State the powers to authorize a Panchayat to levy, collect and appropriate taxes, duties, tolls and fees in accordance with such procedure and limits as may be specified in law. Under the Fourteenth Finance Commission award, grants to the tune of Rs. 2,00,292.20 crore have been devolved to the Gram Panchayats (GPs) for the period 2015-20 to ensure stable flow of funds at regular intervals to augment their resources to provide basic services as devolved.

(b): The objective of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is to bring about overall improvement in the quality of life in rural areas through guaranteed employment generation and development of rural infrastructure. The scheme has reduced rural distress migration among rural poor; smoothened rural consumption in the lean season; set high standards in transparency; addressed under-employment problem; created assets that improved livelihoods; gave boost to the financial inclusion; strengthened GPs; improved the wage levels in rural areas; set standards for decent working conditions; and helped in bringing fallow lands into cultivation.

Panchayats have been given a pivotal role in the planning and implementation of projects under MGNREGS. The Act provides that GPs shall be responsible for identification of projects to be taken up under the scheme as per the recommendations of the Gram Sabha and Ward Sabhas and the Panchayats at district, intermediate and village levels shall be the principal authorities for planning and implementation of the projects made under the scheme. Major steps taken by the Government to improve the programme implementation under MGNREGS are given at **Annexe**.

(Referred in reply to part (b) of Lok Sabha Unstarred Question No.1878 answered on 28-7-2016)

Major steps taken by the Government to improve the programme implementation under MGNREGS

Better planning and asset identification

- An Intensive Participatory Planning Exercise (IPPE) /Mission Antyodaya has been launched in 2569 most backward blocks. This exercise has helped in identifying better quality assets that need to be created.
- For improving convergence with the line departments, and thereby to improve the quality of assets, the State Convergence Plans have been formulated.

Improving the quality of works

- The associated outcomes of each work are being recorded before taking up the work, and the same is being measured after completion of the work-thereby bringing in more focus on outcomes.
- Ministry has conducted training of Technical Resource Persons from the States/UTs on different technical aspects of works which can be taken up under the scheme. States have been asked to train Block resource persons and district resource persons to form technical teams.
- The States/UTs have been asked to deploy State Quality Monitors to inspect the quality of assets created under the Scheme.
- States have been advised to engage technical assistants/barefoot engineers for better technical planning and supervision of works under MGNREGS.

Better transparency, accountability and grievance redressal

- States/UTs have been asked to strengthen social audits of MGNREGS works in accordance with the provisions of the Audit of Schemes Rules 2011 issued in consultation with the Comptroller and Auditor General of India. Social Audit Action Plan has been formulated and shared with States.
- All States have been requested to set up an independent Social Audit Unit (SAU) and appoint Ombudsman at the district level for grievance redressal.
- The Government has established a comprehensive system of monitoring and review mechanism for MGNREGS, which, *inter alia*, include visits of the Government Officers and National Level Monitors.
- With a view to avoid bogus attendance and to check instances of tempering and misuse of muster rolls, the e-Muster system has been introduced.

Fund management and avoiding delays in payment

The Government has initiated Electronic Fund Management System (e-FMS) which directly credits the wages into the respective beneficiary's accounts using the core banking system. The Central Government has also started **National Electronic Fund Management System (NeFMS)** in 11 States (*Assam, Bihar, Haryana, Karnataka, Kerala Odisha Punjab, Rajasthan, Tripura, Uttar Pradesh and Uttarakhand*) and launched Dashboard for tracking of pending Fund Transfer Orders, Public Fund Management System, electronic Fund Management System, Direct Benefit Transfer etc.

Project LIFE – MGNREGA

- The Government has launched Project Livelihood in Full Employment-Mahatma Gandhi National Rural Employment Guarantee Act (Project LIFE- MGNREGA). It aims to plan and implement tailor-made livelihood interventions for rural households in convergence with National Rural Livelihood Mission (NRLM), Krishi Vigyan Kendras (KVKs) and Deen Dayal Updhyaya Grameen Kaushalya Yojna (DDU-GKY) thereby, converting them into skilled persons.
- Focus on NRM and individual assets.

Monitoring and Review Mechanism

- The Scheme is regularly reviewed in the Performance Review Committee meetings, video-conferences and regional review meetings. State specific reviews are also undertaken from time to time. Officers and National Level Monitors also visit various districts to oversee the performance of MGNREGS.
