

**MINISTRY OF PANCHAYATI RAJ****DEMAND NO. 67****Ministry of Panchayati Raj**

A. The Budget allocations, net of recoveries, are given below:

<i>(In crores of Rupees)</i>										
Major Head	Budget 2006-2007			Revised 2006-2007			Budget 2007-2008			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	3825.00	0.73	3825.73	2000.00	0.38	2000.38	4770.00	0.50	4770.50	
Capital	...	...	...	...	...	...	...	...	...	
<b>Total</b>	<b>3825.00</b>	<b>0.73</b>	<b>3825.73</b>	<b>2000.00</b>	<b>0.38</b>	<b>2000.38</b>	<b>4770.00</b>	<b>0.50</b>	<b>4770.50</b>	
1. Secretariat - Economic Services	3451	4.00	0.73	4.73	4.00	0.38	4.38	7.00	0.50	7.50
<b>Other Rural Development Programmes</b>										
2. Panchayat Empowerment Incentive Scheme	2515	10.00	...	10.00	10.00	...	10.00	10.00	...	10.00
3. Rashtriya Gram Swaraj Yojana	2515	50.50	...	50.50	45.45	...	45.45	67.90	...	67.90
4. Media Publicity and Advocacy	2515	3.00	...	3.00	3.00	...	3.00	...	...	...
5. Pass-through of external assistance under projects assisted by UN Agencies	2515	...	...	...	5.00	...	5.00	5.00	...	5.00
6. Contribution to Commonwealth Local Government Forum under International Co-operation	2515	...	...	...	0.05	...	0.05	0.10	...	0.10
7. Lumpsum provision for projects/schemes for the benefit of the North Eastern Region and Sikkim	2552	7.50	...	7.50	7.50	...	7.50	10.00	...	10.00
<b>Grants for State Plan schemes :</b>										
8. Backward Regions Grants Fund	3601	3750.00	...	3750.00	1925.00	...	1925.00	4670.00	...	4670.00
<b>Grand Total</b>		<b>3825.00</b>	<b>0.73</b>	<b>3825.73</b>	<b>2000.00</b>	<b>0.38</b>	<b>2000.38</b>	<b>4770.00</b>	<b>0.50</b>	<b>4770.50</b>
<b>C. Plan Outlay</b>	Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
<b>Central Plan</b>										
1. Secretariat - Economic Services	13451	4.00	...	4.00	4.00	...	4.00	7.00	...	7.00
2. Other Rural Development Programmes	12515	63.50	...	63.50	63.50	...	63.50	83.00	...	83.00
3. North Eastern Areas	22552	7.50	...	7.50	7.50	...	7.50	10.00	...	10.00
<b>Total-Central Plan</b>		<b>75.00</b>	...	<b>75.00</b>	<b>75.00</b>	...	<b>75.00</b>	<b>100.00</b>	...	<b>100.00</b>
<b>State Plan</b>										
1. Backward Regions Grants Fund	43601	3750.00	...	3750.00	1925.00	...	1925.00	4670.00	...	4670.00
<b>Grand Total</b>		<b>3825.00</b>	...	<b>3825.00</b>	<b>2000.00</b>	...	<b>2000.00</b>	<b>4770.00</b>	...	<b>4770.00</b>

1. The provision is for expenditure of Secretariat of the Ministry of Panchayati Raj.

The Ministry of Panchayati Raj was set up to give an impetus to strengthening of the Panchayati Raj Institutions. It is mandated to look after the work relating to monitoring of the implementation of Constitution (73<sup>rd</sup> Amendment) Act, 1992, the provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 and Article 243 ZD of Part IX A relating to District Planning Committees read with the Eleventh Schedule which illustratively sets out a list of 29 matters, which might be considered by State Legislatures for devolution to the Panchayats in respect of the planning of economic development and social justice as well as the implementation of "entrusted" schemes of economic and social development in such a manner as to ensure that they function as "units of self government."

2. **The Panchayat Empowerment Incentive Scheme** is intended to incentivise State Governments to undertake reforms and progressively devolve more and more powers on the Panchayats, in accordance with the recommendations of the seven Round Tables of State Ministers of Panchayati Raj as also for Panchayats empowered by such reforms to effectively assume the responsibilities devolved upon them and to be transparent and accountable to the Gram Sabhas in their functioning. To

measure the extent of devolution of powers in States, a Devolution index has been developed.

3. **Rashtriya Gram Swaraj Yojana** is being implemented to assist States to improve the capacity of Panchayats and provide necessary administrative and infrastructure support so that they can effectively perform the functions devolved and the schemes entrusted to them. This scheme will have the following components:- 1) Improving infrastructure at Panchayat level 2) Support minimum staffing required for every Panchayat and augment technical support to Panchayats 3) Training and Capacity building of elected representatives of Panchayats and Staff 4) e-Governance for all Panchayats 5) Capacity Building at the State level to manage devolution 6) Panchayat Mahila Shakti Abhiyan 7) Panchayat Yuva Shakti Abhiyan 8) Rural Business Hubs and 9) Media & Publicity

5. The Ministry of Panchayati Raj has taken major initiatives in collaboration with UNDP. The UNDP is providing support to the Ministry on capacity building of elected women representatives and functionaries in several States and for the Ministry's work on Panchayati Raj jurisprudence.

7. Lumpsum provision has been kept for projects/schemes for the benefit of North Eastern States including Sikkim.

8. **The Backward Regions Grants Fund (BRGF)** has been initiated for putting in place Programmes and Policies with the joint efforts of the Centre and the States which would remove barriers to growth, accelerate the development process and improve the quality of *life* of the people. The Scheme aims at focused development programmes for backward areas which would help to reduce imbalances and speed up development. The main objectives of the scheme are to address the problems of low agricultural productivity, unemployment and to fill critical gaps in physical and social infrastructure. The District Administration/Panchayati Raj institutions accordingly would be required to prepare a Three Year Master Plan with nested Annual Action Plans. The Plan is to be based on a SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis, review of on-going schemes and identification of a few lead sectors wherein state intervention would help the region to overcome major

bottlenecks in development. The additionality is to be used to meet local needs through schemes in these lead sectors which would make a dent on the poverty of the region in a time bound manner. People's participation and involvement of Panchayati Raj Institutions, NGOs and Self Help Groups would be ensured at every stage including plan formulation, implementation and monitoring. As BRGF grants are untied, Panchayats are expected to use these grants for 'gap filling' in existing development programmes to build up the development infrastructure in such a manner as to promote the closing of the gap between backward and non-backward districts. The programme covers 250 districts identified by the Government. Each district will get a minimum grant of Rs. 10 crore and an additional grant of approximately Rs. 5 crore moderated by such criteria as population and geographical area. BRGF is targeted at reducing the bane of regional inequalities.