

ANALYSIS OF INSTITUTIONAL STRENGTHENING OF GRAM PANCHAYATS PROGRAM IN WEST BENGAL – A STUDY ON DEVELOPMENT PERSPECTIVE

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[West Bengal is the pioneering state in establishment of the three tier panchayats system for rural government in India. West Bengal government, strengthening the institutional capacity of gram panchayat with initiated the Institutional Strengthening of Gram Panchayat (ISGP) project in 2010 with associated from World Bank. The main focus on this paper is to how the ISGP project increased the performance level of the gram panchayats and also monitoring the project planning, budgeting and procurement of overall functioning.]

Keywords: ISGP, World Bank, Annual Performance Assessment, CAG, Minimum Mandatory Conditions]

Introduction

Panchayats in India forms the third tier of governments. Panchayats in India play a important role in the delivery of public services and fostering social inclusions. Panchayats can act as self-government under the Directive principle of the state policy (under Article 40). Under the article 40, panchayats vested with such power and authority as may be necessary to enable them to functioning as units of self-government. Panchayats can act as a government wings and working freely for planning and implementing programs for economic development and social justice in grass root level for villagers, particularly the poor and vulnerable sections. In India more than 60 percent

of the people live in rural areas. Poverty has been widespread in rural areas since the British period. It has been estimated that more than two third of the Indian populations lives below the poverty line and the majority of this lives in rural area. In 1956, the planning commission appointed a study team led by Balwant Rai Mehta, to study and report on 'community development projects and national extension service' with view to assessing the economy and efficiency to the panchayat system. But those reports basis on survey are not properly implemented, but after the 73rd amendment act 1992 to the constitutions, pointing out that panchayats have been

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in existence, and Article 40 of the constitutions which one of the directive principle of state policy that the state will taking step to organize village panchayats. The forces of globalization and the promotion of a new strategy of development that increase the expectation of rural people to get better services from the rural people, and the expectations of rural people for receiving better services increased day by day. Also the political commitment for decentralizations led to the launching of the Institutional Strengthening of Gram Panchayats (ISGPP-1) in 2010. ISGP program is to support the development of stronger and efficient gram panchayat systems. ISGP program enhanced the local services and infrastructure through intensive capacity building support, performance based incentive grants transferred and monitoring and applications of environment and social safeguards.

Literature Review

Amitabh Behar and Yogesh Kumar (2002) opined in their study that, in five districts in the state of Madhya Pradesh in central India, on the functioning of newly-strengthened local government. Also they discussed Madhya Pradesh is viewed by many as one of the better performing states in respect of its initiatives for democratic decentralization through *Panchayati Raj*. The most significant reason behind this impression is a strong political will at the top level for strengthening and supporting the *Panchayat* system to take its due place in the system of governance. Despite these

efforts and initiatives in Madhya Pradesh, the *Panchayat* system continues to be plagued by immense difficulties and faces stiff resistance from several quarters.

Ravi Deshpande and Marsella D'suaza (2009) in their study observed that, the actual operation of Panchayati Raj Institutions (PRIs) is of greater significance now more than ever before. PRIs are considered as partners of the central and state governments in carrying out development functions. Article 243-G introduced by the 73rd amendment to the Constitution empowers state governments to vest village Panchayats with powers and responsibilities to prepare plans for their economic development and social justice and implement schemes to achieve these objectives. PRIs are also seen as a vehicle to implement major development programmes as laid down clearly by the Hariyali Guidelines and now in the Common Guidelines for Watershed Development.

M. Govinda Rao and T.R. Raghunandan (2011) through their study highlighted one of the principal motivations for decentralizing of political, administrative and fiscal systems in developing countries is the belief that this will help to catalyse the process of harnessing the developmental potential and improve the living conditions of the people, particularly, the disadvantaged sections. By development we do not merely mean in the narrow sense of increasing per capita incomes, but in the broader sense of expanding the real freedoms of the people.

Amit N. Sangole and S.A.Bhura (2016) explained the E-Governance system, which not only helps Government servants by reducing their unnecessary workload but also helps to the other people those who seeking the services of government. They also thought that, Grampanchayat work on the one website which allows Gramsevak work more efficiently. Villager can get transparent and accountable administration. Loss of government resources and the effort of the villager reduce. Villager and Grampanchayat official's dependency on the nearby city or town reduce. Indirectly it helps to sustainable development of the village.

Suman Kumari and Shahnawaz Alam (2016) made an attempt to observe that, the Panchayats are expected to play an important role in rural development in India, particularly after independence. Plan documents of both the central and state governments and various committees have emphasized the importance of these bodies in the policy. They also think empowering rural population to participate in rural development programs for improving their quality of life. The primary motive of panchayats is to Providing rural infrastructure and socio-economic growth opportunities for the poor people in rural areas, and accountable and efficient functions of Panchayat Raj Institutions, providing opportunity for rural livelihood. Development of rural areas has a bearing on improved agricultural production and related economic activities, availability of natural and financial resources and their

development, improvement of service delivery - paving way for improved human development.

Objectives

The following objectives are set to discuss in the next points:

- 1) To analyze the performance of grants modalities of ISGPP-I.
- 2) To analyze the financial management system in Gram panchayats.
- 3) To analyze the participatory planning and budgeting mechanism at the local level.

Study Plan

The paper is based on secondary data. The data have been collected from several published reports of central governments, state governments, internet, articles, newspapers and magazines etc. Graphs and percentile methods have been used to analyze the data.

Establishing Quality Performance Systems

In India, most of its population resides in rural areas and therefore the democracy should begin there on. Financing of rural bodies (Gram panchayats) in India is a subject which has received much attention from result. Services to the citizen suffer in West Bengal government; in the past have undertaken a series of efforts to improve the financial situations of the gram panchayats. In last couple of years, West Bengal government strengthening the institutional capacity of gram panchayat for delivering quality

services to the local level. Government of West Bengal initiated the Institutional Strengthening of Gram Panchayats (ISGP) project with support from World Bank in September 2010 to the period of 30th June, 2016. The projects firstly initiated in 1000 selected Gram Panchayats across nine district of West Bengal namely Howrah, Bardhaman, Birbhum, Bankura, Purba Medinipur, Pachim Medinipur, Dakshin Dinajpur, Nadia and Coochbehar covering 2.2 crore rural populations. Gram Panchayats have to quality four Minimum Mandatory

Conditions (MMC) and gain a minimum qualifying score in the Annual Performance Assessment (APA) conducted by an Independent agency to receive those grants. The Minimum Mandatory conditions are

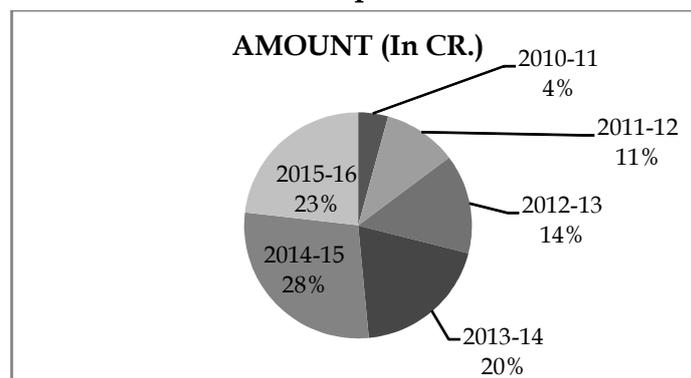
- 1) Timely preparation and approval of integrated plan and budget.
- 2) Timely and quickly utilization of united grants.
- 3) Clean external (CAG) audit report.
- 4) Timely digitalization and upload financial transactions for public view.

Table: 1: Quantum of Block Grants Release

YEAR	RS. (In CR.)	INCREASE /DECREASE (Rs. In CR.)	PERCENTAGE OF INCREASE /DECREASE
2010-11	44.09	-	-
2011-12	108.94	64.85	147.08
2012-13	147.71	38.77	35.59
2013-14	202.79	55.08	37.29
2014-15	294.15	91.36	31.06
2015-16	240.43	(53.72)	(18.26)

Source: Data compiled from the website of Ministry of Panchayat and Development, Government of West Bengal.

Graph-1



Source: The Graph-1 compiled from table-1

From the data presented in the above diagram-1 it is cleared that Quantum of Block Grants release under ISGP program has been increased from the year 2010-11 to 2014-15. In 2011-12 the percentage of block grants has been increased by 147.08 over the year 2010-11, while in 2012-13 the percentage of increased drop down by 35.59 over the year 2011-12. In 2013-14 and 2014-15 the percentages has been increased by 37.25 and 31.06 over the year 2012-13 to 2013-14 respectively. But in 2015-16 the percentage of block grants has been decreased by 18.26 over the year 2014-15.

Capacity Building Program

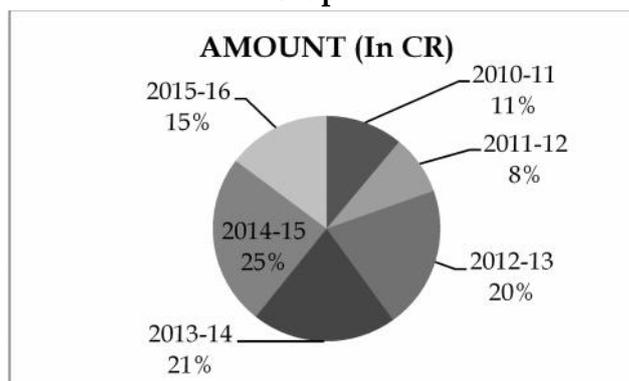
After the completion of first phase ISGP program on 2016, there after the ISGP phase II initiated by the West Bengal government and it covers all the 3342 Gram panchayats across the 19 districts. The main aim of ISGP-II was to develop institutional mechanism to enable the Gram Panchayats to utilize the funds coming from the central or state finance commissions and other institutions, by managing resources in an efficient and effective manner.

Table-2: Year wise Release of SFC Grants to the Projects GPs

YEAR	RS. (In CR.)	INCREASE /DECREASE	PERCENTAGE OF INCREASE /DECREASE
2010-11	62.14	-	-
2011-12	48.33	(13.81)	(22.22)
2012-13	115.9	67.57	139.81
2013-14	116.68	0.78	0.67
2014-15	138.85	22.17	19
2015-16	83.19	(55.66)	(40.08)

Source: Data compiled from the website of Ministry of Panchayat and Development, Government of West Bengal.

Graph-2



Source: The graph-2 compiled from table-2

The SFC grant has become the major source of ISGP projects. From the above table-2 we observed that, in 2010-11 the SFC grant allotted under ISGP project was Rs. 62.14 cr. It has been decreased to Rs. 48.33 cr. in 2011-12, the percentage of decreased was 22.22. From the year 2012-13 to 2014-15 the SFC grant has been increased by Rs. 67.57, 0.78 and 22.17 cr. over the year 2011-12 to 2013-14 respectively. In 2012-13 the

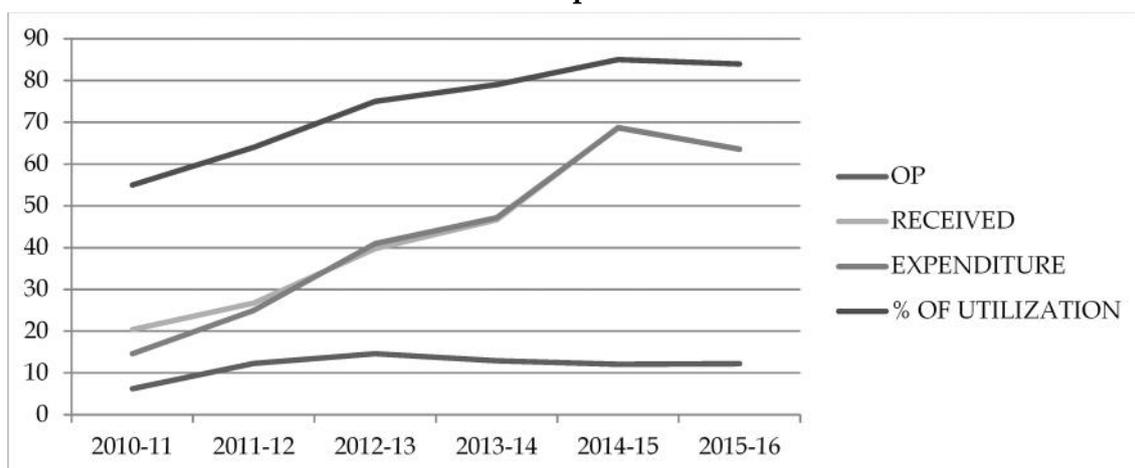
percentage of fund increased by 139.81 over the year 2011-12, it was quite significant in respect of grant allotment under SFC. Because the allotment of fund depend on various performances of the gram panchayat, whereas in 2015-16 the SFC grants has been decreased by Rs. 55.66 cr. over the year 2014-15, so it can be concluded that the performance level of the gram panchayats have been fluctuated during 2010-11 to 2015-16.

Table- 3: Rs. (in Cr.) Received and Percentage of Utilizations Rs.

YEAR	OPENING BALANCE (OP)	RECEIVED	EXPENDITURE	% OF UTILIZATION
2010-11	6.2	20.4	14.6	55
2011-12	12.3	26.7	25	64
2012-13	14.6	39.8	41	75
2013-14	12.9	46.7	47.2	79
2014-15	12.1	68.8	68.7	85
2015-16	12.2	63.5	63.6	84

Source: Data compiled from the website of Ministry of Panchayat and Development, Government of West Bengal.

Graph-3



Source: Graph-3 compiled from Table- 3

From the above diagram-3, we discussed the fund received, expenses and percentage of utilization from ISGP projects. Here we observed that, the amount received under ISGP projects has been gradually increased. From the year 2010-11 to 2014-15, the fund received under ISGP projects are 20.4, 26.7, 39.8, 46.7, 68.8 CR. respectively whereas in 2015-16 the fund received under ISGP

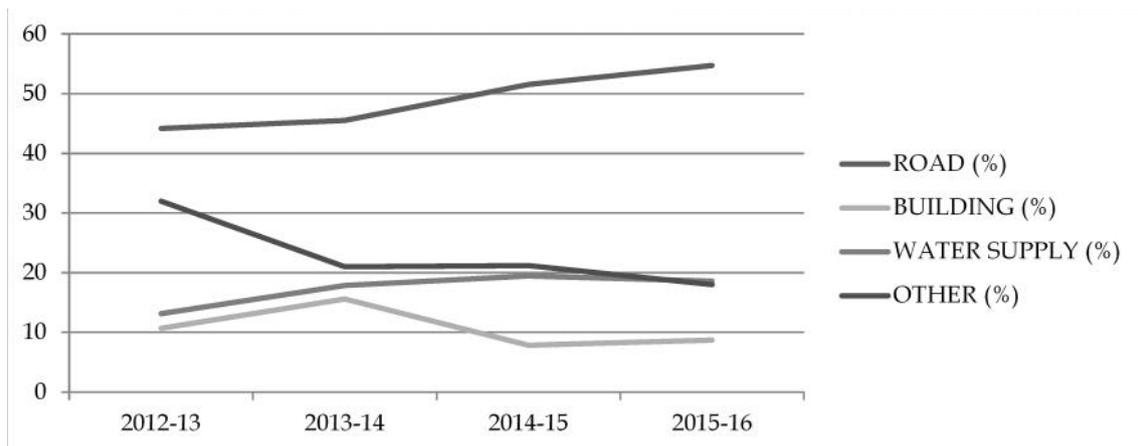
project come down to 63.5 CR. The expenditure on ISGP project gradually increased from the year 2010-11 to 2014-15, but in 2015-16 it showed a declining trend. The percentages of utilization also gradually increased from the year 2010-11 to 2014-15, but in 2015-16 the percentage of utilization has been slight decreased and it is 84 percent.

Table- 4: Sectorial Investment of Block Grant

SECTOR	2012-13	2013-14	2014-15	2015-16
ROAD (%)	44.19	45.50	51.52	54.7
BUILDING (%)	10.68	15.62	7.87	8.7
WATER SUPPLY (%)	13.16	17.89	19.45	18.6
OTHER (%)	31.97	20.99	21.17	18
TOTAL (%)	100	100	100	100

Source: Data compiled from the website of Ministry of Panchayat and Development, Government of West Bengal.

Graph- 4



Source: The Graph-4 compiled from Table- 4

From the data presented in the above table- 4, following observations can be seen:

- 1) The Maximum ISGP grant was utilized in Road constructions and maintenance. From the year 2012-13 to 2015-16 the percentages of grants gradually increases under ISGP projects.
- 2) In case of Building construction, the percentages of fund invested under ISGP projects are fluctuated during the study period. From the year 2012-13 to 2015-16 the percentages were 10.68, 15.62, 7.87 and 8.7 respectively.
- 3) The same situation also occurred in case of water supply, compared to building construction. Here also the fund invested in water supply has been fluctuated during the study period.
- 4) In case of other sector investment, the percentages were 31.97, 20.99, 21.17 and 18 respectively.

There are some areas where ISGP projects were implemented:

Flood Relief Shelter

Inhabitants of Kadva village in Howrah District, under the Anulia Gram Panchayat have seen and battled devastating floods for decades. There were seven numbers of Sangsads which were simultaneously and continuously hit by flood with the onset of monsoon for couple of decades under the ISGP projects. Anulia Gram panchayats constructed a relief shelter and the expenditure incurred for the constructions was Rs. 339119. The shelter encompasses a total covered area of 37.8

square meters and has an accommodations capacity of 50 to 60 peoples.

Irrigation Project

Shahahossainpur Gram panchayats is quite little village in Burdwan District. Most of the residents in that district are farmers, but the soil content is full of sand, as a result water retention capacity remains remarkably low. In consequences the gram panchayat of that area taken an irrigation project under the ISGP projects and they have utilized Rs. 375000 for safeguards of the farmers.

Water Project

In the district of Coochbehar there was a crisis of drinking water. In 2013, a team of representative from World Bank came to visit the area and with the assistance of ISGP program a water treatment plant began to provide the safe drinking water to the people of Coochbehar district at the expense of Rs. 201552.

Solid Waste Management System

Maligaon Gram Panchayat at Kushmandi in Dakshin Dinajpur embraced solid waste management program for a population free environment, under the ISGP program. The said project was constructed at an expenditure of Rs. 2518256. Using mobile van, gram panchayat employees go from door to door to collect the waste and after that the solid waste is recycled.

Conclusion

This paper has focused exclusively on Gram Panchayats, including their

interactions with Institutional Strengthening of Gram Panchayat (ISGP) projects and state level governments. It is useful to conclude by relating those reforms to Gram panchayats for their various developmental projects. The finding of this study shows that Gram panchayats in West Bengal are plagued by numerous facilities, which affect their performances in the efficient discharge of their duties. ISGP programs were one of the gateways to build strong gram panchayat systems. ISGP project-I covered 9 districts in the state of west Bengal and the funds which allocated under ISGP project depends the annual Performance Assessment Report (PAR), which conducted by the independent agency. There are four conditions which judge the performance of Gram panchayats. From the above mentioned data it can be observed that the performance of all the gram panchayats increases year by year, as a result the grants allocated by the state government through SFC, central government fund through CFC and other Institutional agency grants increased year by year. There are several areas where ISGP program implemented in Gram panchayat level. Environmental and Social Systems Assessment (ESSA) are one of the key areas where ISGP program encountered. Gram panchayat is associated with ISGP program in various sectors such as, Safe Drinking Water, Infrastructure improvement, Solid Waste Management, Irrigation and Waterways. So in various developmental perspectives in gram panchayat levels, ISGP program opens a new dimension where the

dreams of the rural peoples are to be fulfilled.

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