

**An Analysis on Devolution of Funds to Panchayats under 14th CFC and  
4th SFC and their impact on Outcomes for Social Sector with reference  
to Women and Children in Odisha**

**FINALREPORT**

**20 August 2018**

**Submitted to**

**UNICEF, Odisha Office**





## Contents

1.	INTRODUCTION AND OBJECTIVES OF THE STUDY.....	1
1.1	<i>Structure of the Report</i> .....	2
2.0	TRENDS IN STATE FINANCES AND SOCIAL SECTOR BUDGETING.....	3
2.1	<i>Trends in Revenue and Expenditure</i> .....	3
2.2	<i>Social Sector Expenditure</i> .....	5
2.3	<i>Social sector infrastructure and indicators of social development</i> .....	7
2.4	<i>Public expenditure on Women and Children</i> .....	10
3.0	DECENTRALIZATION FRAMEWORK OF PANCHAYAT RAJ INSTITUTIONS (PRIs) IN ODISHA.....	10
3.1	<i>Structure of Panchayat Raj Institutions (PRIs)</i> .....	11
3.2	<i>Devolution of Functions, Functionaries and Funds</i> .....	12
3.3	<i>Gram Panchayat Development Plan (GPD) and Finance Commission grants (SFC &amp; CFC)</i> .....	16
4.0	ANALYSIS OF EXPENDITURES FROM SFC AND CFC GRANTS .....	21
4.1	<i>Selection of Study Area and Methodology</i> .....	21
4.2	<i>Profile of the sample districts and Sample GPs</i> .....	23
4.3	<i>Analysis of data of Gram Panchayats</i> .....	27
4.4.	<i>Field insights from Semi-structured Interviews and Focus Group Discussions</i> .....	31
4.5	<i>Gaps in social infrastructure at GP level</i> .....	33
4.6	<i>Priorities of GP and focus on social infrastructure</i> .....	35
5.0	KEY FINDINGS AND POLICY IMPLICATIONS.....	37



## Acknowledgements

---

The study report has been prepared by Sri Madhusudhan Rao B.V and Mr. A Srinivas Kumar, with inputs from Mr. Sharad Pandey and Ms. Madhuwanti Mitro. The study team wishes to acknowledge the assistance of Mr Subash Chandra Dash and Dr K K Mohapatra in conducting the field work. We are grateful to Ms Lopamudra Tripathy, Ms Sumita Dawra and Ms Misaki of UNICEF for their detailed comments and suggestions on the draft report.

We wish to place on record the co-operation and guidance provided by the Department of Planning and Convergence and State Institute of Rural Development and Panchayati Raj (SIRD &PR) for this study. The study team also acknowledges the facilitation done by SIRD & PR for conducting the field work across 3 districts. Acknowledgements are also due to the UNICEF team who facilitated the Multi-Stakeholder Design workshop, field work and provided insights during the field visits. We are also grateful to the steering committee that helped us in designing the study, conducting multi-stakeholder workshop and planning the field work.

This Report has been finalized after taking into account the inputs from the Dissemination-cum-Advocacy Workshop held on 8 August 2018. We are grateful to Sri GB Reddy, OSD, Planning and Convergence Department and the participants of the workshop for sharing their valuable insights and providing feedback on the analysis and findings of the study.

We dedicate this report to the late Sri Raj Srivastava, Social Policy Specialist, UNICEF who took keen interest in conceptualizing the study but is unfortunately not there to see the completion of the study.



## Executive Summary

---

The 14<sup>th</sup> Central Finance Commission (14<sup>th</sup> CFC) has awarded Rs. 200,092 crore to the Gram Panchayats (GP) across the country for the period 2015-20. Ninety percent of this is provided as basic grant and ten percent as performance grant. In addition to the Central Finance Commission (CFC), the Fourth State Finance Commission (FSFC) has devolved funds to all the three tiers. Gram Panchayats (GPs) are required to prepare perspective and annual plans to utilise these funds. The Ministry of Panchayati Raj has issued guidelines for the preparation of Gram Panchayat Development Plans and the state has produced its own manual for GP called *AmaGaon-AmaYojanato* enable planning at GP level. The study had twin objectives of understanding the impact of devolution through FSFC and 14<sup>th</sup> CFC grants on the social sector as well as on women and children at GP level and to understand the implementation and monitoring mechanisms aimed at achieving better social outcomes through funds from FSFC and 14<sup>th</sup> CFC.

The understanding of the finances of the state, devolution of 3Fs( functions, Funds and Functionaries) to the PRIs and GPs in particular, along with the finances of PRIs was undertaken to provide the context and background for the understanding of GPDP across the sample GPs.

A closer look into the finances of the state for the last 6 years (2012-13 to 2017-18) indicated a higher level of dependency on the funds of Government of India. The share of own revenues had dipped from 50 percent to 33 percent during the same period. Expenditure on social sectors (health, education and others) is largely incurred by state through its departments and it has been growing at 17 percent per annum. The ratio of health expenditure to aggregate expenditure was higher in the state compared to that of the average of General Category States (GCS) while it was less than that of average of GCS under education expenditure. The share of social sector expenditure was hovering around 37 percent during the past 6 years indicating that the despite increases in size of total expenditure, social sector has not been able to get higher share of the total pie.

Analysis of the functions of the Panchayat Raj Institutions (PRIs) indicated that the GPs have very little say in the matters pertaining to social services such as health and education. By and large the role of the GPs is supervisory in nature restricted to getting approvals through Grama Sabha, giving administrative approval and supervising the works and reporting the progress/issues to Panchayat Samiti/Block Development Officer (BDO). The Fourth State Finance Commission also had voiced similar opinion.

The funds to PRIs are largely through schemes and the grants from State Finance Commission and Central Finance Commission. The funds are received under the Indira Awas Yojana, Mo Kudia /Biju Pucca Ghar Yojana, Gopabandhu Gramin Yojana, MGNREGS, CFC, SFC and others. While these schemes are not directly related to social indicators, they complement the social sector expenditures incurred by the state. A reduction in the utilisation of these funds of

PRIs in the last 6 years is a matter that needs attention. The utilisation of CFC and SFC grants during the first two years (2015-16 and 2016-17) was below 50 percent.

A sample of 30 GPs across three districts varying in socio economic indicators were chosen for understanding the implementation of GPDP. The study also involved conducting of Semi Structured Interviews (SSIs) with key officials and elected representatives at GP, block and district level, Focus Group Discussions (FGDs) with frontline workers and analysis of primary data regarding demography and finances of GP. The data discrepancies limited the analysis of revenues and expenditures of GP.

GPs have only own source revenue other than the state and central finance commission grants. The GPDP was largely restricted to planning for funds from state and central finance commission grants. This scope of planning was reduced by circulars issued by the state government stipulating the works to be undertaken under GPDP using CFC and SFC funds. The social sector expenditure within GPDP plans included repair and improvement of anganwadis, schools and health centres/sub centres bathing ghat with a dress changing room for women, provision of water and toilet facilities in schools, anganwadi centres and health centres as well as repair of approach roads to anganwadi, health centre and school . The GPDP process starting from pallisabha and gramasabha finalised the works to be taken up under CFC and SFC grants at the GP level which was then translated into action plans by the block officials who help in projectisation and was approved by GP. The pallisabha and Gramasabha did cover the social sector requirements as well. There were demands for improving the quality of services of schools (subject teachers, tuitions, etc), services of health centres, and improvement in efficiency of anganwadis (food and learning quality). The GPDP focus was largely confined to creation and improvement of infrastructure. The infrastructure deficits as elicited by pallisabha and gramasabha formed the basis for the identification of projects. The possible convergence with MGNREGA and other potential schemes were ignored for want of information. The inadequate staff and poor capacities also affected the GPDP process in realizing its full potential.

The GPDP placed higher responsibility on GPs for planning while its supervisory role did not allow it to develop a comprehensive plan. The role for bottom up planning lies largely with the block level which has information on funds from various schemes, possible convergence as well as the social indicators. The cluster approach would be a considerable option for developing a comprehensive plan including a focus on social indicators which can be implemented and supervised by GP in an effective manner



**An Analysis on Devolution of Funds to Panchayats  
under 14th CFC and 4th SFC and their impact on outcomes for social sector  
with reference to women and children in Odisha**

---

## **1. Introduction and Objectives of the study**

The 14<sup>th</sup> Central Finance Commission (14CFC) has awarded Rs. 200,092 crore to the Gram Panchayats (GP) across the country for the period 2015-20. Ninety percent of this is provided as basic grant<sup>1</sup> and ten percent as performance grant<sup>2</sup>. Funds are devolved on the basis of population (90 percent) and area (10 percent). These funds are exclusively for Gram Panchayats and the state governments have to transfer them to the GPs within 15 days of receipt from the Government of India. *The funds are earmarked for basic services like water, sanitation, electricity, roads, parks, playgrounds, crematoria, burial grounds and other basic services as specified in the State Acts.*

Under the 14CFC, Odisha would get basic grants to rural local bodies of Rs. 7,965.28 crore during five year period of 2015-2020. In addition to the basic grants, Odisha will receive Rs. 885.03 crore as performance grant subject to meeting the prescribed conditions.<sup>3</sup>

In addition to the Central Finance Commission, the Fourth State Finance Commission (FSFC) has devolved funds to all the three tiers. The FSFC has recommended a total transfer to Local Bodies within 10 percent of net divisible pool of State Taxes projected for the award period from 2015-20 of which 3 percent of the net tax revenue is to be transferred as devolution to PRIs and ULBs in the ratio of 75:25. It has recommended a total transfer of Rs.25325.03 crore to PRIs and ULBs, out of which Rs.7705.07<sup>4</sup> is meant for rural local bodies during 2015-20.

Gram Panchayats (GPs) are required to prepare perspective and annual plans to utilise these funds. The Department of Panchayati Raj has issued guidelines for the preparation of Gram Panchayat Development Plans and the state has produced its own manual for GP called *Ama Gaon - Ama Yojana* to enable planning at GP level.

With completion of three years for both FSFC as well as 14CFC grants, it is good time to study the planning process and prioritization of expenditure by the GPs to find out whether welfare

---

<sup>1</sup> Basic grants are the funds provided without any set conditions. The purpose of the basic grant is to provide a measure of unconditional support to the gram panchayats for delivering the basic functions assigned to them under their respective statutes. The grant provided is intended to be used to improve the status of basic civic services.

<sup>2</sup> The 14th CFC set six conditions for Panchayats to access the performance grant. The underlying objective of the grant is to initiate action at the grassroots level for compilation of data so that all stakeholders have access to reliable information for decision making. At the same time, it enhances accountability of the local self-government institutions to the public. Performance grants is to address the following issues: (i) making available reliable data on local bodies' receipt and expenditure through audited accounts; and (ii) improvement in own revenues. All the conditions have to be met in each of the award years. In case States are unable to draw their performance grant, the amount not drawn is redistributed in a specified manner.

<sup>3</sup> Guidelines for implementation of recommendations of 14<sup>th</sup> FC

<sup>4</sup> Action taken report on the recommendations of the 4th SFC of Odisha

of women and children received adequate focus in the planning and implementation of GP projects.

The study, thus, focuses on the following objectives

- a. To understand the impact of devolution through FSFC and 14CFC grants on the social sector as well as on women and children
- b. To understand the implementation and monitoring mechanisms aimed at achieving better social outcomes through funds from FSFC and 14CFC

In order to achieve the first objective, a detailed desk review was undertaken to understand i) the finances of the state; ii) social sector spending; and iii) awards of 14<sup>th</sup> CFC and FSFC and their utilization. The budget documents, outcome budgets, audit reports were analysed to understand the focus and social sector spending trends.

For the second objective, primary data collection from 30 GPs across 6 blocks of 3 districts was undertaken. The primary data included the financial information, semi-structured interviews with key Panchayat officials and elected representatives at different levels (district, block and GP) and focus group discussions with the key informants at the GP level

## **1.1 Structure of the Report**

The report is structured in three sections.

The section-2 focuses on the analysis of state government finances and social sector spending trends during the past 5 years.

The section-3 focuses on understanding the decentralisation framework, role of Panchayat Raj Institutions (PRIs) in social sector with special focus on GPs; conditionalities for utilisation of 14CFC grants and FSFC grants; analysis of circulars and orders of government to that effect and the actual quantum of grants obtained as well as received for planning by GPs.

The section-4 analyses data collected from the 30 GPs across 6 blocks from 3 districts through semi structured interviews with key informants and focus group discussion with front line workers. It presents an analysis of the planning, monitoring and supervision of the expenditure at different levels as well as the prioritization at the GP level. It discusses the functioning of GPs, planning and implementing processes, limitations in capacities and institutional arrangements.

## 2.0 Trends in State Finances and Social Sector Budgeting

### 2.1 Trends in Revenue and Expenditure

An analysis of revenues shows that while the total revenue of the state has increased at the rate of 19.17 percent during the last six years, the state's own revenues has grown at a slower pace compared to that of the grants/share of taxes from Government of India (GoI) (see Table 1). Share of taxes has gone up considerably during 2015-16 (first year of the 14<sup>th</sup> Finance Commission award period) compared to that of 2014-15 owing to higher devolution of share of taxes from GOI (32 percent to 42 percent). Similarly the GIA from GoI has increased from 2014-15 onwards in a significant manner recording highest growth rate among the important sources of revenue. While the increase in 2014-15 over the previous year was largely due to the routing of CSS funds through the state government instead of state level societies (like SSA society, RMSA and NHM), years 2015-16 and 2016-17 have also recorded increase. The borrowings have recorded very high growth.

**Table 1: Receipts of Government of Odisha (Rs. in Crore)**

Sources of Revenue	2012-13 AC	2013-14 AC	2014-15 AC	2015-16 AC	2016-17 AC	2017-18 RE	2018-19 BE	CAGR (%)
Own Revenue	23112	25270	27899	31238	30895	35520	38850	8.72
Share of Taxes	13965	15247	16181	23574	28322	31272	36586	19.06
Grant in Aid from GOI	6860	8429	12918	14129	15082	22904	24764	23.92
Non debt capital receipts	142	257	92	228	264	130	150	-0.51
Borrowings	1880	2290	7646	9790	11223	16563	18617	49.29
<b>Total Receipts</b>	<b>45959</b>	<b>51494</b>	<b>64735</b>	<b>78959</b>	<b>85786</b>	<b>106389</b>	<b>118967</b>	<b>17.80</b>

Source: Compiled by CBPS from Budget documents, Government of Odisha [AC-Actual; RE-revised estimate; BE-budget estimates]

The composition of revenues also indicates higher level of dependence on GOI funds. The share of GOI funds (Grant-in-Aid plus tax share) in the total revenue of the state has increased from 45 percent to 52 percent (see Figure 1) during 2012-13 to 2018-19. During the same period, the share of own revenues in total revenue has reduced from 50 percent to 33 percent indicating the need to augment the own source revenue by way of taxes and non-taxes. The tax to GSDP ratio<sup>5</sup> has increased to from 5.74 percent in 2012-13 to 6.81 percent during 2015-16 again dipped in 2016-17 to 6.06 percent and is estimated at 6.44 percent for the year 2018-19.

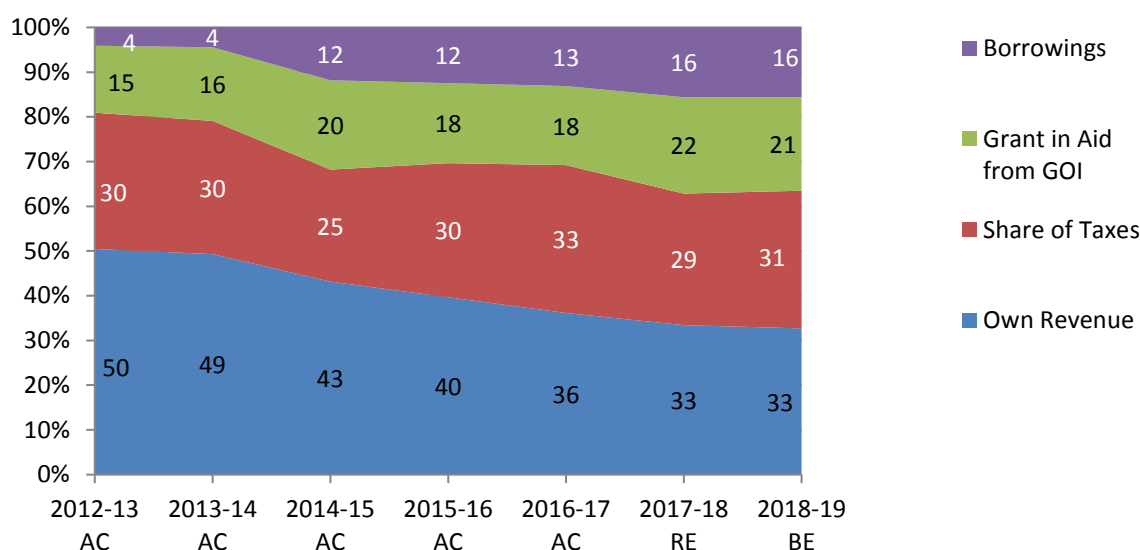
Mukherjee (2017) analysing the tax efforts of states for the period 2001-14 pointed out that Odisha has potential to improve the tax collection by 0.3 percent of GSDP by improving its tax efficiency. He also argued that the tax potential can be realised as the per-capita income has tripled over the period 2004-05 to 2013-14 and the same was not reflected in Value Added Tax (VAT) collections. The State's own tax buoyancy ratio<sup>6</sup> which was 1.68 in 2014-15 has

<sup>5</sup> FRBM statements presented along with the Budget 2018-19

<sup>6</sup> Ratio of change in tax to change in GSDP (%)

dropped to 0.13 in 2016-17 indicating the lower collection of tax in relation to the growth in GSDP.

**Figure 1: Share of different sources of revenue of Odisha**



Source: Compiles by CBPS from Budget documents, Government of Odisha [AC-Actual; RE-revised estimate; BE-budget estimates]

The total expenditure of Odisha is growing at around 17.5 percent annually while the capital expenditure is growing at a higher rate of 28.3 percent (Table 2)

**Table 2: Expenditures of Government of Odisha (Rs. in crore)**

Expenditure	2012-13 AC	2013-14 AC	2014-15 AC	2015-16 AC	2016-17 AC	2017-18 RE	2018-19 BE	CAGR (%)
Revenue Expenditure	38238	45618	51136	58806	65041	80823	90220	15.19
Capital Expenditure	5622	7756	11075	17090	18471	21557	24567	28.31
Loans and Advances	216	463	358	337	429	1840	1084	32.03
Total Expenditure	44076	53837	62569	76233	83941	104220	115871	17.50
Revenue Surplus	5699	3328	5862	10135	9258	8873	9980	
Revenue Surplus (% of GSDP)	2.18	1.12	1.87	3.06	2.45	2.13	2.25	
Fiscal deficit	3	-4634	-5479	-7064	-9378	-14394	-15521	
Fiscal deficit (% of GSDP)	0.00	-1.56	-1.74	-2.13	-2.49	-3.46	-3.50	

Source: Compiled by CBPS from Budget documents, Government of Odisha [AC-Actual; RE-revised estimate; BE-budget estimates]

The state has maintained a revenue surplus for the last 5 years. Also the Government has rightly moved from fiscal surplus to fiscal deficit of 3.5 percent of GSDP, which is a welcome trend considering the need for developmental expenditure. The revenue surplus and additional borrowings are being ploughed into increased capital expenditure since 2015-16. However, it appears that the capital expenditure is going mainly to economic sector as reflected in relatively larger outlays on economic services (see Table 3 below). While increased capital expenditure on economic services would help the state improve productivity across sectors resulting in

increased incomes, it could be coming at the cost of the needs of poor and marginalized for basic health, education, water and sanitation. The state would do well to increase its revenue spend on social sector – particularly, health, water, sanitation and education.

**Table 3: Capital Expenditure – 2012-2018**

Capital Expenditure	2012-13 AC	2013-14 AC	2014-15 AC	2015-16 AC	2016-17 AC	2017-18 RE	2018-19 BE	CAGR (%)
General Services	351	470	390	425	374	461	991	11.45
Social Services	1205	1725	2288	2929	3001	4438	4552	24.56
Economic Services	4066	5562	8396	13737	15096	16657	19024	30.29
<b>Total Capital Expenditure</b>	<b>5622</b>	<b>7756</b>	<b>11075</b>	<b>17090</b>	<b>18471</b>	<b>21557</b>	<b>24567</b>	28.31

## 2.2 Social Sector Expenditure

Enhancement of human capital is essential for fuelling the economic growth, development and inclusiveness. Social sector expenditure (SSE) focuses on enhancing living conditions of people and enables them towards expansion of choices leading to their development. Unlike economic sectors, social sector expenditure by government attracts higher attention as it not only enables the people to utilise the opportunities provided by economic growth but also targets inclusiveness in the process of building human capital. Given that Odisha has 32.6 percent of population (2011-12 Rangarajan Committee estimates) below the Poverty Line (6<sup>th</sup> most poverty stricken state) and has 23 percent of its population belonging to Scheduled Tribes, the social sector expenditure becomes all the more important. Social sectors include education, health and family welfare, water supply and sanitation, welfare of Scheduled Castes, Scheduled Tribes and Other Backward Castes, social security and welfare, nutrition and others.

With the increased untied grant-in-aid and reduced transfers under restructured CSS (which were mainly in social sector like SSA, NHM, etc.) since 2015-16, it is assumed that state would protect social sector expenditure. The expenditure on social sector was, thus, analysed to understand the trend as well as its share in total expenditure in the last 5-6 years.

**Table 4: Share of social services expenditure in total expenditure (Rs. in crore)**

	2012-13 AC	2013-14 AC	2014-15 AC	2015-16 AC	2016-17 AC	2017-18 RE	2018-19 BE	CAGR (%)
General Services	12774	14159	14919	15484	17088	24254	27713	13.46
Social Services	<b>16181</b>	<b>20446</b>	<b>23253</b>	<b>27572</b>	<b>30601</b>	<b>37504</b>	<b>42971</b>	17.09
Economic Services	14262	17876	23222	31925	34810	39355	42733	20.73
GIA to PRIs and ULBs	642	892	818	916	1012	1266	1370	12.06
Loans and Advances	216	463	358	337	429	1840	1084	32.03
<b>Total Expenditure</b>	<b>44076</b>	<b>53837</b>	<b>62569</b>	<b>76233</b>	<b>83940</b>	<b>104220</b>	<b>115871</b>	17.50
<b>Share of SSE (%)</b>	<b>37</b>	<b>38</b>	<b>37</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>37</b>	

Source: Compiled by CBPS from Budget documents, Government of Odisha [AC-Actual; RE-revised estimate; BE-budget estimates]

The social services expenditure is growing at about 17 percent per annum which is same as the growth of total expenditure (see Table 4 above). This is lower than the growth of expenditure

on economic services. The share of social sector expenditure in total expenditure is hovering around 37 percent in the past 6 years. During the 14FC period, i.e. 2015-16 and 2016-17 the share has reduced to 36 percent from the earlier 37 percent. It is also clear that the grant in aid (tied grants) to PRIs and ULBs also have not grown much post 2014-15.

A closer look at the social services expenditure indicates that the capital expenditure on social services has increased marginally during the years 2015-16 and 2017-18. The social sector expenditures have shown increase post 2014-15 (14CFC period) by about Rs. 4350 crore in real terms (see Table 5) during 2015-16. The real increases were across the departments of education, health, water supply sanitation and nutrition.

**Table 5: Expenditure on different components of Social Services (Rs. in crore)**

<b>Social Service Expenditure</b>	<b>2012-13 AC</b>	<b>2013-14 AC</b>	<b>2014-15 AC</b>	<b>2015-16 AC</b>	<b>2016-17 AC</b>	<b>2017-18 RE</b>	<b>2018-19 BE</b>	<b>CAGR (%)</b>
Education, Sports and Culture	7303	8438	10183	11557	12169	15902	17658	<b>15.75</b>
Health and Family Welfare	1765	1957	3187	3681	4729	5258	6097	<b>24.30</b>
Water supply and sanitation	776	1283	1587	2667	3231	3684	4058	<b>32.05</b>
Housing	387	401	514	624	667	639	708	11.35
Urban Development	331	677	631	798	1028	1795	2397	<b>34.87</b>
Information Broadcasting	35	52	42	46	77	80	171	24.79
Welfare of SC/ST and OBC	1660	1750	1865	2416	2447	2583	3323	11.83
Labour and Labour Welfare	92	147	262	252	119	172	155	4.00
Social Security & Nutrition	3733	5612	4755	5248	5874	7039	8150	11.34
Other Social Services	99	130	227	284	259	352	252	19.20
<b>Total Social Sector Expenditure (SSE) (A)</b>	<b>16181</b>	<b>20446</b>	<b>23252</b>	<b>27572</b>	<b>30601</b>	<b>37504</b>	<b>42971</b>	17.09
<b>SSE ( 2011-12 prices)</b>	15048	18337	20027	24398	26222	31221		15.09
<b>Out of (A) Revenue Expenditure</b>	14977	18722	20964	24643	27600	33066	38419	16.34
<b>Out of (A) Capital Expenditure</b>	1205	1725	2288	2929	3001	4438	4552	24.56

Source: Compiled by CBPS from Budget documents, Government of Odisha [AC-Actual; RE-revised estimate; BE-budget estimates]

The capital expenditure on social sector is increasing at 24.56 percent every year which is very impressive; but the increase in capital expenditure on economic services as pointed above is much higher. The urban development, water supply and sanitation, health and family welfare and education sectors have recorded higher growth rates during the past 6 years. The expenditure on social sector in real terms is also increasing at a rate of 15.09 percent.

A comparison of expenditure for the years 2015-16 and 2016-17 by Odisha with General Category States shows that the state does accord high priority to social sector expenditure (see Table 6). The expenditure by the state as ratio to the GSDP is higher compared to average of

General Category States (excluding Goa and Puducherry). Same is true of capital expenditure. The SSE to total expenditure ratio was marginally less in 2015-16 while it has improved in 2016-17. Education expenditure to aggregate expenditure ratio has been lower in both the years indicating the need for an increase in spending. The health expenditure to aggregate expenditure ratio has been higher for the state compared to GCS states in both the years indicating a higher proportion of expenditure reflecting the priority.

**Table 6: Expenditure Ratios of Odisha**

Expenditure Ratio	2015-16		2016-17	
	Odisha	GCS*	Odisha	GCS
Aggregate Expenditure / GSDP	22.94	16.05	22.1	16.7
Developmental expenditure/Aggregate Expenditure	78.36	70.63	78.9	70.9
Capital Expenditure/Aggregate Expenditure	22.42	14.89	22.1	19.7
Social Sector Expenditure/Aggregate Expenditure	36.17	36.29	36.5	32.2
Education Expenditure/Aggregate Expenditure	15.16	15.63	14.5	15.2
Health Expenditure/Aggregate Expenditure	4.83	4.45	5.7	4.8

\*General category states (average). Developmental Expenditure includes expenditure incurred under revenue, capital and loan and advances head for social and economic sectors.

Source: CAG Reports for the years 2015-16 and 2016-17

### 2.3 Social sector infrastructure and indicators of social development

Health and education sectors are very critical, interlinked for social development. Public expenditure on health, education, drinking water and sanitation has a direct bearing on the health and educational outcomes. Consistent and increased public investments towards the social sector should lead to increase in the availability and quality of social services. A quick review of health and education infrastructure reveals that health infrastructure has not been upgraded during the last five years 2012-13 to 2017-18). There is a reduction in the number of primary schools across the state, while upper primary and secondary schools have increased during the same period (see Table 7).

**Table 7: Health and Education infrastructure in Odisha (2012-13 to 2017-18)**

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Hospitals	140	140	141	141	141	141
PHCs	1227	1227	1227	1227	1226	1226
CHCs	378	378	378	378	377	377
Mobile health units	199	199	350	350	350	350
No. of hospital beds available	16537	16537	16537	16537	16537	16537
Education						
Primary schools	37075	36399	36550	36760	36318	
Upper primary Schools	21289	21945	22497	22795	23096	
Secondary schools	7663	7746	8539	9490	9873	

Source: Compiled by CBPS from Budget documents and Economic survey

The net enrolment rates of primary and upper primary have dipped marginally while the dropout rates have increased marginally during the same period (Table 8). The dropout rates have climbed up sharply for both primary and upper primary during the year 2016-17. Although



health indicators have significantly improved (NFHS 4 -2015-16 over the previous NFHS data -2005-06), pressure on the existing health infrastructure has also increased. The availability of doctors per lakh of population has decreased from 10 to 8 while the bed occupancy rate has increased from 117 to 151 percent (see Table 8). The share of population using public health facilities at the first point care (outpatient) has increased to 72 percent (NSSO 71<sup>st</sup> round 2014) from 51 percent (NSSO 60<sup>th</sup> round 2004). The share of public health care facilities (hospitalized care) during these two rounds has increased marginally from 79.1 to 81.3 percent and 41.7 to 41.9 percent in rural and urban categories respectively. This is contrary to the all India statistics which indicated the decrease in the share of public health care facilities (for the period between NSSO 60<sup>th</sup> and 71<sup>st</sup> round) from 73.1 percent to 58 percent and 38.2 percent to 32 percent in rural and urban categories respectively (Economic Survey 2017-18).

**Table 8: Changes in Health and education indicators in Odisha**

Indicators	2012-13	2016-17
Primary school enrolment ( GER)	99.96	92.47
Primary school enrolment ( NER)	93.61	91.00
Primary school dropout rate	0.40	4.20
Upper Primary dropout rate	2.38	5.15
Elementary (GER)	100.56	96.47
Elementary (NER)	92.65	88.47
High school dropout rate	18.7	5.21
Doctors per lakh population	9.75	8.54
Beds per 10000 population	3.87	3.75
Bed occupancy rate	117	151
	NFHS3 2005-06	NFHS4 2015-16
Infant Mortality Rate	65	40
Under 5 mortality rate	91	49
Institutional delivery ( percent)	35.6	85.4
Percent children stunted (under 5)	45	34.1
percent households with access to safe drinking water	78	88
percent households with access sanitation facility	15	29
percent households with access clean fuel	9.8	19.2

Source: Compiled by CBPS from Economic Survey 2017-18 and budget documents

While there has been an increase in capital and revenue health expenditure, the infrastructure data is not reflecting the same. This is largely due to augmentation of services in the existing facilities. The state has recruited 334 doctors. Works being undertaken include construction of 9 District Headquarter Hospitals, improvement in the number of facilities like the testing, scanning and specialised care, construction of labour rooms, operation theatre, Maternal and Child Health wing, and others and this may require time to get fully operationalised. There has



been a significant increase in the number of services offered at different health facilities to more number of people. The state has also been successful in achieving reduction in mortality rates (both MMR and IMR) and anaemia affected women as well as increase in institutional deliveries and immunizations compared to all India level.

Despite the higher prioritization and increased spending towards recruitment and improving the efficiency of the expenditure, the need for improving the education and health infrastructure still appears to be a major area of concern for the state. An analysis of the funds received by the state of Odisha during 13<sup>th</sup> CFC period revealed that the state did not fully utilise grants allocated by Government of India for creation of health and education infrastructure in the state. This resulted in missing an opportunity that would have otherwise facilitated the augmentation of health and education infrastructure.

The state did not receive a total allocation of Rs. 3563.49 crore owing to non-fulfilment of conditionalities and not furnishing the utilisation certificates. Key social sector allocations such as for elementary education, health infrastructure and anganwadi buildings were found to be underutilised (Table 9). The CAG's audit report for year 2016 revealed<sup>7</sup> that the grant to elementary education was not released owing to lower growth rate of expenditure than the stipulated 8 percent over the previous year. Only 40 percent of the 71300 anganwadi centres have own buildings in the state. The release for construction of anganwadi buildings was not made due to non-submission of utilisation certificates. Given the importance of the funds in these critical social sectors, the shortfall in release is greater loss to the state. The detailed grant allocation and release is provided in Annexure 1.

**Table 9: Allocation, release and shortfall in release under 13th CFC grants (Rs. In crore)**

	Allocation	Releases	Shortfall	Shortfall ( percent)
Elementary Education	1016	580	436	43
Anganwadi buildings	400	300	100	25
PHC buildings/quarters medical college	350	262.5	87.5	25
PRIs	2774.8	1725.94	1048.86	38
ULBs	496.1	306.26	189.84	38
<b>Total</b>	<b>78974.82</b>	<b>75411.33</b>	<b>3563.49</b>	<b>5</b>

*Source: Compiled by CBPS from state budget documents*

Release of grants to the PRIs and ULBs were also significantly reduced by 38 percent owing to non-fulfilment of conditionalities imposed by the 13<sup>th</sup> CFC. Only 5 of the 11 conditionalities were fulfilled. Conditionalities like formation of Ombudsman for local bodies, empowering Panchayats to levy property tax and separate document in budget showing the allocations to PRIs and ULBs resulted in shortfall of the releases from GoI. Similarly the performance grants amounting to Rs. 1049 crore was also not available for PRIs and ULBs.

<sup>7</sup>Audit also revealed that an amount of Rs. 102 crore was found unutilised across 7 sample districts while the amounts have been reported as expenditure (inflated utilisation certificates)

## 2.4 Public expenditure on Women and Children

The expenditure on women and children was analysed by looking into the Departments of Health, Education, Social Welfare, Panchayat Raj and Women and Child welfare. However, only expenses directly related to women welfare and child welfare were considered (see Table 10). Analysis of expenditure reveals that there is considerable increase in the expenditure relating to women and children during 2015-16 which reduced in 2016-17 and again indicating an increasing trend in 2017-18 and 2018-19. The detailed head wise expenditure is provided in the Annexure 2.

**Table 10: Women and Child related expenditure in last 5 years (Rs. in crore)**

	2012-13 AC	2013-14 AC	2014-15 AC	2015-16 AC	2016-17 AC	2017-18 RE	2018-19 BE
Non Plan (education, health, women and child dev, SC ST development)	4609	5057	5812	6263	7071	9563	9675
Plan (education, health, women and child dev, SC ST development)	4289	5549	5659	8006	6891	8665	10740
Total expenditure	8898	10606	11470	14269	13962	18228	20415
Total expenditure real (GSDP deflator)	8274	9512	9879	12627	11964	15175	
Share in SSE (percent)	55	52	49	52	46	49	48

Source: Compiled by CBPS from Budget documents, Government of Odisha [AC-Actual; RE-revised estimate; BE-budget estimates]

With majority of the social sector expenditure being incurred by the state, through its departments, the role played by PRIs especially Gram Panchayats which work closely with the people becomes critical. It is therefore essential to understand the framework of the working of PRIs including the powers and responsibilities vested with them before looking into their spending on social sectors and with a focus on women and children.

## 3.0 Decentralization Framework of Panchayat Raj institutions (PRIs) in Odisha

The Panchayat Raj Institutions (PRIs) came to existence in Odisha with the enactment of Orissa Gram Panchayat Act 1958 subsequently amended in 1964. The Orissa Panchayat Samiti and Zilla Parishad Acts were passed in 1959 and 1991. All these were amended in conformity with the 73<sup>rd</sup> Constitutional Amendment. While the Orissa Zilla Parishad Act was amended in 1993, the Orissa Gram Panchayat Act 1948/1964 and the Orissa Panchayat Samiti Act were amended in 1994. The state Zilla Parishad Act, Panchayat Samiti Act and Gram Panchayat Acts have been amended in conformity with Panchayats Extension to Scheduled Areas (PESA) Act in 1996 and the tribal areas have PRIs in place.

As on December 2017, there are 6801 Gram Panchayats, 314 Panchayat Samitis and 30 Zilla Parishads in the state. Elections to the PRIs were held in February this year and elected people are in positions and 50 percent of the seats are reserved for women.

### **3.1 Structure of Panchayat Raj Institutions (PRIs)**

The Zilla Parishad is at the district level. The district is divided into constituencies having population of 40000 and part thereof and one member is elected from each of these constituencies. Other members of Zilla Parishad include all chairmen of the Panchayat Samitis in the district, MLAs and MPs who form part of the electorate of the area. The seats reserved for SC and ST are in proportion to the population and the seats are reserved on a rotation basis. In scheduled areas (PESA), half of the seats for direct election to be reserved for scheduled tribe with at least one third among them to be reserved for women candidates. About 27 percent of the seats are to be filled by backward caste candidates and here too about one third of the seats reserved for backward castes will be filled by women.

The President is elected from among the directly elected members and is the executive authority of Zilla Parishad. The Collector of the district is the ex-officio Chief Executive Officer and the Project Director, District Rural Development Agency is the ex-officio executive officer of the Zilla Parishad involved in discharging the day to day functions of the Zilla Parishad.

The Panchayat Samiti (PS) is at the block level. The block is divided into constituencies having population of 2000-10000 and one member is elected from each of these constituencies. Reservation to the seats for SC, ST and OBC is based on the population and the rotation of seats will begin with the constituencies having higher proportion of SC, ST and OBC populations respectively. Women are reserved one third of the seats. Apart for the directly elected members, the Panchayat Samiti has Sarpanchs from all the GPs in the block as its members, MLA and MP provided they are part of the electorate of the area. The Chairman is elected from among the elected representatives of the block. The chairman is the executive authority of the Panchayat Samiti and the Block Development Officer (BDO) acts as executive officer of the Panchayat Samiti discharging the day to day functions of the Panchayat Samiti. The BDO is assisted by Assistant Block Development Officer (ABDO).

The Gram Panchayat is an administrative unit for village or group of contiguous villages also termed Grama. The name of the village or one of the contiguous villages is notified as Gram Panchayat for the area of Grama. Grama Sasan is the collective of all the eligible voters of the Grama. The Gram Panchayat is divided into constituencies numbering between 11 and 25 by the collector for the purposes of creation of ward and electing the ward members. One member is directly elected from among the Grama Sasan and is called Sarpanch. He is the executive head of the Gram Panchayat. The members elected from each of the wards elect one person among them as Naib Sarpanch to function in the absence of Sarpanch. The Panchayat Executive Officer (PEO) exercises the overall control and general superintendence under the supervision of BDO. The Grama Sabha has to meet at least six times a year. Similar to Grama, for every village of Grama there is Palli Sabha (if it is a ward with more than one village then Palli Sabha is for a ward) where in the electorate of the village are eligible to meet once in a year. The proceedings of the Palli Sabha and Grama Sabha are recorded in the specified manner. Palli

Sabha and Grama Sabha are required to provide recommendations to Gram Panchayat after considering the programmes and works to be undertaken in the ensuing year.

At the State level all the tiers of PRIs are under the administrative control of the Panchayat Raj and Drinking Water Department headed by the Commissioner-cum-Secretary, who is assisted by Director, Panchayat Raj, Director (special projects) and Director (National Rural Livelihoods Mission).

### 3.2 Devolution of Functions, Functionaries and Funds

The Government of Odisha has transferred 21 subjects of 11 departments<sup>8</sup> to Panchayat Raj Institutions in the year 2005(*vide notification No.8430/PR. dt.25.10.05* which referred to the executive instruction No.I-PS-2/2003-6886/PS Dated 04/07/2003).The Activity Mapping indicated the functions for each of the tiers for 9 departments.

The Zilla Parishad and Panchayat Samiti exist as a body of elected representatives but the actual functioning rests with the District Rural Development Agency (DRDA) and BDO's offices. At the GP level, the PEO is the authority to maintain the proceedings of the meetings of GP, custodian of all records, documents, cash and valuables pertaining to GP and is the servant of the State Government. The Village Level Worker (VLW) or Village Agriculture Worker (VAW) or Secretary is often posted as the PEO. At the Block level the development departments are under BDO including the Gram Panchayat Extension Officer who supervises the GPs. At the District level the DRDA, the District Panchayat Officer (DPO) and the District Planning Unit supervise the functioning of the GPs.

In order to facilitate the functioning, the PRIs have been mandated to have seven standing committees each at ZP level and PS level while five standing committees at the GP<sup>9</sup> level (. The responsibility of maintenance of accounts is vested with PEO, BDO and CEO at the GP, PS and ZP levels respectively. Services of Chartered Accountant are hired for maintenance of accounts since 2011-12. PRIA soft is being used for accounting of all tiers of PRIs since 2013-14.

#### ***Inadequate devolution of functions and functionaries***

A glimpse through the functions of the Gram Panchayats (see Table 11) indicate that the GPs have very little say in the matters pertaining to basic services and social services such as health and education. By and large the role of the GPs is restricted to getting approvals through Grama Sabha, giving administrative approval and supervising the works and reporting the progress/issues to Panchayat Samiti /Block Development Officer (BDO).

---

<sup>8</sup> Departments of Agriculture, Cooperation, School and Mass Education, Food and Civil Supply, SC and ST development, Health and Family Welfare, Women and Child Development, Animal Resources and Fishery Development, Rural Development, Panchayat Raj and Water Sources.

<sup>9</sup> 1) Planning, Finance and Budget, 2) Agriculture and allied, 3)Health, Education, Drinking water and sanitation, 4)welfare of weaker sections, 5) Communications

**Table 11: Important functions of GPs as indicated in the activity mapping of PRIs**

SL. No	Department/services	Functions
1.	Women and Child Development	<ol style="list-style-type: none"> <li>1. Supervision of Anganwadis</li> <li>2. Assist in selection of Anganwadi workers, Anganwadi beneficiaries and location of Anganwadi centres</li> </ol>
2.	Primary Education	<ol style="list-style-type: none"> <li>1. Ensure enrolment of school age children</li> <li>2. Maintain school buildings and playgrounds</li> <li>3. Exercise vigilance on attendance of teachers and report to concerned authority</li> <li>4. Supervision of sevashram schools</li> </ol>
3.	Health and Family Welfare	<ol style="list-style-type: none"> <li>1. Mobilize &amp; organize people for Health &amp; Family Welfare Camps.</li> <li>2. Constitute Panchayat Health Committee comprising of elected representatives, Multipurpose Health Worker, Anganwadi Worker, ANM and Trained Birth Attendants to assist Health &amp; Family Welfare Programme.</li> <li>3. Assist in propagation of maternal child care, family planning and immunization programmes.</li> <li>4. Supervise the activities of ANMs.</li> <li>5. Invite ANM to Gram Panchayat meeting for discussion and follow up action on health and family welfare activities</li> </ol>
4	Food and Civil Supplies	<ol style="list-style-type: none"> <li>1. Run Public Distribution System fair price shops</li> <li>2. Identification of eligible beneficiaries for coverage under PDS</li> </ol>
5	Housing	<ol style="list-style-type: none"> <li>1. Identification of beneficiaries through palli sabha</li> <li>2. Supervise construction for quality and report progress</li> </ol>
6	Roads and Bridges	<ol style="list-style-type: none"> <li>1. Assist Panchayat Samiti in formulating road construction projects and obtain approval through Grama sabha.</li> <li>2. Allocate, approve and sanction funds</li> <li>3. Monitor and report progress to Panchayat Samiti</li> </ol>
7	Rural water supply	<ol style="list-style-type: none"> <li>1. Identify schemes and locations, estimate cost and formulate projects through the involvement of Grama Sabha.</li> <li>2. Periodically chlorinate open wells and treat water.</li> <li>3. Ensure proper distribution of water to all households in its village.</li> <li>4. Collect water sample for testing.</li> <li>5. Monitor scheme implementation and report progress.</li> <li>6. Maintain drinking water schemes, collect water charges and appoint operators wherever necessary.</li> </ol>
8	Poverty alleviation programmes	<ol style="list-style-type: none"> <li>1. Identify beneficiaries through Palli sabha under Poverty Alleviation Schemes, individual beneficiary oriented poverty alleviation schemes and other employment generation programmes entrusted to GPs.</li> <li>2. Ensure proper utilization of funds of Central Finance Commission by local bodies and ensure that the scheme works permitted within GPs are completed.</li> <li>3. Execute Schemes under Poverty Alleviation Programme.</li> <li>4. Assist in identification of labourers in the village requiring wage employment through Grama Sabha, list them and provide employment cards to beneficiaries.</li> <li>5. Formulate projects and get approval through Grama Sabha.</li> </ol>
9	Market and fairs	<ol style="list-style-type: none"> <li>1. Own and manage village market.</li> <li>2. Construct market complex within the GP</li> <li>3. Settle markets on lease basis.</li> <li>4. Collect rent from shops.</li> <li>5. Maintain village markets and shopping complexes</li> </ol>

Within a Gram Panchayat, village level committees viz. Gaon Kalyan Samiti (VHSNC), School Management Committee, Anganwadi Committee (Jaanch committee) are constituted by Health, Education and Women and Child Development Departments respectively. These committees have a member of Gram Panchayat to ensure co-ordination with the Gram Panchayat. The recruitment of the Gram Rozgar Sevak under MGNREGS and the Jogan Sahayak who is in-charge of distributing the PDS, Self Employed Mechanic (SEM) in-charge of repairs of water supply systems and the assistant supervising the disbursement of social security pensions and are done by the collector and the salaries are paid through the block office. The PEO and the Self Employed Mechanic (SEM) in-charge of repairs of water supply systems report to Sarpanch of GP.

Adequate number of functionaries is critical for discharging the functions in a time bound manner. Against the sanctioned strength of 6801 PEO, 5362 positions were filled with vacancy of 1439 (21 percent)<sup>10</sup>. Similarly against the sanctioned strength of 314 each for BDO and ABDO, only 276 BDO and 180 ABDO were filled indicating a vacancy of 12 and 43 percent respectively. Of the 2698 Gram Panchayat Technical Assistant (GPTA/Junior Engineer) sanctioned, only 2308 posts were filled and 390 posts were vacant (14 percent). The shortage of staff affects the developmental programmes and expenditure.

### **Finances of PRIs**

The funds to PRIs are largely through schemes (tied funds) and the grants from State Finance Commission and Central Finance Commission (untied funds). It may be noted that the PRIs do not directly incur any expenditure on health and education, which falls within the remit of the state government. They are, however, provided some oversight function through village level committees. They are associated with implementing developmental schemes of state and central governments relating to housing, livelihood, etc. as well as the rural roads (Gopabandhu Gramin Yojana). They have the responsibility, though, towards providing basic services like water supply and sanitation.

### **Poor utilization of funds by GPs**

The receipt and expenditure of the funds of PRIs is presented in Table 12 and 13. The fund utilisation for the period 2011-12 to 2015-16 was about 66 percent. An amount of Rs. 14615 crore was unutilized for the period.

**Table 12: Receipts and Expenditure of PRIs in Odisha for the period 2011-12 to 2016-17 (Rs. in Crore)**

Source of Funds	Receipts	Expenditure	Expenditure ( percent)
Indira Awas Yojana	11486.40	6645.66	58
Mo Kudia /BijuGhar Yojana	3429.88	1867.11	54
Gopabandhu Gramin Yojana	3193.69	2117.85	66
Backward Region Grants Fund	1580.33	1097.63	69
National Rural Livelihoods Mission	925.44	649.64	70
MGNREGS	9303.60	8765.37	94

<sup>10</sup>Audit Report (Local Bodies) for the year ended March 2017



13th /14th CFC	6500.60	3174.90	49
RGPSA	123.07	41.05	33
Grant in Aid (SFC- cc road, cluster house)	6085.14	3654.10	60
<b>Total</b>	<b>42628.10</b>	<b>28013.30</b>	<b>66</b>

Source: CAG report for the year 2016

**Table 13: Year-wise Receipts and Expenditure of PRIs in Odisha (Rs. in Crore)**

Receipts/Expenditure	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Total
Receipts	4232.88	4727.47	5541.27	5824.93	9544.39	12757.18	42628.10
Expenditure	2902.45	3622.11	4457.01	3846.7	6026.22	7158.82	28013.30
<b>Utilisation ( percent)</b>	<b>69</b>	<b>77</b>	<b>80</b>	<b>66</b>	<b>63</b>	<b>56</b>	<b>66</b>

Source: CAG report for the year 2017

The expenditure was lowest in the year 2016-17. The expenditure under 13<sup>th</sup> /14<sup>th</sup> Finance Commission grants was lowest at 49 percent. While there is a need for rural development programmes, this kind of low expenditures (66 percent) is a matter of serious concern. *The fact that PRIs do not have adequate own staff and are dependent on departmental staff to implement the programmes (including projects under untied fund/devolution) has added to the problem.*

The compliance audit of 31 GPs by CAG indicated that utilisation of funds was less than 50 percent in six GPs while it was less than 70 percent in 23 GPs<sup>11</sup>. Similarly the utilisation of funds in different schemes by 13 Panchayat Samiti was found to be less than 50 percent. The CAG reports on state finances year ending 2016 and 2017 have reiterated the parking of funds outside of the treasury in banks<sup>12</sup>. Many of these funds belonged to housing schemes, 13<sup>th</sup>/14<sup>th</sup> CFC grants, Gopabandhu Gramin Yojana, Sarva Shiksha Abhiyaan. While underutilisation may lead to lower allocations, it would also affect the planning activity as well.

An overview of the Functions, Functionaries and Funds (3Fs) thus reveals that the decentralization is yet to make inroads the state. The latest Devolution Index 2015-16 computed by Tata Institute for Social Sciences<sup>13</sup> considering the transfer of Funds, Functions, Functionaries(3F's) and IGT (Infrastructure, Governance and Transparency) indicated that Odisha state ranked 8<sup>th</sup> in terms of policy but it ranked 15<sup>th</sup> in terms of practice. The overall rank for the state including devolution both in policy and practice is 17.

The Fourth State Finance Commission (FSFC) report reiterated that DRDA be dissolved and merged with ZP since mere providing supervisory roles to PRIs without functionaries being made accountable to them will not enable real decentralisation. Block office is powerful while the position of Panchayat Samiti is quite weak. The standing committees are not functioning at all levels. The functionaries who are to be available with the GP are not under the control of GPs despite the devolution order directing it to be implemented in letter and spirit. As FSFC rightly noted that 'block panchayats have evolved as most powerful centres among PRIs. Zilla

<sup>11</sup> Audit Report (Local Bodies) for the year ended March 2016

<sup>12</sup> Test check by CAG revealed that funds amounting to Rs. 1571.52 were parked outside of treasury.

<sup>13</sup> [www.panchayat.gov.in/documents/10198/378720/devolution.pdf](http://www.panchayat.gov.in/documents/10198/378720/devolution.pdf)

Parishads are virtually defunct without adequate power, responsibility and finance. GPs too are quite ineffective due to lack of suitable infrastructure, appropriate manpower and adequate finance’.

### **3.3 Gram Panchayat Development Plan (GPDP) and Finance Commission grants (SFC & CFC)**

The formulation of plans was mandated by the Ministry of Finance as a requirement for the receipt of 14<sup>th</sup> Central Finance Commission grants by the rural and urban local bodies. Since the grants were provided only to GPs under the rural local bodies, GPs were required to prepare plans for improving the expenditure on basic services. The Ministry of Finance in its circular vide No. 13(32)FFC/FCD/2015-16 dated 8<sup>th</sup> October 2015, indicated that local bodies shall prepare plan for the improvement of basic services in accordance with the relevant rules, regulations, processes and procedures applicable in the state. The circular also specified the formation of committee under Ministry of Panchayati Raj to provide guidance and support to state governments and local bodies to implement the recommendations of the 14CFC. Important among them included empowering local bodies with provisions to levy advertisement tax, betterment tax, revise rates of entertainment tax and rationalize service charges at least to cover O& M charges.

#### ***Gram Panchayat Development Plan***

The *Ama Gaon Ama Yojana* (AGAY) guidelines was issued by Department of Panchayat Raj vide circular No. 9293 dated 3<sup>rd</sup> December 2015. It indicated that GP has to identify the resource envelope i.e. *resources available to them from different probable sources including CFC, SFC, centrally sponsored schemes, state sponsored schemes and own source revenues*. The AGAY specifies that the officials directly available for GP and the officials of other department available with GP are to be actively involved in the preparation of plans. The block level official is nominated to each of the GP as nodal officer who will monitor the planning activity. At the GP level, Sarpanch conducts series of meetings with the front line functionaries (ASHA, ANM, School teacher, AWW), key people, NGOs and others to ensure their participation and involvement in development of AGAY. The planning committees (7) at the GP level are expected to play major role in the development of AGAY. One of the committee is on Health, social welfare, women and child development which has AWW as member.

A stock taking exercise has to be undertaken with respect to infrastructure (roads, buildings, culverts), civic amenities (drinking water, sanitation, electricity, playground, and crematorium), human development (anganwadi, schools, libraries and primary health centres), economic development (agriculture, local manufacturing, village markets, godowns, jobs, financial inclusion), social development (SC/ST, women and children, senior citizens, disabled, economically weaker sections) and natural resources (soil, water, biomass, minerals and biomass). The GP, based on the analysis by the planning committee, inputs from the departments and discussions in the palli sabha, should prepare a report on the existing situation (village development report) at the GP level, identifies gaps and also prepares a perspective



plan along with prioritization of the tasks for the development of GP. The projectisation of the tasks will be undertaken by the technical personnel and project proposals will be submitted to GP for inclusion into annual plans. These annual plans are prepared based on the perspective plan prepared for the period of five years.

The monitoring of the GPDP implementation is supposed to be done by monitoring committees constituted at state, district, block and GP levels. Technical sanction for the projects is given by the appropriate authority while the administrative approval is to be given by GP. Funds are released directly to GPs and the fund utilization tracking is done on FMS platform. Capacity building and IEC activities are undertaken from the funds under RGPSA; these are also used for the purpose of training and capacity building. The approval of projects by Palli sabha and Grama sabha is mandatory for undertaking the projects at GP level.

#### ***Funds for GPDP and Circulars for incurring expenditure***

The funds that are available at the GP level include own funds (water rate, conservancy tax, drainage tax, rents from open spaces if any and markets (haat and market complex) and funds from FSFC and CFC. The grants from 14<sup>th</sup> FC and 4<sup>th</sup> SFC are significantly higher compared to that under 13<sup>th</sup> FC and 3<sup>rd</sup> SFC grants respectively. The 4<sup>th</sup> SFC for the first time has clearly spelt out the devolution to different tiers of PRIs. The year-wise grant available for GPs is discussed below (see Table 14).

The SFC grants are available to PRIs in three parts. These include devolution, grant-in-aid and assignment of Taxes.

- The assigned taxes are meant for paying salaries and remuneration of the PRI employees as well as the honoraria and allowances to the elected members and therefore a tied grant mostly available at ZP and PS levels.
- The Grant-in aid is meant for streetlights, staff quarters at GP level, maintenance of capital assets as well as creation of assets for revenue generation and also gets spent at the GP/villages of GP. However, GP has very little role in the works are undertaken by BDO office by way of giving administrative approvals.
- The only amount available to GP and one which is directly transferred is the SFC devolution and it is fixed at Rs 370.59 crore per year for 5 years.

The 14<sup>th</sup> CFC is providing grant only to GPs and therefore the entire amount is available to GPs for augmenting basic services. A total of Rs. 10778.65 crore untied grant is available to GPs (Devolution by FSFC+14<sup>th</sup> CFC grants+ incentive grants) over a period of five years from both CFC and SFC.

**Table 14: Year-wise grants available for GPs under 4th SFC and 14th CFC (Rs. in crore)**

Source of Funds		2015-16	2016-17	2017-18	2018-19	2019-20	Total
<b>Fourth SFC grants</b>							
Devolution	GP (A)	370.59	370.59	370.59	370.59	370.59	1852.95
	PS	99.63	99.63	99.63	99.63	99.63	498.15
	ZP	23.55	23.55	23.55	23.55	23.55	117.75
<b>Total Devolution</b>	<b>PRIs</b>	<b>493.77</b>	<b>493.77</b>	<b>493.77</b>	<b>493.77</b>	<b>493.77</b>	<b>2468.85</b>
<b>Assignment of Taxes</b>	<b>PRIs</b>	<b>438.31</b>	<b>482.14</b>	<b>530.36</b>	<b>583.39</b>	<b>641.73</b>	<b>2675.93</b>
Grant-in-Aid							
Piped water supply		50.00	75.00	125.00	170.00	170.82	590.82
Street light	GP (a)	25.63	38.75	51.87	65.00	78.13	259.38
Staff quarter (GP)	GP (b)	35.25	38.76	42.65	46.90	51.58	215.14
Staff quarter( PS)		22.96	25.25	27.78	30.56	33.63	140.18
Maintenance of Capital assets	GP (c)	54.21	59.63	65.58	72.15	79.37	330.94
Capital assets for revenue generation	GP (d)	102.00	112.20	123.40	135.75	149.35	622.7
Incentive grants	GP	0.00	18.84	18.84	18.84	18.84	75.36
<b>Grant-in-Aid Total ©</b>		<b>290.05</b>	<b>368.43</b>	<b>455.12</b>	<b>539.20</b>	<b>581.72</b>	<b>2234.52</b>
<b>Fourteenth Finance Commission Grants</b>		<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>Total</b>
Basic Grants ( GPs )	GP (B)	955.52	1323.09	1528.71	1768.44	2389.54	7965.3
Performance Grants ( GPs)	GP	0.00	173.55	196.40	223.04	292.05	885.04
		955.52	1496.64	1725.11	1991.48	2681.59	8850.34
Untied Grants to GP#	(A)+(B)	1326.11	1886.07	2114.54	2380.91	3071.02	10778.65
Tied Grants to GP\$	(a+b+c+d)	217.09	249.34	283.50	319.80	358.43	1428.16
<b>Grants available to GPs</b>		<b>1543.20</b>	<b>2135.41</b>	<b>2398.04</b>	<b>2700.71</b>	<b>3429.45</b>	<b>12206.81</b>

(# includes Devolution, incentive and grants from 14<sup>th</sup> CFC, \$ include streetlight, staff quarter (GP), maintenance of capital assets and capital assets for revenue generation)

The grants that were made available for GPs for the year 2015-16 and 2016-17 are presented in the Table 15. Since, 14th CFC grants increases every year (both basic and performance grant), the actual amount available for each GP also increases every year. This devolution would translate into Rs. 17.34 lakhs to 38.38 lakhs per GP depending upon whether it is in scheduled or non-scheduled area for the year 2015-16 (6209 GPs). The grants increased to Rs. 22.09 lakh to Rs. 49.21 lakh per GP depending upon whether it is in scheduled or non-scheduled area for the year 2016-17 (6209 GPs) and this was excluding performance grant.

From the year 2017-18, the amount available per GP is altered owing to increase in the number of GPs from 6209 to 6801 in January 2017, which happened just before the PRI elections.

**Table 15: Grants (SFC devolution and CFC basic grants) available to GPs (Rs. in Lakh)**

2015-16								
Population of GPs	PESA Area GPs				Non-PESAGPs			
	GPs	SFC	CFC	Total	GPs	SFC	CFC	Total
Up to 5000	955	5.93	14.82	20.75	1759	5.00	12.34	17.34
5001-7500	678	6.65	17.78	24.43	1629	5.50	14.82	20.32
7501-10000	223	8.72	20.74	29.46	668	7.00	17.28	24.28
Above 10000	65	10.22	28.16	38.38	232	8.04	23.46	31.50
	1921				4288			
2016-17								
Up to 5000	955	5.93	20.52	26.45	1759	5.00	17.09	22.09
5001-7500	678	6.65	24.62	31.27	1629	5.50	20.52	26.02
7501-10000	223	8.72	28.72	37.44	668	7.00	23.93	30.93
Above 10000	65	10.22	38.99	49.21	232	8.04	32.48	40.52
	1921				4288			

The funds directly available as untied grants to GP are FSFC devolution and CFC grants); the rest of the funds are tied and spent by block office over which GPs have no control. Similarly the devolution to Panchayat Samiti and Zilla Parishad also gets spent in GP level (one or more GPs). The AGAY emphasises on the need for convergence across schemes implemented at GP level.

*However, there is no mechanism spelt out to ensure that GPs are aware of the works to be undertaken by other tiers of PRIs, departments as well as their convergence (especially with MGNREGS). In fact, this information on various projects planned by different agencies (ZP, PS, department and convergence of schemes) is the most vital component for the GPs to decide and finalize upon the activities that can be undertaken from untied grants available to GP.*

The 14CFC grants are meant to be spent on basic services (water supply, street lighting, sanitation and roads). The 14CFC also has specified that up to ten percent of the expenditure (O&M and capital expenditure together) can be spent on technical and administrative support. The 14CFC grants are to be spent on purchase of spare parts for water supply by GP, payment of energy charges in rural areas, payment of honorarium to SEM, payment of human resource engaged for GPDP preparation, use of mobile van during summer and maintenance of accounts of GP by CA firms. (No. 827 vide PR CFC Misc 003-2016 dated 12/5/2016 and No. 13772, PR-CFC-Misc-0017-2015 dated 20/8/2015)

Government of Odisha has issued circulars to facilitate the spending priorities at the GP level. This includes augmentation of basic amenities, creation of income generating assets as well as assets for community uses. Circulars indicate the prioritization of spending on water supply (up to 30 percent) have been issued. Circulars have also been issued for utilisation of SFC devolution and 14<sup>th</sup> CFC basic grants (No. 1599 vide 17 CFC-21-2013 dated 30/9/2015) which stipulates GP to use funds for construction of crematorium (Rs 2.5 lakh), bathing ghat with a dress changing room for ladies (Rs 1 lakh) and community bhavan /kalyana mandap (Rs. 35

lakh). A circular No. 6643 dated 19/7/2016-stipulated that left over funds of 13<sup>th</sup> FC to be used for water supply –overhead tanks, piped water supply systems arrears to SEMs, etc. has also been issued. Analysis of utilisation of these grants by GPs indicates very low absorption of expenditure (see Table 16).

**Table 16: Utilization under SFC devolution and CFC devolution (Rs. in crore)**

	2015-16	2016-17	2015-16	2016-17
Particulars	14 CFC		4SFC	
Opening Balance	0.00	821.97	0.00	276.44
Receipts	955.73	1498.58	370.59	370.59
Total Receipts	<b>955.73</b>	<b>2320.55</b>	<b>370.59</b>	<b>647.03</b>
Expenditure	<b>151.68</b>	<b>1008.78</b>	<b>94.15</b>	<b>356.08</b>
Balance	804.05	1311.77	276.44	290.95
Utilization ( percent)	<b>15.87</b>	<b>43.47</b>	<b>25.41</b>	<b>55.03</b>

Source: PR and DW department website

The utilisation is lower among CFC funds than the SFC funds. Utilisation has picked up in the second year. Still the utilisation rates of 43 and 55 percent respectively for CFC and SFC funds are lower. The utilisations were analysed for CFC funds<sup>14</sup> across districts for a three year period up to February 2018 (Table 17). While 4 districts have recorded utilisation of over 80 percent, majority of districts recorded utilisation between 50-70 percent, 8 districts have recorded utilisation of less than 50 percent. The detailed district wise utilisation of CFC grants is provided in Annexure 3.

**Table 17: Utilization of CFC devolution by districts (up to Feb 2018)**

No. of Districts	Utilization (%)	District	Utilization (%)
4	80 and above	Keonjhar	80
2	70 and 79	Balasore	43
6	60-69	Koraput	33
6	50-59		
8	40-49		

Source: PR and DW website.

*The low utilisation also partly highlights the glitches in the process of formulation and execution of AGAY. Since the funds largely focus on augmenting basic services, lower utilisation would result in poor services both in quantity and quality. As discussed earlier, the vacancies at GP level coupled by the vacancies at block level (BDO and ABDO and GPTA) can potentially affect projectisation (of requirements as gathered from Pallisabha and Grama sabha), technical approval and can cause considerable delays in implementation. This also affects the monitoring of projects as well.*

It is, therefore, essential to understand how are Gram Panchayats who have been given largely supervisory roles in implementation of rural development programmes apart from providing

<sup>14</sup> SFC fund details were not available on the website and hence not analysed.

basic services are responsible for preparing the AMAY and executing it. Utilisation of funds does flag some probable issues, but it is necessary to go in depth to understand them to be able to arrive at plausible solutions.

#### 4.0 Analysis of expenditures from SFC and CFC grants

This section tries to understand the expenditure incurred under CFC and SFC grants by looking into primary data on plans including prioritization and expenditures. The priorities of GP as reflected in the plans are compared with that of the information obtained through focus group discussions (FGDs) and semi-structured interviews (SSIs). This section also attempts to understand the social sector expenditures for women and children apart from the basic services that include water supply, sanitation, street lighting and roads.

*Although GPs do not have an explicit mandate to spend on social sector expenditure, we have interpreted improvement of anganwadi centres, schools and health centre by building compound walls, toilets and supplying running water etc. as social sector expenditure. The repair and improvement of approach roads to school, health centre and anganwadi are also included in social sector expenditure relating to women and children.*

#### 4.1 Selection of Study Area and Methodology

The primary data was collected from 30 Gram Panchayats across 6 blocks and 3 districts. The composite index comprising of Infant Mortality Rate (IMR), Maternal Mortality Rate (MMR) and Human Development Index (HDI) was considered for selecting the sample districts. Districts ranging in High, low and medium were selected to given regional representation as well as to include PESA and non-PESA areas. The 2 blocks in each of the district were chosen based on the distance to the district head quarter. A block which is farthest to the district head quarter and a block nearest to district head quarter were chosen for the study. The GPs were selected based on the consultations with the block officials and identifying GPs headed by general, SC, ST and women representatives. The study area was finalized by the steering group headed by the Director, Panchayat Raj and Drinking Water Department. The study area is presented in the Table 18 (The list of GPs along with the category reserved for Sarpanch is provided in the Annexure 4).

**Table 18: Districts and Blocks selected for study**

District	Specific Considerations	Farthest block	Nearest Block
Koraput	Southern Odisha and one of the KBK districts	Bandhugaon	Koraput
Baleshwar/Balasore	Coastal Odisha	Nilagiri	Bhogarai
Keonjhar/Kendujhar	Northern Odisha and having high concentration of tribal population	Telkoi	Ghatagaon

### **Methodology of study**

The study involved conducting of Semi Structured Interviews (SSIs) with key officials and elected representatives at GP, block and district level, Focus Group Discussions (FGDs) with frontline workers and collection of primary data regarding demography and finances of GP. Instruments were developed to obtain the basic information and financial transactions of the GP. This included the receipts and expenditure from CFC and SFC grants. Instruments were also developed for conducting FGDs with the frontline workers and SSIs with Sarpanch and PEO of GP, ward member of GP at the GP level, BDO, Block Education Officer, Child Development Project Officer (CDPO), Chairpersons of Panchayat Samiti at the Block level and President, Zilla Parishad, Project Director, DRDA, District Panchayat Officer, District Planning and Monitoring Unit (DPMU) etc. These instruments were finalized after consultations with the steering committee<sup>15</sup> and Multi-Stakeholder Design Workshop. The workshop was attended by officials and Sarpanchs of the sample districts. The workshop highlighted the fact that about 30 percent of the funds are meant for providing drinking water and that forms a high priority subject in the GPDP. Record of the Multi-Stakeholder Design Workshop along with the list of participants are provided in the Annexure 5.

The sample GPs were visited to understand the process of preparation of perspective plan for GP followed by preparation of Annual Plans. The SSIs with the GP Sarpanch, PEO and the ward member were aimed at understanding the process of assessing the existing infrastructure and services of GP followed by identifying the needs and gaps of the GP through the conduct of Palli sabha and Grama sabha leading to preparation of perspective plan as envisaged in *Ama Gaon Ama Yojana*. The SSIs also discussed on the receipt of grants under CFC and SFC as well as its utilization.

The FGD with the frontline workers at the GP level (ASHA, AWW, School teacher, ANM, members of SHGs and CBOs) was conducted to understand the efficacy of the Palli Sabha and Grama Sabha processes leading to development of perspective plan and annual plans. The resolutions of the Grama Sabha were also evidenced for understanding the preparation of annual plans and the focus on the women and children related expenditures.

At the Block level, the BDO, Gram Panchayat Extension Officer (GPEO) and others were met to know the process of guiding, monitoring and supervising the implementation of *Ama Gaon Ama Yojana* in the GPs. The Chairpersons of Panchayat Samiti were also interviewed to understand the role of Panchayat Samiti in monitoring and supervising the GPs. At the district level, the PD, DRDA, DPO, DPMU were consulted to understand the training and capacity building of various stake holders for preparation of *Ama Gaon Ama Yojana*. The role of Zilla Parishads and the DRDA in planning and implementation of GPDP was also discussed.

---

<sup>15</sup> Consisted of representatives from Department of Panchayat Raj, SIRD&PR, Planning and Convergence Department of Finance, UNICEF and CBPS to provide technical guidance and support to the study



### Limitations of the study

The GPs have had their elections during the month of March 2017. The Sarpanchs were new and were yet to receive the induction training along with GPDP. They were not able to critically reflect upon the GPDP process including perspective plans, monitoring of GPDP and institutional challenges. The incomplete GP level data coupled with discrepancies in them restricted the analysis.

### 4.2 Profile of the sample districts and Sample GPs

The profile of the sample districts was analyzed to understand the context. The details are presented in the Table 19. Balasore has higher population density than that of the state average while the districts of Keonjhar and Koraput have less than the state averaged. The share of ST population is higher in Keonjhar and Koraput districts. The sex ratio was found to be higher in Koraput and Keonjhar district compared to the state level and that of the district of Balasore. While the sex ratios are good and have improved during NFHS4 in the state, the sex ratio has declined in the district of Koraput which needs attention. While the access to drinking water is very good in Balasore, the districts of Keonjhar and Koraput are below the state average. While the sanitation levels are low, the districts of Keonjhar and Koraput are below the state average. The household access to clean fuel is very low and this also indicate the higher dependency on the crop residues and plant sources for cooking fuel which also reflect upon the time spent on the activity. The percent of stunted and underweight children are also higher in Keonjhar and Koraput districts. The percent of immunized children and institutional deliveries are lower in Keonjhar and Koraput districts. While the net enrolment ratio is high in Koraput for primary education, it significantly drops for secondary education. The social indicators are quite poor in Koraput and Keonjhar districts as compared to Balasore and state average.

### Balasore / Baleshwar



Balasore is located in the eastern part of Odisha and one of the important coastal districts of Odisha. The district has an area of 3806 sq km with a population density of 609 per sq.km. The population as on 2011 census was 23.2 lakh with 89 percent of population living in rural areas. The share of SC and ST population was 20.6 percent and 11.9 percent respectively. The district has 12 blocks, 1 municipality, 3 Notified Area Committee (NAC) and 360 GPs.

According to National Family Health Survey 4 (2015-16), the sex ratio in the district was found to be 1089 while child sex ratio was 969. The literacy rate for men and women was 92.8 percent and 75.8 percent respectively. The literacy rates for SC and ST were found to be 72.8 percent and 50.1 percent respectively (Census 2011). About 89 percent of the households had access to electricity while 98 percent of the households had access to clean drinking water. Only 37 percent of households had access to improved sanitation and 14 percent of households were using clean cooking fuel. About 42 percent of the household had a member covered under health insurance. About 56 percent of the pregnant women were found to be anaemic (<11 g/ml). The institutional deliveries accounted for 92 percent and that in public facility was about 82 percent. The average out of pocket expenditure for delivery in public institution was Rs 3400. About 79 percent of children were fully immunized and 33 percent and 34 percent of the children under the age of 5 years were found to be stunted and underweight respectively. The IMR and MMR (2012-13) were found to be 45 and 14 respectively. The Net Enrolment Ratio (NER) for primary and secondary were 94.27 and 54.44 percent respectively.

### Keonjhar / Kendujhar



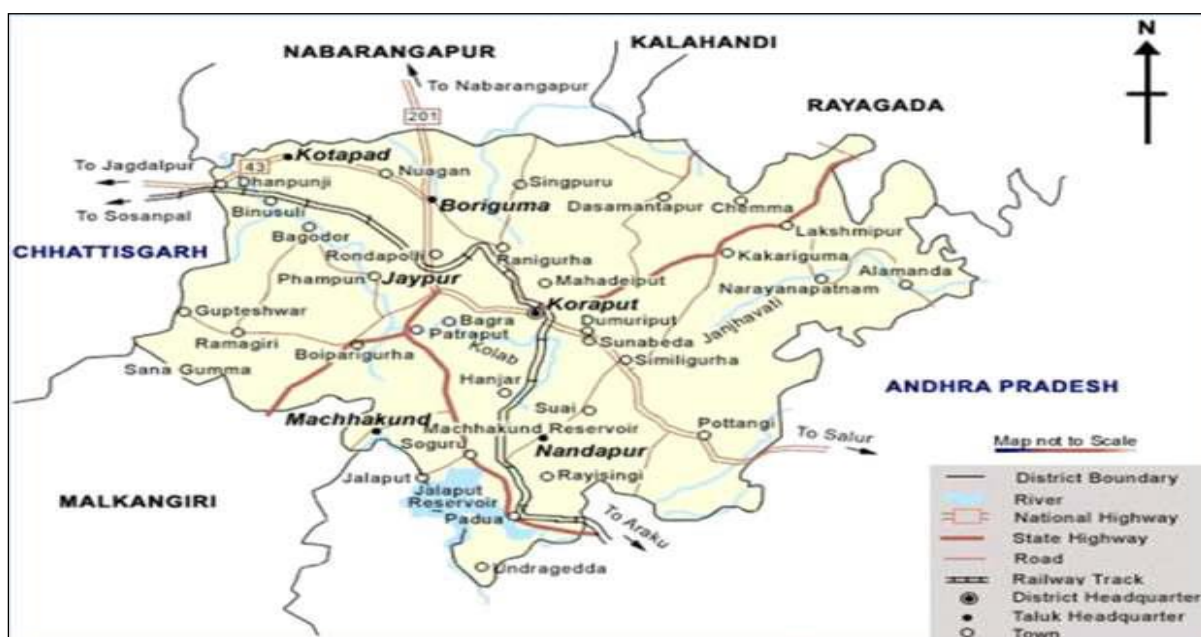
Keonjhar is located in the north part of Odisha which is bound by Mayurbhanj and Bhadrak in the east and Jajpur to the south. It also borders with West Singhbhum district of Jharkhand state.



It is one of the districts with higher tribal population. The district has an area of 8303 sq km and the population stood at 18.01 lakh as on 2011 with a population density of 217 per sq. km. About 86 percent of population lives in rural areas. The share of SC and ST population is 11.6 percent and 45.4 percent respectively. The district has 13 blocks, 4 municipalities and 297 GPs.

The sex ratio in the district is 1065 for the total population. The literacy rates for men and women were found to be 87 percent and 66 percent respectively. The literacy rates of SC and ST were found to be 74 percent and 53 percent respectively (census 2011). About 75 percent of the households had electricity connection, 85 percent of households have access to clean drinking water and only 20 percent of the households have access to improved sanitation. Only 16 percent of households use clean fuel for cooking. The proportion of pregnant women who are anaemic was 40 percent and the institutional deliveries are about 73 percent. Of the institutional deliveries 67 percent is from public facility and the average out of pocket expenditure for a delivery is Rs. 3800. About 78 percent of all eligible children are immunized. The proportion of stunted and underweight children below 5 years was found to be 45 percent and 44 percent respectively. The NER for primary and secondary was found to be 95 and 53 percent respectively (2012-13). The IMR and MMR for the year 2012-13 were 53 and 15 respectively.

### Koraput



Koraput is one of the oldest district and part of KBK (Koraput, Bolangir and Kalhandi) districts known for its poverty, owing to practice of shifting cultivation, mining, poor connectivity, physical isolation with multiple deprivations and backwardness. The district borders with Chhattisgarh and Andhra Pradesh. The district has an area of 8807 sq Km and population of 13.79 lakh with a population density of 157. As on 2011, the population of SC and ST stood at 14 and 51 percent of the total population respectively. About 84 percent of the population in the district lives in rural areas. The district has 14 blocks, 1 Municipality, 3 NAC and 240 GPs.

The sex ratio of the population was 1019 (2015-16 NFHS) and the literacy rate for men and women stood at 75 percent and 40 percent respectively. The literacy rates for SC and ST were 53 percent and 35 percent respectively (2011 census).

The proportion of households who have had electricity connection was 76 percent while the proportion of households with access to clean drinking water and sanitation was 85 percent respectively. About 19 percent of the households were using clean fuel for cooking purposes. About 61 percent of the pregnant women were anaemic. The proportion of institutional deliveries was found to be 68 percent while the proportion of institutional deliveries in public facility was 67 percent and the average out of pocket expenditure for a delivery was Rs.2400. About 67 percent of all eligible children in the district are immunized. The proportion of children under 5 years who are stunted and underweight was 40 percent and 44 percent respectively. The NER for primary and secondary for the year 2013-14 was 98 percent and 33 percent respectively. The IMR and MMR (2012-13) were found to be 48 and 19 respectively.

**Table 19: Profile of the sample districts**

Indicators	Odisha	Balasore	Keonjhar	Koraput
Area (sq.km)	155707	3806	8303	8807
Population(In lakh) census 2011	419.7	23.2	18.0	13.8
Population Density(per sq.km) census	270	609	217	157
Sex Ratio (SC) census 2011	987	987	1000	1031
Sex Ratio ( ST) census 2011	1029	1013	1017	1068
Overall Sex Ratio (NFHS 4 2015-16)	1036	1089	1065	1019
Literacy Rate for Men (NFHS 4 2015-16)	84.3	92.8	87	75
Literacy Rate for Women (NFHS 4 2015-16)	67.4	75.8	66	40
Literacy Rate for SC Census 2011	69	72.8	74	53
Literacy Rate for ST Census 2011	52	50.1	53	35
Household having access to Electricity ( percent)	86	89	75	76
Household having access to clean drinking water (%)	89	98	85	85
Household having access to improved sanitation (%)	29	37	20	18
Household using clean cooking fuel ( percent)	19	14	16	19
Household member covered under health scheme/insurance (%)	48	42	48	42
Institutional deliveries (%)	85	92	73	68
Proportion of institutional deliveries in public facility	76	82	67	67
Average out of pocket expenditure for a delivery in public facility ( Rs)	4225	3400	3800	2400
Eligible children immunized (%)	79	79	78	67
Proportion of stunted children below 5 years (%)	34	33	45	40
Proportion of underweight children below 5 years (%)	34	34	44	44
IMR (2012-13)	56	45	53	48
MMR (2012-13)	15	14	15	19
Net Enrolment Ratio (NER) for Primary 2013-14	94	94	95	98
Net Enrolment Ratio (NER) for Secondary 2013-14	57	54	53	33

The profile of sample GPs is presented in Table 20. The population of the sample GPs ranged between 4000 and 7000. The GP wise profile is presented in the Annexure 6. The GPs in Bhograi block had very less SC and ST population while the GPs in Bandhugaon and Niligiri block had higher proportion of tribal population. The literacy rates were higher for both male and female in the GPs of Bhograi block compared to other sample GPs across the three districts. The higher ST population was found in GPs of Bandhugaon block which also has the lowest male and female literacy rates across the sample GPs. The sex ratio was higher in GPs of Bandhugaon and Koraput blocks. GPs of Bhograi and Ghatgaon had lower sex ratio. The households with liveable houses were higher in GPs of Niligiri, Telkoi, Ghatgaon and Bandhugaon blocks while it was lower in GPs of Bhograi and Koraput blocks. The households with electricity connection were higher in GPs of Bhograi followed by Niligiri blocks while it was very low in other four blocks. Access to clean drinking water (largely by ground water-hand pumps and bore wells) was higher in GPs of Bhograi and Koraput blocks.

**Table 20: Profile of sample GPs**

	Households	Population	Sex ratio	%		Literacy (%)		Percent of Households with			
				SC	ST	M	F	Livable houses	Electric connections	Latrine facility	Clean drinking water
Bhogarai	7812	32883	926	17	3	83	72	54	48	30	96
Niligiri	6054	24767	1004	5	75	57	40	77	27	7	74
Telkoi	5348	23442	1049	12	52	64	47	70	11	7	75
Ghatgaon	5063	22118	983	6	56	66	48	78	22	11	70
Bandhugaon	5026	23744	1084	6	80	35	23	72	9	9	83
Koraput	5876	22784	1058	14	48	54	30	52	27	8	81

### 4.3 Analysis of data of Gram Panchayats

#### Availability of data

The data on revenues, CFC and SFC grants as well as the expenditures incurred under CFC and SFC grants collected from the GP had gaps and this made the analysis difficult. The summary of availability of the data is presented in Table 21 and the GP wise details are provided in Annexure 7 and 8.

**Table 21: Availability of data in sample GPs**

NO. OF GRAM PANCHAYATS	Balasore	Keonjhar	Koraput	Total	Percent
Visited	10	10	10	30	
Annual plans were available (CFC and SFC)	7	2	7	16	53
Receipts data was available (CFC)	9	8	10	27	90
Receipts data was available (SFC)	9	9	10	28	93
Revenue data was available (OSR)	5	7	6	18	60
Expenditure data was available (SFC)	5	6	5	16	53
Expenditure data was available (CFC)	7	8	9	24	80
Social Sector Expenditure data (SFC & CFC)	2	6	0	8	27

UC for CFC was available	5	3	5	13	43
UC for SFC was available	5	5	2	12	40

Of the 30 GPs across three districts, one GP in Balasore, i.e. Daruha was newly formed before the elections in 2017 and thus did not have any data on receipts, expenditure and plans. The availability of the annual plans was checked for three years, i.e. 2015-16, 2016-17 and 2017-18. It was found that only 16 GPs had prepared annual plans for all the three years for CFC and SFC accounting for 53 percent of the sample GPs respectively.

Regarding the data on the CFC receipts, 27 GPs (90 percent) had the data for two years 2015-16 and 2016-17 while 28 GPs had data on SFC receipts for two years (93 percent). The data on expenditure from CFC funds was available for both the years (2015-16 and 2016-17) in 24 sample GPs (80 percent) while it was available for only one year in one GP and CFC expenditure was not available in five GPs. The data on expenditure from SFC funds was available for both the years (2015-16 and 2016-17) in 16 GPs.

The social sector expenditure (SSE) which included improving infrastructure and/or connectivity to of schools /anganwadi /sub centre was incurred in both the years (2015-16 and 2016-17) in eight GPs while it was incurred in only one year among six GPs. The SSE did not figure in 16 GPs. Only seven GPs out of the total 30 GPs informed us of the preparation of the perspective plan and we could evidence only one out of these seven. The Utilisation certificate for CFC and SFC grants were available for 2 years in 13 GPs and 12 GPs respectively.

In the absence of data for all the 30 GPs for all the three years, it was not possible to carry out any comparative analysis of receipts and utilization across GPs, blocks and districts.

It seemed that the concept of perspective plan was largely ignored. GPDP meant only annual plans.

### ***Discrepancies in data***

The works that are proposed by GP based on palli sabha and grama sabha are sent to the block level for projectisation by technical personnel and this is approved by GP and sent to block office for technical sanction and uploading on to the Planplus. Planplus is one of the applications of the Panchayat Enterprise Suite which compiles plans and facilitates monitoring and compilation of assets created through another application called Actionsoft. The annual plans collected at the GP were compared with that of the data uploaded on to the Planplus data base of GOI<sup>16</sup> and there were wide mismatches. This meant that the information on plans that gets finalised was not available to certain GPs. The details are provided in the Annexure 9. Similarly the expenditure data provided to us did not match that relating to CFC and SFC

<sup>16</sup>Data downloaded on 1<sup>st</sup> Jan 2018 from <http://www.planningonline.gov.in/ReportData.do?ReportMethod=getGPDPDashBoardMapData>

expenditures provided in the Utilisation Certificates. The details are provided in the Annexure 10.

*The discrepancies in the data among different sources, different documents of GPs made it very difficult to comment on the utilisation of CFC and SFC expenditures.*

### Analysis of Social Sector Expenditure of Sample GPs

An analysis of the annual plans expenditures of GP indicated the higher focus given to the provision of basic services (Table 22). A comparison of expenditure (both under CFC and SFC grants) with that of the Action Plans indicated that less amounts were spent on the social sector (improving infrastructure and connectivity for school, sub-centre and anganwadi) in Balasore and Koraput districts while it was higher in Keonjhar district. The higher expenditure in Mukundpur Patna GP in Keonjhar district (Rs 60 lakhs) for school has contributed to the increase in the social sector expenditure.

**Table 22: Action Plan estimates and Expenditure of sample GPs**

	Action Plans			Expenditure		
	Balasore	Keonjhar	Koraput	Balasore	Keonjhar	Koraput
Basic services	68107180	43803060	66919796	15933185	14575566	23622506
Income generation	3653264	4374000	1628502	750000	700000	0
Social sector expenditure	9591278	10296888	5335000	1450000	15831455	484888
Total	81351722	58473948	73883298	18133185	31107021	24107394
Basic services (%)	84	75	91	88	47	98
Income generation (%)	4	7	2	4	2	0
Social sector expenditure (%)	12	18	7	8	51	2

An analysis using the GP data wherein the data on action plan, CFC and SFC expenditure was available for two years (2015-16 and 2016-17) was undertaken to see the translation of plans relating to SSE into action. Only nine among the 30 GPs had the data on both action plans as well as CFC and SFC expenditures (Table 23). The Social Sector Expenditure (SSE) was higher than the estimated proportion in four GPs while it was lower than estimated in another five GPs. The GPs of Mukundapur Patna and Gadhadharpur recorded very high SSE because of the school related expenditures (building, playground, compound wall etc.) in Keonjhar district.

**Table 23: SSE planned and SSE actuals in the sample GPs (Amount Rs in lakh)**

	Action Plan			Actual Expenditure		
	Total	SSE	SSE percent	Total	SSE	SSE percent
Barbatia	47.24	3.00	6.35	19.00	2.00	10.53
Gopinathpur	78.10	3.50	4.48	32.48	1.00	3.08
Pithahata	47.74	7.50	15.71	29.49	2.00	6.78
Kishorchandrapur	93.43	19.00	20.34	42.00	4.50	10.71
Gadadharapur	48.60	14.80	30.45	43.60	35.60	81.65
Mukundpurpatna	94.57	9.80	10.36	84.21	71.10	84.43

	Action Plan			Actual Expenditure		
	Total	SSE	SSE percent	Total	SSE	SSE percent
Litiguda	60.33	6.50	10.77	33.84	1.95	5.76
Manbar	47.61	4.85	10.19	25.85	2.90	11.22
Mahadeiput	61.71	12.00	19.45	17.15	0.00	0.00
<b>All GPs(8)</b>	<b>579.33</b>	<b>80.95</b>	<b>13.97</b>	<b>327.62</b>	<b>121.05</b>	<b>36.95</b>

(First 4 GPs belong to Balasore while the next 2 GPs belong to Keonjhar district and the last 3 are from Koraput district)

Due to the discrepancies in plan and expenditure data, the copies of utilisation certificates which were submitted by GPs were taken to be more reliable and were analysed for understanding the utilization of SFC and CFC grants (Table 24) available in 20 GPs.

**Table 24: Utilisation of CFC and SFC grants by sample GPs (Amount Rs in lakh)**

Year	District	SFC			CFC			Total		
		Receipts	Exp	Exp %	Receipts	Exp	Exp %	Receipts	Exp	Exp %
2015-16	Balasore (7)	44.84	39.83	89	109.66	89.34	81	154.50	129.17	84
	Keonjhar (7)	48.97	43.40	89	59.87	52.99	88	108.85	96.39	89
	Koraput (6)	17.47	6.00	34	91.88	29.36	32	109.34	35.36	32
	<b>Total</b>	<b>111.28</b>	<b>89.23</b>	<b>80</b>	<b>261.41</b>	<b>171.68</b>	<b>66</b>	<b>372.69</b>	<b>260.91</b>	<b>70</b>
2016-17	Balasore (6)	48.77	19.18	39	117.68	62.23	53	166.44	81.41	49
	Keonjhar (5)	57.13	40.65	71	75.29	61.86	82	132.42	102.51	77
	Koraput (5)	22.52	5.40	24	137.06	49.66	36	159.59	55.06	35
	<b>Total</b>	<b>128.42</b>	<b>65.23</b>	<b>51</b>	<b>330.03</b>	<b>173.75</b>	<b>53</b>	<b>458.45</b>	<b>238.98</b>	<b>52</b>
<b>Total</b>	Balasore	93.61	59.01	89	227.34	151.57	81	320.95	210.58	84
	Keonjhar	106.10	84.05	89	135.16	114.85	88	241.26	198.90	89
	Koraput	39.99	11.40	34	228.94	79.01	32	268.93	90.41	32
	<b>Total</b>	<b>239.70</b>	<b>154.46</b>	<b>64</b>	<b>591.44</b>	<b>345.43</b>	<b>58</b>	<b>831.14</b>	<b>499.89</b>	<b>60</b>

The utilization of both CFC and SFC grants together dropped from 70 percent in 2015-16 to 52 percent in 2016-17 while the overall utilisation stood at 60 percent. Utilisation SFC grants was higher (64 percent) as compared to CFC grants (58 percent). The utilisation was highest among GPs of Keonjhar followed by Balasore while utilisation in Koraput was lower at 32 percent. Of the 20 GPs (for which the Utilisation Certificate data was available), five GPs accounting for 25 percent of GPs (with UC data) had recorded 100 percent utilisation of CFC and SFC grants put together (Table 25). All these GPs Bhimkanda, Mukundpur Patna, Barhatipura and Khuntapada which recorded 100 percent utilization belonged to Keonjhar district. The utilisation was lowest in Manbar and Almonda GPs of Koraput. The year wise details are provided in Annexure 11.



**Table 25: SSE planned and SSE actuals in the sample GPs (Amount Rs in lakh)**

SL. No.	District	Gram Panchayat	Receipts (in lakh)	Expenditure(in lakh)	Utilisation percent
					Total
1	Balasore	Barbatia	47.86	34.25	72
2		Balim	41.49	21.75	52
3		Pithahata	52.92	29.49	56
4		Chhatrapur	56.90	51.43	90
5		Kishorchandrapur	25.09	23.21	93
6		Tentulia	41.49	21.98	53
7		Gopinathpur	55.18	28.46	52
8	Keonjhar	Badamasinabilla	47.91	18.27	38
9		<b>Barahatipura</b>	<b>24.82</b>	<b>24.82</b>	<b>100</b>
10		<b>Gadadharpur</b>	<b>2.97</b>	<b>2.97</b>	<b>100</b>
11		<b>Mukundapurpatna</b>	<b>71.40</b>	<b>71.40</b>	<b>100</b>
12		<b>Bhimakanda</b>	<b>22.16</b>	<b>22.16</b>	<b>100</b>
13		Oriya Birida	47.90	35.17	73
14		<b>Khuntapada</b>	<b>24.10</b>	<b>24.10</b>	<b>100</b>
15	Koraput	Almonda	55.50	8.72	16
16		Kanagaon	46.36	35.57	77
17		Nilabari	47.36	12.50	26
18		Pedaloda	46.36	18.68	40
19		Manbar	50.15	5.54	11
20		Mahadelpur	23.20	9.39	40
		<b>All GPs</b>	<b>831.14</b>	<b>499.89</b>	<b>60</b>

#### 4.4. Field insights from Semi-structured Interviews and Focus Group Discussions

As indicated earlier, the FGDs were conducted at the GP level with the frontline functionaries-ASHA, AWW, School teacher, ANM, members of SHGs and CBOs. The SSIs were conducted with GP Sarpanch, Executive officer and ward members. This was to understand the priorities at GP level, planning process followed including issues around it.

The funds available for the GPs include the grants from 14<sup>th</sup> CFC and FSFC in addition to the Own Source Revenue (OSR). The perspective plan to be prepared for the period 2015-16 to 2019-20 was not available with most of the GPs. However, annual plans and Gramasabha resolutions were available with them.

The process of formulating GPDP starts with Palli sabha and Gram Sabha which passes resolution approving the list of works to be undertaken in the GP. Palli sabha and Grama sabha are conducted to assess the works to be undertaken and a list is created based on which the list the projects are proposed. The Plan is then sent to the Block for administrative approval wherein it is approved by Panchayat Samiti and plans are uploaded on to Planplus. Palli sabha and Grama sabha are monitored by Block Nodal officers nominated by BDO, depending on availability of officials. On an average, three meetings are held at the GP level for finalising of GPDP, attended by Community members, PRI members, Gram Panchayat Officer (GPO), PEO

(Panchayat Executive Officer), ANM, ASHA, AWW, PDS assistant, JE (RWS) or block nodal officer. The Gram Panchayat Technical Assistant (GPTA) or Junior Engineer or any other nodal officer is allotted for overseeing the participatory process and aid in the planning process. Although mandated under GPDP (AGAY) by the state, planning units were either not constituted or non-functional in GP. Only GP level monitoring committee has been setup to review the works in the GP. Gaps identified in Palli Sabha and Gramasabha largely were related to basic facilities such as sanitation, drinking water, Kalyana mandap, development of GP office and infrastructure, crematorium, boundary wall for AWC, separate latrine in school for girls, bathing ghat, solar lights, digging of new tube-wells, CC road repair, check dam, excavation of ponds, etc. Assessment of infrastructure gaps and the requirements assessed were largely based on experiences of the Palli Sabha members. The frontline workers did not always participate in Palli Sabha and Grama Sabha. However, they did interact with the GP sarpanch and provide inputs to the planning. The role of engineer or GPTA and the BDO is critical in the finalization of the annual plans. By and large only public works or civil works are undertaken under the grants from CFC and SFC. The social sector projects included roads, compound walls for schools and anganwadi, toilets for schools and anganwadi, water supply for anganwadi and schools, approach roads for anganwadi and schools and so on.

The works at the GP level invariably had the convergence component with the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for Anganwadi centres, market complex, staff quarters of GP, Kalyana Mantap, and with Gopabandhu Gramin Yojana (GGY) for road works. GPs did not have clarity on the extent of convergence and costing in the matter. In more than 50 percent of the GPs, Sarpanch and the PEO opined that projects proposed by GP may or may not be taken up depending upon the decision at the block level. This is largely due to the convergence with schemes like MGNREGS, multi-village projects, projects by Panchayat Samiti and Zilla Parishads etc. The Concrete roads (CC roads) are not encouraged under CFC and SFC grants because they are largely taken up under Gopabandhu Gramin Yojana.

The circulars/guidelines relating to the utilisation is very critical for formulating the projects. Few public works like the Kalyana mandap (costing about Rs. 35 lakhs), bathing ghat with a provision for dress changing room, crematorium, GP office and staff quarters for PEO are being taken up as per the directions of the state government (also has circulated the model design and cost estimates). Works on street lighting projects have been put on hold for directions from state on tendering and purchases.

The role of BDO is critical both in terms of approving the GP plans as well as to ensure convergence of various projects including the ones which are inter-GP and for cluster of GPs. The BDO reviews the projects every month while the GPO who is the nodal officer of the GP would visit to GP and review the progress of various works, accounts and functioning of GP. The block office not only scrutinizes and supervises GP but also provide technical guidance



and support to GPs for execution of projects. Water supply projects both new and maintenance is dependent on the block for spares and other supplies.

The role of Project Director, District Rural Development Agency (PD, DRDA) is to review the overall progress and he is assisted by the District Panchayat Officer (DPO) who regularly monitors the progress, collects information and reports for records and submission for the state government. The DPO acts as a post office for all the information to be passed to block and GPs and has very little role in direct supervision of GPs. The District Project Management Unit (DPMU) undertakes planning activity for different schemes such as MPLADS and others. The Zilla Parishad through its steering committee also reviews the progress of GPDP in the district.

Training and capacity building is very critical for formulation and execution of projects under GPDP. The State Institute for Rural Development (SIRD) is carrying out most of the training for both elected representatives and functionaries of the line departments. The elected representatives were new (elected in March-April 2017) and had no clear idea on the perspective plans and were yet to get the training on GPDP. Few of the PEOs remember trainings conducted on GPDP and the *Ama Gaon Ama Yojana*.

#### 4.5 Gaps in social infrastructure at GP level

The infrastructure deficits as expressed in the FGDs involving the frontline workers were also analysed. The focus was on social infrastructure looking into schools, sub-centre and anganwadi centres. The block wise deficits are presented in Table 26. The GP wise social infrastructure deficit is presented in Annexure 12. Apart from frontline workers, SHG members and school teachers also participated in FGDs. Women participated in FGDs and were found to be very vocal on the issues of women and children.

**Table 26: Gaps in social infrastructure as discussed in FGDs**

Gaps in Infrastructure	Koraput		Keonjhar		Balasore		Total	Percent of what?
	Bandhugaon	Koraput	Telkoi	Ghatagaon	Bhogarai	Niligri		
<b>1- Schools</b>								
Water & Sanitation	4	2	2	3	2	2	15	<b>52</b>
School Boundary	1	2	1	1	0	4	9	<b>31</b>
Drinking Water Facility	1	1	2	2	1	0	7	<b>24</b>
Insufficient Classroom Space	1	0	0	0	1	2	4	<b>14</b>
Playground is not available	0	1	1	1	0	0	3	<b>10</b>
<b>2- Sub Centre</b>								
Drinking Water	0	2	2	1	0	1	6	<b>21</b>
Functional Toilets	1	2	1	1	0	1	6	<b>21</b>
Need Proper Infrastructure	1	1	1	0	1	1	5	<b>17</b>
Rural Connectivity	1	0	0	1	0	1	3	<b>10</b>

Gaps in Infrastructure	Koraput		Keonjhar		Balasore		Total	Percent of what?
	Bandhugaon	Koraput	Telkoi	Ghatagaon	Bhogarai	Niligri		
Lack of Staff	0	0	0	0	0	2	2	7
<b>3-Anganwadi</b>								
Water (Tube well)& Sanitation	4	5	1	2	2	4	18	62
Child Friendly Toilets	3	4	1	2	3	1	14	48
No boundary Wall	0	3	0	3	0	2	8	28
No Power Supply	0	4	0	1	0	0	5	17
Classroom Buildings Require Renovation/ Damaged Condition	2	0	0	0	1	1	4	14
Own building	1	0	0	0	1	2	4	14
Drinking Water	0	1	0	1	1	0	3	10

Drinking water and sanitation has been the priority and also the main concern across all the three critical social infrastructures for GPs. Schools were deficit with respect to school boundary walls, class room space, and play grounds. About 62 percent of the GPs expressed the need for augmenting the water and sanitation facilities at anganwadi. Space for children i.e., anganwadi buildings were also important deficit that felt among sample GPs. Poor connectivity, staff shortage and poor infrastructure were concerns for the health facilities.

Across all GPs, the knowledge and importance of the GPDP is low. However, the process of Palli sabha and Grama sabha in the process is what people at the GP are aware of. Few GPs wherein the OSR is higher (like Mukundpur Patna, which is a tourist place) GPs are bit more active and have expressed the need for better coordination and support from the line departments while other GPs expect clearer directions from the top. Serious concerns were expressed for the lack of coordination and effective convergence in the GPDP process by officials both at the block and district level. However, GPs cannot on their own ensure convergence of projects. The line department officials are not part of the GPDP process and their planning often goes in parallel. The frontline workers ANM, AWW, ASHA and others are not attending the Palli sabha and Grama sabha regularly since they are required to attend their regular work.

As discussed earlier, focus is on civil works and are largely based on felt needs, there is no database maintained at the GP level. Information regarding area of the GP, length of pucca and kutchra roads, number of tube wells and hand pumps, number of tanks/ponds, number of streetlights, solid waste generated and the mechanisms for its safe disposal are critical for the planning and management of basic services.

The focus on the services and its quality is largely ignored in the GPDP. However, the Grama sabha and Palli sabha discussions do delve on the issues of lack of teachers in anganwadi and

schools, non-availability of ANM and ASHAs, issues of the high risk pregnancies, poor transport and connectivity, availability of subject teachers, quality of food in anganwadis and others. But the services and its quality do not get place in GPDP as many of the solutions cannot be attended by GP but are to be provided by the state government. Only organising health camps and sports competition were part of the GPDP.

#### 4.6 Priorities of GP and focus on social infrastructure

The issues and concerns among GPs across the districts in implementing GPDP were found to be similar. The priorities of the GPs and social infrastructure deficits were analysed to understand the focus of the GP with that of the GPDP. The priorities as expressed by the GP (Sarpanch and PEO) are presented in Table 27. The GP wise details are provided in the Annexure 13.

**Table 27: Priorities of the GP demanding focus in GPDP**

Priorities	Koraput		Keonjhar		Balasore		Total	Percent	Rank
	Bandhugaon	Koraput	Telkoi	Ghatgaon	Bhograi	Nilgiri			
Drinking Water	5	5	5	3	3	4	25	83	1
Health	1	3	3	2	5	4	18	60	2
Education	1	4	3	4	4	2	18	60	2
Rural Connectivity	4	4	5	4	0	1	18	60	2
Water & Sanitation	4	3	4	2	0	3	16	53	3
Women & Child Development Issues	2	4	2	3	4	1	16	53	3
Infrastructure Development and Repair (Roads, Buildings and Street Light))	1	0	0	2	5	4	12	40	4
Street Light	4	0	2	0	0	1	7	23	5
Development of Infrastructure for GPs Income generation (Market Complex)	0	0	2	0	0	3	5	17	6
Agriculture productivity	2	0	0	1	2	0	5	17	7

Drinking water is the main priority of the GP. About 25 GPs accounting for 83 percent of sample GPs indicated drinking water to be their main priority. The second important concern for the GP was the Health. By health it was regarding the availability of health facilities, doctor, ANM and other skilled personnel, transport and connectivity issues to reach health centre, infrastructure facilities at the health centres and the awareness campaigns on general and menstrual hygiene and the issues of high risk pregnancies. It is important that 18 GPs or 60 percent of sample GPs place health as their priority though they on their own can do little to ensure quality services. Similarly, education is on the priority of the GP. The availability of subject teachers, play grounds, sports and other equipment, classroom spaces, the connectivity to school especially during rainy season ( need for all weather roads), are being the chief concerns. Connectivity is critical for not only to ensure the economic development of the GP but also to facilitate the proper availability of the health and educational services. Women and

child development is concerned as important for development of GP. The issues of anganwadi place, water and sanitation at anganwadis, the food distribution, (it was expressed that the attendance is more on egg distribution days), availability of cooking space, learning spaces are discussed. Similarly the issues of functional toilets in schools, separate toilets for boys and girls, girl students' dropout, availability of facilities for women including the employment opportunities, SHG activities (Odisha Livelihoods Mission) are also discussed. The issue of maintenance of assets is an important concern that is expressed by the GP. The need for focusing on improving the productivity in agriculture as well as the issue of augmenting the revenue sources stand high on priority of GP.

The Planplus data for three years (2015-16, 2016-17 and 2017-18) was also analysed to understand the priorities of the GP. The analysis is presented in the Table 28. It was found that water supply was the top priority followed by creation of utilities like crematorium, bhavan and shelter. Sanitation, creation of income generation assets and roads (repair and improvement) occupied the third, fourth and fifth place in prioritization. The improvements for school, health centre, anganwadi were accorded a low priority. The bathing ghat with a dress changing room for ladies (WCD/Sanitation), improvements for anganwadi and SHG bhavan for women (Utility/women), improvements/repair in health facility or school (water, toilets, compound wall, approach road etc.) together formed the women and child development component at the GP level.

**Table 28: Priorities of GPDP as revealed in the Planplus data (Amount Rs in lakh)**

Expenditure Heads	Balasore	Keonjhar	Koraput	Total
Water supply	216.86	107.67	114.25	438.78
Utility	83.75	251.27	98.80	433.81
Sanitation	184.59	84.08	102.98	371.65
Income Generation	52.03	119.24	55.00	226.28
Road	45.66	4.70	151.24	201.60
Admin expenses	78.12	73.62	42.54	194.28
<b>WCD/Sanitation</b>	<b>32.83</b>	<b>61.00</b>	<b>49.50</b>	<b>143.33</b>
<b>Education</b>	<b>48.80</b>	<b>92.07</b>	<b>0.00</b>	<b>140.87</b>
<b>Streetlight</b>	<b>14.54</b>	<b>76.22</b>	<b>21.60</b>	<b>112.35</b>
<b>WCD/Child</b>	<b>19.76</b>	<b>7.82</b>	<b>0.00</b>	<b>27.58</b>
<b>Utility/Women</b>	<b>0.00</b>	<b>4.80</b>	<b>0.00</b>	<b>4.80</b>
Agriculture	1.50	2.30	0.00	3.80
<b>Health</b>	<b>0.00</b>	<b>3.40</b>	<b>0.00</b>	<b>3.40</b>
<b>Total</b>	<b>778.42</b>	<b>888.19</b>	<b>635.91</b>	<b>2302.52</b>

The priorities of GP were also checked with reference to the expenditures incurred in the sample GPs (20) as depicted in utilisation certificate. Sanitation works formed the top priority followed by water supply, administration related works (GP office, compound wall etc.) followed by utilities like crematorium, community bhavan and shelters (Table 29). Expenditure on SSE was found to be barely 8 percent.

**Table 29: Priorities of GPDP as reflected in Utilisation Certificates (Amount Rs in lakh)**

Expenditure heads	Balasore	Keonjhar	Koraput	Total	Share ( %)
Sanitation	74.16	26.70	18.78	119.64	39
Water supply	21.98	15.60	14.45	52.03	17
Admin	13.09	18.22	9.34	40.66	13
Road	16.62	1.50	16.50	34.62	11
utility	3.79	10.76	3.76	18.31	6
Income generation	3.00	13.00	2.00	18.00	2
Education	9.40	2.00	0.00	11.40	4
WCD and sanitation	0.00	0.00	6.90	6.90	2
WCD/Child	4.53	1.50	0.00	6.03	2
Grand Total	146.57	89.28	71.73	307.58	100

The priorities of the GP as expressed by Sarpanch, PEO and Panchayat members appear to be inclined towards progressive human development indicating higher priority towards health education and women development. However, this does not figure in the GPDP action plans (Planplus) as well as the actual expenditures (utilisation certificates). This also raises an issue that how much of social sector outcomes would be addressed by GPDP which focuses on largely on civil works and demand convergence across line departments, ZP, PS with GP.

## 5.0 Key findings and Policy Implications

The study set out to understand the prioritization at the GP level in utilising the 14<sup>th</sup> Finance Commission grants and 4<sup>th</sup> SFC grants as well as to understand its impact on social sector outcomes.

### *Analysis of state finances and social sector expenditure*

1. An analysis of state finances reveals that the state has rightly moved from fiscal surplus to fiscal deficit of 3.5 percent of GSDP. This is a welcome trend considering the need for developmental expenditure. The state has also ramped up capital expenditure considerably from Rs 5622 crore in 2012-13 to Rs 24562 crore in 2018-19 (BE), which has been funded from revenue surplus and increased borrowings. On the downside, the state's own revenue have remained stagnant and as a result its proportion has sharply declined over the time to just 33 percent of total revenue. The offshoot of this is higher dependence upon the central transfers and possible problems servicing the debt down the road.

*The state needs to improve its own revenue collection effort to translate the higher capital expenditure into greater income and revenue.*

2. The state has been posting sizeable revenue surplus year after year. The average revenue surplus over past seven years from 2012-2018 has been Rs 7590.7 crore, which was about 12 percent of average revenue expenditure of the state. The revenue surplus and additional borrowings are being ploughed into increased capital expenditure since 2015-16. However, it appears that the capital expenditure is going mainly to economic sector

as reflected in relatively larger outlays on economic services. While increased capital expenditure on economic services would help the state improve productivity across sectors resulting in increased incomes, it could be coming at the cost of the needs of poor and marginalized for basic health, education, water and sanitation.

With the increased component of untied grant-in-aid as per the award of 14CFC and consequent reduced transfers under restructured CSS (which were mainly in social sector like SSA, NHM, etc.), it is the responsibility of every state to protect social sector expenditure. Overall, the state has maintained expenditure on social sector at prevailing level with marginal increase in real terms. Also a comparison of expenditure for the years 2015-16 and 2016-17 by Odisha with that by General Category States shows that the state does accord high priority to social sector expenditure. Within social services, expenditure on the health, education, water & sanitation and urban development have seen the larger increases. However, given poor social infrastructure and social indicators, there is need for enhanced social sector spending.

The state also lost an opportunity to augment social infrastructure when it failed to use 13CFC allocation for health and education facilities and for anganwadis because it failed to either submit utilization certificates or meet other prescribed conditions.

*The state would do well to increase its revenue spend on social sector – particularly, health, nutrition, water, sanitation and education by curtailing revenue surplus. The problem of poor utilization of funds needs to be addressed by streamlining the processes and procedures; and by improving the monitoring framework.*

#### **Gram Panchayat Development Plan – Processes and Constraints**

3. Though GPDP (AGAY) guidelines provide scope for GPs to prepare comprehensive plan, it does not specify as to how the convergence and resource envelope estimation can be carried out by GPs including the roles played by other levels of PRIs and departments in sharing the information. In the absence of information on what funds come to GP such as National Rural Drinking Water Programme (NRDWP), Pradhan Mantri Gram Sadak Yojana (PMGSY), MGNREGA etc. it becomes very difficult for a GP to plan for entire works at the GP level. Thus the plans of sample GPs related only to the extent of FSFC and CFC grants available to them.

*Availability of information regarding different schemes implemented in GP area and funds under different schemes (resource envelope) is critical for preparing GPDP. There must be institutionalized systems for integrating the availability of such information in the GPDP process.*

4. The analysis of the GPDP revealed that the perspective plans are either not prepared or GPs do not attach any importance to them wherever they are prepared. Though 7 sample

GPs indicated preparing the perspective plans, there was no clear thought as to how it would translate into annual plans and prioritization.

GPs across blocks and districts had clear grama sabha resolutions indicating the active participation of the people in grama sabha and palli sabha. The process of preparation of GP plan was explained by most of the sample GPs. Both GP Sarpanch and PEO articulated the priorities of the GP and indicated water supply, sanitation, health, education, women and child development as their priority. While the needs are articulated, most of them are based on the visible gaps as acknowledged by the citizenry. Thus many of these may focus on the temporary solutions to the problems without focusing on the long term solutions. In the absence of GP level database (length of kutchra roads, pucca roads, number of street lights, households with water connections, hand pumps, bore wells and mini water supply, solid waste collection bins, etc.), the planning becomes ad hoc. As the performance review committee meeting<sup>17</sup> of the *Ministry of Panchayat Raj, Government of India* observed GPDPs are being prepared like a wish list and have no concern for financial envelope or actual deficiencies. It also pointed out that the GPDP has little or no relation with the works that are being undertaken and sectors like WCD, Health, education and nutrition have very miniscule presence.

*There appears to be both a lack of capacity as also systematic collection of data relevant to preparation of GPDP. Availability of relevant data (as mentioned in earlier point) is a prerequisite for proper planning. Creation of a database requires setting up suitable systems as also capacity building of the GP elected representatives and staff.*

5. While the pallasabha and grama sabha articulates the issues of the services along with the infrastructure needs, many of them also relate to quality of the services provided be it the timeliness or some irregularities. However, with GPDP focusing only on infrastructure, the issues relating to services are ignored.

Though the GP plans several works, it does not know the extent of convergence, or the work being taken up under some other projects (water supply for group of villages or road network) and thus are not clear as to what works from the plan get selected for implementation. This was evident from the differences from the action plans of the GP with that of those uploaded on to the Planplus.

*GPDP focuses on augmenting infrastructure with very little or no focus on improving services. While many infrastructure projects are planned, the chances of them being taken up for implementation is not clear at the GP level.*

---

<sup>17</sup> <http://rural.nic.in/sites/default/files/MoPR.pdf>



**Gram Panchayat Development Plan – some capacity and structural issues**

6. The institutional capacity is critical for GPDP. A GP in Kerala which has a population of 25000-30000 and has adequate staff can do the planning properly, whereas expecting the same from a GP in Odisha with population 5000 and poor capacity of staff would be unfair. Mr Bibek Debroy suggests that GPDP which was meant to be a game changer by providing platform for decentralised planning at the lowest unit of governance, had met with same fate as that of the other centrally sponsored or state schemes<sup>18</sup>. The decentralised planning through GPDP meant a paradigm shift in planning process starting with ascertaining requirements at GP level and matching with the availability of funds from different sources. This would mean that entire planning activity would start from GPDP and people have to be oriented towards that. The entire planning machinery should concentrate and evolve the plans. In essence the district or block level plans would be aggregate of the GPDP. But this has not happened.

*The experience with GPDP underlines the need for structural change in GP in terms, firstly, of size. If aggregation of GPs into somewhat larger size is not possible for reasons of political economy, the state should adopt a cluster approach for planning i.e. club a few GPs together for purpose of planning. As many infrastructural works (e.g. piped water scheme, roads, Primary Health Centre, Middle / High School, etc.) span over and cater to more than one GP, cluster level perspective plan would be more meaningful. The cluster level plan would not only help a GP to undertake the works from its SFC and CFC funds, but also be aware of other projects and convergence in the jurisdiction of GP. This would also be helpful in ensuring that GP is able to monitor more effectively the rural development programmes like housing, MGNREGS, GGY and others being implemented in the GP as it would be aware of these programme targets for the GP.*

7. In the current GPDP process, people come together to assess requirements/plan, but they do not know how much of it gets into action and again they are called back next year to indicate requirements/plan for the area. This is leading to a lot of distrust among the citizenry about the effectiveness of these forums. Once citizenry spell out their requirements, they should be able to know how much of it is acted upon and why? This would enable them to monitor better and will also strengthen Grama sabha as an institution.

*The planning process starting from Palli sabha and Grama sabha should be followed by a feedback to complete the participatory planning loop.*

---

<sup>18</sup> <https://thewire.in/government/local-governance-gram-panchayat>

### **GP – Issues of Governance**

8. Firstly, although functions, functionaries and funds are transferred to PRIs, they do not actually vest in them. Take the case of functionaries, The recruitment of the Gram Rozgar Sevak under MGNREGS and the Jogan Sahayak who is in-charge of distributing the PDS, Self Employed Mechanic (SEM) in-charge of repairs of water supply systems and the assistant supervising the disbursement of social security pensions are done by the collector and the salaries are paid through the block office. Only PEO and the Self Employed Mechanic (SEM) in-charge of repairs of water supply systems report to Sarpanch of GP. Within a Gram Panchayat, village level committees viz. Gaon Kalyan Samiti (VHSNC), School Management Committee, Anganwadi Committee (Jaanch committee) *are constituted by Health, Education and Women and Child Development Departments respectively*. These committees have a member of Gram Panchayat to ensure co-ordination with the Gram Panchayat, but operate outside the remit of Gram Panchayat. The functions are also largely supervisory in nature with the Block Development Office exercising the actual powers. Funds come largely tied to schemes and specific expenditure items. The state government infringes upon even the untied funds by mandating certain works such as bathing ghats, crematoriums, etc.

*The State must devolve functions, functionaries and funds in true spirit of decentralized governance or at least make some move towards that.*

9. One of the major limitation for the present study has been non availability of receipt and expenditure data at GPs and where available, many instances of discrepancies in the data. The processes like budget; accounting and audit; working of standing committees; creating and maintaining GP level data of social and economic infrastructure; and so on become very critical.

The state has lost considerable amount of 13 CFC funds because GPs failed to furnish Utilization Certificates and adhere to other prescribed conditions within set time limits. This reflects lack of monitoring as also capacity to comply with the grant conditions. Parking of CFC funds outside government account (repeatedly highlighted by the CAG) also shows poor accountability in the system.

*Focusing on governance of GP is critical to success of GPDP. The State should pay adequate attention to improving the GP level governance, which implies a) creating necessary systems; and b) building capacity of elected representatives and officials in managing the systems.*

### **GP – Capacity Building**

10. It is very difficult to assess the issues with the GPDP at a GP level or address the capacities requirement through training. It would be ideal to select few GPs to engage them in a continuous manner so that the issues are recorded systematically and problems are sought for the same. Continuous engagement would also help GPs to assert their powers and

discharge their responsibilities more effectively. The National Institute of Rural Development and Panchayati Raj (NIRDPR) has mooted this idea of continuous engagement with GPs (5 GPs in a block) by an expert agency/NGO to help them walk through the GPDP phase successfully. This would reflect on the issues related to execution of GPDP in clearer manner so that actions can be taken accordingly.

*The state should continuously engage with GPs as an approach to building their capacities and to help improve the quality of GPDP.*

---

**Annexure 1: Thirteenth Finance Commission Allocations and Releases (2010-11 to 2014-15) Rs. In crore**

<b>Heads of FC transfer</b>	<b>Allocation</b>	<b>Releases</b>	<b>Shortfall</b>
Share of Taxes	69316	68119	1197
PRIs	2774.8	1725.94	1048.86
ULBs	496.1	306.26	189.84
Disaster relief	1647.82	1717.83	-70.01
<b>Improving outcomes</b>			<b>0</b>
Elementary Education	1016	580	436
justice delivery	193.6	102.85	90.75
Incentive for UID	178.5	17.85	160.65
District innovation fund	30	27.19	2.81
Improving statistical system	30	12	18
Maintenance of roads and bridges	1022	1022	0
Maintenance of irrigation systems	184	46	138
Maintenance of forests	331	308.41	22.59
Employee and pensioners data base	10	2.5	7.5
<b>State specific needs</b>			<b>0</b>
Chilka lake	50	45	5
Anganwadi buildings	400	300	100
PHC buildings/quarters medical college	350	262.5	87.5
Upgradation of Power distribution system	500	450	50
Police training	70	52.5	17.5
Upgradation of jails	100	75	25
Preservation of Buddhist monuments	65	58.5	6.5
Fire services	150	135	15
Market yards at block level	60	45	15
	<b>78974.82</b>	<b>75411.33</b>	<b>3563.49</b>

**Annexure 2: Women and Child Development Expenditures (2012-13 to 2017-18)Rs. In crore**

				2012-13	2013-14	2014-15	2015-16	2016-17 (R.E)	2017-18 (B.E)
SME	220 2	1	Elementary Education	2599.77	2931.74	3501.32	4099.88	4499.06	5596.63
		2	Secondary Education	1399.12	1466.68	1596.18	1737.74	2045.96	2734.83
			Educational facility for Handicapped	1.5	1.68	1.87			
			Sanskrit education	38.08	29.78	31.3	31.48	41.51	44.67
			secretariat-social services	13.76	17.89	27.56	36.92	41.9	48.34
SC ST OBC	222 5	205 9	Maintenance of School and hostel buildings	50.95	36.42	47.61	52.37	52.37	50
			Sevashrams	74.89	82.33	89.14	100.41	114.52	137
			Pre matric scholarship SC	25.96	51.93	54.01			
			Post Matric scholarship SC	18.91					
			Ashram schools	16.19	18.17	20.19	22.95	25.19	29.49
			High schools	87.62	98.54	109.84	127.1	150.74	187.08
			Pre matric scholarship ST	232.09	275.1	282.39			
			Post Matric scholarship ST	14.49	9.54	9.58			
			Prematric scholarship OBC	2.52	2.51	2.59			
HFW	221 0		Institute of pediatrics	6.84	8.01	9.73	10.67	13.98	15.81
			Maternity and child welfare centres	4.52	5.06	5.97	7.21	8.5	10.65
WCD	223 5	205 9	Repair of AWCs	7.78	3.17	3.65	3.96	4.01	4.01
			Grants to child welfare council	0.01	0.01	0.01	0.01	0.01	0.01
			Braile books	0.03	0.04	0.05	0.05		
			voluntary organisations- maintenance of handicapped and mentally retarded children	9.83	14.61	14.61	15.37		
			Child welfare	0.2	0.19	0.11	1.06	5.71	6.17
			Juvenile justice	0.81	0.89	1.01	1.24	1.39	1.78
			Women welfare	0.16	0.03		10.45	18.15	15.96
			SCPCR				0.44	0.79	0.86
	223 6		Nutrition (salaries)	2.58	2.78	2.86	3.47	4.42	6.38
SME	220 2		state plan						
			state sector						
			Elementary education	10	46.37	13.4	20.98	2	123.94
			Secondary Education	2.24	0.23	299.11	2.34	137.11	346.03
			District Sector						
			Elementary education	712.86	958.81	1638.29	87.58	130.56	133.72
			Secondary Education	391.32	595.31	691.33	703.6	1100.19	1032.51
			Incentive to girl child					1.72	
			centrally sponsored plan - elementary education	160.45					
			Elementary education	480.19	496.19		1936.04	2232.74	2896.04
			Secondary Education	54.66	2.37		291.79	379.12	758.75
		223 5	Secondary schools		10.59				
	420 2		Elementary education			15.65	3.63	5	5

		Secondary education	1.06	8.64	5.18	24.42	20.46	64.61
222	5	Scholarship and stipend dfid		10.49	36.49	10.91	11.96	11.4
		Scholarship and stipend dfid		7.67		11.5	13.87	12.6
		Higher secondary schools	2.04	2.77	3.89			
		High schools	11.53	12.29	12.72	16.86	35.13	23.59
		Ashram schools	1.71	1.88	2.06	2.06	2.02	2.74
		Water supply and electrification of ST girls hostel	6	6.00				
		Sports activity in ST schools	1	2.20	2.29	0.45		
		post matric scholarship difference	0.67	0.62	1.19	6.01	12.65	9.16
		Pre matric scholarship to OBC	1.45	4.54	4.87	142.63	136.38	190.12
		Pre matric scholarship to minority	1.11	1.09	3.99	26.22	45.28	30.07
		payment of exgratia to kins of sest students	0.2	0.30	0.4	0.4	0.04	0.02
		Computer education in girls schools	0.65	1.00	0.2			
		LPG to hostels		3.00	3	2		
		Fees exemption		0.06	0.08	0.09	0.05	0.05
		solar lamps to hostels		2.00	2	0.9		
		Promotion of 100 best SC ST students	0.5	0.30	0.72	8.61	0.4	0.45
		Medical entrance coaching/quality coaching	0.5	0.88	2.01		16.34	35
		Engagement of ANM /nurse in hostel	0.13	0.57	1.16	1.31	2.2	2.2
		Extra curricular activities in SC ST school	3.4	4.88	9.4	9.68	5.27	8.5
		Post matric scholarship OBC	17.38	24.47	10.88	9.27	9.61	9.61
		Scholarship and stipend SC	68.78	84.07	117.86	165.27	247.79	135.3
		Scholarship and stipend ST	78.26	107.18	87.48	447.18	459.25	527.78
		Scholarship and stipend backward class	2.45		14.07	184.34	238.49	238.8
		Pre matric scholarship to OBC	1.45	4.54		2.73	2.73	2.73
		Pre matric scholarship to minority	3.34	3.27		0.5	1.46	
422	5	Construction of hostels (KBK)	5			10.2	10.82	2
		construction and repair of educational institutions	149.89	111	90	105.34	135	85.15
		Hostels for ST girls	210	224.95	298	419.48	200.5	182.95
		upgradation of highschoools	2.15	3	3	6.38	5.26	16.27
		Construction of hostels (KBK)	30.25	6.25	40.39	0.5	3	13.5
		Ashram schools	45.5	25.5			40	40
		Hostels	1.2	3.08	1.68	915.15	28.04	98.44
		Others		9.07	0.63		6.89	6.67
223	5	Child Welfare						
		State council for child welfare	0.07	0.15	0.15			
		Child Welfare	1.44	19.37	31.23	17.17	31.74	120.4
		Women welfare	41.88	7.67	14.82	156.71	226.15	91.2
		Mukhyamantrimahilasashaktikaranyojna						38.7
		Adoption of orphan children	0.01	0.01				
		Maintenance of orphan children	0.47	2.13				
		Pre- school education		7	7.74	7.33	13.6	13.6
		Grants for SHGs (seed money)	5.19	21.19				

			Grants for SHGs (seed money)	6.34	28.35				
			Child welfare	226.06	138.1		64.7	64.35	63.32
			Women welfare		213.67		2.92	55.67	17.61
			Scholarship to handicapped students	0.09	1.4		5.24		
			women hostels		0.3	3			
			ICDS	22.51	34.11	221.55	7.62	21.27	
			Mamata	46.87	15.29	88.07	45.19	48.59	212.84
			ICDS 796	24.01	38.13		381.85	523.15	386.84
			Scholarship to handicapped students	0.13	1.86	2.06			
			ICDS	24.09	17.13		57.38	62.4	94.12
			Mamata	63.41	86.07	134.56			
			Repair of AWCs		8.09	0.8			
			Dfid nutritional plan			16.27			
			Take home ration						30.1
			grants for construction of AWC		136.34				
			Widow pension scheme	42.37	113.13	112.37	113.83		
			Widow pension scheme	11.51	32.2	31.85	31.6		
			Widow pension scheme	16.09	43.39	43.29	43.43		
			State resource centre for women		0.17				
			IGMSY	3.37	20.39		16.21	7.88	
			Child welfare	12.81	13.1				
			Child welfare	275.59	333.93	844.3	786.7	815.5	1274.49
			ICDS	125.03	375.09	349.42	244.47	400	357.35
	223 6		Nutrition	680.39	858.69	86.71	70.89	89.93	84.11
	423 5		AWC buildings	42.4	42.4	37.4		0.09	2.05
			AWC buildings	52.5	50.89	23.15	131.97		24.85
			AWC buildings	17	17	22			
			AWC buildings	16.5	16.16	7.19	50.6		12.6
			AWC buildings	40.6	40.6	40.6	37.4		10.5
			AWC buildings	31	28.32	13.66			
			NRLM			56.43	75.29	141.14	197.51
			NRLM			32.78	45.5	36.55	57.9
			NRLM			23.84	36.13	45.66	76.19
				<b>8897.66</b>	<b>10606.35</b>	<b>11470.24</b>	<b>14269.26</b>	<b>15291.21</b>	<b>19101.65</b>



**Annexure 3: Utilisation of 14<sup>th</sup> Finance Commission funds by GPs across districts**

	Receipts				Expenditure				
Districts	2015-16	2016-17	2017-18	Total	2015-16	2016-17	2017-18*	Total	uti percent
Boudh	968	1458	1536	3962	412	1522	1717	3651	92
Jajpur	4219	6420	6727	17365	195	5026	8820	14042	81
Nabarangapur	3209	4893	5119	13221	405	4702	5547	10653	81
<b>Keonjhar</b>	<b>4669</b>	<b>7121</b>	<b>7252</b>	<b>19041</b>	<b>1630</b>	<b>6027</b>	<b>7488</b>	<b>15145</b>	<b>80</b>
Deogarh	805	1292	1378	3476	52	996	1488	2536	73
Bargarh	3441	5215	5330	13986	2608	4039	3132	9779	70
Gajapati	1920	3153	3329	8401	325	2630	2811	5766	69
Kalahandi	3944	6033	6556	16532	0	4725	6420	11144	67
Bolangir	3906	5983	6413	16302	736	4857	4802	10394	64
Dhenkanal	2793	4692	4425	11911	510	2704	4275	7489	63
Nuapada	1509	2324	2632	6465	191	2537	1324	4052	63
Khurda	2776	4723	4414	11912	1960	2788	2662	7410	62
Ganjam	7119	11141	11111	29371	25	9064	8042	17131	58
Rayagada	2821	4428	4572	11820	2068	1984	2599	6650	56
Sundergarh	4454	7153	7092	18699	2132	5699	1868	9699	52
Nayagarh	2444	4210	3971	10625	170	1634	3627	5430	51
Angul	2983	4946	4718	12647	185	3406	2729	6320	50
Kendrapara	3381	5149	5367	13898	311	2821	3806	6937	50
Subarnapur	1398	2100	2283	5781	10	1378	1303	2692	47
Kandhamal	2376	3815	3992	10183	81	1901	2730	4712	46
Puri	3501	5275	5724	14501	331	3884	2494	6709	46
Jagatsinghpur	2722	4102	4200	11024	51	2246	2800	5096	46
Jharsuguda	1034	1716	1577	4327	20	697	1283	2000	46
Sambalpur	2029	3185	3099	8313	0	2171	1598	3769	45
<b>Balasore</b>	<b>4736</b>	<b>7355</b>	<b>8043</b>	<b>20134</b>	<b>309</b>	<b>4080</b>	<b>4186</b>	<b>8575</b>	<b>43</b>
Cuttack	4933	7604	7915	20452	264	4049	4272	8586	42
Malkangiri	1808	3044	2847	7699	99	1569	1389	3057	40
Mayurbhanj	6806	10361	10638	27804	0	7532	3068	10601	38
<b>Koraput</b>	<b>3774</b>	<b>5966</b>	<b>5934</b>	<b>15674</b>	<b>0</b>	<b>1565</b>	<b>3596</b>	<b>5161</b>	<b>33</b>
Bhadrak	3092	5003	4859	12954	89	2645	1530	4263	33

\*up to February 2018

**Annexure 4: Sample GPs with reservation category for Sarpanch position**

Sl. No.	Name of the District	Name of the Block	Name of the GP	Category
1	Balasore	1. Bhogarai	1. Daruha	General, Female
			2. Hoogly	General, Male
			3. Balim	General, Male
			4. Gopinathpur	SC, Female
			5. Barbatia	SC, Female
		2. Nilgiri	1. Tentulia	ST, Male
			2. Siadimal	ST, Female
			3. Chhatrapur	ST, Female
			4. Krushna Chandra Pur	ST, Male
			5. Pithahata	ST, Male
2	Keonjhar	1. Telkoi	1. Origabirda	ST, Male
			2. Jagmohanpur	ST, Male
			3. Karamongi	ST, Female
			4. Khuntapada	ST, Male
			5. Bhimkand	ST, Male
		2. Ghatagaon	1. Mukundapur Patna	ST, Female
			2. Pandapada	ST, Female
			3. Barhatipur	ST, Female
			4. Gadadharpur	ST, Male
			5. Badanasinabila	ST, Male
3	Koraput	1. Koraput	1. Mahadeipur	ST, Women
			2. Manbar	ST, Women
			3. Litiguda	ST, Women
			4. Umuri	ST, Women
			5. Lankaput	ST, Women
		2. Bandhugaon	1. Almanda	ST, Women
			2. Pedawalda	ST, Women
			3. Kanagaon	ST, Women
			4. Neelabadi	ST, Women
			5. Jaguguda	ST, Women

**Annexure 5 Details of Multi stakeholder design workshop**

**Multi Stakeholder Design Workshop**

**Analysis on Devolution of Funds to Panchayats under 14<sup>th</sup> CFC and 4<sup>th</sup> SFC and their Impact on Outcomes for Social Sector with reference to Women and Children in Odisha**

[Conference Hall, SIRD, Bhubaneswar, Odisha, Date: Sep. 01, 2017]

**Record of Proceedings**

A Multi Stakeholder Design workshop on “ANALYSIS ON DEVOLUTION OF FUNDS TO PANCHAYATS UNDER 14<sup>TH</sup> CFC AND 4<sup>TH</sup> SFC AND THEIR IMPACT ON OUTCOMES FOR SOCIAL SECTOR WITH REFERENCE TO WOMEN AND CHILDREN IN ODISHA” was held at Conference Hall of SIRD on 1<sup>st</sup> September, 2017. The workshop was organised as a follow up of decision taken in the first Steering Group meeting held on 9<sup>th</sup> August 2017 and as per the Joint Proposal of UNICEF and CBPS.

The Multi Stakeholder Design workshop was held under the chairmanship of Mr. Hemant Kumar Padhi, Director, PR & DW Department, Government of Odisha. Apart from the members of the Steering Committee, Sarpanches, Block Development Officers (BDOs), Project Directors (PDs), DRDA from the three districts selected for field work viz. Balasore, Keonjhar and Koraput attended the workshop.

The workshop had the following three objectives:

- a. Establish contact with representatives (elected and officials) from the selected districts and bring them on board;
- b. Inform them about the objectives, methodology and timeline of the study; and
- c. Elicit their views, insights, perceptions on the subject of the study – prioritization of expenditure met out of CFC and SFC devolved funds.

The workshop began with a welcome by Mr. Saroj Kumar Dash, Deputy Director, SIRD & PR. Mr. Dash briefly mentioned about the background and objectives of the study. Mr. Dash explained how substantial amount of grant under CFC and SFC have been devolved to Gram Panchayat in last few years. But the proper utilization of these funds was a question due to certain constraints in Gram Panchayat level planning and implementation. Mr. Hemant Kumar Padhi, Director, PR & DW Department, in his address, emphasized upon importance of planning and utilization of funds received under devolution recommended by the Central and State Finance Commissions and wanted to know from the Sarpanches whether this was being effectively carried out. A few sarpanches briefed the meeting about the innovative activities in their GPs. Mr. Raj Srivastava, PMEo, UNICEF explained in detail the objectives of the study and the importance of prioritization of expenditure to cater to the needs of children and women. Mr. Srinivas Alamuru from Center for Budget and Policy Studies (CBPS) made a brief presentation on the recommendations of the central and state finance commissions.

In order to explore more on the CFC and SFC funds allocation under the Gram Panchayat Development Plan (GPDP) in relation to Women and Child, participants were divided into three groups and asked to deliberate on the following questions:

- a. **To what extent do the CFC and SFC funds help GPs to address issues of women and children as well as various related aspects like poverty, health, education, nutrition, water and sanitation?.**
- b. **Is there a scope for looking at how the GPs have addressed the issues of women and children out of these resources?**
- c. **How has the GPDP changed the planning and implementation of development works in your GP?**
- d. **Has the devolution of funds under 14<sup>th</sup> CFC and FSFC has impacted prioritisation for social sector with focus poverty, health, education, nutrition, water and sanitation, etc. on the one hand and on women and children on the other?**
- e. **If yes, whether adequate and proper implementation and monitoring mechanisms are in place at panchayat, sub-district, district and state levels to achieve better outcomes of social sector expenditure incurred out of funds devolved by Fourteenth CFC and FSFC?**
- f. **GP has standing committees focusing on planning, health women and child development, education, etc. What is their role in GPDP?**

Crux of the discussion were to find out current status of GPDP, scope for new projects in future and bottlenecks to implement new welfare projects pertaining to Women and Children. The Three groups presented their views on the above, which is summarized below.

*Current Status of GPDP<sup>19</sup>:* All the Sarpanchs from Balasore, Keonjhar and Koraput districts agreed that there were increased funds flow and participation of women in GPDP in last 2-3 years. Besides, new projects have been framed on felt needs during gram sabha. Approximately 30percent of CFC and SFC of the total fund allocation under GPDP is meant for drinking water supply. Apart from drinking water, GPDP focuses on renovation of school and Anganwadi buildings, developing market complex, rural electrification and drainage system. Separate toilets for boys and girls students, over-head tank for drinking water in schools have been encompassed in GPDP. Skill development programme were taken up for women based on the local labour market demand. Information, Education and Communication (IEC) materials were prepared for Maternal Health and Child Care.

*Scope for New Project:* Analysis of projects and funds expenditure pattern under GPDP for last 3 years need to be done in order to find out the share and scope for women and child welfare at gram panchayat level. At school level, creation of play-garden, green-boundaries, painting

---

<sup>19</sup>GPDP with reference to Balasore, Keonjhar and Koraput districts of Odisha

and sports competitions can be taken up under GPDP for attracting the out-of-school students. Construction of main entrance gate and play-garden in AWCs can be taken up under grants from Finance Commissions. Establishment of separate community toilets for men and women, infusing hygiene like use of hand wash can be regularly placed in exiting community toilets. Awareness camp on Reproductive Child Health (RCH) and Health Camp for check-up expectant mothers and of newborns can be arranged at GP level. Besides, Baby kit can be supplied to mothers. In lieu of livelihood, training to the Self Help Group (SHG) members need to be imparted based on the existing skills and labour market demand.

*Bottlenecks of Implementation of GPDP:* However, implementation on GPDP has not improved due to lack of office personnel and skilled manpower, poor control of gram panchayat on frontline workers due to low inter-departmental convergence. Besides, existing PRI staffs also need to undergo various capacities building programme for perfect implementation of exiting welfare projects.

Mr. Satya Narayan Dash, Joint Secretary, PR & DW Department, summarized the discussion. Projects like approach roads, school kitchen, AWC renovation can be taken under other existing sources of funds. GPDP must focus on basic welfare measures like drinking water and other assets creation for community development. Innovative projects like attracting new drop out students, tuition facilities for poor students to bring them to the mainstream, creating play-garden should be the focus of GPDP under CFC and SFC grants. Plan should be prepared in accordance with the scope for convergence under other Flagship programmes where funds are devolved to gram panchayats.

The workshop came to end with vote of thanks from Mr. Subrat Kumar Mishra, Assistant Director, SIRD & PR.

---

Details of Attendees of the Workshop are listed below

1. Shri Hemant Kumar Padhi, Director, PR & DW Department
2. Shri Satya Narayan Dash, Joint Secretary, PR & DW Department
3. Shri Saroj Kumar Dash, Deputy Director, SIRD & PR
4. Smt. Ellora Mohanty, Deputy Secretary, Department of Finance
5. Shri Ananta Charan Sarangi, Deputy Director, P&C Department
6. Ms. Nandita Nayak, SPM, W&CD, Mission Shakti
7. Shri Subrat Kumar Mishra, Assistant Director, SIRD & PR
8. Shri Raj Srivastava, PME Officer, UNICEF
9. Shri Ranjan Rout, Consultant, UNICEF
10. Shri Krushna Mohan Mishra, Consultant, UNICEF
11. Shri Srinivas Alamuru, Adviser, Center for Budget and Policy Studies, Bangalore
12. BV Madhusudhan Rao, Research Adviser, Center for Budget and Policy Studies, Bangalore
13. Project Directors, DRDA, Balasore, Keonjhar and Koraput
14. Block Development Officers, Nilgiri, Bhograi, Telkoi, Ghatgaon, Koraput, Bandhugaon
15. Sarpanches of Select GPs, Nilgiri, Bhograi, Telkoi, Ghatgaon, Koraput, Bandhugaon

**Annexure 6: Demography of sample GPs**

Block	GP	Households	Population	SC	ST	Literacy M	Literacy F
Bhogarai	Barbatia	1651	6910	5	2	87	77
	Huguli	2650	11177	38	1	81	66
	Gopinathpur	1275	5252	11	0	83	71
	Balim	1283	5365	7	10	84	74
	Daruha	953	4179	2	8	85	76
Niligri	Pithahata	1227	4817	2	69	65	42
	Siadimal	895	4049	2	84	45	28
	Chhatrapur	1542	6074	7	59	57	43
	Kishorechandrapur	1651	6973	3	88	56	40
	Tentulia	739	2854	13	71	66	45
Telkoi	Oriya birsa	1054	4631	10	56	62	41
	Jagamohanpur	1183	5101	8	49	63	45
	Bhimkanda	782	3346	11	41	67	51
	Khuntapada	1433	5976	19	44	62	45
	Karamangi	896	4388	11	68	65	55
Ghatagaon	M.Patna	1538	6695	10	38	74	57
	Barhatipura	646	3023	11	59	58	37
	Badamsinabilla	1090	4862	1	75	59	41
	Gadadharpur	938	4017	4	48	65	48
	Pandapada	851	3521	3	69	70	53
Bandhagaon	Almonda	1437	6374	6	65	35	23
	Jagugura	1457	7010	3	88	32	19
	Nilabari	822	3707	14	63	43	37
	Pedawalara	632	3321	1	98	19	13
	Kanagan	678	3332	5	90	46	22
Koraput	Manbar	846	3300	15	37	45	23
	Umuri	855	3141	11	54	60	32
	Lankaput	759	2775	19	51	36	19
	Litiguda	2100	7981	9	55	57	28
	Mahadeiput	1316	5587	21	39	59	39



**Annexure 6: Demography of sample GPs (contd)**

Block	GP	Sex Ratio	percent of households with houses in Liveable condition	percent of households with electricity connection	percent households having latrine facility	percent of Households having clean Drinking water
Bhogarai	Barbatia	909	40	52	19	92
	Huguli	943	49	43	23	95
	Gopinathpur	905	56	48	27	98
	Balim	975	70	47	55	96
	Daruha	879	68	53	37	100
Niligri	Pithahata	988	59	23	5	86
	Siadimal	1045	81	47	12	83
	Chhatrapur	973	77	21	11	73
	Kishorechandrapur	1021	84	18	2	75
	Tentulia	1000	84	46	8	43
Telkoi	Oriya birsa	1027	74	15	3	75
	Jagamohanpur	944	64	14	7	87
	Bhimkanda	1017	82	6	1	78
	Khuntapada	1061	70	10	16	68
	Karamangi	1224	65	6	1	69
Ghatagaon	M.Patna	961	71	43	25	80
	Barhatipura	1082	89	14	5	70
	Badamsinabilla	959	84	4	1	46
	Gadadharpur	1007	77	19	6	75
	Pandapada	952	75	18	10	79
Bandhagaon	Almonda	1046	77	17	6	83
	Jagugura	1070	55	2	10	73
	Nilabari	1226	74	17	21	96
	Pedawalara	1036	87	0	0	89
	Kanagan	1092	79	3	4	84
Koraput	Manbar	1128	50	40	4	93
	Umuri	1086	62	34	7	95
	Lankaput	1057	40	2	3	79
	Litiguda	1028	41	35	13	65
	Mahadeiput	1047	70	16	8	92

**Annexure 7: Availability of Data across sample GPs (summary)**

	Balasore	Keonjhar	Koraput	Balasore	Keonjhar	Koraput
Total No. of GPs visited	10	10	10	10	10	10
	<b>No. of Observations</b>			<b>Amount in Rupees</b>		
Own Source Revenue	11	14	13	401234	9971896	157631
SFC Receipts	18	18	20	10715886	18798126	15957173
CFC Receipts	18	17	20	37092086	27877203	35926942
Total Revenue	18	18	20	48209206	56647225	52041746
<b>ACTION PLAN</b>						
<b>CFC</b>						
Basic services	24	16	26	52891183	28278888	52379536
Income generation	5	5	5	2650000	1850000	880080
Social sector expenditure	16	16	8	6645000	6821888	4535000
Total	24	16	26	62186183	36950776	57794616
<b>SFC</b>						
Basic services	24	15	25	15215997	15524172	14540260
Income generation	5	6	7	1003264	2524000	748422
Social sector expenditure (SSE)	15	11	4	2946278	3475000	800000
Total	24	15	25	19165539	21523172	16088682
<b>SSE Total</b>				<b>9591278</b>	<b>10296888</b>	<b>5335000</b>
<b>Share of SSE</b>				<b>11.79</b>	<b>17.61</b>	<b>7.22</b>
	Balasore	Keonjhar	Koraput	Balasore	Keonjhar	Koraput
Total No. of GPs visited	10	10	10	10	10	10
	<b>No. of Observations</b>			<b>Amount in Rupees</b>		
<b>CFC</b>						
Basic Services	14	14	19	10077542	9262547	18626812
Income Generation	1	3	0	750000	700000	
Social sector expenditure	6	13	1	1100000	11985367	194983
Total	14	16	19	11927542	21947914	18821795
<b>SFC</b>						
Basic Services	11	9	14	5855643	5313019	4995694
Income Generation						
Social sector expenditure	2	11	1	350000	3846088	289905
Total	11	13	14	6205643	9159107	5285599
<b>SSE Total</b>				<b>1450000</b>	<b>15831455</b>	<b>484888</b>
<b>Share of SSE</b>				<b>8.00</b>	<b>50.89</b>	<b>2.01</b>

**Annexure 8: Availability of Data across sample GPs**

District	Block	GP	Perspective plan	Annual (CFC) Plans			Annual (SFC) Plans			Own Source Revenue	
				2015-16	2016-17	2017-18	2015-16	2016-17	2017-18	2015-16	2016-17
Koraput	Bandhugao n	Almonda			√	√		√	√	√	√
		Jagugura				√				√	√
		Nilabari	√	√		√	√		√	√	√
		Pedawalara		√	√	√	√	√	√		
		Kanagan		√	√	√	√	√	√	√	√
	Koraput	Manbar		√	√	√	√	√	√		
		Umuri		√	√	√	√	√	√		
		Lankaput		√	√	√	√	√	√	√	√
		Litiguda	√		√	√	√	√	√		√
		Mahadeiput		√	√	√	√	√	√	√	√
Keonjhar	Telkoi	Oriya birida	(√)	√	√ *			√ *		√	√
		Jagmohanpur			√					√	√
		Bhimkanda	(√)	√	√	√	√	√	√		
		Khuntapada			√			√			
		Karamangi									
	Ghatagaon	Pandapada		√	√		√	√		√	√
		Gadadharpur		√	√	√	√	√	√	√	√
		Badamsinabila	√	√	√		√	√		√	√
		Barhatipura		√			√			√	√
		M.Patna	√	√	√	√	√	√	√	√	√
Balasore	Bhogarai	Barbatia		√	√		√	√			
		Huguli	√	√			√			√	√
		Gopinathpur		√	√	√	√	√	√		
		Balim			√			√			
		Daruha	√								
	Niligri	Pithahata		√	√	√	√	√	√	√	√
		Siadimal		√	√	√	√	√	√		
		Chhatrapur			√	√	√	√	√	√	√
		Kishorechandrapur		√	√	√	√	√	√	√	√
		Tentulia			√	√	√	√	√	√	√

**Annexure 8: Availability of Data across sample GPs (continued)**

District	Block	GP	CFC		SFC		Expenditure (CFC)		Expenditure (SFC)		Utilisation Certificate (CFC)	
			2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
Koraput	Bandhugan	Almonda	√	√	√	√	√	√			√	√
		Jagugura	√	√	√	√	√	√	√	√		
		Nilabari	√	√	√	√	√	√	√	√	√	√
		Pedawalara	√	√	√	√	√	√	√		√	√
		Kanagan	√	√	√	√	√	√		√	√	√
	Koraput	Manbar	√	√	√	√	√	√	√	√	√	√
		Umuri	√	√	√	√	√	√		√		
		Lankaput	√	√	√	√		√		√		
		Litiguda	√	√	√	√	√	√	√	√		
		Mahadeiput	√	√	√	√	√	√	√	√	√	
Keonjhar	Telkoi	Oriya birida	√	√	√	√	√	√	√	√	√	√
		Jagmohanpur	√	√	√	√	√	√				
		Bhimkanda	√	√	√	√	√	√	√	√		√
		Khuntapada									√	
		Karamangi			√	√						
	Ghatagan	Pandapada	√		√	√	√	√	√	√		
		Gadadharpur	√	√	√	√	√	√	√	√	√	
		Badamsinabilla	√	√	√	√	√	√	√		√	√
		Barhatipura	√	√	√	√	√	√	√	√	√	
		M.Patna	√	√	√	√	√	√	√	√	√	√
Balasore	Bhogarai	Barbatia	√	√	√	√	√	√	√	√	√	√
		Huguli	√	√	√	√						
		Gopinathpur	√	√	√	√	√	√	√	√		
		Balim	√	√	√	√	√	√	√	√	√	√
		Daruha										
	Niligri	Pithahata	√	√	√	√	√	√	√	√	√	√
		Siadimal	√	√	√	√	√	√				
		Chhatrapur	√	√	√	√	√	√	√		√	
		Kishorechandra	√	√	√	√	√	√	√	√	√	
		Tentulia	√	√	√	√					√	

**Annexure 9: Plan size revealed by GP plans and uploaded onto PLANPLUS**

	Plan plus data			Action Plan received at GP		
	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
<b>BHOGRAI</b>						
BALIM	2097766	2688205	2618400		3673000	
BARBATIA	2097766	2625786	2846500	2097766	2625786	2846500
DARUHA			2618400			2839336
GOPINATHPUR	2056488	2688205		5121600	2688205	3706419
HUNGULI	3297302	5157496	2513488	5572924		
<b>BHOGRAI</b>	<b>9549322</b>	<b>13159692</b>	<b>10596788</b>	<b>12792290</b>	<b>8986991</b>	<b>9392255</b>
CHATRAPUR	2504044	3150942	4729000	2504044	4650000	4729000
KISHORECHANDRAPUR	2609044	3200942	4382000	1876044	7467100	4382000
PITHAHATA	2098166	2675786	3555000	2098166	2675786	3555000
SIADIMAL	2098166	2762966	3102624	2098166	2762966	3573000
TENTULIA	2098166	2625786	2944000	2098166	2625786	3084962
<b>NILGIRI</b>	<b>11407586</b>	<b>14416422</b>	<b>18712624</b>	<b>10674586</b>	<b>20181638</b>	<b>19323962</b>
BADAMASINABILLA	2098166	2686000	2900000	2098166	2536000	
BARHATIPURA	3898000	4741278	2813000	2100000		
GADADHARPUR	2098166	2760000		2100000	2760000	3120000
MUKUNDAPURPATNA	4495000	7352000		2455000	7532000	7256000
PANDAPADA	3098166	2900000	2900000	3098166	2700000	
<b>GHATGAON</b>	<b>15687498</b>	<b>20439278</b>	<b>8613000</b>	<b>11851332</b>	<b>15528000</b>	<b>10376000</b>
BHIMKAND	1900000	3200000	2798616		3850000	8000000
JAGMOHANPUR	7070000	3250000	3858340		3350000	
KARAMANGI	1275185					
KHUNTAPADA	6300000	2720000	3358340		2720000	
ORIYABIRIDA	1900000	3650000	2798616		2798616	
<b>TELKOI</b>	<b>18445185</b>	<b>12820000</b>	<b>12813912</b>	<b>0</b>	<b>12718616</b>	<b>8000000</b>
ALMONDA	2363131	3320000			3320000	4259000
JAGUGUDA	2121196	3150942				3275900
KANAGAON	1774000	2634000		1999000	2634000	3460560
NEELABADI	1597696	2946368		1259696		4406000
PEDAVALDA	1850696	2634000		991196	2634000	3792000
<b>BANDHUGAON</b>	<b>9706719</b>	<b>14685310</b>	<b>0</b>	<b>4249892</b>	<b>8588000</b>	<b>19193460</b>
LANKAPUT	2089000	2796160	2430760	2139160	2796160	2430760
LITIGUDA	480000	3014120	3434120	3019000	3014120	3394120
MAHADEIPUT	2407000	3930400	3196760	2740760	3430400	3196760
MANBAR	2085000	2625786	2993120	2135160	2625786	3013120
UMURI	1949000	3021240	2746240	2149160	3021240	2746240
<b>KORAPUT</b>	<b>9010000</b>	<b>15387706</b>	<b>14801000</b>	<b>12183240</b>	<b>14887706</b>	<b>14781000</b>

**Annexure 10 Receipts and Expenditure of GPs along with their Utilisation certificate data**

GP	Year	Receipts		Expenditure		Receipts (UC)		Expenditure (UC)	
		SFC	CFC	SFC	CFC	SFC	CFC	SFC	CFC
Barbatia	2015-16	575005	1481888	316278	516271	615878	1481888	521271	1180900
	2016-17	574542	2051244	392419	674919	636961	2051244	332982	1389881
Gopinathpur	2015-16	574600	1647788	638273	1036744				
	2016-17	574542	2051244	119861	936479				
Pithahata	2015-16	616278	1481888	550000	1222300	616278	1481888	550000	1222300
	2016-17	574542	2231324	324542	852496	574542	2490912	324542	852496
Kishorechandrapur	2015-16	968727	1778266	686000	1778266	730778	1778266	546076	1775133
	2016-17	751870	2677592	207473	1528000				
Gadadharpur	2015-16	569778	1528388	560000	1400000				
	2016-17	636962	2241880	600000	1800000				
Mukundapurpatna	2015-16	282318 6	712859	477000	1004610	163795 3	908831	163795 3	908831
	2016-17	302995 8	2467875	418600	6521193	181580 5	2777592	181580 5	2777592
Manbar	2015-16	575000	1531888	396638	1318991				
	2016-17	574542	2051324	396970	472105		2051244		553917
Mahadelpur	2015-16	689500	1777662	289650	388007	689500	1630027	400000	539246
	2016-17	689450	2461492	193735	843300				

**Annexure 11 Utilisation of SFC and CFC funds at GP level (2015-16)**

	SFC				CFC			
Gram Panchayat	Receipts	Expenditure	Balance	Utilisation percent	Receipts	Expenditure	Balance	Utilisation percent
Borbatia	615878	521271	94607	84.64	1481888	1180900	300988	79.69
Balim	615878	574600	41278	93.30	1481888	947012	534876	63.91
Pithahata	616278	550000	66278	89.25	1481888	1222300	259588	82.48
Chhatrapur	673278	650000	23278	96.54	1778266	1776000	2266	99.87
Kishorchandrapur	730778	546076	184702	74.73	1778266	1775133	3133	99.82
Tentulia	616278	598202	18076	97.07	1481888	1210166	271722	81.66
Gopinathpur	615878	542608	73270	88.10	1481888	822729	659159	55.52
	<b>4484246</b>	<b>3982757</b>	<b>501489</b>	88.82	<b>10965972</b>	<b>8934240</b>	<b>2031732</b>	81.47
Badamasinabilla	741196	211599	529597	28.55	781105	218563	562542	27.98
Barahatipura	741196	741196		100.00	740692	740692	0	100.00
Gadadharpur					296691	296691	0	100.00
Mukundapurpatna	1637953	1637953		100.00	908831	908831	0	100.00
Bhimakanda	616278	616278		100.00			0	
Oriya Birida	528500	501000	27500	94.80	1481888	1355513	126375	91.47
Khuntapada	632000	632000	0	100.00	1778266	1778266	0	100.00
	<b>4897123</b>	<b>4340026</b>	<b>557097</b>	88.62	<b>5987473</b>	<b>5298556</b>	<b>688917</b>	88.49
Almonda					1630027	172000	1458027	10.55
Kanagaon					1481878	1360465	121413	91.81
Nilabari	528500	50000	478500	9.46	1481888	150000	1331888	10.12
Pedaloda	528500	150000	378500	28.38	1481888	713803	768085	48.17
Manbar			0		1481888		1481888	0.00
Mahadelpur	689500	400000	289500	58.01	1630027	539246	1090781	33.08
	<b>1746500</b>	<b>600000</b>	<b>1146500</b>	34.35	<b>9187596</b>	<b>2935514</b>	<b>6252082</b>	31.95



**Annexure 11 Utilisation of SFC and CFC funds at GP level (2016-17)**

	SFC				CFC			
Gram Panchayats	Receipts	Expenditure	Balance	Utilisation percent	Receipts	Expenditure	Balance	Utilisation percent
Borbatia	636961	332982	303979	52.28	2051244	1389881	661363	67.76
Balim			0		2051244	653584	1397660	31.86
Pithahata	703240	324542	378698	46.15	2490912	852496	1638416	34.22
Chhatrapur	775148	689450	85698	88.94	2463758	2027610	436148	82.30
Kishorchandrapur			0				0	
Tentulia	2051244	389992	1661252	19.01			0	
Gopinathpur	710231	181217	529014	25.52	2710403	1299352	1411051	47.94
	<b>4876824</b>	<b>1918183</b>	<b>2958641</b>	39.33	<b>11767561</b>	<b>6222923</b>	<b>5544638</b>	52.88
Badamasinabilla	1720417	574650	1145767	33.40	1548164	822357	725807	53.12
Barahatipura	1000000	1000000		100.00			0	
Gadadharpur							0	
Mukundapurpatna	1815805	1815805		100.00	2777592	2777592	0	100.00
Bhimakanda	574542	574542		100.00	1025622	1025622	0	100.00
Oriya Birida	602042	100000	502042	16.61	2177619	1560411	617208	71.66
Khuntapada							0	
	<b>5712806</b>	<b>4064997</b>	<b>1647809</b>	71.16	<b>7528997</b>	<b>6185982</b>	<b>1343015</b>	82.16
Almonda					3919519	700260	3219259	17.87
Kanagaon	1103042	340000	763042	30.82	2051244	1857000	194244	90.53
Nilabari	574542	200000	374542	34.81	2151244	850000	1301244	39.51
Pedaloda	574542		574542	0.00	2051244	1004527	1046717	48.97
Manbar			0		3533132	553917	2979215	15.68
	<b>2252126</b>	<b>540000</b>	<b>1712126</b>	23.98	<b>13706383</b>	<b>4965704</b>	<b>8740679</b>	36.23

**Annexure 12: Infrastructure deficits in GP**

Gaps in Infrastructure	Koraput					Keonjhar										Balasore										Total	Percent						
	Bandhugaon			Koraput		Telkoi					Ghatagaon					Bhogarai					Niligiri												
	Almonda	Lachaura	Nilabari	Pedawalar	Kanagan	Manbar	Umuri	Lankaput	Litiguda	Mahadeipu	Oriya bira	Jagamohan	Bhimkand	Khuntapad	Karamangi	Pandapada	Gadadharp	Badamsina	Barhatipur	M. Patna	Barbatia	Huguli	Gopinathp	Balim	Daruha			Pithahata	Siadimal	Chhatrapur	Kishorecha ndrapur	Tenulia	
1- Schools																																	
Water & Sanitation	1	1		1	1			1		1		1		1		1		1	1		1	1					1		1		15	52	
School Boundary			1			1				1	1							1								1		1	1	1	9	31	
Drinking Water Facility		1						1			1			1		1		1				1									7	24	
Insufficient Classroom Space		1																					1				1			1	4	14	
Playground is not available							1								1			1													3	10	
2- Sub Centre																																	
Drinking Water							1		1		1			1				1													1	6	21
Functional Toilets	1						1		1					1				1												1	6	21	
Need Proper Infrastructure					1					1		1												1				1			5	17	
Rural Connectivity				1													1												1		3	10	
Lack of Staff																													1	1	2	7	
3-Anganwadi																																	
Water (Tubewell)& Sanitation		1	1	1	1	1	1	1	1	1				1		1		1						1	1	1	1	1		1	18	62	
Child Friendly Toilets	1	1	1			1	1		1	1				1				1	1			1		1	1			1			14	48	
No boundary Wall							1		1	1						1			1	1						1		1			8	28	
No Power Supply						1	1		1	1					1																5	17	
Classroom Buildings Require Renovation/ Damaged Condition	1		1																				1								1	4	14
Own building		1																			1					1	1				4	14	
Drinking Water						1									1							1									3	10	

**Annexure 13: Priorities of GP**

	Koraput									
	Bandhugaon					Koraput				
Priorities	Almonda	Jagugura	Nilabari	Pedawala ra	Kanagan	Manbar	Umuri	Lankaput	Litiguda	Mahadeip ut
Drinking Water	1	1	1	1	1	1	1	1	1	1
Health				1			1	1		1
Education	1					1		1	1	1
Rural Connectivity		1	1	1	1	1	1		1	1
Water & Sanitation	1	1	1	1		1		1	1	
Women & Child Development Issues	1	1				1		1	1	1
Infrastructure Development and Repair (Roads, Buildings and Street Light))	1									
Street Light	1		1	1	1					
Development of Infrastructure for GPs Income generation (Market Complex)										
Agriculture productivity		1			1					
Electrification										
Enrollment Dropout Issues										
Strengthening Education Infrastructure (AWC building, Boundary Wall etc.)					1		1		1	
Cost less Development										
Construction of bathing ghat & dress changing room	1				1					
Social Security										
Welfare Schemes for SC/ST										
Welfare of Senior Citizens										
Rural Housing							1		1	
Employment Generation & Skill Development							1			
Community Development										
SHG Empowerment										
Strengthening PDS										
Land & Watershed Development				1						
Livestock Development				1						
Pond Tank Renovation					1					
Community Toilet			1							
Waste Management			1							
Support to Schools (Like extra coaching classes)										
Untied Expenditure										

**Annexure 13: Priorities of GP (continued)**

Priorities	Keonjhar									
	Telkoi					Ghatagaon				
	Oriya birsa	Jagamohanpur	Bhimkanda	Khuntapada	Karamangi	Pandapada	Gadadharpur	Badamsinabilla	Barhatipura	M.Patna
Drinking Water	1	1	1	1	1	1	1	1		
Health	1	1	1				1			1
Education	1		1	1		1	1		1	1
Rural Connectivity	1	1	1	1	1	1	1	1	1	
Water & Sanitation		1	1	1	1			1	1	
Women & Child Development Issues				1	1	1			1	1
Infrastructure Development and Repair (Roads, Buildings and Street Light))							1			1
Street Light				1	1					
Development of Infrastructure for GPs Income generation (Market Complex)	1		1							
Agriculture productivity										1
Electrification					1				1	
Enrollment Dropout Issues										
Strengthening Education Infrastructure (AWC building, Boundary Wall etc.)										
Cost less Development										
Construction of bathing ghat & dress changing room										
Social Security						1	1			
Welfare Schemes for SC/ST									1	
Welfare of Senior Citizens						1				
Rural Housing										
Employement Generation& Skill Development										
Community Development										1
SHG Empowerment										1
Strengthening PDS										
Land & Watershed Development										
Livestock Development										
Pond Tank Renovation										
Community Toilet										
Waste Management										
Support to Schools (Like extra coaching classes)										
Untied Expenditure										

**Annexure 13: Priorities of GP (continued)**

	Balasore												
	Bhogarai					Niligri							
Priorities	Barbatia	Huguli	Gopinathpur	Balim	Daruha	Pithahata	Siadimal	Chhatrapur	Kishorechandra pur	Tentulia	Total GPs	Percent	Rank
Drinking Water			1	1	1	1	1	1	1		25	83	1
Health	1	1	1	1	1		1	1	1	1	18	60	2
Education	1		1	1	1		1		1		18	60	3
Rural Connectivity								1			18	60	4
Water & Sanitation						1		1	1		16	53	5
Women & Child Development Issues		1	1	1	1					1	16	53	6
Infrastructure Development and Repair (Roads, Buildings and Street Light))	1	1	1	1	1	1		1	1	1	12	40	7
Street Light									1		7	23	8
Development of Infrastructure for GPs Income generation (Market Complex)						1		1	1		5	17	9
Agriculture productivity	1				1						5	17	10
Electrification			1	1							4	13	
Enrollment Dropout Issues	1						1			1	3	10	
Strengthening Education Infrastructure (AWC building ,Boundary Wall etc)											3	10	
Cost less Development		1	1		1						3	10	
Construction of bathing ghat & dress changing room											2	7	
Social Security											2	7	
Welfare Schemes for SC/ST							1				2	7	
Welfare of Senior Citizens							1				2	7	
Rural Housing											2	7	
Employment Generation & Skill Development	1										2	7	
Community Development											1	3	
SHG Empowerment											1	3	
Strengthening PDS						1					1	3	
Land & Watershed Development											1	3	
Livestock Development											1	3	
Pond Tank Renovation											1	3	
Community Toilet											1	3	
Waste Management											1	3	
Support to Schools (Like extra coaching classes)											0	0	
Untied Expenditure											0	0	