

PREFACE

In a bid to standardize higher education in the country, the University Grants Commission (UGC) has introduced Choice Based Credit System (CBCS) based on five types of courses *viz. core, discipline specific, generic elective, ability and skill enhancement* for graduate students of all programmes at Honours level. This brings in the semester pattern, which finds efficacy in sync with credit system, credit transfer, comprehensive continuous assessments and a graded pattern of evaluation. The objective is to offer learners ample flexibility to choose from a wide gamut of courses, as also to provide them lateral mobility between various educational institutions in the country where they can carry their acquired credits. I am happy to note that the University has been recently accredited by National Assessment and Accreditation Council of India (NAAC) with grade ‘‘A’’.

UGC (Open and Distance Learning Programmes and Online Programmes) Regulations, 2020 have mandated compliance with CBCS for UG programmes for all the HEIs in this mode. Welcoming this paradigm shift in higher education, Netaji Subhas Open University (NSOU) has resolved to adopt CBCS from the academic session 2021-22 at the Under Graduate Degree Programme level. The present syllabus, framed in the spirit of syllabi recommended by UGC, lays due stress on all aspects envisaged in the curricular framework of the apex body on higher education. It will be imparted to learners over the six semesters of the Programme.

Self Learning Materials (SLMs) are the mainstay of Student Support Services (SSS) of an Open University. From a logistic point of view, NSOU has embarked upon CBCS presently with SLMs in English / Bengali. Eventually, the English version SLMs will be translated into Bengali too, for the benefit of learners. As always, all of our teaching faculties contributed in this process. In addition to this we have also requisitioned the services of best academics in each domain in preparation of the new SLMs. I am sure they will be of commendable academic support. We look forward to proactive feedback from all stakeholders who will participate in the teaching-learning based on these study materials. It has been a very challenging task well executed, and I congratulate all concerned in the preparation of these SLMs.

I wish the venture a grand success.

Professor (Dr.) Ranjan Chakrabarti
Vice-Chancellor

Netaji Subhas Open University
Under Graduate Degree Programme
Choice Based Credit System (CBCS)
Subject : Honours in Public Administration (HPA)
Rural Local Government
Course Code : CC-PA-08

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Block- I Origin and Growth

Unit- I: Evolution of Rural Self-government in Pre-independent India

Structure

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1.1 Learning Objectives

Following completion of this unit, you should be able to:

- Be familiar with the origins of local self-government in India;
- On the evolution of the Panchayati Raj Institutions in India.

1.2 Introduction

The concept of democratic decentralization has dominated the development discourse in many Asian, African, and Latin American countries since the 1960s. Democratic decentralization rejects the notions of a highly centralized state and substitutes them with the concept of the distribution of power to the people at large. The notion of democratic decentralization is that people will become both the end and the means of development. India, like many other nations, has adopted a democratic decentralization policy.

Panchayats are regarded as the most important institutions for the success of the decentralization process. In India, it began as part of administrative reforms to facilitate the execution of rural development projects in rural areas. Later, when the idea of people's participation through Panchayati Raj Institutions (PRIs) gained popularity, the same panchayats started to work as institutions of self-government in rural areas.

This chapter examines democratic decentralization in India with the intention of examining key issues such as people's participation in governance matters, the accountability of the government to the people, delivering the fruits of development to the people, and bridging the gaps in the achievement of these objectives, i.e., implementation failures. Overall, it demonstrates that while some expectations have been met, the majority have not. As a result, the outcomes have been mixed. Through local governments, the goal of democratic decentralization has not been fully achieved or completely failed. Despite numerous accomplishments, there are a number of issues that must be addressed.

1.3 The Theoretical Perspective of Democratic Decentralization

According to Moitree Bhattacharya, the transfer of planning, decision-making, or administrative authority from the central government to its field organizations, local administrative units, or semi-autonomous parastatal organizations is known as decentralization. It brings the government closer to the people. Mere administrative decentralization entails the delegation of functions as well as some financial powers to the local level to implement policies that cannot be implemented by central authorities. Administrative decentralization becomes more meaningful when it is combined with political decentralization. Political decentralization gives local units the power to not only carry out policies but also make their own decisions. Political decentralization empowers decentralized units not only to implement policies but also to make decisions on their own. Democratic decentralization differs from fiscal decentralization (in which funds are not only transferred to local bodies but the power to raise funds is also granted to these bodies, even if they are not necessarily elected bodies) and administrative decentralization (which envisages de-concentration and the transfer of administrative power and functions from higher to lower levels). Democratic decentralization combines administrative, fiscal, and other forms of decentralization. It envisions the devolution of decision-making powers as well as funds to elected bodies at the local level. Beginning in the 1990s, the Indian model of decentralization was intended to conform to democratic decentralization.

Decentralization promotes greater participation. Decentralization give opportunity to the people at lower levels to participate to a greater extent in a decision-making process. Being away from the top layer increases proximity to the base, i.e., the people. The term "decentralization" gets its democratic prefix from this participatory aspect. However, participation cannot be absolute. First, it is naive to believe that everyone in a village or rural area can sit down and decide everything. It amounts to direct democracy, which in today's world is unthinkable. Second, it is a common misconception that poor people want to participate in community decision-making while abandoning their bread-earning activities. As a result, profound socioeconomic changes are required to make decentralization truly democratic. Third, it is incorrect to believe that higher authorities are eager to promote decentralization. On the contrary, higher authorities, whether elected representatives at higher levels of government or bureaucrats, are hesitant to allow for popular governance. People's participation, therefore, has its own limitations; we cannot achieve it; we can only come close. Although participation has its limitations, it is not desirable to limit people's

participation to voting every five years. Democratic decentralization, at the very least, broadens the scope for citizens' active participation in local government institutions. It allows people at the local level to have a say in decisions that affect their lives. It broadens the country's democratic foundation. It is thought to be more efficient in terms of both time and money. When decisions are made at the local level, planning and implementation take place locally, the cost of development work is obviously reduced. It makes decisions more responsive to local needs.

1.4 Evolution of Rural Self-government in Pre-Independent India

In their book, *Public Administration in a Globalizing World*, Bidyut Chakrabarty and Prakash Chand wrote that India's path to new local governance seems to have been instable. There is no denying that panchayats, or village councils, have existed in India since ancient times. They were primarily 'informal bodies of village elders from dominant castes and families' assigned a variety of functions such as the provision of goods and services, the upkeep of law and order, the general welfare of the villagers, and so on. These bodies had significant autonomy in terms of organization, functions, and finances, which was bestowed upon them by village communities. Village communities had almost unrivaled freedom of action in all spheres of governance. The uniqueness of this form of governance was that it arose completely spontaneously, with no external authority ever delegating power and authority to these bodies. Furthermore, there was no uniform pattern to this form of governance, just as there was no uniform pattern of organization in these village communities. The successive Muslim invasions and subsequent establishments of Muslim rule in India had little impact on the functioning of these village communities. Even the Mughals, who had united almost the entire subcontinent for the first time, were not eager to dismantle the localized form of governance. Instead, they were preoccupied with police and revenue issues, which they resolved with the village headmen. As a result, despite several political vicissitudes at the central level, the arrangement remained unchanged until the middle of the seventeenth century. As a result, despite several political vicissitudes at the central level, the arrangement remained unchanged until the middle of the seventeenth century. Even when the British arrived in India in the nineteenth century, this age-old form of local governance was there. Sir Charles Metcalfe's famous portrayal of this form of local governance before the House of Commons Select Committee bears clear testimony to the great tradition of local governance that existed in ancient India. In his words:

The village communities are little republics, having nearly everything they can want within themselves and being almost independent of any foreign relations. They seem to last where nothing else does. Dynasty after dynasty tumbles down; revolution succeeds in revolution; but the village community remains the same. This union of the village communities, each one forming a separate little state, in itself has been conceived, contributed more than any other cause to the preservation of the people of India, through all the revolutions and changes that they have suffered, and is in a high degree conducive to their enjoyment of a great portion of freedom and independence.

Except for a few polemics and individual efforts by a few visionary thinkers like Tagore and Gandhi, there was no serious attempt to unlock the huge potential of these little village republics, either by the colonial rulers or by the post-colonial state. The colonial rulers of India did nothing to revive these "little village republics." The twin motives of empire building and mercantilism drove colonial intervention in local governance. In terms of local governance, the colonizers took a selective approach. In fact, in order to strengthen their goal of empire building, they built urban "centers" like Calcutta, Bombay, and Madras while leaving the rest of the country as a "periphery," serving the "center" without any development. Naturally, whatever little rural reconstruction and urban development was done during the time period was primarily for housekeeping purposes. As part of its housekeeping functions, the British colonial state implemented several constitutional measures to streamline local self-government. Among them were the Ripon Resolution of 1882, the Bengal Local Self-Government Act of 1885, and the Bengal Village Self-Government Act of 1919. The Bengal Village Self-Government Act of 1919, which provided a two-tier structure—union boards at the bottom and district boards at the top—may be regarded as the beginning of local self-government in India. Those self-governing structures, however, were neither local nor self-governing, as they were marked by a perpetual resource crunch, over bureaucratization, and the dominance of local landed gentry. They remained as mere appendages of the provincial government.

1.5 Conclusion

As a result of the implementation of democratic decentralization, democratic consciousness spread in the minds of the people. This democratic process has been realized throughout India through village-based Panchayati Raj institutions. The main responsibility of this organization is to implement the development programs of the people. Panchayat probably meant a village council, whose membership was five at the earliest. It is believed that the word "panchayat" is derived from these 'five' words.

Lord Ripon was the first Viceroy who came forward to establish self-governing institutions in India. For this purpose, on May 18, 1882, Ripon's Resolution on Local Self-Government in India was passed. This proposal represents an attempt to restructure India's self-governing system. However, to implement the system of self-government in this country, the first government act adopted by the British government was the Bengal Self-Government Act of 1885. This Act provides for the formation of three tiers of organizations.

Morley subsequently set up a Royal Commission in 1907 on decentralisation. The report of this commission gave an outline of how to develop efficient rural administration with a view to decentralization. Subsequently, the Bengal government constituted a District Administration Committee in 1914 to outline how to improve the district administration system. Additionally, following this committee's recommendations, the Bengal government passed the Bengal Village Self-Government Act in 1919 to institute rural self-governance.

These initiatives of the British period are particularly significant in administratively strengthening the panchayat system in India.

1.6 Summary

A. This chapter examines democratic decentralization in India with the intention of examining key issues such as people's participation in governance matters, the accountability of the government to the people, delivering the fruits of development to the people, and bridging the gaps in the achievement of these objectives, i.e., implementation failures.

B. Through local governments, the goal of democratic decentralization in India has not been fully achieved or completely failed.

C. The colonial rulers of India did nothing to revive the panchayat.

D. The twin motives of empire-building and mercantilism drove colonial intervention in local governance in India.

E. The Bengal Village Self-Government Act of 1919, which provided a two-tier structure—union boards at the bottom and district boards at the top—may be regarded as the beginning of local self-government in India.

1.7 Glossary

A. What is a panchayat?

In India, the local government system is known as a panchayat. A panchayat is a group of "five people."

A panchayat is a council of elders that represents a village. The Panchayat system includes villages (Gram Panchayat), clusters of villages (Block Panchayat), and districts (District Panchayat).

B. What is the Panchayati Raj system?

Panchayati Raj is a village-level form of government in which each village is responsible for its own activities.

The Amendment Act of 1992 includes provisions for delegating powers and responsibilities to panchayats in order to prepare plans for economic development and social justice.

C. What is local self-government?

According to the European Charter of Local Self-Government, "this entails the existence of local authorities endowed with democratically constituted decision-making bodies and possessing a wide degree of autonomy with regard to their responsibilities, the ways and means by which those responsibilities are exercised, and the resources required for their fulfilment".

1.8 Model Questions

1. How does local government strengthen democracy?
2. Write in detail what initiatives were taken during the British period to strengthen the panchayat system in India.

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Unit II Panchayati Raj System in Post-independent period: Balwant Rai Mehta Committee Report

Structure

2.1 Learning Objectives

2.2 Introduction

2.3 The Journey towards a Constitutional Mandate for Panchayati Raj Institutions (PRIs) in India

2.2.1 The Period of Dwindle

2.2.2 Revitalization Efforts of Panchayat

2.2.3 Panchayats of the Third Generation

2.2.4 The Constitutional Amendment regarding Panchayats

2.4 Balwant Rai Mehta Committee Report

2.5 Conclusion

2.6 Summary

2.7 Glossary

2.8 Model Questions

2.9 References

2.1 Learning Objectives

By reading this unit, we will know:

Evolution of the Panchayat System in Independent India

Balwant Rai Mehta Committee Report on the Panchayati Raj System in India

2.2 Introduction

According to Chakrabarty & Pandey, Independence altered the power structure but not the attitude toward local government. Despite Mahatma Gandhi's repeated advocacy for Gram Swaraj, it remained a distant dream even in independent India. The framers of the

Constitution, inheriting the *critical* mindset regarding local governance, belied the hope of strong and vibrant local governance by confining it to the Directive Principles of State Policy, a non-enforceable section of the Constitution. In this context, the comments of two major architects of the modern Indian Constitution deserve some space here because both comments adequately mirror the mentality that denied local governance in India the constitutional status it deserved. Ambedkar argues:

The love of the intellectual Indian for the village community is, of course, infinite, if not pathetic. It is largely due to the fulsome praise bestowed upon it by Metcalfe, who described that they want it within themselves and almost independently of any foreign relations... That they have survived through all vicissitudes may be a fact. But mere survival has no value. The question is on what plane they have survived. Surely on a low, selfish level. I said that these village republics have been the ruin of India. I am therefore surprised that those who condemn provincialism and communalism should come forward as champions of the village. What is the village but a sink of localism, a den of ignorance, narrow-mindedness, and communalism?

In a similar vein, Nehru wrote:

'I do not understand why a village should necessarily embody truth and non-violence. A village, normally speaking, is backward intellectually and culturally, and no progress can be made in a backward environment. Narrow-minded people are much more likely to be untruthful and violent'.

The dream of inclusive local governance in India had to wait nearly four decades before it was recognized in 1993. Meanwhile, there had been a few pioneering efforts, but they were mostly selective and limited to the provincial level. Among them were the Balwantrai Mehta Committee, the Ashok Mehta Committee, and democratic decentralization experiments by a few state governments, such as West Bengal, Karnataka, and Kerala.

2.3 The Journey Towards a Constitutional Mandate for Panchayati Raj Institutions (PRIs) in India

In his book, *Panchayati Raj*, Kuldeep Mathur wrote that, when it became clear that the bureaucratically organized Community Development Programme (CDP) was underperforming, the Planning Commission appointed a Study Team led by Balwant Rai Mehta in 1956 to study and report on "Community Development Projects and National Extension Service" in order to evaluate their "economy and efficiency," as well as "the extent to which the movement has succeeded in utilizing local initiatives and creating institutions." In its report, the team argued that

...community development can only be real when the community understands its problems, realizes its responsibilities, exercises the necessary powers through its chosen representatives, and maintains a constant and intelligent vigilance on local administration.

It concluded that in order for these programs to be effective, a village-level agency "that could represent the entire community, assume responsibility, and provide leadership for implementing development programs" was required.

The study team then proposed the now well-known three-tier structure of panchayats, ranging from the village to the district level. Direct elections were held only at the village or panchayat level in the majority of states. Through indirect elections, the other two institutions—the panchayat samiti (coinciding with development blocks) and the Zilla parishad (coinciding with the district)—were linked to each other and to the panchayat. Few financial powers were delegated to them, and they were dependent on the district administration to initiate any development activity in their area. Significantly, these Panchayati Raj Institutions (PRIs) were viewed as tools for plan implementation, whereas politics was viewed as a barrier to their effectiveness. Unanimity in elections was interpreted as an indicator of village consensus, and several state governments initially offered prizes to panchayats that elected their leaders unanimously. Efforts to keep politics out were supported by Gandhians, who emphasized that political parties should find other ways to serve the interests of the people rather than exploit Panchayati Raj for party ends.

The experience of the early years—from 1957, when Jawaharlal Nehru inaugurated panchayati raj with great enthusiasm in a district of Rajasthan, to its decline around five years later—damped all anticipations, both of Gandhians and the government. The Gandhians' idealistic picture was significantly blurred and tarnished because the panchayat system revealed that the villages were not conflict-free; they were surrounded by group rivalry and factionalism. The expectation of a collaborative mode of operation was crushed when panchayats provided a means for dominant groups to retain power.

Those who saw PRIs as development tools were disappointed to discover that the leaders were primarily interested in retaining and accumulating power, as well as delivering patronage, and were frequently embroiled in political-administrative squabbles and intrigues. In the face of more pressing issues such as droughts, food crises, and the Indo-Chinese War, attention was quickly diverted away from these institutions.

As the country faced food shortages, policymakers prioritized increasing agricultural production, and they resorted to a bureaucratic strategy to meet this challenge. The recommendations in the Ford Foundation's Report on India's Food Crisis and Steps to Meet It to transform the existing agricultural situation provided significant support for this strategy. It stated unequivocally that "only a far-reaching centralized authority with a clear line of command and execution can meet the challenge of growing more food." It also stated that "the administrative structure must be simplified, and clear lines of authority and

responsibility must be established at all levels of government so that policy decisions are carried out at the village level."

2.3.1 The Period of Dwindle

The decentralization phase (beginning in 1957) lasted about five years, during which the panchayat system received little support in its role in meeting agricultural production targets. The national policy elites believed that local political leadership did not reflect the urgency of national demands and, after questioning panchayats' role and legitimacy in the national crisis, side-lined them in the development effort. The Panchayats suffered a decline beginning in 1962, not only because the CDP, which they were enjoined to help implement, lost its financial support, but also because, in dealing with the food crisis, these institutions were not seen as a source of strength and support. However, due to the neglect of panchayats during the 1964–80 period, no elections were held while the institutions continued in their organizational form. Those who had been elected remained in their positions, wielding whatever power they could in the absence of financial resources. A large number of such locally elected leaders emerged, and they began to form political alliances with the state leadership by providing them with 'vote banks' in exchange for the ability to exercise local influence.

Local vote bank politics emerged during this time period, encouraging national leaders to cater to state leaders with large vote banks. The Congress party benefited the most from this scheme, with local leaders ensuring support for the Congress leadership through a complex system of manipulation and patronage. As the Congress party—the more powerful national party—lost touch with local issues, "people-oriented" parties emerged that were regional in nature and responded to sectarian interests. These parties began to assert themselves on a national scale as well, ushering in a period of coalition governments.

On the administrative front, the implementation of the new agricultural strategy to increase food production fuelled the belief that development schemes could be successful if the central government maintained control over them after promoting them and also monitored their performance to ensure they followed pre-planned guidelines.

During the Fifth Five-Year Plan, which began in 1971–2, the central government introduced a series of schemes to alleviate rural poverty. These were implemented at the local level by states and district administrations but were planned and financed by the central government, which kept a close eye on implementation to ensure that it did not deviate from pre-set guidelines. The Small Farmers' Development Agency, Drought Prone Area Programme, and Integrated Tribal Development Programme, which were introduced at the time, were not administered by the Zilla parishad. These schemes became known as "centrally sponsored schemes," and the format is still used today.

Furthermore, while funds for panchayats were depleted, funds for departments implementing programs at the local level were increased. This strengthened the local bureaucracy, which devised its own methods of consulting the villagers when necessary. With the panchayats lacking funds and elections, the local political leadership saw an opportunity to connect with these bureaucratic functionaries and influence how direct benefits would be distributed.

An analysis of the reasons for the decline of panchayats throughout this period will be incomplete unless the characteristics of the structure's poor design are also highlighted. The panchayat institutions were established through separate acts passed by the state legislatures. This meant that the nature and extent of decentralization varied according to each state's political and administrative interests. These institutions were given little planning responsibility, and few powers to raise resources were devolved to them. Instead of making them the channels for the planned programs, the government continued to carry out its own poverty alleviation programs through its bureaucratic machinery. Furthermore, state governments frequently postponed elections, demonstrating their disinterest in these institutions. Once elected, the leadership determined that such postponements were in their best interests.

It is also worth noting that panchayats were not viewed as institutions of people's participation that contributed to the advancement of democracy. They were typically viewed as tools to aid in the implementation of national policy. Even during their early years of enthusiasm, their performance was measured by their ability to increase agricultural output. The national leadership perceived local panchayats as ignoring this primary task and, as a result, failing to reflect the urgency of national demands. Because panchayats did not appear to be the primary drivers of development, they were side-lined.

2.3.2 Revitalization Efforts of Panchayats

The Janata Party's victory in 1977 signaled a resurgence of interest in decentralization and Panchayati Raj. The newly formed coalition of political parties attacked the Indira Gandhi regime as being highly centralized, with power concentrated in Delhi. The political climate has shifted. It signaled the rise of a political coalition with agrarian interests as key partners. These interests demanded greater control over resources as well as a more active role in state politics. Simultaneously, the new center government was concerned with issues of centralization of planning as obstacles to improving the country's developmental performance. In its Five-Year Plan for 1978–83, the Janata Party stated unequivocally that the plan would 'require the creation of full-time planning machinery at the block and district levels and will call for a great deal more public participation'. It went on to say that 'the majority of investment in agriculture, minor irrigation, animal husbandry, fishing, forestry, marketing or processing cottage and small-scale industries, including water supply, housing, health, education, sanitation, local transport, and so on, is clearly amenable to local planning'.

The Planning Commission formed a working group in 1977 to develop guidelines for the country's first block-level planning. The Working Group stated from the start that "the issue

of whether a district or block is more appropriate for the purpose of planning need not be viewed with rigidity". They did not see it as an either-or situation, and the group saw block-level planning as an important link in the multi-level planning process. It then suggested delegating power to the district level and below, as well as establishing planning cells to ensure that professionals are available.

Along with this initiative, the government of India established a second committee to review panchayat institutions. The recommendations of the Ashok Mehta Committee sought to develop an effective Panchayati Raj system based on the district as the unit of administration and planning. The three-tier system was modified by recommending the Mandal panchayat as the base unit. The government's goal of decentralizing planning greatly influenced the Ashok Mehta Committee, which saw panchayat institutions as institutions of local-level planning. It did, however, see panchayat institutions as political and administrative units with the potential to become local governance units in the future. According to the committee's report, there is a lack of clarity regarding these institutions, with many images existing side by side, which tend to work against each other in the short run. It proposed that the district serve as the point of decentralization and that it be given taxation powers (to raise revenue). It enabled political parties to operate at this level. It abolished the three-tier panchayat system and proposed a two-tier system with Mandal panchayats as the next tier. However, it appears that the motivation for decentralization was purely technical; the real goal was to improve the planning process and counter the accusation of "too much planning" from above.

At the political level, three state governments—West Bengal, Karnataka, and Andhra Pradesh—responded to the revitalization efforts. These states were ruled by non-Congress governments, and they took advantage of the report's opportunity to breathe new life into PRIs. Regular elections were held, and some powers were devolved to panchayats and panchayat samitis in order for them to perform local functions. However, the motivation for all of this in both West Bengal and Andhra Pradesh was political. The newly elected parties were attempting to consolidate and broaden their support and spheres of influence. Under constant threat from the Center, they reasoned that strengthening local-level institutions would be one way to stand up to it. If the Left parties in West Bengal were attempting to mobilize rural areas, N.T. Rama Rao, who won elections in Andhra Pradesh on the basis of his charisma, was in desperate need of consolidating his party's influence in the countryside. There was no plan in any of these states to decentralize governance by allowing panchayats to develop into powerful and autonomous institutions of self-government.

The Karnataka experiment, on the other hand, was lauded as a daring attempt at decentralization. A new type of district administrative system was tried, and there was even talk of making the district government the third tier of the federal government. This experiment, however, was short-lived. The party that initiated this program lost the elections, and the party that was elected chose to reinstate the old system.

2.3.3 Panchayats of the Third Generation

Even after the Congress Party regained power in 1980, the concern for participatory planning persisted. The Planning Commission issued a Working Group Report on District Planning in 1982, emphasizing the importance of public participation in order to "reduce the unequal distribution of power in rural areas." It went on to express dissatisfaction with existing institutional mechanisms of democratic decentralization, seeing them as having "fallen prey to power manipulation of the rural elite" and giving rise to "what may be called inner limits to public participation". Another Planning Commission committee, established in 1985 to review existing administrative arrangements for rural development and poverty alleviation programs, submitted its report in 1985. (GoI 1985). This committee emphasized that various rural development programs would become realistic and meaningful only if people's representatives were effectively participating in local-level planning, design formulation, scheme implementation, and beneficiary selection in anti-poverty and employment-generation programs: "In order that the felt needs of the local people and the area are articulated for planning, and priorities are effectively established and implemented, there is no better instrument to meet this need than the panchayati raj institutions".

2.3.4 The Constitutional Amendment regarding panchayats

With these reports in hand, then-Prime Minister Rajiv Gandhi convened a series of meetings with district collectors in Bhopal, Hyderabad, Imphal, Jaipur, and Coimbatore. The government then drafted a bill along the lines of the one proposed by L.M. Singhvi as an appendix to the Ashok Mehta Committee Report. While accepting the three-tier structure in his report, Singhvi made two strong points: (i) panchayat should be recognized as self-governing institutions; and (ii) these institutions should be provided by the Constitution. The government agreed with these suggestions, so in 1989, the 64th Amendment Bill was put before the Lok Sabha. The bill, however, was defeated in the Rajya Sabha. The states objected to the amendment because they felt the center was intervening directly at the local level and also attempting to introduce uniformity in the country.

These amendments made it mandatory for each state to establish local self-government institutions (known as Panchayati Raj Institutions, or Panchayats in rural areas) at the village, intermediate, and district levels (except for states with fewer than 20 lakh people). The amendment stated that devolutionary powers would be left to the discretion of state legislatures. According to the amendment:

It may by law endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of local self-government [with respect to]: a. the preparation of plans of economic development and social justice; b. the implementation of schemes for economic development and social justice as may be entrusted to them, including those in relation to matters listed in the Eleventh Schedule.

The Act's provisions were not mandatory, allowing states to respond at their will. The scope of responsibilities, particularly those concerned with law and order, was excluded, and the subjects in the Eleventh Schedule were only suggested. As a result of this design, while the Constitution mandated a structure and suggested the degree of autonomy to be granted, it was up to the states to determine how the structure would function and the degree of autonomy to be granted by enacting their own legislation.

However, the Act has made several significant advances in recent years. It mandated that elections be held every five years and be overseen by the State Election Commission. The gram Sabha (the village assembly) was envisioned as the deliberative body of decentralized governance and the foundation of the panchayat system, with a uniform three-tier structure. Women's empowerment was mandated by reserving one-third of all elected bodies' seats, as well as the position of chairperson in each tier. Constituency rotation was also mandated in these cases. Reservations were also made available for scheduled castes and tribes. The Act calls for the establishment of a State Finance Commission every five years to ensure adequate financial resources for panchayats. District Planning Committees were made mandatory and constitutionally recognized.

In making the gram sabha responsible for monitoring and evaluating local-level developmental programs, the amendment represents a significant shift from previous thinking about Panchayati Raj and a step toward participatory democracy. It has also been tasked with determining who will benefit from a specific program. The amendments' participatory nature can also be found in the effort to ensure the participation in decision-making processes of citizens who are typically excluded for social, economic, or gender reasons. As a result, women and members of the scheduled castes are given preference in seating at both the assembly and the functional levels. Furthermore, the establishment of an Election Commission ensures regular elections, and the establishment of a Finance Commission ensures a statutory provision of funds that is not dependent on the political leadership of the day. District Planning Committees have also been established. The cause of the panchayats' decline in the earlier phase was attributed to infrequent elections and insufficient funds. This flaw has now been addressed.

A virtual democratic revolution has occurred, with 30 lakh representatives elected at the local level every five years, of which 10 lakh are women and more than 6.5 lakh are Dalits. Women and Dalits are also serving as panchayat heads.

According to Chaudhri, prior to 1994, the elected representatives closest to the voters were members of the state legislative assembly. The panchayats, with each member representing a

few hundred people, are now the closest to the voters. The constitutional amendments have been a significant step forward in promoting local democracy and decentralization. This can only be sustained if elections are held on a regular and timely basis. The amendment mandated elections rather than leaving them up to the whims of state governments. Until now, the record has been fairly good—even more so as state-level political parties discover panchayat elections to be a good barometer of their own rural support. Also, candidates who are running for the first time in panchayat elections see it as their first step into politics.

2.4 Balwant Rai Mehta Committee Report

According to Laxmikanth, in January 1957, the Government of India appointed a committee to review the Community Development Programme (1952) and the National Extension Service (1953) and to recommend improvements. Balwantray G. Mehta was the chairman of this committee. The committee issued its report in November 1957, recommending the implementation of the scheme of "democratic decentralization," which became known as panchayati raj. Its specific recommendations are as follows:

- A. Establishment of a three-tier Panchayati Raj system, with Gram Panchayats at the village level, Panchayat Samitis at the block level, and Zila Parishads at the district level. These tiers should be organically linked via an indirect election device.
- B. The village Panchayat should be made up of directly elected members, whereas the Panchayat Samiti and Zila Parishad should be composed of indirectly elected members.
- C. These bodies should be in charge of all planning and development activities.
- D. The executive body should be the Panchayat Samiti, while the advisory, coordinating, and supervising body should be the Zila Parishad.
- E. The chairman of the Zila Parishad should be the district collector.
- F. These democratic bodies should be given genuine power and responsibility.
- G. Appropriate resources should be transferred to these bodies to allow them to carry out their functions and fulfill their responsibilities.
- H. A system for future devolution of authority should be developed.

2.5 Conclusion

In January 1958, the National Development Council accepted the committee's recommendations. The Council did not insist on a single rigid pattern, instead allowing states

to develop their own patterns appropriate to local conditions. However, the fundamental principles and broad fundamentals should be the same across the country.

Rajasthan was the first to implement Panchayati Raj. On October 2, 1959, the Prime Minister launched the scheme in Nagaur district. Rajasthan was followed by Andhra Pradesh, which implemented the system in 1959 as well. Following that, the majority of states adopted the system.

Though most states had established Panchayati Raj institutions by the mid-1960s, there were differences between states in terms of the number of tiers, the relative position of the samiti and parishad, their tenure, composition, functions, finances, and so on.

Chakrabarty and Chand opined that the Balwantrai Mehta Committee report failed to revitalize panchayats as local governance institutions. A number of factors could have led to this. First, the study's motivation was to legitimize central government-led development programs rather than to establish panchayats as a legitimate body of community participation. Second, the Balwantrai Mehta Committee's failure was also influenced by the government and administration's elitist apathy toward panchayats.

2.6 Summary

- A. The cause of the panchayats' decline in the early phase after India's independence was attributed to infrequent elections and insufficient funds.
- B. In January 1957, the Government of India appointed a committee to review the Community Development Programme (1952) and the National Extension Service (1953) and to recommend improvements.
- C. Balwantray G. Mehta was the chairman of this committee.
- D. The committee issued its report in November 1957, recommending the implementation of the scheme of "democratic decentralization," which became known as panchayati raj.

2.7 Glossary

Balwant Rai Mehta Committee

The Government of India created the Balwant Rai Mehta Committee in 1957 to study the implementation of the Community Development Plan (1952) and the National Extension Service (1953) and to recommend improvements. This committee's chairman was Balwant Rai G. Mehta.

2.8 Model Questions

- A. How does local government strengthen democracy?
- B. PRIs in India are facing multifarious problems. Explain them.
- C. Write in detail the recommendations of the Balwant Rai Committee on the Panchayati Raj system.

2.9 References

Bidyut Chakrabarty and Prakash Chand Kandpal, *Public Administration in a Globalizing World: Theories and Practise*, 2e (New Delhi: Sage, 2020).

Bidyut Chakrabarty and Prakash Chand, *Public Administration: From Government to Governance* (Hyderabad: The Orient Blackswan, 2017).

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M. Laxmikanth, *Public Administration* (New Delhi: Tata McGraw Hill Education, 2011).

Unit-III Asoke Mehta Committee and others: Background and Recommendations

Structure

3.1 Learning Objectives

3.2 Introduction

3.3 Asoke Mehta Committee: Recommendations

3.4 The Committee of G.V.K. Rao

3.5 L.M. Singhvi Committee

3.6 Sarkaria Commission

3.7 P.K. Thungon Committee

3.8 V.N. Gadgil Committee

3.9 Conclusion

3.10 Summary

3.11 Glossary

3.12 Model Questions

3.13 References

3.1 Learning Objectives

By reading this unit, you will be able to learn about the following:

Ashok Mehta Committee Report on the Panchayati Raj System in India

G.V.K. Rao Committee Report on the Panchayati Raj System in India

L.M. Singhvi Committee Report on the Panchayati Raj System in India

Sarkaria Commission Report on the Panchayati Raj System in India

P.K. Thungon Committee Report on the Panchayati Raj System in India

V.N. Gadgil Committee Report on the Panchayati Raj System in India

3.2 Introduction

The Janata Government appointed a committee on Panchayati Raj institutions in December 1977, chaired by Ashok Mehta. It submitted its report in August 1978, making 132 recommendations to revive and strengthen the country's declining Panchayati Raj system.

3.3 Asoke Mehta Committee: Recommendations

Its main recommendations are as follows:

- A. The three-tier Panchayati Raj system should be replaced by a two-tier system consisting of a Zila Parishad at the district level and a Mandal Panchayat consisting of a group of villages covering a population of 15,000 to 20,000.
- B. A district should be the starting point for decentralization below the state level, under popular supervision.
- C. The Zila Parishad should be the executive body and be in charge of district-level planning.
- D. Political parties should be allowed to participate in panchayat elections at all levels.
- E. In order to mobilize their own financial resources, Panchayati Raj institutions should have mandatory taxation powers.
- F. A district-level agency and a legislative committee should conduct a regular social audit to ensure that funds designated for vulnerable social and economic groups are actually spent on them.
- G. The Panchayati Raj institutions should not be superseded by the state government. In the event of an urgent supersession, an election must be held within six months of the date of supersession.
- H. The Nyaya Panchayats must be kept separate from the development panchayats. They should be presided over by a judge who is fully competent.
- I. The Panchayati Raj elections should be organized and conducted by the state's Chief Electoral Officer in consultation with the Chief Election Commissioner.
- J. Development functions should be transferred to the Zila Parishad, and all development personnel should work under its control and supervision.

- K. Voluntary organizations should play an important role in mobilizing public support for Panchayati Raj.
- L. A Panchayati Raj minister should be appointed to the state council of ministers to oversee the affairs of the Panchayati Raj institutions.
- M. Seats for SCs and STs should be allocated based on population.

Due to the Janata government's collapse before the end of its term, no action could be taken at the central level on the recommendations of the Ashok Mehta Committee. However, the three states of Karnataka, West Bengal, and Andhra Pradesh took steps to revitalize the Panchayati Raj, taking into account some of the Ashok Mehta Committee's recommendations.

3.4 The Committee of G.V.K. Rao

The Planning Commission established the Committee on Administrative Arrangements for Rural Development and Poverty Alleviation Programs in 1985, chaired by G.V.K. Rao. The Committee concluded that the development process was gradually bureaucratized and separated from Panchayati Raj. This phenomenon of bureaucratization of development administration as opposed to democratization weakened Panchayati Raj institutions, which turned panchayats into "grass without roots." As a result, the committee made these recommendations to strengthen and revitalize the Panchayati Raj system.

- A. The district-level body, the Zila Parishad, should be central to the democratic decentralization scheme. According to the document, "the district is the proper unit for planning and development, and the Zila Parishad should become the primary body for management of all development programs that can be handled at that level".
- B. Panchayati Raj institutions at the district and lower levels should be given a significant role in rural development programs, like planning, implementation, and monitoring.
- C. For effective decentralized district planning, some planning functions at the state level should be transferred to district level planning units.
- D. A District Development Commissioner position should be established. He should serve as the Zila Parishad's chief executive officer and be in charge of all district-level development departments.
- E. Elections to Panchayati Raj institutions should take place on a regular basis. It was discovered that elections for one or more tiers were overdue in eleven states.

Thus, in its scheme of decentralized field administration, the committee acknowledges a leading role for the Panchayati Raj in local planning and development. The G.V.K. Rao Committee Report (1986) differed in this regard from the Dantwala Committee Report on Block-Level Planning (1978) and the Hanumantha Rao Committee Report on District Planning (1984). Both committees have recommended that the basic decentralized planning function be performed at the district level.

3.5 L.M. Singhvi Committee

The L.M. Singhvi was appointed chairman of a committee on the "Revitalization of Panchayati Raj Institutions for Democracy and Development" by the Rajiv Gandhi government in 1986. It made the following suggestions:

- A. The institutions of Panchayati Raj should be constitutionally recognized, protected, and preserved. A new chapter in the Indian Constitution should be added for this purpose. As a result, their identity and integrity will be reasonably and substantially protected. It also proposed constitutional amendments to ensure Panchayati Raj elections are held on a regular, free, and fair basis.
- B. There should be Nyaya Panchayats for groups of villages.
- C. Reorganization of villages to make Gram Panchayats more viable. It also emphasized the Gram Sabha's significance, referring to it as the embodiment of direct democracy.
- D. Financial resources for village panchayats should be increased.
- E. In each state, judicial tribunals should be established to resolve disputes over the election of Panchayati Raj institutions, their dissolution, and other issues concerning their operation.

3.6 Sarkaria Commission

The Sarkaria Commission (1988) was evaluating the federal structure, particularly with regard to center-state relations, and made a passing remark in its report on the nature of rural and urban local self-government. The Commission found that many local self-governing bodies were not functioning effectively owing to the fact that elections to these bodies were being phased out. The Commission also emphasized the need for uniformity of law in the states regarding the holding of periodic elections and supersessions of Panchayat Raj bodies.

3.7 P.K. Thungon Committee

In 1989, under the chairmanship of Dr. P.K. Thungon, a subcommittee of the Parliamentary Consultative Committee attached to the Ministry of Personnel, Public Grievances, and Pensions was formed to consider the type of political and administrative structure required in district planning. The Committee reported that the PRIs should be continuously recognized

and recommended that a constitutional provision be made to ensure timely and regular elections to these bodies, with terms of five years. According to the subcommittee, the Zilla Parishad should be the district's sole planning and development agency. It also recommended the formation of a planning and coordination committee at the state level under the leadership of the prime minister, with the presidents of the ZP serving as committee members.

3.8 V.N. Gadgil Committee

The Indian National Congress also set up a committee in 1989, led by V.N. Gadgil and called the Committee on Policy and Programs. Its task was to figure out how to make PRIs work better. The Committee proposed a three-tier system of PRIs, the reservation of constituencies for SC/STs and women to ensure adequate representation for the weaker sections, a five-year tenure for PRIs, and the establishment of a state finance commission.

3.9 Conclusion

All of these committee reports laid the groundwork for enhancing the panchayat raj system in India. The 73rd Constitutional Amendment, which was passed by the Indian Parliament in 1992, benefited greatly from all of these committee reports. In this amendment act, the empowerment and functional role of panchayats are given special emphasis.

3.10 Summary

- A. Ashok Mehta submitted its report in August 1978, making 132 recommendations to revive and strengthen the Panchayati Raj system.
- B. Panchayati Raj institutions at the district and lower levels should be given a significant role in rural development programs, like planning, implementation, and monitoring.
- C. Both the Dantwala Committee and the Hanumantha Rao Committee have recommended that the basic decentralized planning function be performed at the district level.

3.11 Glossary

Ashok Mehta Committee

In December 1977, the Janata Government chose Ashoka Mehta to head a committee on Panchayati Raj institutions. In its August 1978 report, the group presented 132 suggestions to resuscitate and enhance the country's waning Panchayati Raj system. The Indian states of Karnataka, Andhra Pradesh, and West Bengal approved new laws in response to this research.

3.12 Model Questions

- A. Write in detail the recommendations of the Asoke Mehta Committee on the Panchayati Raj system in India.
- B. Write in brief the recommendations of the G.V.K. Rao Committee on the Panchayati Raj system in India.
- C. Write in brief the recommendations of the L.M. Singhvi Committee on the Panchayati Raj system in India.

3.13 References

- Bidyut Chakrabarty and Prakash Chand Kandpal, *Public Administration in a Globalizing World: Theories and Practise*, 2e (New Delhi: Sage, 2020).
- Bidyut Chakrabarty and Prakash Chand, *Public Administration: From Government to Governance* (Hyderabad: The Orient Blackswan, 2017).
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Unit-IV 73rd Constitutional Amendment Act: Basic Features

Structure

4.1 Learning Objectives

4.2 Introduction

4.3 Basic Features of the 73rd Constitutional Amendment Act

4.4 Conclusion

4.5 Summary

4.6 Glossary

4.7 Model Questions

4.8References

4.1 Learning Objectives

By reading this unit, you will be able to learn:

Regarding the 73rd Constitutional Amendment Act passed by the Parliament of India in 1992

4.2 Introduction

The 73rd Constitutional Amendment Act of 1992 is regarded as a turning point in the history of Indian local government. By granting it the much-desired constitutional status, it has effectively transformed the age-old tradition and institution of local government from a dependent to an independent status.

This Act added Part-IX to the Indian Constitution. It is titled "The Panchayats" and contains provisions ranging from articles 243 to 243-0. Furthermore, the Act added the Eleventh Schedule to the Constitution.

4.3 Basic Features of the 73rd Constitutional Amendment Act

The Act has given practical form to Article 40 of the Constitution, which states that "the state shall take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government." This article is part of the Directive Principles of State Policy.

The Act's provisions are divided into two categories: mandatory and voluntary. The Act's mandatory (mandatory or obligatory) provisions must be incorporated into state laws establishing the new Panchayati Raj system. The voluntary provisions, on the other hand, may be included at the states' discretion. Thus, the Act's voluntary provisions ensure that states have the right to consider local factors such as geographical, political, and administrative factors when implementing the new Panchayati Raj system. In other words, the Act does not upset the Indian federal system's constitutional balance between the Centre and the states. Despite the fact that it is a central law on a state subject (local government is a subject included in the State List under the Seventh Schedule of the Constitution), the Act does not infringe on the jurisdiction of the states, which are given adequate discretionary powers with regard to panchayats.

The following are the Act's most notable features:

Fixed Structure

It outlined a three-tiered structure at the village, intermediate, and district levels. It also stated that an intermediary panchayat may not be formed in a state with a population of less than twenty lakhs. This consistent pattern of PRIS was required to reduce the structural confusion that existed prior to the amendment period (Article 243B).

The Continuity

The Amendment states unequivocally that PRIS will be in place for a fixed period of five years from the date of its first meeting. If a panchayat is dissolved and a new election is held, the newly elected panchayat is only required to serve for the remaining portion of the five-year term. An election must be held within six months of the date of dissolution (See Article 243 E). All of this was necessary to ensure panchayat continuity and to reduce the possibility of long-term supersessions of elected panchayats on political.

Functions and authority

The state legislature may grant the panchayats the powers and authority required for them to function as self-governing institutions. Such a scheme may include provisions for the devolution of powers and responsibilities to Panchayats at the appropriate level in relation to the preparation of plans for economic development and social justice; and (ii) the implementation of schemes for economic development and social justice entrusted to them, including those relating to the 29 matters listed in the Eleventh Schedule.

Representativeness

The Amendment Act mandated that seats be reserved for the SC/ST population and women at all levels of panchayats. Article 243D provides for the reservation of seats for SC and ST in each panchayat based on their proportion to the total population of that panchayat, and such seats may be allotted to different constituencies in the panchayat through rotation. At least one-third of all panchayat seats, including those reserved for SC/ST, shall be reserved for women, and such seats may be allotted to different constituencies in a panchayat by rotation. This was an enabling provision that allowed previously marginalized groups to be represented in panchayats.

The article also stated that when the period specified in Article 334 expires, the reservation of seats for SC/ST will cease to have any effect. Subclause 6 stated that state legislatures can reserve seats in panchayats for backward citizens and that nothing shall prevent them from doing so.

Clause (1) of Article 244 expanded political space for the marginalized. The Panchayats (Extension to Scheduled Areas) Act, 1996, was enacted by Parliament to extend the 73rd Amendment to scheduled areas (PESA). PESA is supposed to apply in eight states: Andhra Pradesh, Madhya Pradesh, Rajasthan, Gujarat, Maharashtra, Bihar, Odisha, and Himachal Pradesh.

Responsibility

The provision of the gram Sabha aims to increase the elected representatives' accountability at the local level. According to Article 243A, a gram sabha may exercise at the village level such powers and functions as the legislature of a state may provide by law. Article 243 defined gram sabha as a body comprised of persons registered in the electoral rolls relating to a village comprised within the area of panchayat at the village level. The Gram Sabha is the only forum where all citizens can participate, debate, criticize, reject, and approve proposals made by gram panchayats. Gram Sabhas acts as a watchdog, provide transparency to panchayat activities, and increase accountability at the grassroots level.

Appointment of the State Election Commission

Article 243O of our Constitution empowers state governors to appoint a State Election Commission. This body will be in charge of overseeing panchayat elections. This was necessary in order to free the panchayats from the clutches of the state bureaucracy and governmental machinery.

Finances

The state legislature may: (i) authorize a panchayat to levy, collect, and appropriate taxes, duties, tolls, and fees; (ii) delegate duty to a panchayat for the collection of taxes, duties, tolls, and fees which are collected by the state government; (iii) provide for grants-in-aid to

panchayats from the state's Consolidated Fund; and (iv) establish funds for providing money to the Panchyats.

Appointment of the State Finance Commission

The governors of states are also empowered to form the State Finance Commission (Article 243L) to review the financial position of panchayats and make recommendations to the governor on financial matters such as the allocation of funds and finances between states and PRIs, as well as grants-in-aid to PRIs. PRIs cannot function as viable units unless they have a strong financial foundation.

Structure of the District Planning Committee

Under Article 243ZD of the Constitution, district planning committees (DPCs) are to be established at the district level in every state except Meghalaya, Mizoram, J&K, Nagaland, and the National Capital of Delhi, under Article 243ZD of the Constitution, to consolidate the plans prepared by panchayats and municipalities in the district and to prepare a draft plan for the district. The state legislature will pass legislation governing the composition of DPCs and how seats will be filled.

Eleventh Schedule

It includes the following twenty-nine functional elements that are within the scope of panchayats:

Agriculture, as well as agricultural extension, Land enhancement, land reform implementation, land consolidation, and soil conservation, Water management, minor irrigation, and watershed development, Animal husbandry, dairying, and poultry production, Fisheries, Farm forestry and social forestry, Minor Forest yields, Small-scale enterprises, such as the food processing industry, Village and cottage industries, as well as Khadi, Housing in the rural area, Drinking Water, Fodder and fuel, Roads, culverts, bridges, ferries, and waterways, as well as other modes of communication, Rural electrification, including electricity distribution, Renewable energy sources, Poverty Reduction Program, Primary and secondary education, Technical education and vocational training, Adult education and non-formal education, Libraries, Cultural pursuits, Fairs and markets, Hospitals, primary health care centers, and dispensaries, health and sanitation facilities, Family welfare, Women's and children's development, Social welfare, including disabled and mentally impaired welfare, The welfare of the lower classes, particularly the scheduled castes and tribes, Public Distribution System, maintenance of community assets.

Provisions that are Compulsory and Voluntary

Now, we shall separate between the obligatory (obligatory or compulsory) and voluntary (discretionary or optional) elements (features) of the 73rd Constitutional Amendment Act (1992), or the Part IX of the Constitution:

A. Mandatory Provisions

- A. Gram Sabha organization in a village or group of villages.
- B. Establishment of village, intermediate, and district panchayats.
- C. Elections to all panchayat seats at the village, intermediate, and district levels.
- D. Indirect elections for panchayat chairpersons at the intermediate and district levels.
- E. The minimum age for standing in panchayat elections should be 21 years old.
- F. Reservation of seats (both members and chairpersons) in panchayats at all three levels for SCS and STS.
- G. Reservation of one-third of panchayat seats (both members and chairpersons) for women at all three levels.
- H. Establishing a five-year term for panchayats at all levels, with new elections held within six months following the supersession of any panchayat.
- I. Establishment of a State Election Commission to oversee panchayat elections.
- J. Establishment of a State Finance Commission to assess the financial status of the panchayats every five years.

B. Optional Provisions

- A. Providing representation to members of Parliament (both Houses) and the state legislature (both Houses) in the panchayats at different levels within their respective constituencies.
- B. Making seats (both members and chairpersons) available for backward classes in panchayats at any level.
- C. Delegating powers and authority to panchayats in order for them to act as self-governing entities (in brief, making them autonomous bodies).
- D. Devolution of authorities and duties to panchayats to formulate plans for economic growth and social justice, as well as to undertake some or all of the twenty-nine activities stated in the Eleventh Schedule of the Constitution.

- E. Delegating financial authority to panchayats, allowing them to charge, collect, and allocate taxes, duties, tolls, and fees.

Articles about the Panchayat

Serial Number	Article Number	What it's about
01	243	Definitions
02	243A	Gram Sabha
03	243B	Constitution of panchayats
04	243C	Composition of panchayats
05	243D	Reservation of seats
06	243E	Duration of panchayats, and so on
07	243F	Disqualifications for membership
08	243G	Powers, authority and responsibilities of panchayats
09	243H	Powers to impose taxes by, and funds of, the panchayats
10	243I	Constitution of finance commission to review financial position
11	243J	Audit of accounts of panchayats
12	243K	Elections to the panchayats
13	243L	Application to union territories
14	243M	Part not to apply to certain areas
15	243N	Continuance of existing laws and panchayats
16	243O	Bar to interference by courts in electoral matters

4.4 Conclusion

The Act gives Panchayati Raj institutions a constitutional status. It has brought them under the jurisdiction of the Constitution's justiciable section. In other words, state governments are mandated by the Constitution to implement the new Panchayati Raj system in accordance with the Act's provisions. As a result, neither the formation of panchayats nor the holding of elections at regular intervals is any more dependent on the will of the state government.

The Act is a watershed moment in the country's evolution of grassroots democratic institutions. It shifts from representative to participatory democracy. Building democracy at the grassroots level in this country is a revolutionary idea.

4.5 Summary

- A. The 73rd Amendment Act gives Panchayati Raj institutions a constitutional status.

- B. The 73rd amendment made it mandatory for each state to establish Local Self-Government Institutions (known as Panchayati Raj Institutions, or Panchayats in rural areas) at the village, intermediate, and district levels (except for states with fewer than 20 lakh people).
- C. The Amendment Act mandated that seats be reserved for the SC/ST population and women at all levels of panchayats.
- D. At least one-third of all panchayat seats, including those reserved for SC/ST, shall be reserved for women, and such seats may be allotted to different constituencies in a panchayat by rotation.
- E. The article also stated that when the period specified in Article 334 expires, the reservation of seats for SC/ST will cease to have any effect.
- F. The state legislature will pass legislation governing the composition of DPCs and how seats will be filled.
- G. The Constitutional Amendments have been a significant step forward in promoting local democracy and decentralization.

4.6 Glossary

73rd Constitutional Amendment Act:

The Constitutional (73rd Amendment) Act, enacted by the Narasimha Rao administration in 1992, went into effect on April 24, 1993. It was intended to offer constitutional backing for the establishment of "democracy at the grassroots level, as it is at the state or national level."

4.7 Model Questions

- A. Discuss the basic features of the 73rd Amendment Act.
- B. What were the main differences between the local governments before 73rd amendment and after that amendment?

4.8 References

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Unit-V The Impact of the 73rd Constitutional Amendment Act on India's Panchayat Raj Institutions

Structure

5.1 Learning Objectives

5.2 Introduction

5.3 The 73rd Constitutional Amendment Act and Its Effects on India's Local Government Institutions (Panchayat Raj)

5.4 Conclusion

5.5 Summary

5.6 Glossary

5.7 Model Questions

5.8References

5.1 Learning Objectives

Following completion of this unit, you should be able to:

The Influence of the 73rd Constitutional Amendment Act on Panchayat Raj Institutions in India

5.2 Introduction

According to Bhattacharya, panchayats in the post-73rd Amendment era have a uniform structure. They were able to institutionalize and strengthen panchayats. However, while structural impediments removed, procedural flaws remain. Elections are held on a regular basis. With a few exceptions, most states passed their Conformity Acts within one year of being directed and began preparing for elections. Today, over 21 lakh representatives are elected to three tiers of panchayats. More than 40% of these are women, 16% are SCs, and

11% are STs, making India the largest democratic country with the broadest democratic base possible.

5.3 The 73rd Constitutional Amendment Act and Its Effects on India's Local Government Institutions (Panchayat Raj)

Women, SCs, and STs have gained access to Panchayati Raj institutions as a result of the reservation. Without this, panchayats would remain in the hands of rural elites, as they had previously. Despite this, some provisions are causing practical difficulties and should be reconsidered. With reservation many people who come to power are first-timers with little experience. Many of the chairpersons are inexperienced, and bureaucracy usurps their power and functions and exerts indirect control over them. The concept of rotation prescribed by the Act in relation to reserved seats has created some complications. It is stated that seats shall be allotted by rotation to different constituencies in a panchayat at the end of every five years. If this policy is followed, no such candidate will have the opportunity to be re-elected to that seat a second time, as it is highly unlikely that these people will be allowed to contest from the same seat once the reservation is removed. If we assume that the majority of the reserved candidates are first-timers with little experience, many of these first-timers will also be last-timers, and by the time they gain experience, it will be time for them to leave office. It could be argued, however, that even if he or she is not re-elected, the exposure and experience which he or she get when in office, will not only empower but also raise their awareness levels. A woman or a person of a lower caste who is elected for at least one term is no longer the same ignorant person as before. He or she is likely to be more aware, confident, and involved in all collective matters.

One of the goals of the 73rd Amendment was to find a way to incorporate common people into the political process and give them an opportunity to say in policymaking through the establishment of gram sabhas as key institutions. Several suggestions for revitalizing the gram sabhas were made. The Government of India declared 1999–2000 the Year of Gram Sabha in order to popularize the concept among the people. However, it has been discovered in many cases that gram sabhas, which were supposed to be the pivot of panchayati raj in the new dispensation, have not received adequate attention. First, gram sabhas are typically comprised of one large village or two to three villages combined, making the gathering exceptionally large. Participation in such large gatherings is meaningless. Villagers are often hesitant to express their needs and priorities in front of such a large crowd. As a result, only those in positions of authority speak, while the rest are merely observers. According to recommendations, the size of gram sabhas should be reduced. West Bengal, for example, established smaller units known as gram Sansads or ward sabhas to serve this purpose. If their size is reduced, not only will the gram sabhas become a more cohesive body, but it will also be easier for the villagers to attend such meetings. They now have to travel long distances to attend the meeting, which act as a deterrent to participate on those meeting. Ward sabhas should therefore be formed everywhere. Second, gram sabhas do not meet very frequently. The Constitution stipulates that it should meet at least twice a year. Unfortunately, the minimum is misconstrued as the maximum, and the majority of sabhas are only met twice. If they do not meet more frequently, it will be impossible for them to contribute meaningfully to the village's affairs.

The devolution of funds and functionaries is one of the prerequisites for successful decentralization. Decentralized units must have autonomy in carrying out their functions. They will continue to rely on the state and bureaucracy unless they have adequate funds and functionaries. PRIs are constitutionally mandated, but they do not have the necessary fuel because there is neither adequate financing from above nor adequate mobilization from below. The economic backwardness of the masses made local fund mobilization extremely challenging. Many Indian states have devolved as many as twenty-nine subjects to the PRIS; some have devolved fewer subjects, but most PRIS lack adequate funds and functionaries for functional devolution. There should be a clear understanding that local governments are self-governing institutions, not just delivery agencies.

Another issue is that there is a lack of coordination and harmonious understanding among the three tiers of PRIS with regard to which functions will be carried out by which strata of PRI.

Regarding the devolution of functionaries, it is frequently asserted that PRIS lacks sufficient functionaries. Gram panchayats with only one secretary and one job assistant are especially affected by the problem.

The 73rd Amendment envisioned not only the administration of development projects by PRIS but also the initiation of planning at the local level. The 73rd Amendment mandated that the states establish their District Planning Committees (DPCs) and move toward decentralized planning. The DPCs were tasked with developing district-wide composite plans. Unfortunately, many states are still hesitant to set up DPC in their own states, stifling the idea of planning from the bottom up. Some states haven't set up their own DPCS yet. These include Andhra Pradesh, Gujarat, Haryana, Punjab, Tripura, Uttar Pradesh, Uttaranchal, Maharashtra, and Jharkhand. It is necessary to develop political will in order to properly implement these measures. The states have yet to take grassroots planning seriously. The Kerala People's Plan model, which was started in 1996 with the goal of giving local bodies and local people more power, was well-received and could be used in other states with minor changes, if needed.

Another source of concern is the rise of parallel bodies in many states, which are infringing on PRIS's constitutionally mandated authority. It produces a division between functions and responsibilities. Some see it as an opportunity to ensure village development through the participation of alternative bodies, while others believe that the duality it creates leads to distracted efforts and wasteful expenditure. Some are concerned that these bodies are usurping the role of democratically elected and constitutionally established PRIs. The parallel bodies that were running in different states alongside the PRIs included the Gram Vikas Samitis in Haryana, the Janmabhoomi scheme in Andhra Pradesh, and the users' groups in Uttar Pradesh. The District Rural Development Agency is the most common parallel body (DRDAs). They were founded in the early 1980s and receive funding directly from central government programs. After 1993, when elected panchayats were established, the DRDAs continued to exist as parallel bodies, receiving funds from the central government. Creating such parallel bodies violates both the letter and spirit of the 73rd Amendment. It undermines panchayats, which are legally empowered to perform a variety of functions.

Capacity building, as it is commonly known today, must be applied to panchayat members and villagers. It entails complete awareness of the entire panchayati raj system, proper training in panchayat activities, education of rural development schemes, fiscal prudence,

behavioural changes, and so on. They would be unable to make the best use of the Constitutional Amendment without all of this. Training and capacity-building initiatives are currently insufficient. Neo-literates, women, and underprivileged groups should be prioritized. Neo-literates, women, and underprivileged groups should be prioritized. Databases should be created and updated on a regular basis to pool all national, state, and district-level resources. States have already implemented e-government for panchayats. If properly implemented, it will have a positive impact on panchayats' delivery of services. It may also facilitate information sharing, which is currently very limited. For public accountability, official records should be made more accessible. When voters and elected representatives at the local level are so poorly informed, democratic decentralization cannot have a significant impact.

5.4 Conclusion

Decentralization has its own possibilities. Instead of opposing PRIS in India, we must eliminate the obstacles in its way and ensure its success by removing the obstructions. India's Panchayati Raj has come a long way despite its flaws. It is nevertheless plagued by insufficient funds, a lack of citizen participation in planning, the ongoing weakness of gram sabhas, and administrative intervention. Despite these challenges, it is obvious that PRIs have contributed to an extraordinary expansion of the democratic basis of our nation. Thousands of men and women have occupied positions of authority that were formerly unimaginable. It emancipated women, Dalits, tribals, and others who had previously been completely marginalized.

Today, they have the power to alter the focus of development. This lets them take care of their own needs and priorities and brings about development of their own communities. This is a significant accomplishment and a source of optimism for the panchayat system. Additionally, the PRIS has fostered the concept of participatory decision-making and devotion to community interests. This culture of collective approach should penetrate the consciousness of the people. Only then would they take an interest in panchayat operations and strive for their success.

5.5 Summary

A. After 1993, when elected panchayats were established, the DRDAs continued to exist as parallel bodies, receiving funds from the central government.

B. Training and capacity-building initiatives are currently insufficient.

C. Instead of opposing PRIS in India, we must eliminate the obstacles in its way and ensure its success by removing the obstructions.

D. India's Panchayati Raj has come a long way despite its flaws. This is a significant accomplishment and a source of optimism for the panchayat system.

5.6 Glossary

The Impact of the 73rd Constitutional Amendment Act

The major purpose of the 73rd Constitutional Amendment Act of 1992 was to give panchayats constitutional standing. It attempted to decentralize authority and resources democratically between the central government and local entities such as PRIs. This will increase citizen participation in government.

5.7 Model Questions

A. What are the problems that first-generation panchayats faced in India? Do you think the post-73rd Amendment period was an improvement over it?

B. What is democratic decentralization? Examine democratic decentralization in the context of the 73rd Constitutional Amendment Act for Panchayats.

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BLOCK 2 ORGANIZATION AND STRUCTURE

UNIT 1 STRUCTURE AND COMPOSITION OF PANCHAYATI RAJ INSTITUTIONS

STRUCTURE

- 1.1. Learning Objectives**
- 1.2. Introduction**
- 1.3. Structure of Panchayati raj**
- 1.4. Composition of Panchayati raj**
- 1.5. Conclusion**
- 1.6. Summary**
- 1.7. Key words**
- 1.8. Model questions**
- 1.9. References**

1.1. LEARNING OBJECTIVES

After studying this unit, one should be able to-

- The background of rural local government in India both in pre-and post-independent India.
- The composition of local government in modern India in various states.
- The structure and composition of the Panchayati institutions and their effectiveness in developing rural India.
- The problems and reforms needed to make rural local institutions more development oriented.

1.2. INTRODUCTION

In India, Panchayati Raj Institutions are the prime functionaries that are tasked with the responsibility of localised development. The very same institutions through which the self-government of villages is realized create the linkages between the state government and the local authority. They are tasked with economic development, strengthening social justice and implementation of Central and State Government Schemes including those 29 subjects listed in the Eleventh Schedule enshrined in the constitution of India.

India for a long time has been ruled by non-modern undemocratic forces in its history. Medieval India was never completely unified politically. Though northern India was ruled by sultanate kings and later by Mughals, the provinces had independent princes as rulers of kingdoms such as the Rajput rulers,

Marathas etc. The rural areas though were maintained under conservative social forces in the form of panchayats, these institutions were more socio-cultural than political in nature. A communitarian system of gram sabhas and panchayats under old patriarchs of rural order became an important feature of the Indian system. The Colonials used these institutions when stronger forces were removed such as the Kings and sultans. Local institutions thus became important machinery for colonial expansion.

Post-1947 independent India transformed into a modern democratic republic. It was in 1959 that the Panchayati Raj system slowly started to become a potent structure of political transformation in India. The social churning that this process started led to new enthusiasm amongst the newly independent folk but also brought problems for the conservative traditional elite in the rural areas who foresaw their loss of power based on traditions to newly emerging democratic strata. Most states were faced with the same tribulation. The introduction of the Panchayati Raj in the sixties was also a major step in encouraging people's participation in rural development but accompanying social problems there arose economic problems as well. The 1970s was a rather tough year due to the Indo-Pak war of 1971, a subsequent drought, emergency imposition and change in government those structures began to face pressure on the economic side. There were fund cuts to the funding for Community Development Projects. Funding dried up and panchayats stagnated in performing their roles for localised development. In 1979- 80 a new institution of the District Rural Development Agency was established at the district level. It was more of a cooperative venture between the state and the centres expected to function as a development institution jointly registered by the Union and State Governments in each district and society, but even they were unable due to the continuous tension between state governments and the union government regarding funding and supervision. The states faced the same problems and except for the states of West Bengal and Kerala, most sent the proposal of democratic local governance to bureaucratic hibernation. After decades of debate, it was the Constitutional (73rd Amendment) Act, of 1992 that brought a holistic rejuvenation of the local self-government in both rural and urban areas creating a comprehensive system of decentralised governance structure for empowering the masses.

1.3. STRUCTURE OF PANCHAYATI RAJ

To begin with, the existing status of the local bodies in the rural areas reference must be mentioned in Part 9 of the constitution. It is in the Part IX of the Indian Constitution where the section relating to the Panchayats is explicitly mentioned. It stipulates that in states or Union Territories with more than two million inhabitants there are three levels of Panchayati raj-

- the Gram Panchayats at the village level.
- the Mandal Parishad or Block Samiti or Panchayat Samiti at the block level.
- the Zila Parishad at the district level.

Historically, the first steps to reorganize the Panchayati system of the colonial era started in 1957 with the Mehta Committee recommendations. The Planning Commission of India in 1957 under the aegis of the then Prime Minister Jawaharlal Nehru began the process of modernising the rural local institutions according to the needs of the democratic country. The committee was headed by Balwant Rai G Mehta and thus got named as Mehta committee. The Mehta Committee aimed to achieve the following goals:

1. Give report on the possible linkages between village panchayats and higher-level popular institutions for the proper implementation of schemes under community projects and local development schemes.
2. To determine the advancement in the stages of reorganisation of district administration, which in turn would help the democratic bodies to take over the entire general administration and initiate development inducement techniques for the benefit of the districts and lower units.

The subsequent report which was presented after a thorough survey done by the Mehta committee became the basis for the early structural blueprint for the Panchayati system in India. The earliest structure suggested focussed on the village as the primary unit of local governance and the aim as per the report was to strengthen the local economic structure based on agriculture and community development projects. Development was to become a focused issue from the perspective of the people rather than the administration. This was to be achieved by empowering the communitarian initiatives under the leadership of the village panchayat. The policy formulation was suggested to be initiated by the state governments under the ministry of rural governance or Panchayati raj, but the implementation and realisation of these policies were to be made in close coordination with state executive, district administration as well as local body representatives.

To preserve the relative autonomy of the village communities the Mehta Committee Report suggested that the relationship between the state and Panchayati raj bodies must be cooperative in nature and rather than thinking of themselves as 2 distinct systems they must act as developmental agencies for the benefit of the population. Economic autonomy was to become a crucial part of this relationship where the state government would fund the local bodies and help them initiate development programs based on the demands of the people. States were to act as guidance providers rather than master controllers. The district administration was to be the bridge between the village and the state government.

As the model suggested by the Mehta Committee was only implemented in Rajasthan and its limited efficacy there was a matter of concern, so the central government set up another committee under the supervision of Ashok Mehta. The Ashok Mehta Committee provided a review of the existing Panchayati raj system and thus submitted its report in 1978. This Committee was of the opinion that

Panchayati raj had been successful in raising the level of political awareness among the rural population about the decision-making processes of the local institutions. The fallacies instead were on the economic front where state and local contentions over funding led to the stagnation of programs and the eventual faltering of local bodies to provide development. Changing the recommendation of the Balwant Rai Mehta Committee, the Asoka Mehta Committee instead suggested a two-tier structure of Panchayati raj. The two tiers were to be-

1. Zila Parishad at the district level.
2. Mandal panchayat, an administrative unit between village panchayat and panchayat Samiti.

In the two-tier system, the focus shifted from the lowest level of panchayat Samiti to the district-level functionary reversing the approach mentioned in the earlier committee report. The recommendations of the Ashok Mehta Committee were submitted but their implementation couldn't be complete as the Janata government that had instituted it was removed from power in the year 1980. As mentioned earlier most states couldn't maintain the Panchayati system based on democratic elections for long and states like Bihar, Uttar Pradesh and Tamil Nadu halted elections. At the same time, many new agencies were set up by the Central Government like -District Rural Development Agency, to take up development programmes in collaboration with the State Governments, inducing more centralisation into the system and making the Panchayati system inept. Developmental programs stopped in the villages as the DRDAs started coordinating policies from the district level which stopped funding in lower institutions.

1.4. COMPOSITION OF PANCHAYATI RAJ

It was with the 73rd amendment that a proper system of local rural government was formalised in the country. The Panchayati Raj system was in accordance with the 73rd Amendment, which made provisions for a three-tier structure based on direct elections at all three tiers:

- Village
- Intermediate (Varying terms according to states)
- District.

Certain exemptions were made for the intermediate tier to the small States which has a population of fewer than 20 lakhs. Due to the limitation of people to be governed the exemption is rendered to these states for better management of resources without adding an extra tier.

All members of a panchayat are directly elected from the populace of the village based on universal adult suffrage. However, if a state legislature decides based on recommendations, members of the State Legislature and Parliament may also be represented in the district and middle-level panchayats, but panchayat at the lowest tier remains available only to the local population.

The middle-level panchayats are generally known as Panchayat Samitis in most states. Provisions have been made for the inclusion of the chairpersons of the village panchayats in the block and district-level panchayats. The reservation policy of the Indian state is wholeheartedly implemented in the local rural government system as well. Thus, there exists a provision regarding the reservation of seats for Scheduled Castes/Scheduled Tribes at all levels of the local government. The advent of socio-political reforms also led to the empowerment of rural women as well, with the provision for reservation of one-third of total seats being reserved for women, and one-third for women out of the Quota fixed for Scheduled Castes/Tribes. Reservation is also provided for offices of Chairpersons. To avoid stagnation and politics of the vote bank the election provision of rotation is applied to local government structures. The reserved seats are at times allotted by rotation to different constituencies in a panchayat area to keep the dynamism of the system intact. State Legislatures can provide for further reservation for other backward classes (OBC) in panchayats if there is a considerable population present of the aforementioned section.

The 73rd amendment restrengthened the core of local governance in India. Years of political, and economic stagnation were eroded due to the 73rd amendment and its implementation. Certain important provisions under the 73rd amendment is mentioned below-

(i) Term

The Amendment provides for the continuous existence of panchayats. The normal term of a panchayat is five years. If a panchayat is dissolved earlier, elections are held within six months. The state election commission is the authority that looks after the coordination of elections in local rural bodies starting from announcing elections, preparing electoral rolls, and declaration of results.

(ii) Powers and responsibilities of panchayats

State Legislatures are expected to provide necessary bureaucratic and economic help to the local bodies for the proper implementation of government policies for the empowerment and development of the people in rural areas. Proper planning and policy formulation is to of utmost importance to bring in local economic development and social justice. Various schemes are implemented to direct resources to areas that are of importance to the people of the area. These areas include agriculture, primary and secondary education, health and sanitation, drinking water, rural housing, the welfare of weaker sections, social forestry and other issues of concern.

Three-tier Structure of Panchayati Raj

i) **Panchayats at Village Level:** This is the basic or grassroots level of Panchayati raj. The panchayat for a village or a group of villages includes the following-

(a) **Gram Sabha**- it is an institution of direct democracy and is an important feature of the 73rd amendment. Gram Sabha consists of all adult residents within a village or group of villages. Due to this fact it is the only institution of direct democracy in the country whereas all others are representative democratic structures. Generally, two meetings of Gram Sabha are held every year. In these meetings, the Gram Sabha as the general body of the people hears annual statements of accounts, audits or administrative reports of panchayats and discusses the future course of action and changes to be brought in. It also recommends new development projects to be undertaken by panchayats for the development of the people. It also helps in identifying poor people in the village so that they may be given economic assistance under both central, state government schemes and local schemes such as MGNREGA and others.

(b) **Gram Panchayat**- The lower tier of the Panchayati raj system in the country is the village-level panchayat. It is known in most States as Gram Panchayat. The members of a Gram Panchayat are directly elected by the people by means of universal adult suffrage. The number of members of a Gram Panchayat is fixed on the basis of the village population a representation of the average population. Hence, it differs from panchayat to panchayat all over the country. Elections are held on the basis of a single-member constituency. There is a reservation for one-third of the total number of seats for women, and some for Scheduled Castes and Tribes including one-third for women of Scheduled Castes and Tribes. Chairpersons of Gram Panchayats are called by different names in different States as 'Sarpanch, Pradhan or President. There is a Vice-Chairperson also who helps the Pradhan/sarpanch in executing the responsibilities of the panchayat. Both are elected by members of the panchayat. Gram Panchayats generally hold their meetings once a month to discuss the affairs of the gram and coordinate solutions to problems faced by the people. Panchayats at all levels constitute committees for transactions of their business depending on needs of the specific areas.

(c) **Nyaya Panchayat**- These are judicial panchayats and a reminder of ancient village panchayats. These are bodies that act as justice-endowing mechanisms in the villages that settled local disputes. They are set up to provide speedy and inexpensive justice to the rural population as modern mechanisms are still underdeveloped in the country. The jurisdiction of Nyaya Panchayat varies from State to State – one such panchayat is set up for five or more-gram panchayats and looks into disputes related to the people of the panchayats. Their tenure is between 3 and 5 years, as determined by State law. Nyaya Panchayats generally deal with petty civil and criminal cases and have the authority to impose fines up to Rs. 100 only which are related to minor settlements and crimes. There are no lawyers to plead the cases in Nyaya Panchayat and the aggrieved parties to the disputes argue their own cases.

(ii) **Panchayat Samiti**: The second or middle tier of the Panchayati raj is Panchayat Samiti which acts as a bridge between Gram Panchayat and a Zila Parishad. The strength of a Panchayat Samiti also

depends on the population in a samiti area with larger populations resulting in large numbered samities and vice-versa. In Panchayat Samiti, some members are directly elected. Sarpanchs/pradhans of gram panchayats are ex-officio members of Panchayat Samitis. However, not all the sarpanches of Gram Panchayats are members of Panchayat Samitis at the same time. The number varies from State to State and is by the policy of rotation kept open to changes. In action, it results in a situation where only chairpersons of some Gram Panchayats in a Samiti area are members of Panchayat Samiti at a time. In some panchayats, members of Legislative Assemblies and Legislative Councils as well as members of Parliament who belong to the Samiti area are co-opted as its members for coordination purposes and only with a due recommendation from the state legislature. Chairpersons of Panchayat Samitis are, generally elected from among the directly elected members and lead the working of the Samiti for the term they have been elected to serve.

(iii) **Zila Parishad:** At the district level, the Zila Parishad is the uppermost tier of the Panchayati raj system. This institution has some directly elected members whose number differs from State to State as it is also based on population. Chairpersons of Panchayat Samitis are ex-officio members of Zila Parishads. Members of Parliament, Legislative Assemblies and Councils belonging to the districts are often nominated members of Zila Parishads to coordinate the functions of the lower levels with the state government. The chairperson of a Zila Parishad, called Adhyaksha or President, is elected from among the directly elected members becoming the prime executive at the level. The vice-chairperson is also elected similarly and helps the president in the daily functioning of the Parishad. The Zila Parishad meetings are usually conducted once a month to discuss the proceedings of the body. Special meetings can also be convened to discuss special matters and create problems solving mechanisms to address the issues of the time. Subject committees are also formed to look into specific areas to address issues related to only those areas. For example- committees for women's empowerment, committees for creating Self Help groups etc.

1.5. CONCLUSION

In a country where a major section of the population still remains in the rural areas providing grassroot development is key to upliftment of the people. Due to problems such as populations, corruption, lagging infrastructure and others providing the aforementioned development has been an uphill task for institutions at all levels. There are more reasons behind this lagging or so-called failure. Factors such as the politicisation of administration, entry of criminal elements in the elected bodies, rampant corruption, caste and group division, priority to self-interest over public welfare and electoral malpractices remain problems in most states irrespective of which political party is in power at what time. The 73rd amendment seeks to radically alter the power relations in the villages by reserving seats for scheduled castes, tribes, backward classes and women. Empowerment therefore becomes a major goal to which leads to other related goals. However, in the absence of proper education, training

and economic independence, the groups that aim for this empowerment are unable to assert themselves politically and remain underdeveloped sections. Illiteracy poverty and unemployment are the major handicaps as well that hinders the populace from moving forward. Urgent steps need to be taken to effectively deal with these problems in order to facilitate participatory development at all levels, especially at local rural government. Economic funding, proper elections, political consciousness and democracy through free and fair elections make the core of the requirements that are of urgent need.

Local rural government is the backbone of Indian development because without its proper strengthening the Indian population will not get the development it so rightly deserves. All governments and all institutions at various levels of political and bureaucratic levels must work towards furthering this goal.

1.6. SUMMARY

- Rural local governments are of utmost importance in a country such as India where villages create a huge chunk of not only land but also population as well as economy.
- Throughout the 1970s and 80's there have been many attempts to provide a stable structure to the local institutions under 2 committees.
- It was with the 73rd amendment that a proper 3-level structure was provided to the institutions of local government in villages based on panchayats, panchayats samitis. Gram sabhas, Nyaya panchayats and Zila Parishad.
- The 3-tier system provided many opportunities for the people to develop within the ambit of their areas. The major beneficiaries were women, scheduled castes, tribes and OBCs who found new institutions for their grievance redressal within the democratic order.
- Problems still remain in the system such as politicisation, underfunding, corruption, money and muscle power.
- Local rural government requires major improvement on all grounds so that it can truly provide the development it was created to address. Close coordination between the state governments, local governments bureaucracy and other functionaries becomes crucial in this venture.

1.7. KEYWORDS

- **Amendment-** a minor change or addition designed to improve or add an existing law within the constitution.
- **Ex officio-** denoting a member of a body who holds the role as a result of their status or another position.
- **Universal adult suffrage-** right to vote provided to any and every person who is an adult and over the age of 18 without any bias

- **Empowerment-** the act of making an existing system, person, or law stronger and reinforced.
- **Fallacies-** a mistaken belief based on unsound and irrational arguments.

1.8. MODEL QUESTIONS

Short questions

- What were the aims of the Mehta committee regarding local rural government?
- What are the levels to be instituted in the Panchayati system according to Part IX of the Indian constitution?
- Which committee recommended changes in the Balwant Rai Mehta committee report and what were the changes centred around?
- What were some of the reasons why the first attempts at establishing a stable Panchayati system failed?

Medium questions

- Write briefly about the 73rd Amendment provisions for rural local government?
- What was the 1979-80's District Rural Development Agency about?
- What were some of the reasons why the first attempts at establishing a stable Panchayati system failed?

Long questions

- Describe in detail the composition of rural local government at the 3 levels instituted under the 73rd amendment?
- Write the functions of the Gram Panchayat and gram samitis in detail?
- How are Panchayat Samitis different from village panchayats. Explain?

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UNIT 2 DEVELOPMENT OF LOCAL SELF-GOVERNMENT IN WEST BENGAL UP TO 1973

STRUCTURE

- 2.1. Learning Objectives**
- 2.2. Introduction**
- 2.3. Local self-government in West Bengal pre-1973**
- 2.4. Local self-government in West Bengal post-1973**
- 2.5. Conclusion**
- 2.6. Summary**
- 2.7. Keywords**
- 2.8. Model questions**
- 2.9. References**

2.1. LEARNING OBJECTIVES

- To understand the background and realities of rural west Bengal and its people
- To assess how different governments prioritised organising local self-government structures in the state of West Bengal.
- To look into the system of Panchayati raj in West Bengal before 1978.
- To observe and explain why changes were required in the state regarding local self-government.
- To understand how the West Bengal Panchayat Act of 1978 changed the scenario of local institutions in the state.

2.2. INTRODUCTION

India has been an agrarian country for a long time due to its history, geography and politics, the dependence on which has shrunk but hasn't been eliminated. The system of western development reached India too late and also in the form of colonial oppression which seek to profit more than improve the condition of the colonial subjects in the country. Since the rebellion of 1857, the colonial rulers devised many ways to satiate and quell forms of discontent amongst the local population. Governance and especially local governance became a big factor in this venture. A formal local governance system, though very weak, was introduced in the country during the British period.

Though much of it was oriented towards participation from the local population, the control remained in the hands of the British at higher echelons. After independence in 1947, the new government aimed to put the country on track to socio-economic development and to achieve this the goal was set to empower the lowest sections of the population living in the villages. To achieve this there was a need for a system of local governance in the rural areas to create a system of governance that could reach the last man even if it was a peripheral village in the farthest corners of the country. The ideal for this was formulated in one of the Directive Principles of the Constitution; Article 40 of which says that “The State shall take steps to organise village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government.”

However, the fragmented federalist nature of the Indian state became the first of the many problems to crop up in implementing the proposal through programmes. As Panchayat was a state subject, State governments took varied steps in formulating local governments in the states. This, in turn, resulted in different models as well as different levels of development regarding the panchayat system creating widespread disparities. 2 committees were formed to sort out the problems regarding the Panchayati system but due to various problems, neither of the two could be implemented. It is in this context that West Bengal became a lynchpin for other states as well as the centre. The West Bengal Panchayat Act of 1957 was passed for establishing Panchayats in the state. The Act recommended the constitution of four-tier bodies by splitting the earlier Union Board into Gram Panchayat and Anchal Parishad. Though more decentralised this system never took full shape due to political unwillingness and political obstruction and much like the country, the state didn't move forward in regards to providing grassroots democracy to the people. It was only in 1978 when the newly elected Left Front government took power (1977) that a proper 3-tier Panchayati system was implemented in the state based on democratic norms and ethos.

The Constitution was amended in the year 1993 to provide a permanent structure for local self-governance in the states permanently. The 73rd and 74th amendments made the Panchayats to be the third stratum of government along with Municipalities in the urban areas of the country. The Panchayat system of West Bengal, which was put in place in its current form in the year 1978, was the role model for the Panchayati Raj system introduced in the country through the amendment of the Constitution. The existing system of Panchayat in the state has evolved over the years through several amendments of the relevant Acts to cater to the needs of the people in the rural areas and lead them on the path of progress.

2.3. LOCAL SELF-GOVERNMENT IN WEST BENGAL PRE-1973

The present state of West Bengal is only one part of the erstwhile Bengal province under the British taken from the nawabs of Bengal. The other part of the province is present-day Bangladesh. Situated

at the end of the Gangetic plain, the state of West Bengal has been an agriculturally dominant area. Agriculturally dependent population resided in the villages which made the region densely populated and an important source of revenue for local leaders. After the Diwani of Bengal was given to the British, it was they who went on to change the socio-politico-economic face of the region. Administration became the centrepiece of their rule. The intention was not really to give freedom to the local government to provide a developmental mechanism to the people but to ensure that in no way imperial interests are harmed and there is a steady flow of resources for the imperial coffers.

The Bengal Chaukidary Act in the year 1870 became the first law to coordinate the villages under imperial rule. Basically, the village was put under watchmen or chowkidars under which the Chaukidary Panchayat was introduced for village policing. The District Magistrate (DM) could nominate a villager to be the Panchayat which was usually a person subservient to the colonial masters. The responsibility of the one-man panchayat was to collect tax from the Chaukidary land to pay the Chaukidars and could engage Chaukidars for village-level policing. In the same year Lord Mayo, the then Governor General of India, passed a resolution for introducing local governance in India. Under the resolution, there was to be a District Board at the district level to coordinate the activities and bring in more people to help in village administration. There was also the introduction of a Local Board at the subdivisional level and a Union Committee at the level of a cluster of villages referred to as Talukas. This resolution is considered the first formalisation of local self-governance in Bengal. In the year 1882 Lord Ripon, legally institutionalized the structure with the Local Self Government Act of 1885.

Post 1st World War, Britain faced immense pressure in its colonies, the most from India. The Bengal partition and its fallout a decade ago left a bitter taste for people who believed that Bengal would be the core of British India. The new administration thus started with reforming the rural areas first.

The Bengal Village Self Government Act 1919 was passed in the provincial council to develop a system of self-government at the village level. The following changes were brought under the aforementioned Act.

- a. District Board remained the same but the Local Board was abolished and the Union Committee and Chaukidari Panchayat were clubbed together to form the Union Board.
- b. The district was to be divided by notification into local areas to be a Union under the Act and the State is to establish a Union Board for every union.
- c. The number of members on the Board was between 6 and 9 but the electorate was only a certain category of the citizen based on their land ownership and educational qualification.
- d. The Union Board had several duties and powers, some of which are quite similar to those of the Gram Panchayats at present. The Union Board could impose a union rate on buildings as per the assessment to be prescribed and had a Union Fund.

- e. There was the provision of establishing a Union Bench to try certain petty criminal offences and a Union Court for trying certain petty civil suits in every Union.
- f. The Commissioner of the Division had the power to dissolve the Union Board after considering the views of the District Magistrates and District Board if the Union Board was not competent to perform.
- g. The District Magistrate or the District Board may issue an order in writing to suspend or execute the order or dissolve the union board.

Though meant to provide more autonomy to the villages and further developmental mechanisms in the villages, the act, in reality, became a weapon to keep the villages in check with little or no authority over the people whose lives would be transformed under the new act.

It was only after 1947, that the panchayat system was revived to become what it was expected to function as. The main impetus behind this was Mahatma Gandhi's emphasis on village centric state with panchayat becoming the backbone of the newly independent nation. The rural government, therefore, returned to focus again.

The constitution which became the source of all power in the country was the first to enshrine this facet of local rural governance. The Constitution mandated reviving the Panchayati system in the country with the introduction of Article 40. Under the Directive Principles of the State policy, it was explicitly stated that- "the State shall take steps to organise village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government".

Despite this explicit mention and making the state's duty bound the inability of the constitution to enforce the same led to the failure of policy implementation. There was no initiative to form Panchayats by any State after independence. Instead of the Panchayati system, the government shifted its focus to community development projects. On Gandhi's birth anniversary, 2nd October 1952 community development schemes took full measure and Community Development Blocks were established (which are the precursor of the Block Development Offices). Though formulated to provide developmental impetus to communities at a local level, it didn't address the basic demands of people at the rural level as communities weren't as cohesive due to the inadequacy of the system that was still recuperating from colonisation. The rampant illiteracy, malnutrition, weakness of institutions, and a population still reeling from socio-economic backwardness halted the efficacy of the community development based on Blocks.

To assess the effectiveness of the Community Development programme a committee was appointed under the chairmanship of Mr Balwant Rai Mehta in the year 1957. The Committee recommended in its report that the non-involvement of the local people made community development projects ineffective as the demands of the people and the response of the authorities didn't align. On the

recommendation of the Committee Panchayats were to be constituted in different states. The responsibility of this formulation was given to state governments as local governance came under the State list and required proper state legislatures to pass a bill for that purpose. As the reports were published, the mandated Panchayat Acts were passed in different states.

The West Bengal Panchayat Act of 1957 was passed for establishing Panchayats in the state. The Act made one drastic change to the recommendations provided by the Balwant Rai Mehta Committee as the state legislature recommended the constitution of four-tier bodies by splitting the earlier Union Board into Gram Panchayat and Anchal Parishad, whereas the committee had suggested a 3 tier Panchayati system. The sarpanch was replaced by an adhyakshya with assistance from a upadhyakshya. The 4 tiers were-

- A. Gram panchayats.
- B. Gram sabhas.
- C. Anchal parishad.
- D. Nyaya panchayats,

In 1963 West Bengal Zilla Parishad Act was passed to replace the District Board with Zilla Parishad and provided for the constitution of Anchal Parishad at the block level. The system never took root because of many reasons in the state, some of which included a lack of political will resulting in the little assignment of responsibilities, tumultuous state politics and unstable governments, stagnation or slow flow of funds to those bodies and above all the Naxalite movements that created political unrest during the period. Ultimately, all the representatives of 15 Zilla Parishads and 315 Anchal Parishads were removed in the year 1969 and Administrators were engaged by the government to centralise the system. This initiative in effect ended all forms of democratic aspirations the people had in rural areas. All those local bodies remained under the Administrators till the election was held in the year 1977. It was with the coming of the Left Front government, that a new panchayat policy was implemented that in time became the benchmark of local governance throughout the country.

2.4. LOCAL SELF-GOVERNMENT IN BENGAL POST-1973

It was in 1978 that the newly elected Left Front government passed the West Bengal Panchayati Act 1978 and held elections for the local bodies the same year. A three-tier Panchayat system was envisaged in the West Bengal Panchayat Act 1973, which came into force in June 1978 when the first general election for the Zilla Parishads (ZPs), Panchayat Samitis (PSs) and Gram Panchayats (GPs) was held. This system became the standard for rural governance throughout the state with proper decentralization of both responsibilities and powers to the local bodies. The features of the new Act were-

- i) Members will be elected directly for each tier from respective constituencies based on the universal adult franchise ideal.
- ii) Candidates may contest elections with their party symbol as well as independent to be determined by the State Election Commission.
- iii) The members will elect their Chairperson and Vice-Chairpersons for each Panchayat – to be called Pradhan and Upa-pradhan for the Gram Panchayat; Sabhapati and SahaSabhapati for the Panchayat Samitis and Sabhadhipati and SahaSabhadhipati for the Zila Parishads.
- iv) Vertical division of power was made by assigning different duties and responsibilities to different tiers of Panchayats. No form of overlapping would be allowed to create problems in distributing welfare to the people.
- v) Within each tier responsibility was divided among various Standing Committees called Sthayi committees for Zila Parishads and Panchayat Samitis and Upa Samitis for gram panchayats to deal with different subjects.
- vi) There has to be an election after every five years.
- vii) Direct accountability to the people at the Gram Sansad level for ensuring their participation in the functioning of the Gram Panchayat.

1978 elections set a precedent for all future elections in the state. The regular elections held and the stable functioning of the institutions upheld the ideal of local governance and decentralized development. The success of the experiment was upheld by the 73rd and 74th Amendments in 1992, which formalised local governance structures throughout the country based on the West Bengal model. The model hasn't only been sustained but has been of great help in strengthening the democratic culture of the country and providing people at the periphery an opportunity to be part of their developmental policy formulation with the help of their people.

2.5. CONCLUSION

The colonial rulers though extrapolated a lot from our country while exploiting it on an unprecedented scale, did provide certain basic structures for us to function which later became blueprints for our present structures. India was an agricultural-dependent country and rural areas were far greater in area than urban or semi-urban ones, making rural governance a key area of focus for the British. Rural local governance had been one of the most aspirational projects of independent India. a dream of Mahatma Gandhi that remained unfulfilled due to the problems of being a post-colonial state. The two committees tried their part in bringing a positive change to the system but systematic problems hindered their capabilities. West Bengal till 1978 had the same set of problems and even aggravated the problem by adding one extra structure to the recommendations which never materialised.

West Bengal has been one of the pillars of political stability in the post-independent period of India. The 34-year Left Front government was one of the longest stints by any government. Many experts

attribute this success to the government's land reform policies and Panchayati system upgradation. What is central to this argument is the political as well as governmental impetus provided to the demands of the people as well as communities regarding local governance empowering the masses residing in the rural areas. The Panchayati system provided governance at a grassroots level to the people who had limited or no scope for being part of their development narrative.

2.6. SUMMARY

- Indian democracy has been strengthened due to the inclusion of local governance in its mechanism making it people-oriented and helping foster a narrative of inclusive development irrespective of rural-urban bias.
- Though in the early years of post-independent India, the country faced various problems in realising its goal of providing a decentralised Panchayati system to address the problems of the people at the periphery, but through subsequent trial and error and efficient policy formulation it has reached a position where its rural governance is one of the most stable structures of its polity.
- West Bengal till 1973 had faced the same problems that plagued the other states and hindered the process of formulating local governance structures for the people. But in 1978 the 3-tier Panchayati system was formalised and it became the go-to model for other states to emulate.
- The 73rd and 74th amendments have only doubled the reputation of the Bengal model when local rural governance is discussed.

2.7. KEYWORDS

1. **Post-Colonial country-** Any country that has achieved independence after being under the political domination of another country is called a post-colonial.
2. **Grassroots-** institutions that seek to address the problems of people at a micro level where the gap between the institutions and the people they serve is very low and the grievance redressal mechanism is people-oriented.
3. **Agrarian-** related to agriculture especially an economy that is based on agricultural production forces.
4. **Resolution-** A resolution is a formal statement of opinion or a decision to take an action. In judicial proceedings, "resolution" means a judgment or decision of the court.
5. **District magistrate-** District Magistrate means the Head of the Revenue Administration at the District level whether designated as Deputy Commissioner or Collector. A remnant of colonial administration, it still plays a very important part in local governance.

2.8. MODEL QUESTIONS

Short questions

- Which government implemented for the first time a proper 3-tier Panchayati system and in which year?
- What were the suggestions of the West Bengal Panchayat Act of 1957?
- What changes were brought in the constitution of India in 1993 regarding local self-governance?

Medium questions

- What are the institutions created under the West Bengal Panchayat Act of 1978 in the state of West Bengal?
- How did the 1978 West Bengal Panchayati Act change the face of rural governance in the state of West Bengal?
- Decentralised democracy is enhanced by a stable Panchayati system. Explain?

Long questions

- Explain the various facets of the Bengal Village Self Government Act 1919?
- Write in detail about the West Bengal Panchayati Act of 1957?
- Discuss the historical contribution of our colonial rulers to local rural governance in India?

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UNIT 3 WEST BENGAL PANCHAYAT ACT 1973: BASIC FEATURES

STRUCTURE

- 3.1. Learning Objectives**
- 3.2. Introduction**
- 3.3. West Bengal Panchayat Act 1973**
- 3.4. Features of West Bengal Panchayat Act 1973**
- 3.5. Conclusion**
- 3.6. Summary**
- 3.7. Key words**
- 3.8. Model questions**
- 3.9. References**

3.1. LEARNING OBJECTIVES

In this unit, one would learn the following

- The details of the West Bengal Panchayat Act of 1973
- How the West Bengal Panchayat Act of 1973 changed the Panchayati system in West Bengal
- The systematic changes ushered in by the act for the future of Panchayati raj.

3.2. INTRODUCTION

West Bengal since the times of British India has been a politically tumultuous area despite Kolkata serving as the capital of the colony for years. The partition of the province in the early 1900s only aggravated the situation in the region which led to the population going against the colonial masters and providing a renewed impetus to the independence movement. Though the leadership of the movement came from the cities and suburban areas, the active participatory section of the movement was from the villages. Active organisation amongst the people in the rural areas was therefore a strong factor in Bengal politics. The province saw permanent partition after 1947 when it was divided along communal lines. The part that remained in India was thus ascribed West Bengal, whereas the divided

part first became East Pakistan and then got independence as Bangladesh. West Bengal as one of the most agriculturally dependent states of the country tried to chart its own course in the post-independent era.

The Panchayati system that existed was kept intact and was brought up for reconsideration by the central government after the first general election was done. The Balwant Rai Mehta Committee was the first one to be appointed to look into possible changes for modern India's Panchayati needs. The committee was the first to suggest a 3-tier Panchayati system for the states. Disregarding the recommendations, the West Bengal model adopted a 4-tier system which wasn't up to the needs of the state. The political instability unleashed post-1967 led to more problems than solutions both at the state and in the centre. The country had lost 2 stalwart Prime ministers in quick succession in the form of Jawaharlal Nehru and Lal Bahadur Shastri whereas the state of West Bengal was facing political instability since the demise of Bidhan Chandra Ray with successive Congress governments being internally conflicted which led to the rise of the United Front in the state under the leadership of Ajoy Mukherjee from Bangla Congress supported by the communist parties. The antithetical forces of an ex-Congressman leading a government by communists didn't help the cause of the state. The Naxalite movement brewing in the hills of North Bengal complicated the scenario even further. Amidst all these developments, rural governance was not focussed upon by any government, eroding the democratic ethos the Balwant Rai Mehta committee had wanted the rural areas to usher in. The continuation of the 1957 Act thus stayed on until Indira Gandhi reined in the instability at the centre and Siddhartha Shankar Ray at the state curbed the insurgency in the state with an iron hand.

After disrupted governments and 2 terms of President's rule, it was in 1972 that the state went for elections. The Congress (R) of the Indira Gandhi faction with the Communist Party of India defeated the Left Front comprehensively. The opposition boycotted the assembly proceedings on charges of widespread rigging in the recently held elections. In a bid to revamp the system out of its lethargy, the assembly introduced several new laws. In 1973 the West Bengal legislative assembly brought a revamped Panchayat Act titled the West Bengal Panchayat Act 1973. The aim was to demilitarize the rural areas that have been radicalised under the influence of the Naxalites. To achieve the aforementioned, aim a new structure needed to be created in the rural areas empowering the populace with democratic ideals. The administration was to be made responsible to the people and create order in society. The Act of 1973 was, therefore, directed with a 2 pronged approach- firstly to stabilize the rural countryside by providing their own means of developmentalism and secondly to bring the administration in close quarters with the people they were supposed to be answerable to.

3.3. WEST BENGAL PANCHAYAT ACT 1973

The West Bengal Panchayat Act of 1973 was introduced to reorganize, strengthen and expand the activities of Panchayats in rural areas of West Bengal. The goal was to enable them to act as units of self-government and strive for socioeconomic development and secure social justice for the people.

The Act begins with the naming of the act as the West Bengal Panchayat Act 1973. Uniquely before stating any rules related to the Panchayati raj system, the act stated where the act won't be applied. This was unprecedented as the exclusivity of focus was on the rural front rather than the urban and thus distinctions were made from the start. The Act was to be extended to the whole of West Bengal, except the areas which were to be under the provisions of the following laws. These included –

- Calcutta Municipal Act, 1951- Areas that were under the purview of the Kolkata Municipal corporation were to be kept out of the act as the area was under municipal jurisdiction. The metropolitan area of Kolkata, therefore, wasn't to be made part of the act of 1973. The adjacent suburban areas in the districts of 24 Parganas such as Cossipore and Jadavpur were also taken out of the Act of 1973 which later became part of the Municipal jurisdiction.
- Howrah Municipal Act, 1965- Areas under the Howrah municipal corporation were kept out of the act as Howrah was a municipal zone as well. The historically industrial nature of the district was provided as an argument to keep the district out of the Panchayat act, though with later amendments certain areas within the district were brought under the Panchayat Act of 1973 to demarcate zones between municipal control and rural governance control.
- Bengal Municipal Act, 1932- The areas that were demarcated as municipalities with lesser number of seats by the British were also kept out of the Act of 1973 as that would have required changing the existing Municipal Act in the state. Through amendments, this Act was made more responsive to the demands of the existing populace bringing down colonial legacies in the state.
- Cooch Behar Town Committee Act, 1903- The Cooch Behar Town being the northernmost end of the state was kept out of the act due to 2 reasons. Firstly, the area was historically volatile due to the rajbangshi problem of the native population with the erstwhile rulers and secondly, the area had faced huge pressure in the days of the 1971 war leading to an increase in Bangladeshi migration to the area. The area thus was to be kept out of the Act's purview to maintain the status quo.
- Chandernagore Municipal Act, 1955- Chandernagore had the unique feature of being a French colony in Bengal while the entire province was British-dominated. The area was therefore planned differently than the British colonial structure and thus required a different set of plans post-independence. The areas under the Chandernagore Municipal Act were drawn up to meet this end and therefore remained untouched by the 1973 Panchayat Act.

- Cantonments Act, 1924- Army Cantonments are different from usual military stations in India as cantonments have both military as well as civil administrators at their helm. The cantonment is under the jurisdiction of a Chief Executive Officer who is an officer of the Indian Defence Estates Service cadre of Civil Services and works under the administrative control of the Director General, Defence Estates, Govt. of India, Ministry of Defence. The area, therefore, cannot be brought under state jurisdiction which was one of the features of the Panchayat Act of 1973.

3.4.FEATURES OF THE WEST BENGAL PANCHAYAT ACT OF 1973

- For every Gram the State Government shall constitute a Gram Panchayat bearing the name of the Gram.
- Persons whose names are included in the electoral roll of the West Bengal Legislative Assembly for the time being in force pertaining to the area comprised in the Gram, shall elect by secret ballot a Gram panchayat.
- The members of a Gram Panchayat shall, subject to the provisions of the Act hold office for a period of four years beginning from the date of its first meeting.
- Every Gram Panchayat shall, at its first meeting at which a quorum is present, elect, in the prescribed manner, one of its members to be the Pradhan and another member to be the Upa-Pradhan of the Gram Panchayat. The Pradhan and the Upa-Pradhan shall continue as members who hold office for a period of four years. A Pradhan or an Upa-Pradhan of a Gram Panchayat may, at any time, be removed from office by a resolution of the Gram Panchayat carried by the majority of the existing members of the Gram Panchayat at a meeting specially convened for the purpose.
- Every Gram Panchayat shall hold a meeting at least once a month at such time and at such place within the local limits of the Gram. All questions coming before a Gram Panchayat shall be decided by a majority of votes: Provided that in case of equality of votes, the person presiding shall have a second or casting vote.
- A list of the business to be transacted at every meeting of a List of Gram Panchayat except at an adjourned meeting, shall be sent to each business to be transacted member of the Gram Panchayat in the manner prescribed at least seven days before the time fixed.
- The Gram Panchayat shall prepare in the prescribed manner Report on the work of a report on the work done during the previous year and the work proposed Gm ra to be done during the following year and submit it to the prescribed Panchayat. authority and to the Panchayat Samiti concerned within the prescribed time.
- The duties of a Gram Panchayat shall be to provide within the area under its jurisdiction for—

- (a) sanitation, conservancy and drainage and the prevention of public nuisances;
 - (b) curative and preventive measures in respect of malaria, smallpox, cholera or any other epidemic
 - (c) supply of drinking water and the cleansing and disinfecting of the sources of supply and storage of water;
 - (d) the maintenance, repair and construction of public streets and protection there.
 - (e) the removal of encroachments of public streets or public places.
 - (f) the protection and repair of buildings or other property vested in it
 - (g) the management and care of public tanks, subject to the provisions of the common grazing grounds, burning ghats, and graveyards.
 - (h) the supply of any local information which the District Magistrate, the Zilla Parishad or the Panchayat Samiti within the local limits of whose jurisdiction the Gram Panchayat is situated, may require.
 - (i) organising voluntary labour for community works and works for the upliftment of its area.
 - (j) the control and administration of the Gram Panchayat Fund.
 - (k) the imposition, assessment and collection of the taxes, rates or fees leviable under the 1973 Act.
- For general watch and ward, prevention of crime, protection of life and property and discharging all functions within the local limits of the jurisdiction of a Gram Panchayat every Gram Panchayat shall, unless otherwise directed or other provisions are made by the State Government, maintain under its control the such number of Dafadars and Chowkidars.
 - Every Gram Panchayat shall, if authorised by the State Government by notification to do so, constitute a Nyaya Panchayat, consisting of five members, to be called Vicharaks, elected by people whose names are included in the electoral roll of the West Bengal Legislative Assembly for the time being in force pertaining to the area comprised in the Gram, other than a person who is a member of any Gram Panchayat, Panchayat Samiti or Zilla Parishad. Every Nyaya Panchayat shall elect at such time and in such manner as may be prescribed one of its members to be called Pradhan Vicharak to preside over its sittings. The term of office of a

member of Nyaya Panchayat shall be four years from the date of the notification. The Secretary to the Gram Panchayat shall act as the Secretary to the Nyaya Panchayat for the purpose of keeping the records of its proceedings and decisions.

- For every Block the State Government shall constitute a Panchayat Samiti bearing the name of the Block. The members of the samiti will be Pradhans of the Gram Panchayats within the Block, members of the House of the People and the Legislative Assembly of the State elected thereto from a constituency comprising the Block, such number of persons not exceeding three as may be prescribed to be elected from each Gram within the Block. Every Panchayat Samiti shall, at its first meeting at which a quorum is present, elect, in the prescribed manner, one of its members to be the Sabhapati and another member to be the Sahakari Sabhapati of the Panchayat Samiti for a term of 4 years.
- A Panchayat Samiti shall have the following Sthayee Samitis, namely: —
 - (i) Artha o Sanstha Sthayee Samiti. (Finance and institutional)
 - (ii) Janasasthya Sthayee, Samiti. (Public health)
 - (iii) Purta Karya Sthayee Samiti. (Public works department)
 - (iv) Krishi Sech o Samabaya Sthayee Samiti. (Agriculture and irrigation)
 - (v) Shiksha Sthayee Samiti. (Education)
 - (vi) Khudra Silpa. (Cottage industry)
 - (vii) Tran o Janakalyan Sthayee Samiti. (Rescue and public welfare)
 - (viii) Any such other Sthayee Samiti or Samitis as the Panchayat Samiti may, subject to the approval of the State Government, constitute.
- A Panchayat Samiti shall have the power to acquire, hold and dispose of property and to enter into contracts. Provided that in all cases of acquisition or disposal of immovable property, the Panchayat Samiti shall obtain the previous approval of the State Government.
- For every district the State Government shall constitute a Zilla Parishad bearing the name of the district. The Zilla Parishad shall consist of the following members, namely: —
 - (i) Sabhapatis of the Panchayat Samitis within the district.
 - (ii) two persons, one from each of two such constituencies comprised in the Block within the district as may be specified by notification, elected by secret ballot.
 - (iii) members of the House of the People or the Legislative Assembly of the State elected thereto from a constituency comprising the district or any part thereof, not being Ministers.
 - (iv) members of the Council of States not being Ministers, having a place of residence in the district.

- The functions of the Zila Parishad include-
 - (i) undertake schemes or adopt measures, including the giving of financial assistance, relating to the development of agriculture, livestock, industries, the co-operative movement, rural credit, water supply, irrigation, public health and sanitation including the establishment of dispensaries and hospitals, communications, primary, secondary and adult education including the welfare of students, social welfare and other objects of general public utility.
 - (ii) undertake the execution of any scheme, the performance of any act, or management of any institution or organisation entrusted to it by the State Government or any other authority,
 - (iii) manage or maintain any work of public utility or any institution vested in it or under its control and management,
 - (iv) make grants in aid of any school, public library, public institution or public welfare organisation within the district,
 - (v) contribute such sums as may be agreed upon towards the cost of maintenance of any institutions, situated outside the district, which are beneficial to, and habitually used by, the inhabitants of the district.

3.5. CONCLUSION

The Indian experiment with Panchayati raj has gone through various trials over the years since independence. The constant feature of Indian villages since the ancient age, it has developed into a democratic mechanism to meet the demands of the rural population. The gram sabha and the gram panchayat together have contributed to ushering in development in the countryside. After the 73rd Amendment to the Indian Constitution, Panchayati Raj System has become a permanent feature of the Indian administration bridging the gap between the rural populace and the administration. The amendment instituted the third tier in the federal system after the union and the states to cater to the populace in a more decentralized manner. Village-level democracy became a real prospect for India after 1992 with the 73rd amendment to the Constitution. This act created new provisions for the creation of village resources and initiate capacity-building measures for developmental initiatives. The 73rd Amendment Act has legally mandated that resources, responsibility and decision-making be devolved from the central government to the lowest unit of governance in the local rural governance structure. The Gram Sabha or the Village Assembly. A three-tier structure of local self-government was envisaged under this amendment and inspired by the West Bengal Panchayat Act of 1978 was made mandatory in all states. The nationwide impact that this created was to be felt in the coming years and continues to be felt. The states that were once reluctant to bring about local rural governments into existence and empower them were forced to initiate reforms based on the 73rd Amendment. After the

enactment of laws based on the Act, almost all states have constituted State Finance Commission to provide requisite economic support to the local government institutions and policies for the development of rural folk. Though major criticisms remain regarding the inability of the Finance Commission to initiate major funding reforms and the fact that their recommendations are being poorly implemented by many state governments, changes have been brought in that have complimented the state's rural policies as well as centre's policies to make decentralized democracy a fully functional feature of the states'. A large number of women, Scheduled Caste and Scheduled Tribe have been elected to these bodies and a tradition of justice and gender equality in political representation has been widely established because of the introduction of Panchayati raj institutions.

West Bengal has distinguished itself from the other states of India by its radical politics related to rural issues especially linked to land, land ownership, exploitation and counter-exploitative measures. The state witnessed peasant uprisings like the Tebhaga and Naxalbari movements which were centred around rural dissatisfaction due to rampant exploitation of the toiling masses. In the 1960's West Bengal proved the most chaotic state in India, with unstable governments formed under political opportunism, discontent with land-related issues, active communist militancy and bouts of President's rule. The elections of 1972 aimed at bringing peace to the state and under the able leadership of Siddhartha Shankar Ray the West Bengal Assembly brought in major changes. The West Bengal Panchayat Act of 1973 was a major move as it aimed to change the status quo in the rural countryside in the state for the first time since independence. Though with good intentions and administrative adept, the act wasn't able to bring in the changes expected of it due to various reasons. The moves brought in to rein in the chaos in the state weren't up to the task and the government became infamous for being heavy-handed in its approach to its own populace. It was only in 1977 when Left Front attained power in Bengal that the resurgence of localised democratic institutions got a new lease of life. Under the new government, new initiatives were introduced and a proper democratic 3-tier system was put in place. The idea of 'Party less Democracy' was rejected and almost all the mainstream political parties contested the panchayat elections along with independents and small local parties as well for the first time in 1978 under the new act. The Left-front Government cruised to a landslide victory in that election throughout the state. In the state of West Bengal, gram panchayats act as major institutions for directing local developmental initiatives. These have been increasingly contested and elected along party lines. Competitive mobilization has become a key feature of local rural governance and therefore has been a dynamic feature of the politics of the state of West Bengal. The discourse of the panchayat system in West Bengal has remained an intriguing domain of research in the field of public administration even after almost seventy years of independence with its tumultuous history of fixing rural local government, the likes of which were incorporated in the Indian constitution to strengthen the 73rd Amendment.

3.6. SUMMARY

- West Bengal has been the cornerstone of an efficient Panchayati raj system being functional in an Indian state despite facing problems earlier in its goal to provide a working mechanism for local rural governance.
- Notwithstanding the tumultuous era of the 1960s, the 1970s was the decade when local rural governance took root in the state with the Panchayat Acts of 1973 and 1978. The introduction of the act made government policies within the reach of the people at rural areas with representation from their own people made through direct democracy at the gram level.
- Under the West Bengal Panchayati Act of 1973, a number of new institutions were brought to the local governance structure such as gram panchayat, gram samiti, nyaya panchayat, sthayee samitis and the zila parishad.
- The 1973 and 1978 Acts provided the basic structure to the 1992 73rd Amendment to bring a holistic local rural government structure all over the country. This provided more accessibility, accountability and empowerment mechanisms to the people in rural areas to initiate local development.

3.7. KEYWORDS

1. Demilitarize- To demilitarize is to remove all armed forces from an area be it legal forces or illegal ones, it also means removing instability from the area and making it governable.

2. Panchayati Raj- the system of rural governance that exists in India where local rural governance is centred around people's demands and institutions to make it more accessible to the peripheral areas of the country. This system exists as the 3rd tier of governance in India established under the 73rd Amendment Act of the Indian Constitution.

3. Party-less democracy- a system of political competition where people engage as independent candidates instead of being members or representatives of a party. This system is helpful in local governance areas to lessen political conflict.

4. Cantonments- A cantonment is either a building or an area where soldiers live. (in South Asia) a part of a town that is used for military purposes, especially one that was originally developed by the British. Places involved in military activity.

5. Finance Commission-The Finance Commissions are commissions that are periodically constituted by the President of India under Article 280 of the Indian Constitution to define the financial relations between the central government of India and the individual state governments.

3.8. MODEL QUESTIONS

Short questions

- Which areas were exempted from the West Bengal Panchayati Act of 1973?

- State the reasons behind instability in West Bengal in the 1960s?
- Give the political background for the 1972 elections in West Bengal?

Medium questions

- Mention the units created under the West Bengal Panchayati Act of 1973 for Panchayati raj in West Bengal?
- What changes came in 1977 to West Bengal politics that empowered local rural institutions in the state?
- The 1973 Panchayat Act introduced a new set of office bearers in the Panchayati system. Mention the top two officials of every institution, their terms and functions?

Long questions

- Explain the main features of the West Bengal Panchayati Act of 1973?
- How does the Panchayati raj system seeks to empower the people at the lowest strata of the system?
- Decentralisation of administration has enhanced the accessibility of government schemes to the people in the countryside. Explain in perspective with the West Bengal Panchayati Act of 1973.

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UNIT 4 GRAM SAMSAD

STRUCTURE

- 4.1. Learning Objectives**
- 4.2. Introduction**
- 4.3. Gram samsad**
- 4.4. Features of gram samsad**
- 4.5. Conclusion**
- 4.6. Summary**
- 4.7. Key words**
- 4.8. Model questions**
- 4.9. References**

4.1. LEARNING OBJECTIVES

In this unit, you will learn about-

- How the panchayat system in West Bengal laid the groundwork for Panchayati raj institutions in the country.
- The role and functions of the Gram sansad in the local rural governance structure.
- The activities that are undertaken by the gram sansad for village development.
- The importance of local rural institutions in developing the lives of the people in the Indian countryside.

4.2. INTRODUCTION

In the Indian federal structure, governance isn't what is usually referred to as in western countries. The scientific approach associated with the western models of governance isn't reflected in the Indian scenario. The Indian model is more subjective and people-oriented and thus differentiated vastly over the states both in policy formulation and policy implementation. The institutional nature of governance in India is determined according to the realities of the states in which the institutions function and seek to serve the people's aspirations. Public administration in India is a decentralized system where every stratum of the society is to be provided with an ample number of opportunities for its development with focused attention on the differentiated needs of the people based on different interconnected factors. The sheer enormity of the territory combined with the 2nd largest population on earth with diversities unparalleled in comparison makes the situation in the country very complex. The institutions that serve the cause of the people both at the state and the centre are provided with requisite autonomy for efficient functioning and at the same time are grounded in interdependencies with other institutions as well. Most theorists refer to India as a quasi-federal state. India as a state is a country where there is a separation of powers between the constitutive units and the central government mandated by the Indian constitution. The system though inclined slightly towards the union government has been successful in providing opportunities to the states in charting an independent course in search of development. In this process, the union government has boldly supported the states in all manners possible. Despite this, there have been problems in striking a balance between governance and development. The early years of independence were an era of experimentation with different models of development for the villages. Two committees were assigned the task of rejuvenating the Panchayati system but due to many problems, both were rendered ineffective. It was only in 1992 with the Constitution incorporating the Seventy-third Amendment Act, 1992 that conferred on the panchayats in the rural areas the recognition of the institution of self-government where we see structural changes brought in as institutional laws to revamp local governance permanently. After laws were drawn up at the union level the then central government in coordination with the State Governments were advised to make necessary laws for endowing the panchayats with appropriate powers, authority and responsibilities. These powers and responsibilities based on constitutional authority were provided under Article 243G of the Constitution. The provisions incorporated in Article 243G along with the matters listed in the Eleventh Schedule reflect the change in approach in Indian administration. Under the aforementioned article, a shift was incorporated in public governance. The source of power both political and economic was transferred from the National capital or the State headquarters to the level where people needed a direct connection with the administrative mechanism. This was in response to the crisis of governance which was widespread in the country. The associated apathy and insensitivity of the administrative units toward the lower levels of governance were to be quelled with the introduction of decentralised governance.

The Seventy-Third Amendment provided hope to all the villages of the country that they would be brought in to be judges and executors of their development and in reality, they would be responsible for bringing in a positive change in their lives by means of political and economic empowerment. It is also a fact that the changes brought in by the amendment didn't have the immediate effects that were expected. The years of dormancy required a radical upheaval which was not provided with the amendment. The constitutional amendment was successful in providing certain bare minimums required for political upliftment such as the assured existence of the panchayat institutions, regular election to the panchayat bodies, and obligatory reservation of seats for the people from the scheduled castes, scheduled tribes and women. But in terms of real progress towards decentralised governance, the road has been more patchy than smooth. The reasons behind this are many but if all the problems can be brought down to one central flaw, then it can be attributed to inadequate devolution in respect of funds, functions and functionaries.

West Bengal as a state has been an exception to this trend among all the Indian states. Being an agriculturally dominant state, the governments of 1972 and 1977 had taken the step to bring in major changes to empower the countryside with consecutive West Bengal Panchayat Acts of 1973 and 1978. The goal of these acts was to establish a strong local rural government in the villages that would answer the needs of the people. The gram panchayat, gram sabha, Nyaya panchayat, gram sansad, sthayee committees, Zila parishad and later the gram unnayan samitis were to become the cornerstone of a successful local governance model in the state.

4.3. GRAM SAMSAD

With the passage of the Seventy-Third Amendment Act, of 1992, the panchayats in rural areas were conceived as institutions for local governance. Twenty-nine subjects listed under the Eleventh Schedule are earmarked by the Constitution for their act. Governance at the local level becomes a critical issue for people associated with the rural economy. This becomes even more crucial to the states that are agriculture dependent with a considerable population.

The state of West Bengal in a majoritarian manner is agriculture-oriented as being geographically located at the end of the fertile Ganga valley. The experiences in West Bengal in this respect are mixed. Though implemented with much fanfare, the early results weren't as expected. Due to newer structures being implemented, it took time to get acclimatized into the system a consequence, adequate services couldn't be extended to the common people by the panchayats at different levels. This was a governance crisis. With time though the system improved. A major reason behind this was also the fact that the 1978 Act was passed by the Left Front government which stayed in power for 34 years. This fact singlehandedly allowed the government to be at the helm of affairs in relation to panchayat reforms. Over the span of many years, the government in West Bengal initiated several reforms over its entire tenure. The 1978 Act not only initiated institutional reforms but brought in

political changes as well. Along with new institutions new powers were provided to the local institutions as well. New areas were brought under the jurisdiction of the village administration. With newer areas, new responsibilities were provided to the administration as well. The state was provided with newer laws to look into the administrative empowerment of the local rural institutions.

4.4. FEATURES OF GRAM SAMSAD

The gram sabha and the gram samsad exist cumulatively as institutions that comprise the whole of the village populace who are eligible voters. The functions though overlapping there are certain similarities as well as differences between the sabha and the samsad as per the laws enacted in West Bengal for the Panchayati system. The salient features of the gram samsad include-

- For people's participation, the State Government incorporated the provisions of meetings of gram sansad and gram sabha respectively through sections 16A and 16B of the West Bengal Panchayat Act 1973.
- Gram Sabha means a body consisting of persons registered in the electoral rolls pertaining to a Gram whereas the Gram Sansad means a body consisting of persons registered at any time in the electoral rolls pertaining to a constituency of a Gram Panchayat delimited for the purpose of last preceding general election to the Gram Panchayat.
- Every Gram Panchayat is expected to hold within the local limits of the Gram an annual and a half-yearly meeting for each Gram Sansad. As the gram sansad consists of all electors of a gram panchayat constituency, it is obligatory on the part of the gram panchayats to convene meetings of gram sansad twice a year under their respective jurisdiction - one in the month of May and another. Though in situations of emergency, the state government can recommend or order an extraordinary session.
- Subsection 6 of section 1 6A of the West Bengal Panchayat Act 1973 clearly lays down that a gram sansad shall guide and advise the gram panchayat with regard to the schemes for economic development and social justice undertaken or proposed to be undertaken in its area and identify or lay down principles for the identification of the schemes which are required to be taken on priority basis for. economic development of the village. These include-
 - A. Identifying and laying down principles for the identification of, the schemes which are required to be taken on a priority basis for the economic development of the village.
 - B. Identifying and laying down principles for the identification of, the beneficiaries of various poverty alleviation programmes.
 - C. The Gram samsad coordinates directly with the gram sabha and the panchayat regarding programmes related to immunization of children, maternal care, contraceptives and menstrual care as well. The focus on women-centric development has been widely adopted in the framework of Panchayati raj since the advent of the 21st century.

- D. Emergency medical situations that require an immediate response is dealt by the samsad in their emergency meetings. This was experienced during the 2020 Covid -19 pandemic when villages were comparatively less affected and were prompt in their response to medical care as local rural institutions were more adept in dealing with the problems in a controlled and coordinated manner.
 - E. Constitute a Gram Unnayan Samiti with a number of functional committees as may be required, in such manner as may be prescribed, having jurisdiction over the area of the Gram Sansad for ensuring active participation of the people in the implementation, maintenance and equitable distribution of benefits.
 - F. Mobilise mass participation in community welfare programmes and programmes for adult education, family welfare and child welfare.
 - G. Promote solidarity and harmony among all sections of the people irrespective of religion, faith, caste, creed or race. In a state with various religions and castes communal and caste based harmony is to be cherished as an ideal which will only enhance people's participation in the local governance of the villages.
- Every resolution adopted in a meeting of a Gram Sansad is to be duly considered by the Gram Panchayat in its meeting and the decisions and actions taken by the Gram Panchayat forming a part of the report under section 18 for the following year.
 - A Gram Panchayat has the power to omit or refuse to act upon any recommendations of a Gram Sansad relating to the prioritization of any list of beneficiaries or scheme or programme so far as it relates to the area of the Gram Sansad.
 - The Gram Sansad has the power to review the performance of the members of the Gram Unnayan Samiti every year in its annual meeting and may renew the membership of the existing members or replace all or any of the members.
 - The Gram Sansad may elect the members by a simple majority determined by raising of hands or by division. The result of the election shall be recorded in a register by the presiding officer appointed by the Gram Panchayat.

The gram samsad has in essence been a body that acts as the mediator, facilitator and improviser of policies while at the same time, it acts as a bridge between the gram panchayat and the gram sabha. It takes up works of local importance that are related to the daily lives of the people of the gram. The West Bengal Panchayat Act of 1973 was revamped in 1978 and 2004 to bring in various changes empowering the grams with more political power as well as management of economic resources.

The Bengal model of panchayat has been acclaimed widely all over the country. The state government by providing more autonomy to the village institutions have empowered the structures to function in a manner conducive to the development of the people. The state finance commission has also played a crucial role in the economic strengthening of the Panchayati system. There have been more

decentralisation in West Bengal with the increase in the number of districts to bring in more force to lower-level institutions in participating in public welfare. The gram samsad has been one of the pioneering institutions to become a stakeholder in village administration and development.

4.5. CONCLUSION

India in the year 2022 is a global powerhouse. As the foremost nation amongst all developing nations India holds a special position because of its achievements not only from the global perspective but also because of a stable internal structure. The credit for this stability goes to the entire structure that has for years answered the needs of the people in a manner that is cohesive with the democratic ethos shared by the founding fathers of the nation. Despite facing various problems India is on course to become a global leader in the coming years. A big contribution to this comes from the various panchayats, gram sabhas, and gram samsads that exist all over the country. These are bridging the gap between the administration core in the cities with the people in need of government help at the periphery.

West Bengal for years has had a dynamic political culture all over the state. Political participation has been quite high in the state irrespective of elections which are considered the basic benchmark to calculate political participation. This phenomenon is mainly attributed to the democratic culture brought in by the Panchayati system which has been the most fervent form of political interaction for people to indulge in grassroots politics. The active participation by various political parties has strengthened the political culture in the state, especially in the rural areas where politics has become the major weapon to achieve power which can then be utilised to initiate development policies for the people. The gram samsad along with the gram sabha and panchayats have been successful in providing this mechanism to the people in order to become participants in their own governance. The ideal of self-governance based on decentralised power relations where the state is only the helping hand for the local institutions instead of being a controlling arm has created newer opportunities for the people to not only become aware of their demands and needs but has empowered them to function and be participants in matters that were once kept out of their purview by higher authorities.

No system is foolproof and without problems. Public administration is an ever-rectifying system where the unit where the constitutive units learn as they implement public policies for the betterment of the people in a feedback loop. The panchayat system in India has been taking a structured way forward since the introduction of the 73rd amendment to help the cause of the people in the countryside. Problems such as financial inadequacy, corruption, political violence, stagnation, defective policy-making as well as implementation and others remain but the system has been able to cater to the needs of the people in a better manner than before and its attempts at further rejuvenation of the same remain on course.

4.6. SUMMARY

- Indian local governance has been revitalised by the introduction of the 73rd Amendment in the year of 1992. Most states post-1992 introduced major reforms to establish Panchayati raj institutions in order to implement the requisite laws.
- West Bengal being an agriculturally dominant state required rural reforms the most. The West Bengal Panchayat Act of 1973 and the West Bengal Panchayat Act of 1978 were introduced to bring in to establish decentralized democratic institutions in the countryside.
- The various institutions introduced under the abovementioned laws were gram panchayat, gram sabha, gram samsad, Nyaya panchayat, Zila parishad, and gram unnayan samiti. The gram samsad became a crucial institution in providing developmental initiatives to the people of the gram. It acted as a potent link between the gram panchayat and the gram sabha.
- The villages in the state of West Bengal have progressed in a great way due to the institutions created to formalise the Panchayati raj system. Public welfare has reached the doorstep of the rural countryside due to the local rural institutions. Issues such as food distribution, healthcare facilities, road management, public resources, and land redistribution have been greatly enhanced due to the gram-centric institutions.

4.7. KEYWORDS

- 1. Corruption-** Any form of a fraudulent act of cheating, or illegal action taken by someone in power or in a position of power to benefit themselves is called corruption.
- 2. Stagnation-** When due to certain reasons public policies aren't implemented in a manner conducive to the goals of public administration leading to disruption of public good, the situation is called stagnation.
- 3. Policymaking-** The process of formulating schemes, programmes and plans to solve matters related to the functioning of a state is called policymaking.
- 4. Feedback loop-** feedback loop is the part of a system in which some portion (or all) of the system's output is used as input for future operations.
- 5. Poverty alleviation programmes-** Poverty Alleviation Programmes aim to reduce the rate of poverty in the country by providing proper access to food, monetary help, and basic essentials to households and families belonging to the below-the-poverty line.

4.8. MODEL QUESTIONS

Short questions

- Under which article of the Indian constitution were laws drawn up to implement the amendments proposed under the 73rd Amendment Act?
- Mention any two functions of the Gram samsad related to the grassroots development of people's health?

- Name the institutions created under the various acts by the West Bengal governments of 1972 and 1977?

Medium questions

- What is the difference between the Gram sabha and the Gram samsad?
- What is the role of the state government in the economic empowerment of the village administration?
- Indian administration has reached the doorstep of its farthest contributor through the 73rd amendment. Write a short note.

Long questions

- Explain the structure of Gram samsad in detail?
- In what ways have the issues of rural people been solved under the institutions of Panchayati raj in India?
- What are the various issues that come under the purview of the gram samsad?
Explain detail

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UNIT 5 GRAM SABHA

STRUCTURE

- 5.1. Learning Objectives**
- 5.2. Introduction**
- 5.3. Gram sabha**
- 5.4. Powers of gram sabha**
- 5.5. Conclusion**
- 5.6. Summary**
- 5.7. Key words**
- 5.8. Model questions**
- 5.9. References**

5.1. LEARNING OBJECTIVES

After studying this unit, you should be able to

- Explain and understand the constitutional significance of the role played by the Gram Sabha.
- Analyse the functioning of Gram Sabhas in Indian villages.
- Understand the role Gram Sabhas plays in decentralised development.

- Gram sabhas' powers in empowering the rural population

5.2. INTRODUCTION

Democracy has come a long way from being called the worst form of government by Aristotle to being the benchmark of good governance in the modern day. What democracy stands for today can be brought down to Abraham Lincoln's famous phrase 'government for the people, by the people and of the people'. As a system of rule, it is now the most followed method all around the globe. Countries today are either democracy of some form or the other aspiring for the same. The centrality of the concept is being responsive to people at all levels without any form of discrimination. India is the largest democracy in the world and with its huge population is responsible for upholding its democratic ideal in the widest sense possible. This is reflected in the process where the populace after every 5 years votes for the formation of the government at the State or the Centre. To address the huge and diverse population of India only 2 levels of government are not enough. To reach people at the lower levels present in rural areas a third tier was added in 1992 with the 73rd and 74th amendments to the constitution. This in reality brought more accountability, efficiency and dynamism to local governance and enables the people so they could be closely associated with the decision-making process at the grassroots level. This system is called the Panchayati raj system and makes the core of the decentralised democratic governance mechanism in the country.

The Indian village in most languages is called a gram. The Gram can be used to denote any rural cluster of people cohabiting together. While focussing on the Indian Constitution, it can be ascertained that the gram has been conceptualised as a self-sufficient entity of rural life in a social-political as well as an economic relationship. The institution that has been given the responsibility to administer these aspects has traditionally been called a panchayat. The panchayat in earlier times was a council of elderly propertied men making decisions about the village and its members. Though certain remnants of this system can be found in many areas, the modern-day panchayat after the 73rd Amendment has become an elected, democratic entity.

The panchayat though is the institution that looks after the functioning of the village, it is only effective with the inclusion of the populace over which it governs. The populace is therefore conceptualised as the Gram Sabha. The Gram Sabha comprises all adult citizens residing in a village. The Constitution gives specific importance to this institution as it in its entirety (in any and every village) embodies the fullest expression of true grassroots-based decentralized democracy. As the basic unit of direct democracy, a Gram Sabha not only elects the Gram Panchayat but also monitors its actions. The Indian experiment with local governance in rural areas has been considered a success beyond expectations in answering to the requirements and aspirations of the people and the major contribution to this success has been the efficiency with which gram sabhas have helped panchayats in creating people-oriented mechanisms for the development of the population of the village. As the only

institution with direct democracy in India, the Gram sabha has been one of the standout performers in terms of public institutions. Various states through their laws and policies have further empowered Gram Sabhas to take on some administrative functions as well. Further, the Panchayats (Extension to Scheduled Areas) Act (PESA) confers significantly greater powers on Gram Sabhas in Scheduled Areas and made them more efficient in dealing with matters of localised nature. This in a way has lessened the burden of the district and state administration in dealing with the issues of villages and empowers the local people to actively deal with problems that are intrinsically related to them. Gram sabha with the panchayat has become the centrepiece of rural governance in India making development accessible to the people at the lowest levels and empowering democratic ethos and maintaining political stability.

5.3. GRAM SABHA

Though Indian democracy is centred around representative democratic formulations favouring a parliamentary superiority both at the states and the centre, the only form of direct democracy present in the country is existing in the Gram Sabha which is the basic unit of direct democracy present in the villages. The 73rd constitutional amendment was introduced to provide people with a choice in their governance at the rural level and the target was to reach the maximum number of people and create a cumulative decision-making body that would be responsible for cohesive decision-making as well as monitoring various people-centric projects at the village level.

Gram sabha as an institution plays a very important as it gives an opportunity to the people to have an opinion in the decision-making process of the village. It empowers each and every voter of the Gram Panchayat to take part in decision-making, planning and development of the gram and help in maximizing public participation in local governance. Constitutionally the Gram Sabha is a mandated body that is to be kept in synergy with all other institutions in rural local governance. Following constitutional mandates, the following can be said to be defining characteristics of Gram Sabha-

- Article 243(b) Gram Sabha can be defined as a body of persons registered in the electoral rolls relating to a village comprised within the area of panchayat at the village level. Article 243A states that a Gram Sabha may exercise such powers and perform such functions at the village level as the legislature of the State may by law provide.
- Article 243(9) defines ‘village’ to mean a village specified by the Governor by public notification to be a village for the purposes of Part IX and includes a group of villages so specified. This definition permits the Governor to declare any populated rural area as a village.
- The demarcation of a village for the purposes of giving effect to Part IX of the Constitution may come in conflict with the sociological/anthropological identities that the people of the

area may think of or identify as 'village'. Therefore, the village in terms of gram sabha is a political identity with geographic demarcation rather than a social one.

The effective constitution of a Gram Sabha will mainly depend on the definition of a 'village' adopted in various state legislatures. Various states have demarcated villages as a political units based on revenue, geographical extent and zones of interest on economic terms, whereas others have taken more sociological or communitarian demarcation by denoting villages based on similar clusters, historical relatability, and communitarian linkages. This caused many problems in the distribution of funds, the survey of areas and electoral rolls during elections. It was resolved when the Supreme Court, in State of U.P. vs Pradhan Kshetra Samiti, held that among other things, the process of defining a 'village' must comply with the following conditions:

- i) the village has to be a habitat according to the anthropological concept;
- ii) the village for the purposes of the Panchayat can be specified only in accordance with the aspirations and wishes of the inhabitants of the village as conveyed to the Governor who is obliged to notify it without the involvement of the State Government; and
- iii) the Governor has to act independently of the State Government in the matter of specification of a 'village'.

As regards the Gram Sabha, the Court held that although the definition of Gram Sabha refers to a body of persons registered in the electoral rolls and the State Government has no power to establish or notify a Gram Sabha, making it a population-based entity rather than an institution defined and moulded by the state government. The Supreme Court reasserted the view of the 73rd amendment that the Gram Sabha is a constitutional entity based on the geographical and sociological entity of a 'village', and it is not within the powers of the State Government to identify or notify a 'village' for administrative purposes. The Gram sabha, therefore, is constitutionally mandated to be comprised of people that have an anthropological relatability with the area and its change is not to be determined by the state government making it immune to political influence.

5.4. POWERS OF GRAM SABHA

No institution can function without de jure powers provided to it by a competent authority. Indian sovereignty allows all institutions with a constitutional mandate to function in a manner that helps the institution to dispose of its responsibilities in a judicious manner. Rural local government institutions being the lowest level of functionary in a state require specific power distribution that helps them maintain autonomy in the deployment of the requisite resources for the development of the village. The powers of a gram sabha as specified in the PESA Act, 1996 can be divided into the following four categories:

1)Mandatory powers

2) Powers to be consulted

3) Recommendatory powers

4) Power to be devolved by the State Government

The details of these powers are:

1) Mandatory powers: Certain powers are mandatory in nature for the Gram sabha to have because without them their existence and functionality would be rendered close to dormancy. The mandatory powers assigned to the Gram Sabha in this category are three-fold:

a) Gram sabha has the power to approve the plans, programmes and projects for the social and economic development of the village community. The village panchayat in no way can take the lead in the implementation of projects without it being approved by the gram sabha.

b) Power to identify beneficiaries of poverty alleviation programmes such as food distribution programmes, MGNREGA etc.

c) Power to give certification of the utilization of funds by the panchayats for the above programmes is also held by the gram sabha. The implementation of projects for the social and economic development of tribal communities is therefore done in accordance with the gram Sabha.

2) Powers to be consulted: Being the institution to look after rural areas, the land becomes a very important factor here, especially in matters related to land acquisition. The PESA act provides Gram sabhas to have consultative powers in matters related to land acquisition for governmental projects. Any matter related to the acquisition of land in the Scheduled Areas by the authorities concerned for the development of projects is to be consulted with the Gram sabha first and then only necessary proceedings are done. The secondary issues related to land such as the process of resettling or rehabilitating persons (before the acquisition is done) affected by such projects in Scheduled Areas are also under the purview of gram panchayat through the gram sabha.

3) Recommendatory powers: natural resources are most of the time found in areas that are not urban in nature and thus require recommendation-based permission to extract. When such resources are found in rural areas, it is the gram sabha that becomes the recommendatory body without which exploration in the area isn't permitted as the gram sabha is the body that will in future be directly or indirectly affected by the exploration process and subsequent developments. Prior recommendations are thus compulsory from the gram sabha. The matters that are usually associated with such powers are the following-

- for grant of prospecting licence or mining lease for minor minerals in the Scheduled Areas.

- for grant of concession for the exploitation of minor minerals by auctions.

4) Powers to be devolved by the State Government: the local rural bodies function under the district administration which makes up the top tier of decentralized governance but in the macro narrative of Indian administration, the local bodies are under the jurisdiction of the respective State governments. The Act, clearly specifies that State Governments will endow panchayats in the Scheduled Areas with such powers and authorities as considered necessary to enable them to function as institutions of self-governance. The gram sabha is therefore given powers that will be helpful in regulating certain facets of village life according to the wishes of the populace there. These powers vary from village to village and even state to state. The gram sabha therefore in actuality has in its domain the power to enforce a prohibition on or regulate the sale of certain goods or products. The gram sabha with the help of the panchayat can have ownership over minor forest produce to be provided for the people of the village residing in nearby areas from where the product has been collected. In addition to that, the gram sabha prevents the alienation of land and takes appropriate action to restore any unlawfully alienated land of scheduled tribes. The village economy is also dominated by the markets and exchanges of various kinds that function in and around the areas. The gram sabha has the power to exercise control over institutions and functionaries in the social sector and plans such as tribal sub-plans, to manage village markets, and to exercise control over money lending. The state government also provides powers to the gram sabha to have jurisdiction of what is called village commons. These commons include areas such as grazing land, village ponds for communal purposes and wells. These resources are put under the jurisdiction of the gram sabha for regulation and proper utilization.

Gandhi had once said that the Indian soul resides in its villages, village empowerment has therefore been a crucial aspect of the Indian development story. This has been possible by empowering the institutions that make the villages join the general development trend, village panchayats under the ambit of gram sabhas have been crucial in achieving this.

5.5. CONCLUSION

No country can develop with an exclusivist model of development. India is a country with a huge population, a culturally diverse population, regional variations of gigantic proportion and varied socio-economic realities. Indian experimentation with its local governance has been long but its final form came only with the 73rd amendment in 1992 that created the 3-tier Panchayati raj system in all the states. The gram sabha became a unique institution in this system providing a system of direct democracy which is unparalleled in Indian institutions, here the people are part of their decision-making process, and their opinions determine their developmental programmes. The people that live in Indian villages have been brought to the mainstream administration with the help of these institutions that were created with the abovementioned amendment. The gram sabha has thus been a pioneering institution that has brought power to the periphery. This power is exemplified in socio-

political and economic ways which encompass not only resources and products but values and responsibilities as well.

5.6. SUMMARY

- The Gram Sabha comprises the cumulative population residing in a village with all adults being its members. It is the sole institution that maintains the ideal of direct democracy in its functioning in India.
- The Gram sabha elects the gram panchayat which in a way is the monitoring body of the village and functions as the executive of the panchayat. The Panchayati raj system has been able to meet the demands of the people of the villages and realize the aspirations mainly due to the adeptness of the gram sabha.
- The constitution post-1992 has provided legal status to local government institutions such as the panchayats, gram sabhas and Zila parishads. This has provided them with powers that help them maintain stability in the area and induce developmental programmes launched by the state and union governments in areas of concern such as food distribution, allocation of resources, and recommendations for improving public policy.
- The Panchayats (Extension to Scheduled Areas) Act (PESA) confers significantly greater powers on Gram Sabhas in Scheduled Areas to take on issues related to the day-to-day living of the people in these areas such as water, sanitation, markets, land and other resources.
- Decentralized governance has been uplifted in an unprecedented manner due to local institutions functioning in a manner that is in synergy with government policies and with people's aspirations as well.

5.7. KEYWORDS

1. Cumulative- the resultant of any activity by incorporating all data up to the present is a cumulative resultant.

2. Synergy- the interaction or cooperation of two or more organizations, substances, or other agents to produce a combined effect greater than the sum of their separate effects.

3. Village commons- The commons are the cultural and natural resources accessible to all members of a village, including natural materials such as grounds, ponds, wells, roads etc. These resources are held in common even when owned privately or publicly

4. Rehabilitation- Rehabilitation is defined as a set of measures taken to properly remove/displace a person from a certain place and provide a replacement without harming his/her livelihood or material resources to ensure even after the process the person's normal life isn't hindered.

5. MGNREGA- The Mahatma Gandhi National Rural Employment. Guarantee Act whose goal is to provide at least 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work.

6. Direct democracy- Direct democracy or pure democracy is a form of democracy in which the electorate decides on policy initiatives without elected representatives as proxies. This differs from the majority of currently established democracies, which are representative democracies.

5.8. MODEL QUESTIONS

Short questions

- What is meant by village commons and why they are important in rural areas?
- What is the role of the Governor of a state in matters related to gram sabha?
- Write about the articles that provide mandates to gram sabhas and their features?

Medium questions

- Panchayats (Extension to Scheduled Areas) Act (PESA) provide more powers to the gram sabhas?
- Discuss how the 73rd amendment changed the face of the Panchayati raj in India?
- Decentralization of administration has been beneficial to villages. Explain?

Long questions

- Write in detail the powers of gram Sabha?
- What according to the Supreme Court of India defines a village?
- Explain how gram sabha has been a unique institution in providing development to the villages in India?

5.9. REFERENCES

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BLOCK III
PANCHAYATI RAJ INSTITUTION: POWERS AND
FUNCTIONS

STRUCTURE

1.1 OBJECTIVES

1.2 INTRODUCTION

1.3 EFFECTIVENESS OF THE PANCHAYATI RAJ SYSTEM DURING 1954 TO 1992 BEFORE PASSING THE 73rd AMMENDMENT ACT

1.4 POWER AUTHORITY AND RESPONSIBILITY OF PANCHAYAT

1.5 GENERAL POWERS AND DUTIES OF THE GRAM PANCHAYATS

1.6 POWERS TO MAKE GENERAL ORDER

1.7 PANCHAYAT SAMITI

1.8 Zila Parishad

1.9 FINANCES

1.10 District Planning Committee

1.11 CONCLUSION

1.12 SUMMARY

1.13 KEYWORDS

1.14 MODEL QUESTIONS (Short question-answer type)

1.15 REFERENCES

1.1 OBJECTIVES

- It teaches people the first lesson of democracy
- It brings political awareness in rural people
- People are able to solve their problem through mutual cooperation
- It helps the people to directly participate in decision making
- It helps in the decentralization of power.
- It helps people to understand the power and functions of different level of Panchayati Raj system.
- It helps people to have knowledge regarding the financial structure of Panchayati Raj System.
- It helps to know the effective use of the Panchayati infrastructure to combat the different crisis situation (Ex - natural calamity)

1.2 INTRODUCTION

Since independence India's main aim was an all-round development of the country with men thrust on agriculture, industry, communication, education, and allied sectors. But soon it became evident that India could not prosper keeping its rural areas in the dark. With this view efforts were made to strengthen people's participation in the Indian polity. Keeping this in mind Panchayati Raj system came into vogue to ensure people's active participation in the nation building process from the grass root level itself, so that people can feel themselves to be a part of the nation. By taking the help of the system the authority wanted to co-ordinate among the diversified interests of the people right from the grass root level. This way the authority could also legitimise themselves.

Article 40 of the Directive Principles of State Policy of the Indian Constitution gives direction to the state "to organise village panchayats as units of self -government". With this objective and as a part of the planning process the Community Development (CD) program was initiated in the country on December 2nd, 1952. All aspects of rural development were covered in this program to be carried out with the help of village panchayats and public participation. It was intended to exploit the vast resources in the countryside to promote scientific method in the agriculture, cottage and small-scale industries, in order to create job facilities and to induce the spirit of self-help within the rural population, with the intention of social change through cooperation.

India's Panchayati Raj system is based on the principle of decentralization and the devolution of power. According to World Bank, authority and responsibility of functions ought to be decentralised from the central government up to local government to ensure efficiency, accountability and empowerment. World Bank justifies decentralization as

- It gives greater voice and choice to citizen to influence decisions that affect their lives,
- It allows local governments to respond dynamically to communities.

- It results in allocative efficiency by matching of local needs and preferences with patterns of local public expenditure (assumes substantial fiscal autonomy.)

The Constitution of India in Article 40 enshrines, " the state shall take steps to organise village panchayats and endow them with such power and authorities as may be necessary to enable them to function as units of self-government".

In order to implement this program several committees were constituted by the Government of India.

Now CDP failed to work for a number of factors. So a committee was established headed by Balwant Rai Mehta in 1957 to judge the community development initiative

This Committee suggested for the establishment of a democratic centralised local government that would be known as the Panchayati Raj, with the aim to settle the local problems locally and to make the people politically conscious.

It recommended for three tier Panchayati Raj system (Gram Panchayat, Panchayati Samiti and Zila Parishad) directly elected representative in the Gram panchayat and indirectly elected representatives to form Panchayat Samiti and Zila Parishad entrusted with the function of planning and development. Here Zila Parishad would be the advisory, supervisory body, whereas Panchayat Samiti would act as the executive body and District Collector would function as the chairman of the Zila Parishad.

Ashok Mehta Committee was formed in 1977 to boost of the declining Panchayati Raj system with its recommendation. The Committee suggested for two tier system in replacement of three tier system with Zila Parishad at the district level and Mondal Panchayatas a cluster of groups of villages with a combined population of 15000 to 20000 people who would enjoy compulsory taxation powers to mobilize their own funds.

GVK Rao committee in the year 1985, came with the suggestion that Zila Parishad would supervise and manage the development program at the district level with the sole responsibility to materialise the scheme of Democratic decentralisation. They also suggested for the post of District Development Commissioner who would act as the chief executive officer of the Zila Parishad and elections of the Panchayati Raj system to be held in a regular manner.

LM Singhvi committee was created in the year 1986 they were having the following main suggestions

- Reorganization of village to make the gram panchayat more effective
- Arrangement of necessary funds for them to function properly.

All the above committees were of the view to constitute Panchayat as the effective means of development activities in the grass root level with the voluntary participation of the village people to fulfil the goal of real participatory democracy.

Currently, the Panchayati Raj system is present in all states barring Nagaland, Meghalaya and Mizoram and in all Union Territories except Delhi. Besides them some other areas of India are not having Panchayati Raj system - Manipur with district Council, Darjeeling district of West Bengal with Darjeeling Gorkha Hill Council and tribal and schedule areas in the state are not having Panchayati Raj system.

April 24th is celebrated as the National Panchayati Raj day as in this day political power was decentralized up to village level in India.

73rd Constitutional Amendment Act 1993 paved the way for the implementation of Panchayati Raj system.

The Constitution of India defines Panchayat as 'Institutions of self-government'. India is having 253163 Gram Panchayats 6614 Panchayat Samities and 630 Zila Parishads as of January 2019. We find the existence of Panchayat or village assemblies long before the independence of India as a self-governing Institutions which had distinct functions and were guided not only by the collective will but also by the collective will of the entire rural population.

After the Independence, Rajasthan Panchayat Act was enacted and the village panchayats are established. In this sense, one can project Rajasthan as a Pioneer in experiencing decentralized three tier system of the representative bodies at the village, block and district level.

On 2nd October 1959, the then Prime Minister Pandit Jawaharlal Nehru inaugurated the three-tier system later came to be known as the Panchayati Raj at Nagour in Rajasthan. The first election under Rajasthan Panchayat Samiti is and Zila Parishad at for the development of the rural area took place in the year 1959. By 1968 almost all the states of India could introduce Panchayati Raj to effectively implement the principle of democratic decentralization and to introduce self-rule for the development of the rural area.

Although the states tried to materialize the project following the Recommendation of the B R Mehta committee, some differences were noticed in their features as the states past their individual laws themselves according to the perceived requirements.

The 11th schedule was added in the constitution of India by the 73rd Amendment Act in the year 1992. Other than panchayat's power, important issues like rural development, poverty alleviation, market, roads and drinking water etc have been covered in this schedule. This schedule contains 29 subjects.

We find the following functional items to be dealt with this schedule.

- Agriculture including agricultural expansion

- Land improvement, implementation of Land reforms, land consolidation and soil conservation
- Agricultural husbandry dairying and poultry
- Fisheries industry
- Minor irrigation water management and watershed development
- Social Forestry and farm forestry
- Small scale industries in which food processing industry is involved
- Minor forest produce
- Safe water for drinking
- Khadi village and cottage industry
- Rural housing
- Fuel and fodder
- Rural electrification including distribution of electricity
- Roads, culverts, bridge, ferries, waterways and other means of communication.
- Education including primary and secondary school
- Non-conventional source of energy
- Technical training and vocational education
- Adult and non-formal education
- Public Distribution system
- Maintenance of community assets
- Welfare of weaker sections in particular of the Schedule Caste and Schedule Tribes.
- Social welfare including the Welfare of the handicapped and mentally retarded
- Family Welfare
- Women and Child development
- Markets and fairs
- Health and sanitation including hospitals Primary Health centres and dispensaries
- Cultural activities
- Libraries
- Poverty Alleviation Programmes

Again, a new part IX to the Constitution titled 'The Panchayats' was added. Here Article 243G talked about the powers, authorities and responsibilities of the Panchayats and 243H empowers the Panchayats to impose taxes.

1.3 EFFECTIVENESS OF THE PANCHAYATI RAAJ SYSTEM DURING 1954 TO 1992 BEFORE PASSING THE 73rd AMMENDMENT ACT

During this time frame, different states tried to achieve their objectives related to Panchayati Raj system. But they fail to bring forth any radical change in the life as was expected due to certain impediments. The project shows only partial achievements in certain areas. Structural weakness like politicisation, partition politics, factionalism, unbridled interference by the government, lack of awareness, inefficient functioning of the Gram Sabha, illiteracy coupled with social economic drawbacks like acute poverty, paucity of funds led to the unavoidable failure in the working of the Panchayati Raj system.

1.3.1 73RD AMMENDMENT ACT 1992

73rd Amendment Bill was passed to rejuvenate the Panchayati Raj institution in 1992. It gave stress on effective regular functioning of the institution. According to Art 243 G of the 73rd Amendment Act, the Legislature of a state may by law, bestow upon the Panchayat with such powers and authorities as may be required to enable them to function as Institutions of self-Government and such law may contain provision for the devolution of powers and responsibility upon Panchayat, at the appropriate level, subject to such condition as may be specified therein with respect to

- the preparation of plans for economic development and Social Justice
- the implementation of scheme for economic development and Social Justice as may be interested to them including those in relation to the matters listed in the eleventh schedule.

In the 73rd Amendment Act, it is said that Gram Sabha may exercise such powers and perform certain functions at the village level as the Legislature of a state may by law provide.

Gram Sabha is the general assembly of all the people of a village who have attained the age of 18 years and their name is entered in the voter list.

Again, it is said there shall be constituted in every State Panchayats at the village (Gram Panchayat), intermediate (Panchayat Samiti) and district level (Zila Parishad). In accordance with provision of this part, the Gram Panchayat is the executive of Gram Sabha being the

most important unit of the rural local government it is directly elected by all the voters residing within the area of the Panchayat.

After the 73rd Amendment,

- The scope of functions of Gram Panchayat was widened. Such important functions like preparation of Annual Development Plan of Panchayat area, annual budget, relief in natural calamities, removal of encroachment of public lands and implementation and monitoring of poverty alleviation programmes are now expected to be performed by the panchayat.
- Selection of beneficiaries through Gram Sabhas, public distribution system, non-conventional energy source, improve chullahs, biogas plants have also been given to gram panchayats in some States.

1.4 POWER AUTHORITY AND RESPONSIBILITY OF PANCHAYAT

Subject to the provisions of the Constitution, the Legislature of a state may, by law, endow the panchayats with such powers and authority as may be necessary to enable them to function as 'Institutions of self-Government' and such law may contain provisions for the devolution of powers and responsibilities upon panchayats at the appropriate level, subject to such condition as may be specified therein, with respect to,

- the preparation of plans for economic development and Social Justice
- the implementation of schemes for economic development and Social Justice as may be entrusted to them including those in relation to the matters listed in the 11th schedule.

Some States distinguish between obligatory that means compulsory and optional functions of gram panchayats while other states do not make this distinction.

The civic functions relating to sanitation, clearing of public roads, minor irrigation, public toilets and lavatories, Primary Health Care, vaccination, the supply of drinking water, construction of public wells, rural electrification, social health and primary and adult education etc. are obligatory functions of Village Panchayat.

The optional functions depend on the resources of the Panchayats. They may or may not perform such functions as tree plantation on road sides, setting up of breeding centre for cattle, organising child and maternity welfare, promotion of agriculture etc.

1.5 GENERAL POWERS AND DUTIES OF THE GRAM PANCHAYATS

Now we take a detailed account regarding the general powers and duties of the gram panchayat within the limits of the fund at its disposal, it has to make arrangements for the satisfaction of the needs of its area in respect of the following matters

- Any public place including its sanitation the drains
- Wells, water pump, springs, Ponds and tanks for the supply of water for drinking washing and bathing
- burial and cremation grounds
- the lighting of public places
- building for accommodation of travellers
- ponds for animals
- the relief for the poor
- public health and sanitation
- the organisation and celebration of public festivals, other than religious festivals
- the improvement of the breed of animals used for agricultural or domestic purpose
- public Gardens, playground, establishment and maintenance of Recreation parks, organisation of games, sports supply of sports material and holding of tournaments
- libraries and reading rooms
- the voluntary registration of the sales of cattle, camels and horses
- the development of Agricultural and village industries
- starting and maintaining a grain fund for the cultivators and lending them seeds for sowing purposes on such condition as the Gram Panchayat may approve
- the construction. repair and maintenance of public places and buildings of public utility
- allotment of places for preparation and conservation of manure
- construction and maintenance of culverts and bridges
- the laying out of new roads and pathway and maintenance of existing ones
- framing and carrying out schemes for the improved method of cultivation and management of land to increase production
- supply of water for domestic use and for cattle
- the organisation of 'Young Farmers club' and 'Mahila Mandal' for the organisation of games and sports and execution of development, social and cultural works in the Sabha area
- planting and preservation of trees
- measures to promote the moral, social and material well-being or convenience of the inhabitants of the Sabha area

- community listening, and
- organisation of village voluntary force for watch and ward and for assisting the executive in the discharge of its function.

1.6 POWERS TO MAKE GENERAL ORDER

- prohibit the use of water of a well, pond or other excavation suspected to be dangerous to the public health
- regulate or prohibit the watering of cattle or bathing or washing at or near wells, ponds or other excavations, reserved for drinking water
- regulate or prohibit the steeping of hemp or any other plant in or near ponds and other excavation within 220 yards of the residential area of a village
- regulate or prohibit the dyeing or tanning of skins within 440 yards of residential area of a village
- regulate or prohibited the excavation of earth or stone or other material within 220 yards of residential area of a village
- regulate or prohibit the establishment of brick kilns and charcoal kilns within 880 yards and pottery kilns 220 yards of the residential area of a village.

1.6.1 Power to name streets and numbering of houses

Gram Panchayat may select name to be given to a street by affixing into or painting it on any building or otherwise in such a position or manner as it may think fit.

1.6.2 Judicial function in respect of criminal offences

Every panchayat with enhanced power and every Adalti Panchayat shall have jurisdiction to try:

- the offences mentioned in Schedule B of the Gram Panchayat Act,1952 provided that the value of the property concerned within the offences is not in excess of 250 rupees, shall not empower the said Panchayats to try any person liable to enhance punishment under section 75 of the I.P.C
- any other offences not punishable with imprisonment for more than two years which Government may by notification, declare to a triable by such panchayats.

For the purpose of deciding whether an offence falls within the jurisdiction of a Gram Panchayat, the provisions of section 179 to 182 of the Code of Criminal Procedure 1898, shall apply Panchayat shall be deemed to be a criminal court when trying criminal cases.

1.7 PANCHAYAT SAMITI

The intermediate tier in the Panchayati Raj System is called the Panchayat Samiti. Panchayat Samiti has been given different names in different states.

Janapada Panchayat in Madhya Pradesh, the *Anchalik* panchayat in Assam, the Panchayat Union Council in Tamil Nadu the *Kshetra Samiti* in Uttar Pradesh etc though the most popular name happens to be the Panchayat Samiti.

1.7.1 POWERS AND FUNCTIONS

1. Agriculture

- multiplication and distribution of improved seeds
- distribution of fertilizers
- popularization of improved techniques, methods and practices and improve implementation.
- achieving self-sufficiency in the green manure and composting of farmyard manure
- encouraging fruit and vegetable cultivation
- reclamation of land and swamps and conservation of soil
- providing credit for agriculture purposes
- propagating and assisting in plant protection methods
- bringing more area under irrigation by renovating and sinking wells, repairing and digging private tanks and maintaining government minor irrigation sources and supply channels
- utilising more power for agricultural purposes
- exploiting more power from agricultural purposes
- exploiting underground water sources by sinking well filter points and tube wells
- tree planting
- growing of village forest.

2. Animal Husbandry and Fisheries

- Upgrading local stock by introducing pedigree breeding bulls and castrating scrub Bulls
- introducing improved breeds of cattle, sheep, pigs and poultry

- controlling contagious diseases by systematic protection
- introducing improved fodders and feeds
- establishing and maintaining of artificial insemination centres, first -aid centres and minor veterinary dispensary
- dairying and milk supply
- developing inland fisheries
- educating the people about the importance of cattle

3. Health and Rural Sanitation

- Maintenance and expansion of health services including vaccination and control of epidemics
- provision of protected drinking water facilities
- dissemination of knowledge regarding family planning
- inspection of *aushdhalayas*, dispensaries Maternity centres and Primary Health centres.
- carrying out environmental sanitation and health campaigns and educating the public in Nutrition, Maternity and Child Health and Communicable diseases
- popularizing smokeless chillers
- antimalarial measures and destruction of locust, rats and other pests

4. Communication

Construction, repair and maintenance of inter-village road and culverts on such roads and other means of communication.

5. Social Education

- the creation of a new outlook among the people and making them self-reliant, hard-working and responsive to community action and in particular
- establishment of information community and recreation centres
- establishment of Youth organisations *Mahila Mandal, Farmer Clubs*, Village Clubs and the like
- establishment and popularization of library
- organisation of watch and ward
- encouragement of voluntary sanitary squads
- training and utilisation of the services of Gram Sahayak
- promotion of physical culture by encouragement of games and sports.

6. Co-operation

- promotion of co-operation by helping the establishment and strengthening of service of co-operative, industrial, irrigation, farming and other societies
- participation in and assistance to service co-operatives

7. Miscellaneous

- Development of Cottage and small-scale industries in order to provide employment opportunities and to promote village self sufficiency
- management of all property vested in the Panchayat Samiti
- inspection and maintenance of *serais*, rest houses, markets, public parks and gardens and other public institutions
- securing or removing dangerous buildings or places
- Regulation and control of vehicular traffic on road other than motor traffic
- Construction, repair, and maintenance of relief works, relief houses and other measures of relief on account of famines, floods, earthquakes and calamities of like nature
- management of such public ferries as may be interested to the charge of the Panchayat Samiti
- establishment and management of ponds
- organisation and management of Panchayat Samiti fairs, agricultural shows and industrial exhibition
- encouragement of thrift through small savings and insurance
- disposal of unclaimed dead bodies
- management of any property vested in the government which the government may entrust to the Panchayat Samiti.
- registration of births, deaths and marriages
- regulation of offensive and dangerous trades and practices
- any other local works on measures likely to promote the health, comfort, convenience and interest of the public
- any other matter which the government may generally or in respect of a particular Panchayat Samiti declare to be fit and appropriate matter to be brought under the control and administration of the Panchayat Samiti.

1.8 Zila Parishad

The Zila Parishad is the district level top tier of the Panchayati Raj. It operates at the district level and looks after the rural areas of the district. The Zila Parishad is a corporate body having perpetual

succession and a common seal. It has the power to acquire, hold and dispose of property and to enter into contracts. As a corporate body it can be sued. While 'Zila Parishad' happens to be the most commonly used name for this top tier of the Panchayati Raj, in Assam, it is known as Mahakum Parishad (sub-divisional level). In Tamil Nadu and Karnataka, it is known as the District Development Council, and in Gujarat, the District Panchayat.

The powers and functions of Zila Parishad vary considerably from State to State. In Karnataka and Tamil Nadu, the Zila Parishad is coordinating body which exercises general supervision over the working of the Panchayat Samitis and advises the Government on the implementation of the development schemes. Besides these duties, in Andhra Pradesh, the Zila Parishad has some executive role in the establishment, maintenance and expansion of secondary educational, vocational and industrial schools. It also discharges the functions of the Panchayat Samitis in respect of non-samiti blocks. In Maharashtra, the Zila Parishad is the strongest tier of the Panchayati Raj and is vested with executive functions in various fields, including planning, development and advising of the State Government. In Gujarat and Uttar Pradesh also the Zila Parishad is vested with administrative functions in various fields. In the remaining States, the Zila Parishad has no specific executive power and it is only a supervisory and coordinating body.

1.8.1 POWERS AND FUNCTIONS

The main functions of the Zila Parishad can be listed as follows:

- (1) Development of Agriculture.
- (2) To set up and maintain warehouses.
- (3) To train the farmers.
- (4) Land Reclamation and Conservation.
- (5) Development of Irrigation.
- (6) Water utilisation in an optimum way.
- (7) Rural Electrification.
- (8) Distribution of Essential Commodities to the people.
- (9) To collect and publish data regarding Panchayats, Panchayat Samities and the Zila Parishad.
- (10) To develop marketing network for marketing agricultural produce.
- (11) Conservation and development of forests.
- (12) To look after the development of Animal Husbandry, Dairy and Fisheries.

- (13) To organise Cold Storage facilities.
- (14) Development of Small scale and cottage industries.
- (15) Encouragement to cottage industries.
- (16) Construction and maintenance of roads.
- (17) Organisation of Health facilities.
- (18) To promote Rural Housing.
- (19) To look for spreading education
- (20) To take steps for the welfare of weaker sections of society.
- (21) To undertake poverty alleviation programmes.
- (22) To celebrate national festivals.
- (23) To organise cultural meets and festivals.
- (24) To undertake programmes for social reforms.
- (25) To encourage small savings.
- (26) To perform functions delegated by the State government.

The Zila Parishad is expected to function as an advisory and supervisory body over the Panchayat Samitis. In this sphere, its functions relate to:

- (a) examination and approval of the budgets of the Samities,
- (b) distribute funds allotted to the district by the government to the Samities.
- c) supervise generally the activities of the Samities in the district,
- (d) co-ordinate and consolidate the plans of the blocks and prepare plans in respect of the entire district,
- (e) secure the execution of plans, projects, schemes or other works common to two or more blocks,
- (f) exercise and perform such of the powers and functions of the district board as are transferred to it,
- (g) advise the government on all matters relating to development activities and maintenance of services in the district,
- (h) advise the government on the allocation of work among Panchayats and Panchayat Samitis and coordination of their work,

- (i) advise government on matters concerning the implementation of statutory or executive order referred to it,
- (j) publish statistics and other information,
- (k) obtain information from the local bodies,
- (l) establish, maintain and expand secondary, vocational and industrial schools, and
- (m) administration of trusts

1.9 FINANCES

1.9.1 Gram Panchayat: SOURCES OF FUND

Although the amount of money transferred to Panchayat by the Central or State Government account for the bulk of its revenue, the Panchayat Raj Institution PRI's resource generation is the lifeblood of its finances. It also ensures the presence of a local taxation system that guarantees the people's participation in the working of an elected body. This also holds the Gram Panchayat accountable to the Citizens. Gram Panchayat are better placed in terms of resource collection as the other two tiers rely solely on toll, fees and non-tax revenue to generate internal resources.

The Panchayat derived its taxing power mainly from article 243H, law which states that the Legislature of a State may, by law,

- Authorise a Panchayat to charge, collect and appropriate such taxes, duties and tolls and fees according to such procedures and restrictions
- assign to a Panchayat the taxes, charges tolls and fees imposed and collected by the state Government for such purposes and with such conditions and limits
- Provide for the State's Consolidated Fund to make such grants in aid to the Panchayat and
- Provide for the establishment of such funds for the crediting of any funds received by or on behalf of the Panchayat as well as the withdrawal of such funds as may be stipulated by law
- The majority of taxation powers has been delegated to Village Panchayat under state Panchayat Raj act. The revenue realm of intermediate and District Panchayat (both tax and non-tax) has been reduced significantly and is now restricted to secondary areas like ferry services, market, water and conservancy services, automobile registration, stamp duty, cess and a few others
- According to several state legislature the village panchayat is responsible for a variety of taxes, levies, tolls and fees. Octroi, Property/House Tax, profession tax, land tax/cess,

taxes/tolls on vehicles, entertainment tax/ fees, license fees, tax on non-agricultural land, fee on cattle registration, sanitation/drainage/Conservancy tax, water rate/tax, lighting rate/tax, education cess and tax on fairs and festivals are just a few examples.

1.9.2 Panchayat Samiti Finances

For every Panchayat Samiti there shall be constituted a Panchayat Samiti Fund bearing the name of the Panchayat Samiti and there shall be placed to the credit thereof— (a) contribution and grants, if any, made by the Central or the State Government including such part of the land revenue collected in the State as may be determined by the State Government; (b) contributions and grants, if any, made by the Zila Parishad 1 [or the Mahakuma Parishad or the Council] or any other local authority; (c) loans, if any, granted by the Central or the State Government or raised by the Panchayat Samiti on Security of its assets; (d) all receipts on account of tolls, rates and fees levied by it; (e) all receipts in respect of any schools, hospitals, dispensaries, buildings, institutions or works, vested in, constructed by or placed under the control and management of the Panchayat Samiti; (f) all sums received as gift or contributions and all income from any trust or endowment made in favour of the Panchayat Samiti; (g) such fines or penalties imposed and realised under the provisions of this Act or of the bye-laws made thereunder, as may be prescribed; and (h) all other sums received by or on behalf of the Panchayat Sam ill. 1 Explanation— A Panchayat Sam in shall riot receive to the credit of its fund— (a) any loan from any individual, severally or jointly, or any member or office bearer of the Panchayat Samiti, or (b) any gift or contribution from any individual, severally or jointly, or any member or officer bearer of the Panchayat Samiti save and except in pursuance of a resolution adopted in a meeting of the Panchayat Samiti accepting such gift or contribution and stating the purpose for which such gift or contribution is offered and accepted. (2) Every Panchayat Samiti shall set apart and apply annually such sum as may be required to meet the cost of its own administration including the payment of salary, allowances, provident fund and gratuity to the officers and employees. (3) Every Panchayat Samiti shall have power to spend such sums as it thinks fit for carrying out the purposes of this Act. (4) The Panchayat Samiti Fund shall be vested in the Panchayat Samiti and the balance to the credit of the Fund shall be kept in such custody as the State Government may, from time to time, direct.

Also, incomes are generated from levy tolls on persons, vehicles or animals or any class of them at any tollbar established by it on any road other than a Kutchra road or any bridge vested in it or under its management, (b) levy tolls in respect of any ferry established by it or under its management, (c) levy the following fees and rates, namely:— (i) fees on the registration of vehicles; (ii) a fee for providing sanitary arrangements at such places of worship or pilgrimage, fairs and melas within its jurisdiction as may be specified by the State Government by notification.

1.9.3 Zila Parishad Finances

All money received by a Zila Parishad constitutes a fund called the Zila Parishad Fund. All money received by the Zila Parishad is kept in a Government Treasury or Sub-Treasury or in the bank to which the Government Treasury business has been made over, unless the government in any case otherwise permits. All orders or cheques against the Zila Parishad Fund are to be signed by the Secretary.

The Sources of income of a Zila Parishad consist of:

- (i) the Central or State Government funds allotted to the Zila Parishad;
- (ii) a share in the Land Reserve collected from the Zila Parishad area.
- (iii) grants from All India bodies and institutions for the development of cottage, village and small-scale industries, and the like;
- (iv) state taxes or fees as may be prescribed;
- (v) income from trusts administered by the Zila Parishad;
- (vi) such income of the District Board as the Government may by order, allocate to it;
- (vii) Zila Parishad can raise loans.
- (viii) donations and contributions from the Panchayat Samitis or from the public in any form; and
- (ix) such contributions as the Zila Parishad may levy from the Panchayat Samitis with the previous approval of the Government.

The expenses of the Zila Parishad include the salaries and allowances of the officials of the Zila Parishad, and allowances, if any, to be paid to the members of Zila Parishad or any Consultative Committee thereof. The Chief Executive Officer of a Zila Parishad, frames and places before the Zila Parishad, on or before the prescribed date, an annual budget showing the estimated receipt and expenditure during the next financial year.

Thus, Rural Local Government in India continues to be a three-tier structure. The 73rd Constitution Amendment Act has ensured the continued operation of the institutions of Panchayati Raj. It has given additional powers and sources of revenue for enabling these to work efficiently. The involvement and empowerment of rural women has been secured by giving them reservations for becoming the members and chairpersons of Panchayats, Panchayat Samities and Zila Parishads.

1.10 District Planning Committee

Article 243 ZD mentions that there shall be constituted in every State at the district level a District Planning Committee to consolidate the plans prepared by the Panchayats and the Municipalities in the district and to prepare a draft development plan for the district as a whole. The Legislature of a State may, by law, make provision with respect to —

- (a) the composition of the District Planning Committees;
- (b) the manner in which the seats in such Committees shall be filled: Provided that not less than four-fifths of the total number of members of such Committee shall be elected by, and from amongst, the elected members of the Panchayat at the district level and of the Municipalities in the district in proportion to the ratio between the population of the rural areas and of the urban areas in the district;
- (c) the functions relating to district planning which may be assigned to such Committees;
- (d) the manner in which the Chairpersons of such Committees shall be chosen.

(3) Every District Planning Committee shall, in preparing the draft development plan, —

- (a) have regard to —
 - (i) matters of common interest between the Panchayats and the Municipalities including spatial planning, sharing of water and other physical and natural resources, the integrated development of infrastructure and environmental conservation;
 - (ii) the extent and type of available resources whether financial or otherwise;
- (b) consult such institutions and organisations as the Governor may, by order, specify.

The Chairperson of every District Planning Committee shall forward the development plan, as recommended by such Committee, to the Government of the State.

The Constitution of India provides the DPCs two specific responsibilities. In preparing the draft development plan, the DPC shall have regard to matters of common interest between the Panchayats and the municipalities, including spatial planning, sharing of water and other physical and natural resources, the integrated development of infrastructure and environmental conservation and the extent and type of available resources, both financial or otherwise. The DPC in this endeavour, is also mandated to consult such institutions and organizations as may be specified. In order that the plans at different levels are prepared, there is need to strengthen the system comprising the machinery of planning and the process of consolidation of plans at the district level.

There is confusion in states as to whether the DPC is to be established as a separate and permanent office or whether it denotes only a meeting that is periodically called and which can be serviced by a part-time secretariat. There is a feeling that the DPC ought not to emerge as yet another layer of bureaucracy to vet people's plans. At the same time, the fact that the DPC is held intermittently and

without permanent support undermines its effectiveness as a constitutional institution and a coordinating mentor. On balance, the DPC merits the status of a permanent institution, with adequate secretariat to service it at the district level. It could also be provided the means of drawing experts to assist it whenever required.

1.11 CONCLUSION

Panchayati Raj has been heralded as a social revolution in the country. It was established in the country on the basis of the Balwant rai Mehta Committee's recommendations. In this Unit, the recommendations of Balwant rai Mehta Committee, Asoka Mehta Committee and 73rd Constitutional Amendment have been emphasised. These Institutions were in a moribund for years together. By the 73rd Constitutional Amendment Act, 1992 Panchayats have been given a constitutional status. In addition, the role of Panchayati Raj Institutions (PRIs), administrative structure and financial resources have been described. What is heartening is that there has been a realisation on the need and significance of Panchayati Raj to strengthen the democracy and governance at the grassroots level. It can be stated that though none of the states had achieved complete devolution from states to Panchayats, but the 73rd Constitutional Amendment has provided continuity and space for vulnerable groups and women in these institutions. The studies revealed that these institutions could not perform effectively in most of the states. Even states have not performed their duties as expected to strengthen the Panchayats as rural self- government. In this context, the Union Government and state governments must contribute effectively to conscientise the citizens, administrators, political leaders and civil society to strengthen the institutions of self-government through joint efforts. In addition, proper devolution of funds will bring effectiveness, responsiveness and efficiency in delivery of public services. The trust of State Government on Village Panchayat and Gram Sabha; and flexibility to utilise funds will result in achieving Sustainable Development Goals and all-round development.

1.12 SUMMARY

- Panchayati Raj system is a process through which people participate in their own government

- Panchayati Raj is one of the fundamental pillars of Indian democracy
- It promotes grassroot level democracy. It's a 3-tier system - at the grassroots level there is Gram Panchayat, in the Block level there is Panchayat Samiti and at the district level there is Zilla Parishad.
- It is the system for self-government in rural area.
- This system aims at development of rural areas with diligent effort.
- It works towards development in field like agriculture, trade, industry, irrigation, communication, health, sanitation and their facilities in rural areas.
- All the 3 tiers can function with various taxes that they can levy and funds allotted by the Centre and state governments.
- District Planning Committee, required both for panchayat and municipality, is established in every district by every state.
- District planning committee will be in charge of integrated planning for the district's urban and rural areas.

1.13 **KEYWORDS**

- Decentralization

The transfer of control of an activity or organization to several local offices or authorities rather than one single one.

- Community development

Community development is a process where community members are supported by agencies to identify and take collective function or issues which are important for them.

- Participatory democracy

Participatory democracy is a form of government in which citizens participate individually and directly in political decisions and policies that affect their lives rather than through elected representatives

- Amendments

A minor change or addition designed to improve a text, piece of legislation.

- Self-government

Government under the control and direction of the inhabitants of a particular political unit rather than by an outside authority

1.14 MODEL QUESTIONS (Short question-answer type)

1. What is the literal meaning of panchayat?

Ans – It is the council of 5 people.

2. In which level of our democratic government does Panchayati Raj system belong?

Ans – Panchayati Raj system is at the grassroots level of a democratic government.

3. Which day is celebrated as National Panchayati Raj Day?

Ans – April 24th is celebrated as National Panchayati Raj Day.

4. In which year Balwant Rai Mehta Committee was constituted?

Ans – Balwant Rai Mehta Committee was constituted in the year 1957.

5. Specify two agricultural functions of Panchayat Samiti.

Ans – The two agricultural functions of Panchayat System are-

1. Distribution of fertilizers
2. Encouraging fruit and vegetable cultivation.

6. Name the highest tier of Panchayati Raj System.

Ans – The highest tier of Panchayati Raj system is Zilla Parishad.

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BLOCK IV

PANCHAYATIRAJ FINANCE

STRUCTURE

- 1.1 OBJECTIVES
- 1.2 INTRODUCTION
- 1.3 CONSTITUTIONAL PROVISIONS
- 1.4 Gram Panchayat: SOURCES OF FUND
- 1.5 Panchayat Samiti Finances
- 1.6 Committees on Panchayat Finance
- 1.7 Panchayat Resource Generation
- 1.8 15th Finance Commission
- 1.9 Conclusion
- 1.10 Summary
- 1.11 Keywords
- 1.12 Model questions
- 1.13 References

1.1 OBJECTIVES

- People will get to know regarding the role of finance Commission in devolution of funds for the panchayat raj Institution.
- It brings awareness regarding the various sources where from the funds are collected by the panchayat raj system.
- It will let know the various taxes that the panchayat raj levy for its fund.
- People will come to know about the various Articles of the Indian constitution and the role of the state government regarding the panchayat raj finance.
- This will also make people aware regarding the problems and difficulties faced by the Panchayat Raj Institutions' financial dealings.

1.2 INTRODUCTION

In Panchayat Raj System, the Gram Panchayat, the Block Samiti and Zila Parishad are the three basic units of local administration at three different levels. A significant portion of the Constitution deals with the structural empowerment of the panchayat raj system. But the true strength of these institutions in terms of autonomy and efficiency is dependent on their financial position (including their capacity to generate their own resources)

Panchayat finance ensures the proper functioning of the three tier Panchayati Raj System. It received constitutional status by the 73rd constitutional amendment act 1992. To empower the panchayat in managing its finance, the constitution transfers 29 items to the local governments and set up Finance Commission to ensure the resources for local bodies. Article 243 (1) and Article 243 (y) of the Constitution of India prescribe devolution of fund at the expiry of every five years to the local bodies by the Finance Commission.

1.3 CONSTITUTIONAL PROVISIONS:-

1.3.1 Article 243(H) states that the state legislature may:

- authorise a Panchayat to levy, collect and appropriate taxes, duties, tolls, and fees;
- assign to a Panchayat taxes, duties, tolls, and fees levied and collected by the state government
- provide for Grants -in -aid to panchayats from the state consolidated fund and provide for the establishment of funds for crediting all money received, by or on behalf of the Panchayats and for the withdrawal of such money therefrom.

1.3.2 Article 243(l) state that every five years,

- the governor of a state shall appoint a finance committee to review the financial position of the panchayats.
- It is responsible for making the following recommendations to the Governor:

1.3.3 The principles that should govern:

- The distribution of the net proceeds of the state's taxes, duties, tolls and fees between the state and the panchayats, as well as the allocation of shares among the panchayats at all levels.

- The assessment of taxes, duties, tolls, and fees that may be assigned on the panchayats.
- Grants -in -aid to panchayats from the state's consolidated fund.
- The measures required to improve the panchayats' financial position.
- Any other matter referred to by the Governor in the interest of the panchayats' financial health.
- The state legislature may specify the composition of the commission, the required qualifications of its members, and the manners in which they are selected.
- The Governor must present the commission's recommendations as well as the action is taken report, to the state legislature.
- The Central Finance Commission Shall also recommend measures to augment the consolidated fund of a state in order to supplement the resources of the panchayats in the states (based on the recommendations of the state finance commission).

1.4 Gram Panchayat: SOURCES OF FUND

Although the amount of money transferred to Panchayat by the Central or State Government account for the bulk of its revenue, the Panchayat Raj Institution PRI's resource generation is the lifeblood of its finances. It also ensures the presence of a local taxation system that guarantees the people's participation in the working of an elected body. This also holds the Gram Panchayat accountable to the

Citizens. Gram Panchayat are better placed in terms of resource collection as the other two tiers rely solely on toll, fees and non-tax revenue to generate internal resources.

The Panchayat derived its taxing power mainly from article 243H, law which states that the Legislature of a State may, by law,

- Authorise a Panchayat to charge, collect and appropriate such taxes, duties and tolls and fees according to such procedures and restrictions
- assign to a Panchayat the taxes, charges tolls and fees imposed and collected by the state Government for such purposes and with such conditions and limits
- Provide for the State's Consolidated Fund to make such grants in aid to the Panchayat and
- Provide for the establishment of such funds for the crediting of any funds received by or on behalf of the Panchayat as well as the withdrawal of such funds as may be stipulated by law
- The majority of taxation powers has been delegated to Village Panchayat under state Panchayat

Raj act. The revenue realm of intermediate and District Panchayat (both tax and non-tax) has been reduced significantly and is now restricted to secondary areas like ferry services, market, water and conservancy services, automobile registration, stamp duty, cess, and a few others

- According to several state legislature the village panchayat is responsible for a variety of taxes, levies, tolls, and fees. Octroi, Property/House Tax, profession tax, land tax/cess, taxes/tolls on vehicles, entertainment tax/ fees, license fees, tax on non-agricultural land, fee on cattle registration, sanitation/drainage/Conservancy tax, water rate/tax, lighting rate/tax, education cess and tax on fairs and festivals are just a few examples.

1.5 Panchayat Samiti Finances

For every Panchayat Samiti there shall be constituted a Panchayat Samiti Fund bearing the name of the

Panchayat Samiti and there shall be placed to the credit thereof— (a) contribution and grants, if any,

made by the Central or the State Government including such part of the land revenue collected in the

State as may be determined by the State Government; (b) contributions and grants, if any, made by the

Zila Parishad 1 [or the Mahakuma Parishad or the Council] or any other local authority; (c) loans, if

any, granted by the Central or the State Government or raised by the Panchayat Samiti on Security of

its assets; (d) all receipts on account of tolls, rates and fees levied by it; (e) all receipts in respect of any

schools, hospitals, dispensaries, buildings, institutions or works, vested in, constructed by or placed

under the control and management of the Panchayat Samiti; (f) all sums received as gift or contributions

and all income from any trust or endowment made in favour of the Panchayat Samiti; (g) such fines or

penalties imposed and realised under the provisions of this Act or of the bye-laws made thereunder, as

may be prescribed; and (h) all other sums received by or on behalf of the Panchayat Sam ill. 1

Explanation— A Panchayat Sam in shall riot receive to the credit of its fund— (a) any loan from any

individual, severally or jointly, or any member or office bearer of the Panchayat Samiti, or (b) any gift

or contribution from any individual, severally or jointly, or any member or officer bearer of the

Panchayat Samiti save and except in pursuance of a resolution adopted in a meeting of the Panchayat

Samiti accepting such gift or contribution and stating the purpose for which such gift or contribution is offered and accepted. (2) Every Panchayat Samiti shall set apart and apply annually such sum as may be required to meet the cost of its own administration including the payment of salary, allowances, provident fund and gratuity to the officers and employees. (3) Every Panchayat Samiti shall have power to spend such sums as it thinks fit for carrying out the purposes of this Act. (4) The Panchayat Samiti Fund shall be vested in the Panchayat Samiti and the balance to the credit of the Fund shall be kept in such custody as the State Government may, from time to time, direct. Also, incomes are generated from levy tolls on persons, vehicles or animals or any class of them at any tollbar established by it on any road other than a Kutcha road or any bridge vested in it or under its management, (b) levy tolls in respect of any ferry established by it or under its management, (c) levy the following fees and rates, namely:— (i) fees on the registration of vehicles; (ii) a fee for providing sanitary arrangements at such places of worship or pilgrimage, fairs and melas within its jurisdiction as may be specified by the State Government by notification.

1.5 Zila Parishad Finances

All money received by a Zila Parishad constitutes a fund called the Zila Parishad Fund. All money received by the Zila Parishad is kept in a Government Treasury or Sub-Treasury or in the bank to which the Government Treasury business has been made over, unless the government in any case otherwise permits. All orders or cheques against the Zila Parishad Fund are to be signed by the Secretary.

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- (iii) grants from All India bodies and institutions for the development of cottage, village and small-scale industries, and the like;
- (iv) state taxes or fees as may be prescribed;
- (v) income from trusts administered by the Zila Parishad;
- (vi) such income of the District Board as the Government may by order, allocate to it;
- (vii) Zila Parishad can raise loans.

(viii) donations and contributions from the Panchayat Samitis or from the public in any form; and

(ix) such contributions as the Zila Parishad may levy from the Panchayat Samitis with the previous approval of the Government.

The expenses of the Zila Parishad include the salaries and allowances of the officials of the Zila Parishad, and allowances, if any, to be paid to the members of Zila Parishad or any

Consultative Committee thereof. The Chief Executive Officer of a Zila Parishad, frames and places

before the Zila Parishad, on or before the prescribed date, an annual budget showing the estimated

receipt and expenditure during the next financial year.

Thus, Rural Local Government in India continues to be a three-tier structure. The 73rd Constitution

Amendment Act has ensured the continued operation of the institutions of Panchayati Raj. It has given

additional powers and sources of revenue for enabling these to work efficiently.

The involvement and

empowerment of rural women has been secured by giving them reservations for becoming the members

and chairpersons of Panchayats, Panchayat Samities and Zila Parishads.

1.6 Committees on Panchayat Finance

The standing committee on rural development which was chaired by Dr. P Venugopal submitted its report on the improvement in the functioning of the panchayat in 2018.

The committee noted that mandatory meetings of panchayats were not taking place and had poor attendance, especially from the women representatives.

The committee recommended that

- the state government should put forward the mechanism of quorum in the meetings of Gram Sabha to ensure the participation of Panchayat representatives including women.
- It recommended strengthening of the panchayat through capacity building and encouraging the state and the central government to provide training to help States prepare better Gram Panchayat development plans and become more responsive to citizens' needs.
- It also recommended that recruitment and appointment of support and technical staff be expedited to ensure the smooth functioning of the panchayat.

1.7 Panchayat Resource Generation

The source of generation of finances for Panchayat are as follows:

A major portion of Part IX of the constitution deals with structural empowerment of the Panchayati Raj institutions but the real strength in terms of both the autonomy and efficiency of this institution is dependent on their financial position including all their capacity to generate their own resources. Panchayat in our country receive funds in the following ways:

- Loans or grants from the state government
- Internal resource generation (tax and nontax)
- Programme-specific allocations under Centrally sponsored schemes and the Additional Central Assistance.
- All the grants from the union government are based on the recommendation of the Central Finance Commission as given in Article 280 of the constitution.

Under Article 243-I devolution from the state government is based on the recommendations of the State Finance Commission.

In absolute terms, the quantum of funds the Union or State Government transfers to a Panchayat forms the major component of its receipt, the Panchayat Raj Institutions on resource generation is the soul behind its financial standing. It is the existence of a local taxation system that encourages people's involvement in the affairs of an elected body. It makes the institution accountable to its citizens. Most of the taxation powers to village panchayats are given by State Panchayati Raj. The revenue domain of the intermediate and district panchayat both tax as well as non-tax has been kept smaller and confined to secondary areas like ferry services, market, water and conservancy services, cess on stamp duty, registration of vehicles, and a few others.

A study of various State Legislations indicates that several taxes, tolls, fees, and duties come under the jurisdiction of the village panchayats. This includes octroi property/ House Tax, land tax/cess, taxes/tolls on vehicles, license fees, tax on non-agriculture and, fee on registration of cattle sanitation/drainage, conservancy tax, water rate/tax, lighting rate/tax, education cess and tax on fair and festivals and profession tax.

1.8 15th Finance Commission: -

FC -xv has recommended [Rs 94,721 crore as united (Basic) grant as per] a total of 1,42,083 crore as tied grant as per state wise and year wise details, out of which

(i)Rs71,042 crore shall be earmarked for drinking water, rain water harvesting

and water recycling and
(ii)Rs.71,042 crore shall be earmarked
for sanitation and maintenance of
ODF status, and this should include
management and treatment of household waste, and human excretaand faecal
sludge management.

The 15th Finance Commission has recommended distribution of local body grants
to all the tyres of the panchayats
i.e., Gram Panchayats, Block panchayatsand Zila Parishad. The inter say
distribution among all the tyres shall be done by the concerned state government
on the basis of accepted recommendation of the latest State Finance Commission
(SFC) and in conformity with the following bands;

RANGE OF DISTRIBUTION	GRAM PANCHAYAT	BLOCK PANCHAYAT	PANCHAYAT SAMITI
MINIMUM	70%	10%	5%
MAXIMUM	85%	25%	15%

1.9 Conclusion: -

- Devolution of funds from higher levels of government is a significant component of panchayat's resources.
- The existence of a local taxation system ensures citizens' participation in the affairs of an elected body. It also holds the institution responsible to its constituents.
- In terms of own resource collection, Gram Panchayats are in better position because they have their own tax domain, whereas the other two tiers rely solely on tolls, fees, and non-tax revenue to generate internal resources.
- The majority of taxation powers have been delegated to village panchayats under the State Panchayat Raj Acts.

1.9.1 But there are certain short comings as well: -

- States across the country have not paid enough attention to the financial empowerment of panchayats.
- The resource available to panchayats are limited.
- Internal resource generation is limited at the panchayat level. This is due in part to a thin domain and in part to panchayats' own reluctance to collect revenue.
- Panchayats must rely heavily on grants from the Union and state government.

- A significant portion of grants from both the Union and the state governments are scheme specific.
- Panchayats have limited discretion and flexibility when it comes to incurring expenses.
- State governments are hesitant to devolve funds to panchayats due to their own fiscal constraints.
- Panchayat cannot become effective Institutions of local self-government unless they have a strong financial foundation with clearly defined revenue resources that are properly managed to optimize resources.

1.10 Summary-

- the very principle of democracy i.e. The decentralisation of power is experienced in the financial transaction of the Panchayati Raj system.
- Devolution of fund in the Panchayati Raj System is decided by the Finance Commission according to the constitution of India.
- Various sources are there to levy Taxes by the Panchayati Raj system.
- Other than that, Grants are allotted by the Central and state government.
- Attendance in the meeting by the representatives of the three tier Panchayati Raj System are less than required.
- In the post- Covid situation the volume of work done by the Panchayati Raj Institutions has been increased.
- So, more grants are required to manage the work load.

1.11 Keywords: -

- Assigned/shared revenues are collected by State Government but transferred/ shared to with local bodies.
- Finance commission is a constitutional body under Article 280 created every five years to recommend the transfer of financial resources from the Centre to the states.
- Standing committee is a committee consisting of members of parliament that work on continuous basis.
- Tied grant is that grant which is meant for particular purpose.
- ODF i.e., Open Defecation Free means that no visible faeces found in the environment and every household as well as public/community institutions using safe technology option for disposal of faeces.

1.12 Model questions:-

- Where from the panchayats receive the grants?

Ans - Panchayat receive the grants from the Central and the state governments.

- Point out the article from where the panchayats derive their taxing power.

Ans - From the Article 243 of the Indian Constitution panchayats derive their taxing power.

- Name the types of taxes that Panchayat can Levy.

Ans – Property tax, land tax, profession tax are the three types of taxes that Panchayat can levy.

- Which one is the latest Central Finance commission?

Ans - XV Finance Commission is the latest one.

- Mention two sources of income of Zilla Parishad.

Ans - Taxes Levied by Zilla Parishad and funds allotted by State Government for developmental activities are the two sources of income of Zilla Parishad.

1.13 References –

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