

FIFTY SIXTH REPORT
STANDING COMMITTEE ON URBAN
AND RURAL DEVELOPMENT
(2004)

(THIRTEENTH LOK SABHA)

MINISTRY OF RURAL DEVELOPMENT
(DEPARTMENT OF RURAL DEVELOPMENT)

IMPLEMENTATION OF PART IX
OF THE CONSTITUTION

*[Action taken by the Government on the recommendations contained in
the Thirty-seventh Report of the Standing Committee on Urban and
Rural Development (Thirteenth Lok Sabha)]*

Presented to Lok Sabha on

Laid in Rajya Sabha on



LOK SABHA SECRETARIAT
NEW DELHI

February, 2004/Magha, 1925 (Saka)

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Report of the Committee (13th Lok Sabha)

COMPOSITION OF THE STANDING COMMITTEE ON
URBAN AND RURAL DEVELOPMENT (2004)

Shri Chandrakant Khaire — *Chairman*

MEMBERS

Lok Sabha

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3. Shri Mani Shankar Aiyar
4. Shri S. Ajaya Kumar
5. Shri Ranen Barman
6. Shri Padmanava Behera
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22. Prof. (Shrimati) A.K. Premajam
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Rajya Sabha

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38. Shri Vidya Nivas Misra
39. Shri Faqir Chand Mullana
40. Shri Rumandla Ramachandraiah
41. Shri Harish Rawat
42. Shri Man Mohan Samal
43. Shri G.K. Vasani

SECRETARIAT

1. Shri N.K. Sapra — *Joint Secretary*
2. Shri K. Chakraborty — *Director*
3. Shrimati Sudesh Luthra — *Under Secretary*
4. Shri Sundar Prasad Das — *Committee Officer*

INTRODUCTION

I, the Chairman of the Standing Committee on Urban and Rural Development (2004) having been authorised by the Committee to submit the Report on their behalf, present the Fifty-sixth Report on the action taken by the Government on the recommendations contained in the Thirty-seventh Report of the Standing Committee on Urban and Rural Development (2003) on 'Implementation of Part IX of the Constitution' of the Department of Rural Development (Ministry of Rural Development).

2. The Thirty-seventh Report was presented to Lok Sabha on 20 November 2002. The replies of the Government to all the recommendations contained in the Report were received on 19 May 2003.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 27 January 2004.

4. An analysis of the action taken by the Government on the recommendations contained in the Thirty-seventh Report of the Committee is given in *Appendix III*.

NEW DELHI;
30 January, 2004
10 Magha, 1925 (Saka)

CHANDRAKANT KHAIRE,
Chairman,
Standing Committee on
Urban and Rural Development.

CHAPTER I

REPORT

This Report of the Committee on Urban and Rural Development (2004) deals with the action taken by the Government on the recommendations contained in their Thirty-seventh Report on the subject 'Implementation of Part IX of the Constitution' of the Department of Rural Development (Ministry of Rural Development) which was presented to Lok Sabha on 20 November 2002.

2. Action taken notes have been received from the Government in respect of all the 49 recommendations which have been categorised as follows:

- (i) Recommendations which have been accepted by the Government:

Para Nos. 2.19, 2.20, 2.21, 2.25, 3.20, 3.21, 3.40, 3.48, 4.14, 4.19, 5.3, 5.4, 5.5, 6.18, 8.4, 10.9, 10.13, 12.7 and 12.8

- (ii) Recommendations which the Committee do not desire to pursue in view of Government's replies:

Para No. 9.11

- (iii) Recommendations in respect of which replies of the Government have not been accepted by the Committee:

Para Nos. 2.22, 2.23, 2.24, 3.11, 3.12, 3.13, 3.14, 3.19, 3.22, 3.30, 3.34, 3.39, 3.41, 3.42, 4.15, 4.16, 4.17, 4.18, 6.13, 6.14, 6.15, 7.3, 9.10, 10.10, 10.11 and 10.12

- (iv) Recommendations in respect of which final replies of the Government are still awaited:

Para No. 11.5

3. The Action Taken replies furnished by the Government have been examined in details as per the categorization given above. The recommendations made by the Committee in their earlier Report, as given in para 2 above, on which the Committee find that unsatisfactory replies have been furnished by the Department, have

been dealt with in detail in the subsequent paras of the Report. However, it may be noted that while going through the replies, it appears that the Government have taken to their recommendations very casually. The Committee deprecate the way in which the Government have replied to their recommendations given earlier. They are unhappy to note that most of the replies furnished by the Government are evasive, vague and inconclusive. They also note that in most of the replies the Government have tried to side track the main issue by shifting the responsibilities to the State Governments. They have repeatedly been drawing attention of the Department on the issue that Implementation of Part IX of the Constitution is the responsibility of the Union Government. In spite of that, the attitude of the Government remains the same. The Committee hope that the Government would reconsider their recommendations, the analysis of which has been given in the subsequent paras. They also hope that while submitting the action taken replies in future, the Government would take care of the sentiments of the Committee in this regard.

4. The Committee desire that final replies in respect of the recommendations for which only interim replies have been given by the Government should be furnished to the Committee within three months of the presentation of the Report.

5. The Committee will now deal with action taken by the Government on some of these recommendations in the succeeding paragraphs.

I. Reservation for Backward Classes in Panchayats

Recommendation (Para No. 2.22)

5. The Committee had recommended as below:

“The Committee find that so far as the question of reservation for Backward Classes in Panchayats is concerned, as per article 243D (6), the matter has been left to the discretion of the State Legislatures. As could be seen from the information furnished by the Department, the issue of reservation for Backward Classes has led to intensive litigations and is often used as an excuse for postponing elections to the Panchayats. Since the reservation for Backward classes is an enabling provision and State Legislatures

are free to take their own decisions in this regard, the Committee recommend that the Government should bring the experiences of different States to the notice of all State Governments with a view to enable them to solve suitable reservation system for the Backward classes which may enjoy a wide measure of consensus in the society, and should not come in the way of effective and timely implementation of part IX.”

6. The Government in their reply have stated as under:

“Experiences of different States in this regard do get discussed at the periodical meetings of State Ministers/Secretaries, in charge of Panchayati Raj arranged by the Ministry of Rural Development. Further, the Ministry do attend promptly to the request of the States in this regard.”

7. The Committee feel that discussing experiences of different States with regard to reservation for Backward Classes in Panchayats while sitting in Delhi will not yield the desired results. They had, in their earlier recommendation desired that the Department should bring the experiences of different States in this regard to the notice of all the State Governments, so that a suitable reservation system for the Backward Classes could be evolved. While reiterating their earlier recommendation, the Committee would like it to be reconsidered in the right perspective and they be apprised about the action taken in this regard accordingly.

ii. Ruling from the Supreme Court about the meaning and scope of article 243E

Recommendation (Para No. 2.23)

8. The Committee had recommended as below:

“The Committee note that article 243E nowhere provides for postponing of elections in any circumstances. They also note that in a leading judgment, the Supreme Court ruled that the concerned States cannot be permitted to withhold elections to Panchayats except in case of genuine supervening difficulties such as unforeseen natural calamities in the State like flood, earthquake etc. or urgent situation prevailing in the State for which elections to the Panchayat cannot be held in time. The Committee while going through the information provided by the Department, find that the said ruling of the Supreme Court interpreting article 243E of the Constitution is being differently interpreted by the State

Governments. The Committee are strongly of the view that since regular periodic elections, within the letter and spirit of the Constitutional provision lies at they very heart of the democratic process, the Central Government should secure a clear ruling from the Supreme Court about the meaning and scope of article 243E, so that elections are held within five years and jurisprudence clearly indicates the highly exceptional situations, if any, in which there may be a short postponement.”

9. The Government in their reply have stated as under:

“The provisions of the Constitution are quite categorical regarding the holding of Panchayati Raj elections every five years. The Ministry have been emphasizing to the States to hold elections within the stipulated period of five years and has been writing to the States concerned before the expiry of the terms of existing PRIs in the States.”

10. The Committee are distressed to note the response of the Department with regard to the recommendation of the Committee on such a serious issue of ensuring Panchayati Raj elections after every five years as per the spirit of article 243E of the Constitution. They had in their earlier recommendations, desired that the Union Government should secure a clear and unambiguous interpretation from the Supreme Court about the meaning and scope of article 243E in the light of the ruling given by the Supreme Court that States cannot be permitted to withhold elections to Panchayats except in cases of genuine supervening difficulties. The reply of the Department in this regard is quite vague and it seems that they have simply tried to ignore their earlier recommendation. The Committee while expressing their unhappiness over the lackadaisical approach and inaction of the Department in getting a clear interpretation from the Supreme Court in this regard, would like it to do the needful immediately so that no confusion prevails while interpreting the ruling by the State Governments for the purpose of postponing election to Panchayats.

iii. Harmonizing and clarifying the Court’s judgments relating to Part IX of the Constitution

Recommendation (Para No. 2.24)

11. The Committee had recommended as below:

“The Committee further feel that there is a need for harmonizing and clarifying the body of jurisprudence arising out of the relatively

recent introduction of Part IX, since some court judgments appear *prima facie* not to be consistent with other judgments. It is urged that such a process of harmonization and clarification be undertaken by the authority or authorities concerned.”

12. The Government in their reply have stated as under:

“PRI Centre in NIRD is being asked to bring out a compilation of all the rulings in Court cases on Panchayats in different States.”

13. The Committee feel that by bringing out the compilation of all the rulings in Court cases on Panchayats in different States will not be adequate. They in their earlier recommendation had desired to harmonize and clarify the body of jurisprudence since some Court judgments do not *prima facie* appear to be consistent with other judgments. They would like that in the light of their recommendation, the process of harmonization and clarification be undertaken by some authority and they be apprised accordingly.

iv. Review of Central and State Acts in the light of Provisions of Part IX

Recommendation (Para No. 2.25)

14. The Committee had recommended as below:

“The Committee further note that most of the Central and States Acts need amendment in view of the powers conferred constitutionally on the elected local bodies. They are of the view that the Central Government and the State Governments must establish appropriate review bodies to carefully examine the compatibility of pre-Part IX legislation with the new Constitutional provisions. This exercise needs to be undertaken urgently within a time-bound framework. Possibly, the Law Commission might be entrusted with the initial responsibility of identifying the categories of Central and State legislations, which need to be so examined and acted upon.”

15. The Government in their reply have stated as under:

“The matter has been considered in the Ministry of Rural Development and it has been decided to commission a research study in the matter.”

16. The Committee find that pursuant to their recommendation to entrust the responsibility of identifying the categories of Central and State Legislatures to examine the compatibility of pre-Part IX legislation with the new Constitutional provisions, the Department has decided to commission a research study in the matter. The Committee would like that such a research study should be expeditiously and they be kept apprised about it. Besides, they would also like that after getting the findings of the said research study, the Central Government and State Governments must establish appropriate review bodies to carefully examine the compatibility of pre-Part IX legislation with the new Constitutional provisions as earlier recommended by them.

v. Devolution of functions, functionaries and finances to Panchayats

Recommendation (Para Nos. 3.11, 3.12 & 3.13)

17. The Committee had recommended as below:

“The overall aim of Part IX is to endow the Panchayats with such powers and responsibilities as may be necessary to enable them to function successfully as institutions of self-government, as per article 243G of the Constitution. State Legislatures have been empowered to endow Panchayats by law with such powers and authority as may be necessary to enable them to prepare plans for economic development and social justice and implement schemes for economic development and social justice, including those in relation to the matters contained in the Eleventh Schedule. The Committee are, however, constrained to note that although more than nine years have passed since the Constitution (Seventy-third Amendment) Act was enacted, very few States seem to be serious about the implementation of said provision of Part IX. They further find that endowing Panchayats with certain functions is fruitful only if the Panchayats are equipped with the trained functionaries and adequate finances are also made available to them. Thus they note that Panchayats can fulfill their responsibility as institutions of self-government only if devolution is patterned on a nexus between the there Fs, *i.e.* functions, functionaries and finances. The Committee are unhappy to note that very few States have linked the very important devolution of functions to the means of actualising such devolution through the devolution of functionaries and funds for all the 29 subjects enlisted in the Eleventh Schedule.

Other States like Kerala and West Bengal are doing well. Yet it is really pathetic to note that several States/UTs have not yet transferred the funds *vis-a-vis* functions and functionaries, not even for a single subject to Panchayats. Further, the Committee find that there is lack of clarity about the tasks to be entrusted to different tiers of Panchayati Raj system.”

(Recommendation Para No. 3.11)

“The Committee appreciate the efforts made by the Union Ministry of Rural Development in appointing a Task Force, which dealt with this subject in detail and prepared an Activity Mapping. They also note that the State Governments/Union territories’ Administrations have been advised to complete devolution of powers upon Panchayats by 31 March, 2002. They hope that the Activity Mapping prepared by the Task Force would be a model for the State Governments, and they would sincerely make efforts to ensure devolution of funds, functions and functionaries in the true spirit of the Constitution with the encouragement and support of the Centre.”

(Recommendation Para No. 3.12)

“The Committee further note that the said Task Force has made several observations/recommendations on executive and managerial measures that are imperative for the successful functioning of grassroot governance. They hope that the State Governments would act in accordance with the pattern of functional capacity building of Panchayats as recommended by the Task Force which would result in empowering the Panchayats in the true spirit of the Constitution to enable these institutions to function as institutions of self-government.”

(Recommendation Para No. 3.13)

18. The Government in their replies have stated as under:

“The matter is constantly being reviewed and taken up at the highest level and was last taken up in the meeting of Ministers of Panchayati Raj of various States held on 27-28 January 2003. The Task Force set up by the Ministry of Rural Development explicitly states that inter tier distribution of functions would be a function of State specificities in terms of structure of administration at the

State and sub State levels, topography and size of Panchayat; and hence should be best left to the State Governments. The report of the Task Force has already been circulated to the State Governments for guidance and action.”

(Reply to Recommendation Para No. 3.11)

“The recommendations of the Task Force have already been forwarded to the State Governments. This matter was also taken up during discussion in the Panchayati Raj Ministers’ Conference on 27-28 January 2003.”

(Reply to Recommendation Para No. 3.12)

“The need to empower Panchayati Raj Institutions in true spirit of the Constitution has been and continues to be emphasized upon the State Governments.”

(Reply to Recommendation Para No. 3.13)

19. The Committee, in their earlier recommendations, had expressed their concern over the fact that most of the States have not developed functions, functionaries and finances to Panchayats, in respect of 29 subjects enlisted in the Eleventh Schedule of the Constitution. They also noted that the Task Force constituted by the Ministry of Rural Development had prepared an Activity Mapping which would be a model for the State Governments in this regard. The Committee while appreciating the work done by the Task Force had desired that the Union Government should seriously make efforts to ensure devaluation of functions, functionaries and finances. In response to their recommendations in this regard, the Union Government seems to be contented with circulating the copy of the Report of the Task Force to the State Governments. The Committee feel that merely circulating the copy of the Report would not be sufficient to get the task of devolution completed by the respective State Governments. They feel that persistent efforts are required to persuade the State Governments to devolve the functions in true spirit of the Constitution. They also feel that better interaction with the officers of State Government, Panchayati Raj Institutions and State Ministers, etc. is required to achieve the said objective. In view of the aforesaid position, the Committee would like the Department to pursue the State Governments to ensure that they

devolve all the 29 functions along with functions, functionaries and finances so as to enable the Panchayats to function successfully as institutions of self-government.

vi. Reconstitution of Ministry of Rural Development as Ministry of Panchayats and Rural Development

Recommendation (Para No. 3.14)

20. The Committee had recommended as below:

“The Committee note that although it is the responsibility of the State Legislatures to endow the Panchayats with requisite powers and responsibilities in the true spirit of article 243G of the Constitution, the overall responsibility of monitoring the implementation of Part IX of the Constitution lies with the Union Ministry of Rural Development. They are constrained to note that even after the lapse of nine years of coming into force of the Constitution (Seventy-third Amendment) Act, most of the States are yet to fully and conscientiously implement article 243G of the Constitution. They find that although the Union Ministry of Rural Development has set up different Departments to deal with its many functions, responsibilities and schemes relating to poverty alleviation and rural development, all of which should be planned and implemented through the Panchayats under article 243G grade with Eleventh Schedule, the Ministry has no separate Department overseeing the implementation of Part IX of the Constitution. Since monitoring the implementation of the Constitution is the central responsibility of the Government of India, and given the complex and detailed provisions of Part IX, the Committee recommend that the Union Ministry of Rural Development be reconstituted as the Union Ministry of Panchayats and Rural Development, which would include a Department of Panchayats to oversee the work of the other departments of the Ministry of ensure that the Ministry itself promotes the implementation of article 243G in letter and spirit besides working with State Governments to ensure that they do likewise. The Committee further recommend that the proposed Union Ministry of Panchayats and Rural Development submit an annual State of the Panchayats Report to Parliament to enable Parliament to effectively monitor the implementation of Part IX. The Committee do not accept the view of the present Department of Rural Development that a Ministry of Panchayats might “tend

to more control from the Centre.” The role of the Centre would not be to “control” implementation but monitor implementation to ensure that the objectives and basic principles of Part IX are being pursued in letter and spirit.”

21. The Government in their reply have stated as under:

“The matter has been carefully considered in the Ministry. At present the concern for empowerment of PRIs is integrated into the charter of programme division. As a result, the role of Panchayats has been steadily increasing in various Programmes of the Ministry. SGRY is implemented through PRIs. Selection of beneficiaries in almost all Schemes of Ministry of Rural Development is being made on the recommendations of Gram Sabhas. Further, the newly conceived Programme of Swajaldhara is to be implemented by Panchayats. The Watershed Development Programmes namely Integrated Wasteland Development Programme, Drought Prone Areas Programme and Desert Development Programme will also be now implemented through Panchayats through the new approach called ‘Hariyali’. The Ministry also interacts with other Ministries to secure the role of Panchayats in their programmes. This commitment will get diluted by confining the advocacy and monitoring to a separate Department.”

22. The Committee are unhappy to note the evasive reply of the Department. They in their earlier recommendation had desired that the Union Ministry of Rural Development should be reconstituted as the Union Ministry of Panchayats and Rural Development which would include a Department of Panchayats to oversee the work of the other Departments of the Ministry, to ensure that the Ministry itself promotes the implementation of the article 243G in letter and spirit of the Constitution, besides working with State Governments to ensure that they do likewise. No concrete action seems to have been taken by the Department in pursuance of their recommendation. The Department has simply reproduced the existing position with regard to the role of Panchayats in various Centrally Sponsored Schemes/Programmes of the Ministry of Rural Development. The Committee are not convinced with the reply of the Department that by constituting a separate of the implementation of various provisions of the Constitution with regard to Part IX itself lies on the Ministry of Rural Development. In view of this, they fail to understand the

constraint of the Union Government to have a Department of Panchayats to oversee the implementation of Part IX. They would like the Department to reconsider their recommendation. Besides, the Committee in their said recommendation had also desired that the proposed Union Ministry of Panchayats and the Rural Development should submit an annual state of the Panchayats Report to Parliament to effectively monitor the implementation of part IX. Nothing has been said on this aspect in the reply furnished by the Department. The Committee would like the Department to ponder and forward their considered views in this regard without further delay.

vii. Strengthening the financial position of the Panchayats

Recommendation (Para Nos. 3.19 and 3.22)

23. The Committee had recommended as below:

“The Committee find that one of the primary factors behind the enactment of 73rd Amendment Act was the lack of financial resources which stood in the way of the Panchayats to acquire the status and dignity of viable and responsive peoples’ bodies. Devolution of functions without funds is not realistic and can never provide the required momentum to the self-governing bodies to act independently in a fruitful manner. However, quantum and nature of devolution cannot be uniform keeping in view the varied needs of each State, the resources available for mobilisation and the implementing machinery involved in the process of mobilisation. The Committee agree with the Task Force’s observation that keeping in view the federal character of the Indian Constitution and the divergence in the needs and functions of States, it may not be possible to set a rigid and uniform pattern of financial devolution to the Panchayats for all States. It is perhaps because of this, that the State Legislatures have been endowed with discretionary power to strengthen the finances of Panchayats. The Committee also agree that each State should give due consideration to certain principles in general while designing scheme of financial devolution for Panchayats (article 243H prescribes certain basic fundamentals). The State Legislatures, thus, have been given discretionary powers to strengthen the finances of Panchayats by arrangement of certain revenue powers and sharing of State revenues with Panchayats and payment of grants-

in-aid. The Committee hope, as also observed by the Task Force, that State Legislatures will utilize the discretionary powers assigned to them in such a way that the same facilitate the transformation of the PRIs into wholesome, autonomous institutions of self-government.”

(Recommendation Para No. 3.19)

“The Committee further find that although article 244H(a) provides for Panchayats to “appropriate” into their own funds the proceeds of taxes, etc. collected by them, few States appear to have encouraged this useful mechanism for Panchayats to raise their own resources. The Committee recommend that the Government should make the earnest effort to persuade the State Legislatures to consider which of the taxes etc. assigned to the Panchayats might be left to be appropriated by the Panchayats and request State Governments to prepare appropriate legislation in this regard. The Committee further recommend that such appropriation should be encouraged to the maximum extent possible.”

(Recommendation Para No. 3.22)

24. The Government in their replies have stated as under:

“Noted. The Ministry have already circulated the Task Force Report for necessary action to the State Governments. The matter is also being followed up with the States from time to time.”

(Reply to Recommendation Para No. 3.19)

“The matter falls within the domain of the State Finance Commission. The Ministry has recently held a meeting with the State Finance Secretaries and Chairpersons/Members of the State Finance Commission on 9.5.2003.”

(Reply to Recommendation Para No. 3.22)

25. In pursuance of the recommendations of the Committee to strengthen the financial position of Panchayats, the Union Government had held a meeting with the State Finance Secretaries and Chairpersons/members of the State Finance Commissions on 9 May 2003. The Committee would like to be apprised about the outcome of the said meeting. They also feel that more such

interactions are required to persuade the State Governments to use their discretionary powers for strengthening the financial capacity of Panchayats to enable them to function as institutions of self-government.

vii. Delay in constitution of State Finance Commissions (SFCs) and time limit for submission of their reports.

Recommendation (Para Nos. 3.30 and 3.31)

26. The Committee had recommended as below:

- (i) “in many cases, time limit has not been fixed for the submission of reports by the State Finance Commissions; and
- (ii) in some cases, there has been delay in the constitution of State Finance Commissions and in the submission of their recommendations to State Legislatures.”

(Recommendation Para No. 3.30)

“The Committee further note that as could be see from the status of the recommendations of various State Finance Commission set up by the State Governments, most of the recommendations have been accepted by the respective State Governments. They also note the observations made by the Task Force according to which the implementation of the recommendations made by the Finance Commission as the major constraint. Even after coming of the second generation State Finance Commissions into existence in many States, the Committee are unhappy to note that the pace of implementation of the recommendations made by the State Finance Commissions is very slow as pointed out by the Task Force. In view of this, they endorse the suggestions made by the Task Force that the State Governments should take expeditious measures to ensure that all recommendations of the respective State Finance Commissions, which are broadly agreed to, are implemented through relevant administrative, legislative and financial measures a given time limit. The Committee would like that the Union Government should further pursue with the respective State Governments in this regard.”

(Recommendation Para No. 3.31)

27. The Government in their replies have stated as under:

“The matter falls within the domain of the State Finance Commissions. The Ministry has recently held a meeting with the State Finance Secretaries and Chairpersons/Members of the State Finance Commissions on 9.5.2003.”

(Reply to Recommendation Para Nos. 3.30 and 3.31)

28. The Committee in their earlier recommendations, while expressing their concern over the delay in the constitution of State Finance Commissions, and in submission of their recommendations to State Legislatures, had desired that the Union Government should pursue the matter with respective State Governments to ensure that all recommendations of the respective State Finance Commission which are broadly agreed to, are implemented within a given time limit. The Committee are really perturbed to note the casual reply furnished by the Department, whereby they have simply stated that the matter falls within the domain of the State Finance Commissions. The Committee find that the implementation of Part IX of the Constitution is the responsibility of the Union Government and they have to monitor the implementation of various provisions enshrined in the said Part of the Constitution. To ensure that Panchayats Act as institutions of self-government, the Union Government have to persuade the respective State Governments to strengthen the capacity building of Panchayats. While expressing their concern over the way the Department has responded to their recommendation, the Committee would like the Union Government to play a pro-active role in persuading the State Governments to ensure that the recommendations of the respective State Finance Commissions, which have been broadly agreed to, are implemented in true spirit.

ix. Implementation of the directives of the Tenth and Eleventh Finance Commissions

Recommendation (Para No. 3.34)

29. The Committee had recommended as below:

“The Committee find that the Tenth and Eleventh Central Finance Commissions have made some *ad-hoc* provisions for the Panchayati Raj Institutions for the period 1996-2000 and 2000-2005, respectively.

The Committee note that the Tenth Finance Commission for want of SFC Reports had to resort to an *ad-hoc* provision of Rs. 4,381 crore. The Committee were informed that for the utilisation of the specific outlay, certain directives were also given to the State Governments. The Committee would like to know the guidelines drawn by the States in this regard and also whether the local bodies made suitable matching contributions by raising resources. They further note that a review and monitoring mechanism has been suggested by the Eleventh Finance Commission. The Committee stresses that whatever funds have been allotted by the Tenth and Eleventh Finance Commission to the local bodies should be utilised for the specified purposes. To ensure this, the Central Ministry has to monitor the implementation of directives of Tenth and Eleventh Finance Commissions. The Committee would like to be apprised of the details of the funds allotted to each of the States and the expenditure made till date categorically on maintenance of civic services, *i.e.* primary education, primary health care, etc. The Committee note that the EFC asked the States to enhance the Consolidated Funds of the States for supplementing the resources of Panchayats. The Committee would like to know from the Government about the steps taken in this regard by State Governments. Besides, they would like to recommend that the Union Government in consultation with the State Governments should carefully review and monitor on an ongoing basis the implementation of the directives of the Tenth and Eleventh Finance Commissions with a view to prepare the terms of reference for the Twelfth Finance Commission. The Committee would like to know the steps taken by the Central Monitoring Committee in this regard.”

30. The Government in their reply have stated as under:

“The details of funds released to States by the Ministry of Finance is given at Appendix-I. Expenditure details in respect of these funds are being sought from the Ministry of Finance. The matter regarding augmentation of local body resources has been taken up with the State Governments at several fora. The Ministry has recently held a meeting with the State Finance Secretaries and Chairpersons/ Members of the State Finance Commission on 9.5.2003.”

31. The Committee in their earlier recommendation had desired to know:

- (i) the guidelines drawn by the States pursuant to the directive given by Tenth and Eleventh Finance Commissions with regard to the utilisation of *ad-hoc* allocation;
- (ii) whether the local bodies made suitable matching contribution by raising resources;
- (iii) the details of funds allocated to each of the States and the expenditure made till date, categorically on maintaining the civic services, *i.e.* primary education, primary health care, etc.;
- (iv) steps taken pursuant to directives of Eleventh Finance Commission to States to enhance their Consolidated Funds for supplementing the resources of Panchayats; and
- (v) the steps taken by the Central Monitoring Committee in respect of reviewing and monitoring, on an on-going basis, the implementation of the directives of the Tenth and Eleventh Finance Commissions.

The Committee are distressed to find that except for their recommendation as indicated at (iii) above, the action taken reply submitted by the Department is totally silent on the various issues raised in their recommendation. They would like the Department to categorically respond to each of the issues raised in the recommendation. With regard to (iii) above, the Department has given the details of the funds released to States by the Ministry of Finance. However, the Government have submitted that the details of expenditure in respect of these funds are being sought from the Ministry of Finance. The Committee would like to be apprised about the details of expenditure after obtaining the same from the Ministry of Finance at the earliest.

x. Transfer of outlay directly to the Panchayats at appropriate level

Recommendation (Para Nos. 3.39 & 3.42)

32. The Committee had recommended as below:

“The Committee have repeatedly been recommending in their reports to implement all the Centrally Sponsored Schemes by

Panchayats. They have also been recommending for transfer of outlay directly to the Panchayats at appropriate level. They are unhappy to note that in spite of their repeated recommendations only one scheme, *i.e.* Sampoorna Grameen Rozgar Yojana (SGRY), which is a combination of EAS and JGSY, is being implemented by the Panchayats. They are equally disturbed to note that during 2000-2001 less than 25 per cent of the outlay earmarked for Centrally Sponsored Schemes was transferred to DRDA/Zila Parishad. In this scenario, the Committee feel that not only the States, the Union Ministry is also not serious in implementing Part IX of the Constitution. They, therefore, strongly recommend that as per the Constitutional mandate Central Government should release all funds for Centrally Sponsored Schemes falling within the ambit of the Eleventh Schedule directly to the Panchayats at the appropriate level as has been done in the recently restructured scheme SGRY.”

(Recommendation Para No. 3.39)

“The Committee have dealt with DRDA Administration in a separate Chapter in the Report. However, in the context of Centrally Sponsored Schemes/Programmes, they would like to recommend strongly that the Government should ensure that the outlay for all the Centrally Sponsored Schemes is released directly to the Panchayats at the appropriate level and not through DRDAs.”

(Recommendation Para No. 3.42)

33. The Government in their replies have stated as under:

“In addition to funds being released to Panchayats under SGRY, Hariyali and Swajaldhara, guidelines of almost all programmes including PMGSY (Pradhan Mantri Gram Sadak Yojana) have been modified by the Ministry of Rural Development to give a greater role to Panchayats in selection of beneficiaries, in preparing the shelf of projects, monitoring and supervision.”

(Reply to Recommendation Para No. 3.39)

“The Ministry has been continuously emphasizing the role of PRIs in implementation. Accordingly, under SGRY, Hariyali and Swajaldhara, outlay is released to Panchayats. Consequently in these programmes the role of DRDA is getting restricted to provided

technical support for formulation and execution of schemes/works by PRIs, providing training to them and coordinating on their behalf.”

(Reply to Recommendation Para No. 3.42)

34. The Committee are disturbed to note that reply of the Department on the subject of transfer of funds relating to Centrally Sponsored Schemes directly to the Panchayats. They have persistently been recommending in their Reports in this regard. In spite of that, the same reply stating the existing position in respect of release of funds for different Schemes/Programmes has been given. The Committee feel that not only the State Governments, but the Union Government also do not appear to be serious in implementing Part IX of the Constitution. While expressing their unhappiness over the way the Department is monitoring the implementation of Part IX of the Constitution, the Committee strongly reiterate their earlier recommendation to release funds with regard to Centrally Sponsored Schemes directly to the Panchayats.

xii. Merging of Schemes at the district level and conversion into untied grants

Recommendation (Para No. 3.41)

35. The Committee had recommended as below:

“The Committee further find that the Task Force has recommended that all the Central as well as State level schemes should be merged with some broader guidelines at the District level and converted into untied grants under one head. The Committee endorse the said recommendation of the Task Force with the hope that money earmarked for development purpose would not be diverted for other purposes like ways and means advances for the disbursement of salary of State Government officials etc.”

36. The Government in their reply have stated as under:

“The burden of the recommendations of the Task Force is that Panchayats get grants and moneys from diverse sources; and despite appointment and recommendations of State Finance Commissions, the system of grants in most of the States still requires rationalization. In view of this, the Task Force suggested

that State Governments may initiate urgent measures to streamline and integrate the various grants to the Panchayats. The specific schemes aimed to achieving some pre-defined National Goals reflecting National Policy using the broad national parameters, *i.g.* housing, self-employment, drinking water required to be implemented as per the Schemes. However, as has been done by Kerala that 30 to 40 per cent of the State Plan funds devolved on local bodies as untied funds, the other States could also consider making untied grants at the disposal of Panchayats. The concern of the Standing Committee regarding diversion of untied grants for disbursement of salaries is very genuine and would be appropriately conveyed to State Governments.”

37. The Committee find from the reply that the Department has not cared to comprehend their recommendation in the right perspective. The Committee while taking cognizance of the strong observations made by the Task Force regarding plethora of Schemes being implemented at the District level, had endorsed the view of the Task Force that all such Schemes having small allocation should be merged with some broader guidelines at the District level and converted into united grants under one Head. They had also recommended that each Department of the Centre and the State Government should review their guidelines keeping in view the necessary objectives of the Schemes (Refer Para No. 3.38 of 37th Report, 13th Lok Sabha). The Committee had desired that the money earmarked for development purposes should not be diverted for other purposes like wage and means advances for the disbursement of salary to State Government officials, etc. The reply of the Department is completely silent on the aforesaid observations of the Committee. The Committee would like the Department to indicate the steps taken by it ensure that the recommendations made by the Task Force as endorsed by the Committee are implemented by the respective State Governments. This, the Committee feel, would go a long way in containing wasteful expenditure on burdensome management and other procedural hassles on several small Schemes being implemented at the District level.

xii. Meeting of the Gram Sabha

Recommendation (Para No. 4.15, 4.16, 4.17 & 4.18)

38. The Committee had recommended as below:

“While going through the position of quorum in different States, the Committee find that there is no uniformity in this regard.

They also note that all the State Acts or Rules that prescribe a quorum require no quorum when the Gram Sabha is reconvened. The Committee feel that this provision is an easy tool in the hands of village sarpanch and powerful local leaders to take decisions according to their desires. The Committee are of the view that without quorum the representative character of Gram Sabha is not pronounced and hence quorum is absolutely necessary even if the meeting is reconvened. The Committee note that Gram Sabha is a forum where every adult of the village is entitled to come and express his grievances and his desire for development of education and other related express his grievances and his desire for development of education and other related aspects. Besides, this is the best forum for social audit. In view of the importance of Gram Sabha meetings, the Government should consider to make a provision to the effect that even in adjourned meetings as and when held, the quorum is insisted upon. Further if for the third time, there is no quorum, the development fund of the village should be stalked for a limited period of time. They think that such a provision would create a community stake in holding meetings of the Gram Sabha. To ensure proper participation in Gram Sabha, the date and time of meeting of Gram Sabha should be settled well in advance and given publicity and all concerned should be asked to attend the meeting. The Agenda of Gram Sabha should also be given adequate publicity so that the common people could put forward their suggestions for consideration of Gram Sabha from time to time. Besides, the Government should find out ways and means to provide financial incentives in the form of allowance for those citizens who cannot attend the Gram Sabha meetings due to distance or health reasons by providing arrangements for transport etc. The Committee also feel that the decisions taken at the meeting of Gram Sabha should be well publicised so that the people at large could know about the measures contemplated and action taken. Without people's participation economic planning cannot be effective and this is a must."

(Recommendation Para No. 4.15)

"The Committee have dealt with role of women in Panchayati Raj Institutions separately in a subsequent Chapter. However, they would like to stress here that in view of the crucial importance of adequate women participation in meetings of the Gram Sabha, a

sub quorum of women attendance be built into the required quorum. It should also be ensured that the meetings of the Gram Sabha are conducted at the appropriate time so that women feel comfortable in attending the meetings. In order to ensure that gender concerns and preferences are fully reflected in the proceedings of the Gram Sabha, the meetings of the Gram Sabha should be preceded by meetings of the Mahila Sabha so that women interlocutors authorised to do so by the Mahila Sabha effectively participate in Gram Sabha meetings.”

(Recommendation Para No. 4.16)

“The Committee further note that it has been resolved in the Conference of the State Ministers of Rural Development and Panchayati Raj held in Delhi on 13 My 1998 that the meetings of the Gram Sabha should be convened on single pre-determined days at every quarter. They find that pursuant to this resolution, some of the States are holding Gram Sabha meetings four times a year. But in most of the States the meetings are held twice a year. They would like that the defaulting States should be requested to adhere to the minimum four sittings in a year as resolved in the said Conference. The Committee also feel that the meetings of the Gram Sabha should not be held for the sake of counting numbers. There should be effective agenda for the consideration of Gram Sabha meetings. Besides, as he repeatedly been recommended by them in their respective reports, the beneficiaries of various welfare schemes should be identified by the Gram Sabha. The concerned State officials and officials of the Banks, etc. concerned with the Central/State sector welfare schemes should invariably be required to attend the said meetings to make the Gram Sabha meetings really effective. They also feel that if the meaningful agenda is considered in Gram Sabha meetings, it will encourage the member’s of the Gram Sabha to attend the meetings invariably.”

(Recommendation Para No. 4.17)

“The Committee note that Task Force has made very valuable observations regarding social audit by Gram Sabha. They feel that there is no denying the fact that if the people are enlightened, the meetings of the Gram Sabha could be a forum to curb corruption and misutilisation of funds at the Gram Panchayat level. They, therefore, would like that the States should legally empower the Gram Sabhas for social audit.”

(Recommendation Para No. 4.18)

39. The Government in their replies have stated as under:

“Comprehensive indicative guidelines to States on Gram Sabhas have been issued in the past by Ministry of Rural Development”.

(Reply to Recommendation Para No. 4.15)

“Comprehensive guidelines to States on Gram Sabhas have been issued in this regard. Besides, efforts are being made to create and enhance capacity of women elected representatives through training.”

(Reply to Recommendation Para No. 4.16)

“Comprehensive guidelines to States on Gram Sabhas have been issued in this regard.”

(Reply to Recommendation Para No. 4.17 & 4.18)

40. The Committee are perturbed to note a vague and sketchy reply furnished by the Department on such a serious issue of insisting quorum in the meetings of Gram Sabha. Keeping in view the importance of the Gram Sabha meetings, they had in their earlier recommendation, observed and desired:

- (i) to make a provision to the fact that even in adjourned meetings as and when held, the quorum should be insisted upon;
- (ii) if for the third time there is no quorum the development fund of the village should be stalked for a limited period of time;
- (iii) the agenda of Gram Sabha should be given adequate publicity so as to ensure maximum involvement of public at large in Gram Sabha meetings;
- (iv) a sub-quorum of women attendance may be built into the required quorum;
- (v) the meetings of Gram Sabha should be preceded by the meetings of Mahila Sabha so that women interlocuters authorised to do so by the Mahila Sabha effectively participate in Gram Sabha meetings;

- (vi) in spite of the resolution made in the Conference of the State Ministers of Rural Development and Panchayati Raj held in Delhi on 13 May 1998 that the meetings of the Gram Sabha should be convened on single pre-determined days at every quarters, in most of the States the meetings are held twice a year;
- (vii) there should be effective agenda for consideration at Gram Sabha meetings to make such meetings really effective; and
- (viii) States should legally empower the Grams Sabhas for social audit.

Instead of taking note of the recommendations of the Committee and initiating desired steps in this regard, the Department has simply stated that comprehensive guidelines to States on Gram Sabhas have been issued in the past by the Ministry of Rural Development. The reply only shows the insensitiveness and indifference of the Department on such a serious issue. The Committee would, therefore, like the Department to give a serious thought to should reconsider there recommendation and take the desired steps and intimate them accordingly.

xiii. Applicability of PESA, 1996 in Chhattisgarh and Jharkhand

Recommendation (Para No. 5.3, 5.4 and 5.5)

41. The Committee had recommended as below:

“The Committee recommend that the Courts be approached to clarify the jurisprudence in regard to whether the Panchayats (Extension to Scheduled Areas) Act, 1996 (PESA) has to be implemented as such in the Fifth Scheduled Areas, as per provisions of the Constitution or whether PESA is supposed to be only a legitimate guideline for the State Legislatures and further the jurisprudence needs also to be clarified as to the applicability of PESA in the two newly constituted States, viz. Chhattisgarh, Jharkhand which fall entirely within the Fifth Scheduled Areas of the erstwhile States of Madhya Pradesh and Bihar, respectively.”

(Recommendation Para No. 5.3)

“The Committee find that although the concerned States excluding Jharkhand have amended their States Acts/Laws in conformity

with the PESA, these amended Acts/Laws are yet to be implemented in letter and spirit. They feel that as the said Acts/Laws have been passed pursuant to Constitutional provisions, the failure to implement the Act in Fifth Scheduled Areas amounts to non-compliance with the Constitutional provisions. They take serious note of this and urge the Government to take all the necessary steps in this regard.”

(Recommendation Para No. 5.4)

“The Committee find that as per the information furnished by the Department, Jharkhand has yet to amend State Act/Law in conformity with the provisions of Panchayats (Extension to Scheduled Areas) Act, 1996. They would like to be apprised of the present position in this regard.”

(Recommendation Para No. 5.5)

42. The Government, in their replies, have stated as under:

“As per notification dated 20 February 2003 of the Ministry of Law, the provisions of PESA have been made applicable to the Scheduled Areas of Chhattisgarh, Jharkhand and Madhya Pradesh. The text of the provisions of PESA uses the term ‘shall’ instead of customary ‘may’ in mandating enactments and actions by States; hence, the Act is mandatorily applicable to all Fifth Scheduled Areas.

The Ministry has been regularly writing to the State Government, Ministry of Environment & Forest, Ministry of Tribal Affairs, Ministry of Law and Ministry of Mines to ensure implementation of PESA in letter and spirit. The implementation of PESA by States is also reviewed by the Ministry in Workshops/ Meetings from time to time. one such Review Meeting is proposed to be held on 20 May 2003.

Regarding the amendment of the State Acts/Laws by the State to Jharkhand to bring it in conformity with provision of PESA, it may be mentioned that a letter has since been issued to the State Government to know the current status.”

(Reply to Recommendation Para No. 5.3, 5.4 and 5.5)

43. The Committee conclude from the reply of the Department the provisions of PESA are mandatory enactments and hence the Act is mandatorily applicable to all Fifth Scheduled Areas. They also note that PESA had been made applicable to the Scheduled Areas of Chhattisgarh, Jharkhand and Madhya Pradesh. In view of the interpretation given by the Ministry of Law, the Committee note that the burden of enactment lies more on the Union Government. In view of the aforesaid position, the Committee would like the Department to pursue vigorously with the State Governments of Jharkhand and Chhattisgarh to enact the conformity legislation expeditiously and also to implement the various provisions as enshrined under PESA.

xiv. Parallel bodies of PRIs, establishment of Standing and *ad hoc* Committees of Panchayats and involvement of MPs and MLAs at intermediate and district Panchayats

Recommendation (Para No. 6.13, 6.14, 6.15 & 7.3)

44. The Committee had recommended as below:

“The Committee find that not only pre-Part IX parallel bodies like DRDAs joint forest management and water user groups are working, but certain post-amendment parallel bodies like Expert Committee in Kerala and Janmabhoomi in Andhra Pradesh are also there. They also find that although the Department agrees that these parallel bodies are undermining the decision making powers of Gram Sabha and Gram Panchayat in respective States, nothing concrete has been done to remedy the situation. The Committee have been recommending repeatedly that the practice of creating parallel bodies and parallel programmes be discouraged. But, nothing concrete seems to have been done in this regard. The Committee also note that the Task Force in their Report have stressed for creation of Standing Committees in the Panchayats at each level for specific and important subjects. Besides, they have been recommending for an inter tier Standing Committee on Monitoring and Supervision. The Committee, therefore, strongly recommend that all the parallel bodies and programmes working in various States should be brought under the overall monitoring and supervision of Panchayats at the appropriate level.”

(Recommendation Para No. 6.15)

“As emphasised by the Task Force, the Committee stress the importance of establishing Standing and *Ad hoc* Committees of the Panchayat at each level. Corruption in the Panchayat at all levels has become rampant in most States, because chairpersons are not responsible to the Committees of the Panchayats or to the general body of the Panchayats or to the Gram Sabha. In association with the bureaucracy, chairpersons have tended to usurp the functions, which properly belong to the Panchayats as a whole. The Committee, therefore, stress the crucial importance of establishing Standing and *ad hoc* Committees of the Panchayats at each level so that proposal are processed by such Committee and then brought before the general body of the Panchayat for approval before, during and after the execution of works. Utilisation certificates should be issued by the Panchayats as a whole and, at the village level, after securing the endorsement of the Gram Sabhas. It is only if this is done that the Sabhas will have functional relevance, the elected members of the Panchayats will have real and meaningful work to do, and the chairpersons will operate as chairpersons-in-council, thus reducing, if not always completely eliminating, the scope of for nepotism and corruption.”

(Recommendation Para No. 6.14)

“The Committee have been repeatedly recommending for the merger of DRDA with Zila Parishad. In spite of that, they find that the approach of the Union Ministry, is to strengthen the DRDAs. they also find that only five States, i.e. Chhattisgarh, Kerala, Madhya Pradesh, West Bengal and Karnataka could achieve the objective of merging DRDA with District Panchayat. In all other States, DRDA is functioning separately, and as informed by the Ministry, at present there are 571 DRDAs/DRDA cells. They also note from information provided by the Department that there is no provision in the State Panchayati Raj Acts to ensure coordination between DRDAs and the three tiers of the Panchayats. In this scenario, the Committee disapprove of the way of the Union Government are encouraging the role of DRDA administration. They find that with the enactment of Part IX, pre-Part IX arrangement of DRDA has become obsolescent and needs to be ended, especially as the DRDA is inimical to the fundamental objective of Part IX which is the establishment of institutions of self-government. The Committee strongly recommend that in the interests of effective Panchayati Raj, as envisaged in the

Constitution, DRDAs be disbanded and merged with District Panchayats, with the Chairperson of District Panchayati as Chairperson of the merged DRDA. Moreover, *pari passu* with the clarification of which functions, functionaries and finances are to be devolved to which tier of the Panchayati Raj system, intermediate and Village level bodies with duties parallel to those of the existing DRDAs would need to be set up at these levels, so that State and Central finances are channeled to the appropriate tier and not necessarily concentrated in the merged DRDA at the District Panchayat level.”

(Recommendation Para No. 6.15)

“The Committee find that although the Government agree to the crucial role to be played by MPs and MLAs in the process of decentralisation of powers in pursuance of Part IX of the Constitution, serious attention is not being paid at the State level to involve MPs and MLAs in different welfare schemes. The Committee have time and again been stressing for the specific role of MPs and MLAs in monitoring of different Centrally Sponsored Schemes, yet they find that the meetings of DRDAs are generally being held at the time when the MPs are not available. In this scenario, they recommend that a serious thought should be given to involve MPs and MLAs at the higher levels of Panchayats, *i.e.*, Intermediate and District level Panchayats so that they can play an effective role in monitoring the activities being undertaken by these Institution.”

(Recommendation Para No. 7.3)

45. The Government, in their replies, have stated as under:

“DRDA is not a parallel body. It is a separate entity which essentially has the role of providing technical support for formulation and execution of schemes/works by PRIs, providing training to them and coordinating on their behalf. It functions under the Chairmanship of Chairman of the Zilla Parishad. Similarly, the Ministry has ensured that the dichotomy between Watershed Committees/Watershed Associations and PRIs is eliminated and in the revised Guidelines issued on Watershed Development Programmes, Watershed Committees have been replaced by Gram Panchayats and Watershed Associations have

been replaced by Gram Sabhas. Separately letters have also been issued at the level of Secretary (RD) to the State Governments for disbanding parallel bodies.”

(Reply to Recommendation Para No. 6.13)

“Under examination in the Ministry.”

(Reply to Recommendation Para No. 6.14)

“DRDA is not a parallel body. It is a separate entity which essentially has a coordinating role to play on behalf of the Zilla Panchayats and functions under the Chairmanship of Chairman of the Zilla Parishad. Similarly, the Ministry has ensured that the dichotomy between Watershed Committees/Associations and PRIs is eliminated and in the revised Guidelines issued on Watershed Development Programmes, Watershed Committees have been replaced by Gram Panchayats and Watershed Associations have been replaced by Gram Sabha.

Separately letters have also been issued at the level of Secretary (RD) to the State Governments for disbanding parallel bodies.”

(Reply to Recommendation Para No. 6.15)

“At the instance of Ministry of Rural Development, State Governments have set up Vigilance and Monitoring Committees at State and District level. The Vigilance and Monitoring Committees have been constituted with a view to fulfilling the objective of ensuring quality expenditure, particularly in the context of large public funds being spent under all the programmes of the Ministry of Rural Development. These Committees keep a close watch over the implementation of the programmes as per the prescribed procedures and guidelines. The major objective of the Vigilance and Monitoring Committee is to put in a place a mechanism to control the execution of the schemes with a view to ensuring the attainment of the stated objectives in the most effective manner and within the given time-frame, as a result of which the public funds are put to optimum use and the programmes benefit will flow to the rural poor in full measure. State level Vigilance and Monitoring Committees are chaired by the Minister, Rural Development Department of the concerned State and the District level Vigilance and Monitoring Committees chaired by Members

of Parliament (Lok Sabha) and the members of the Committee include the MPs and MLAs and other officers.”

(Reply to Recommendation Para No. 7.3)

46. The Committee had, in their earlier recommendations noted the DRDA was inimical to the fundamental objective of Part IX, i.e. the establishment of institutions of self-government and desired that:

- (i) all the parallel bodies and programmes working in various States should be brought under the overall monitoring and supervision of Panchayats at the appropriate level;**
- (ii) in the interest of effective Panchayati Raj, as envisaged in the Constitution, DRDAs should be disbanded and merged with the District Panchayats with the chairperson of the District Panchayats as chairperson of the merged DRDA;**
- (iii) to involve MPs/MLAs at the higher level of Panchayats that is Intermediate and District level Panchayats so that they can play an effective role in monitoring the activities being undertaken by these institutions; and**
- (iv) the Committee stress the crucial importance of establishing Standing and *ad hoc* Committees of the Panchayats at each level so that proposals are processed by such Committees and then brought before the general body of Panchayat for approval before, during and after the execution of work, of reduce if not completely eliminate the scope of nepotism and corruption.**

The replies furnished by the Government in respect of their recommendations as indicated in (i), (ii) and (iii) and evasive. The Committee have been repeatedly recommending to discourage the practice of creating parallel bodies including DRDAs but the approach of the Department in this regard has only been to justify the role of DRDA and as a result more and more powers are being given to these institutions, thus reducing the role of Panchayats in the implementation of various development works. The Committee are really unhappy to note the reply of the Department and would like that they should reconsider their recommendation in the right perspective and take the desired action and intimate them accordingly. With regard to (iv) above the Department has indicated that the

recommendation is under examination in the Ministry. The Committee would like to be apprised of the final decision taken in this regard by the Department.

xv. Fixation of size of a village Panchayat and Gram Sabha

Recommendation (Para No. 9.10)

47. The Committee had recommended as below:

“The Committee note as accepted by the Government that the definitions as given in article 243 are open to various interpretations. Too much flexibility in interpretation may defeat the very purpose of definition. As such the Committee would like to the Government to ponder over the definitions and make them as clear as possible so that there is no confusion at any levels, particularly, concerning Gram Sabha and Gram Panchayats, the definition of which should be more pronounced. The Committee during interaction with the Panchayati Raj Institutions and experts were informed that there is no rationalization of population of Gram Sabha and Gram Panchayat. They note that sometimes the size of Village Panchayat and Gram Sabha is so big that the purpose of participatory democracy of the kind that is envisaged for a Gram Sabha is not possible as has been admitted by the Department in its written note. The Committee would, there, like to recommend that the size of a village Panchayat and Gram Sabha be fixed at a level that would facilitate the democratic participation by all voters. Besides, where for any reason the size of the Gram Sabha appears too larger for effective democratic participation, possibilities of subsidy Sabhas be explored at the ward/both level.”

48. The Government in their reply have stated as under:

“No optimum size can be fixed for a Village Panchayat and Gram Sabha. However, the Ministry is examining the possibility for creating an enabling provision for “Ward Sabhas” in States with large villages.”

49. The Committee in their earlier recommendation had urged the Government to ponder over the definitions as given in article 243 of the Constitution and make them as clear as possible. Besides, they had also desired that the size of a village Panchayat and Gram

Sabha be fixed at a level that would facilitate the democratic participation by all voters. The Committee had also recommended to explore the possibility for establishment of subsidiary Sabha, at the ward/both level where the size of the Gram Sabhas appears too large for effective democratic participation. Instead of pondering over the recommendations made by the Committee, the Department has simply stated that no optimum size can be fixed for a Village Sabha or Gram Sabha. They have also stated that the Ministry is examining the possibility for creating an enabling provision for Ward Sabha in States with large villages. The Committee would like to be apprised about the final decision to be taken in this regard. The Committee would also like the Department to reconsider there suggestions and take the desired steps with regard to the other issues addressed to in their recommendation and intimate them accordingly.

xvi. Preparation of Annual and Five Year Plan by three tires of PRIs

Recommendation (Para No. 10.10, 10.11 & 10.12)

50. The Committee had recommended as below:

“The Committee feel that planning is required to be undertaken at every tier of the Panchayati Raj System, not at the level of the District Planning Committee (DPC) alone. The very wording of article 243ZD, dealing with the District Planning Committee, says the DPC is to consolidate the plans prepared by the Panchayats. They, therefore, recommend that the annual plans and Five Year Plans should be prepared by each of the three tiers of Panchayati Raj Institutions as well as the Municipalities and, thereafter, be consolidated at the District level by the District Planning Committees.”

(Recommendation Para No. 10.10)

“The Committee further note that different tiers of Panchayat need technical assistance for preparation of plans. In this regard, they recommend that local NGOs, educational institutions, especially college faculties, legal professionals can play a crucial role in facilitating scientific planning at all these levels of the Panchayati Raj system. Besides, the services of retired bureaucrats, technocrats could also be utilised by the different tiers of Panchayats in this regard. How and when the services of the aforesaid professionals

could be utilised for planning should be examined by the Union Government, in consultation with States and the modalities of their functioning may be worked out.”

(Recommendation Para No. 10.1)

“The Committee further note that in some of the States, District Planning Committees are being chaired by Ministers in the State Government. They also find that as per article 243ZD (2)(d), the matter regarding the manner in which the Chairpersons of DPC shall be chosen has been left to the respective State Governments. They note that a State Minister chairing the DPC is against the spirit of the Constitution (Seventy-third and Seventy-fourth) Amendments. In view of this, they would like that the respective State Governments where the practice of Minister chairing District Planning Committees is prevalent should be advised in this regard. Moreover, Parallel/Planning Bodies to the District Planning Committees, as set out under article 243ZD, should not be established.”

(Recommendation Para No. 10.12)

51. The Government, in their reply, have stated as under:

“A letter is being addressed to the State Governments/Union territories requesting them to take action in the light of the earlier letters issued by this Ministry, and the recommendations now made by the Standing Committee.”

(Reply to Recommendation Para Nos. 10.10, 10.11 and 10.12)

52. The Committee note that on the following issues addressed to in their recommendations the Department has decided to address a letter to State Governments and Union territories:

- (i) to prepare annual plans and Five Year Plans by each of the three tier of PRIs as well as Municipalities and consultation at the District level by DPC;
- (ii) utilizing the services of various professionals for technical assistance for preparation of plans by various tiers of Panchayats; and

- (iii) discouraging the practice of DPC being chaired by State Ministers.

The Committee would like the Department to pursue further with the State Governments in this regard so that the action is taken by the various State Governments on the desired lines as per their recommendations.

xvii. Constitution of District Planning Committees

Recommendation (Para No. 10.13)

53. The Committee had recommended as below:

“The Committee further note that the Ministry of Urban Development and Poverty Alleviation had circulated the draft guidelines to the States/Union territories giving some advice about the constitution of District Planning Committees. The Committee would like that the Ministry of Urban Development and Poverty Alleviation pursue further with the State Governments so that the necessary suggestions given in the said guidelines are scrupulously followed by the State/Union territory Governments.”

54. The Government in their reply have stated as under:

“The guidelines issued by the Ministry of Urban Development regarding the constitution of DPC have since been received and are under examination.”

55. The Committee note that pursuant to their recommendation to issue the guidelines to achieve the purpose of operationalising of the mandatory provisions regarding DPCs to respective State Governments on the line of the action taken in this regard by the Ministry of Urban Development and Poverty Alleviation, the Department has received the guidelines from the said Ministry and they are examining the same. The Committee would like to be apprised about the final decision taken in this regard.

xvii. Reservation for Women in Panchayats

Recommendation (Para No. 11.5)

56. The Committee have recommended as below:

“The Committee feel that reservation for women have opened the door to revolutionary changes of a political, social and cultural

nature. India can truly be proud of being the first and only country in the world to have empowered through free and fair elections, more than one million women who are participating in the Panchayats. The Committee feel that there is still some way to go in changing the apparent empowerment of women into a real and genuine empowerment. To this end, the Committee recommend that:

- (i) Reservation for women should be extended to at least two terms.
- (ii) No-confidence motions against women Chairpersons should not be allowed to be tabled more than once in two years, no oftener, so as to end the widespread harassment of women Chairpersons through threats of No-confidence motions, which the Committee find, are more in vogue with respect to women than men Chairpersons.
- (iii) If a woman Chairperson or a member is removed for any reason whatsoever, she must be replaced by another women of the same category, not by a man, whether in full or acting charge."

57. The Government in their reply have stated as under.

"The matter is under examination."

58. The Committee note that various suggestions made by them in their earlier recommendation for effective participation of women in Panchayats are being examined by the Department. The Committee would like to be apprised at the earliest about the final decision taken in this regard.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Para No. 2.19)

The Committee find that pursuant to the enactment of the Constitution (Eighty-sixth Amendment) Bill, 1999, the State of Arunachal Pradesh has been exempted from making any provision for reservation of seats for Scheduled Castes in Panchayats. Though more than two years have passed since Arunachal Pradesh Panchayati Raj Act was enacted, the Arunachal Pradesh Government is yet to hold elections for the Panchayats. they also find that in case of the NCT of Delhi, the Ministry of Home Affairs did not support the decision of Delhi Government to suspend Delhi Panchayati Raj Act. They are, however, happy to note that NCT of Delhi have recently been considering the revival of Panchayati Raj system in Delhi. In case of Pondicherry, although it has been reported that Panchayat elections would be held by December, 2001, elections have not been held so far as stated by the Ministry. The Committee, therefore, urge the Government to persuade the State of Arunachal Pradesh, NCT of Delhi and Pondicherry to hold Panchayati Raj elections at the earliest so that the system of grass root level democracy could be established/revived without further delay.

Reply of the Government

The Ministry has been urging the States of Arunachal Pradesh, NCT of Delhi and UT of Pondicherry to hold Panchayat elections and letters in this regard have been issued in the past from Minister (Rural Development) to Hon'ble Chief Ministers of these States/UTs. Now, in pursuance of the recommendations made by the Committee, Hon'ble Minister (Rural Development) has again written to the Chief Ministers of Pondicherry and Delhi as well as to the Hon'ble Minister for Home Affairs, Government of India. As a result of repeated follow up with the States on the above issue, Panchayat elections have been held in Arunachal Pradesh in the month of April, 2003.

[Ministry of Rural Development (Department of Rural Development)
OM No. H-11011/1/2003-PR Dated 12th May, 2003.]

Recommendation (Para No. 2.20)

The committee find that several State Governments are not holding Panchayat elections before the expiry of the term of Panchayat, or postponing the same on one pretext or the other. Besides, the State Governments are frequently taking recourse to litigation on one ground or the other and thus postponing elections. The Committee find that holding of Panchayat elections is a mandatory provision in the Constitution and it is obligatory on the part of the State Government to ensure that the same is implemented in letter and spirit. It is also mandatory on the part of state Government to hold elections to constitute the Panchayat before the expiry of its duration, i.e. five years from the date appointed for its first meeting. Article 243E (1) emphasizes that no Panchayat will continue for longer than the specified period. In spite of such clear and specific stipulations the Committee find that there has been persistent flouting of such provisions by certain State Governments.

Reply of the Government

The observations of the Committee have been noted for compliance. The Ministry has been writing to the States for holding timely election from time to time and due to a proactive role having been played by Ministry of Rural Development elections have already been held in Uttaranchal and the process of election in West Bengal has already started having completed the five year term in 2003.

[Ministry of Rural Development (Department of Rural Development)
OM No. H-11011/1/2003-PR Dated 12th May, 2003.]

Recommendation (Para No. 2.21)

The Committee observe that the primary duty to ensure strict compliance with the mandatory provision of part IX of the Constitution and to persuade the State Governments to conform in letter and spirit to the recommendatory provision, rests with the Union Government. But they are concerned that even the mandatory provisions of Part IX are not being strictly implemented by their respective State Government leave aside the recommendatory provisions. Whereas the State Governments are willfully flouting the Constitutional provisions, the Union Ministry have expressed their helplessness in persuading the State Governments to hold Panchayat elections in time. The Committee,

therefore, stress that the Union Government must ensure that the mandatory provisions of Part IX of the Constitution are followed to the letter, and strongly urge the Union Government, with all deliberate spirit, to work with State Governments/Union Territory Administrations towards ensuring that the recommendatory provisions of Part IX are followed in letter and spirit. The Committee, therefore, strongly recommends that the Government must find out ways and means so that the provisions of Part IX of the Constitution are followed in letter and spirit.

Reply of the Government

The observations of the Committee have been noted. The Union Government has been writing to State Governments from time to time exhorting them to promptly in respect of the mandatory provisions of the Constitution. Meetings are regularly held with State Governments to review the implementation status of the provisions of the Panchayati Raj Act. The last such meeting was held on 27-28 January, 2003.

[Ministry of Rural Development (Department of Rural Development)
OM No. H-11011/1/2003-PR Dated 12th May, 2003.]

Recommendation (Para No. 2.25)

The Committee further note that most of the Central and State Acts need amendment in view of the powers conferred Constitutionally on the elected local bodies. They are of the view that the Central Government and the State Governments must establish appropriate review bodies to carefully examine the capability of pre-Part IX legislation with the new Constitutional provisions. This exercise needs to be undertaken urgently within a time-bound framework. Possibly, the Law Commission might be entrusted with the initial responsibility of identifying the categories of Central and State legislations, which need to be so examined and acted upon.

Reply of the Government

The matter has been considered in the Ministry of Rural Development and it has been decided to commission a research study in the matter.

[Ministry of Rural Development (Department of Rural Development)
OM No. H-11011/1/2003-PR Dated 12th May, 2003.]

Comments of the Committee

(Please see paragraph number 16 of Chapter I of the Report)

Recommendation (Para. No. 3.20)

The Committee find that the Task Force has specified certain taxes which deserve to be shared by the State Governments with the Panchayats like professional tax, entertainment tax or revenue cess on land, motor vehicle tax etc. they have also suggested that professional tax, which is not being levied in some States, may be accepted by the State Governments concerned and the revenue proceeds thereof may be transferred to the Panchayats. The Committee would like that the recommendations of the Task Force should be circulated to the State Governments for their considerations and implementations.

Reply of the Government

The Report of the Task Force as well as its recommendations have already been circulated to State Governments for action by State Finance Commissions.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 3.21)

The Committee find that only a few State Legislatures have made adequate provision in their laws for the fiscal duties and rights of the Panchayats at different levels. No endeavor appears to have been made in this regard in other States. The Committee, therefore, recommends that the Union Government should identify a suitable expert body, to prepare model recommendations in this regard for the consideration of the State Finance Commission and State Legislatures/Governments.

Reply of the Government

In pursuance of a decision taken in the meeting of the National Development Council on 21.12.2002, a High Powered Committee on Financial and Administrative Empowerment of Panchayati Raj Institutions has been constituted under the Chairmanship of Minister of Rural Development for the purpose.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 3.40)

The Committee note that the Task Force has given valuable suggestions for convergence of a plethora of Central and State level schemes to avoid complications and duplication. The Committee have also been repeatedly drawing the attention of the Government in this regard in their Reports. They strongly recommend that earnest and immediate action should be taken in this regard.

Reply of the Government

The Committee of the Standing Committee have been noted. Letters in this regard have been written even earlier to States and various other Departments at the Centre.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 3.43)

The Committee recommend that in hilly areas, in view of the limited working season, the funds for different Centrally sponsored Schemes/ Programmes should be released in one installment rather than several installments.

Reply of the Government

This has been permitted in the Schemes of the Ministry wherever such a request was received.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 3.48)

While recommending for release of funds directly to Panchayats the Committee are deeply concerned over the position of audit of Panchayat accounts in various States. They are surprised to note the findings of a study conducted by the Department of Rural Development in the States of Kerala, Tamil Nadu, Tripura, Madhya Pradesh and Uttar Pradesh according to which the audit of accounts of various Panchayats in the said States was either not conducted or was pending. The Committee feels that the present procedure for auditing

the accounts of Panchayats is serving little purpose because the sheer volume of work is resulting in inordinate delay in audit and action taken thereon. The delay fuels corruption and malfeasance. As suggested by the Eleventh Finance Commission and endorsed by the Task Force, the responsibility of audit of the three tiers of Panchayats should be entrusted to the Comptroller and Auditor General of India after consultation with the State Governments for effective audit to deter corruption and malpractices.

Reply of the Government

Article 243-J of the Constitution provides:

“The Legislature of a State may, by law, make provisions with respect to the maintenance of accounts by the Panchayats and the auditing of such accounts”. Accordingly, most States have passed legislation for maintenance of accounts by the Local Bodies and the audit of such accounts. Under the State Acts, the Director/Examiner Local Fund Audit (DLFA) who is a State Government employee is the primary auditor for local bodies.

The Eleventh Finance Commission (EFC) which recommended grants to the tune of Rs. 8000 crores for the period 2000-2005 for the local bodies also provided guidelines for the utilization of these grants. Consequently, the Ministry of Finance, Department of Expenditure, Government of India issued ‘Guidelines for the Utilization of Local Bodies Grants’ in June 2001. According to these guidelines, the C&AG is to be responsible for exercising control and supervision over the proper maintenance of accounts and their audit for all the tiers of PRIs and ULBs. The guidelines also stipulate that the format for preparation of budgets and for keeping of accounts for these institutions shall be prescribed by the C&AG of India.

The Ministry of Finance and the Ministry of Rural Development have been in touch with the C&AG in this regard and in pursuance of Guidelines of the Ministry of Finance, the C&AG has since prepared formats for accounts of local bodies which have been duly vetted by these Departments. The C&AG as an outcome of which 14 States have entrusted the audit/Technical Guidance and Supervision (TGS) of local bodies to the C&AG while the remaining States are in the process of issuing orders to this effect.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 4.41)

The Committee find that as per the Constitutional provisions, the powers and functions of Gram Sabha have been left to the discretion of the State Legislatures. They note that the Panchayat (Extension to the Schedule Areas) Act, 1996, passed by Parliament in pursuance of article 243(2) sets out the functions of Gram Sabhas in the exemplary manner. The Committee, therefore, recommend that these provisions be taken as a model and circulated to State Governments for adoption so as to empower Gram Sabha effectively in areas other than the Scheduled Areas.

Reply of the Government

A letter from the Union Government has already been issued in this regard.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 4.19)

The Committee note that the Executive Officer i.e. Panchayat Secretary has a crucial role to play in the Gram Sabha meetings. However, they find that sometimes Panchayat Secretary exercises overwhelming powers and is controlling everything. The Committee feel that this is not in the spirit of the Constitution and should be discouraged.

Reply of the Government

This is an issue, which has been taken up in the Training Programmes at various levels. Elected representatives are being sensitized to their role and powers. The sensitivity of the issue in question is impressed upon the States from time to time during interaction with them.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para No. 5.3)

The Committee recommend that the Courts be approached to clarify the jurisprudence in regard to whether the Panchayats (Extension to

Scheduled Areas) Act, 1996 (PESA) has to be implemented as such in the Fifth Scheduled Areas, as per provisions of the Constitution or whether PESA is supposed to be only a legitimate guideline for the State Legislatures and further the jurisprudence needs also to be clarified as to the applicability of PESA in the two newly constituted States, viz. Chhattisgarh, Jharkhand which fall entirely within the Fifth Scheduled Areas of the erstwhile States of Madhya Pradesh and Bihar, respectively.

Recommendation Serial No. 32 Para. No. 5.4

The Committee find that although the concerned States excluding Jharkhand have amended their States Acts/Laws in conformity with the PESA, these amended Acts/Laws are yet to be implemented in letter and spirit. They feel that as the said Acts/Laws have been passed pursuant to Constitutional provisions, the failure to implement the Act in Fifth Scheduled Areas amounts to non-compliance with the Constitutional provisions. They take serious note of this and urge the Government to take all the necessary steps in this regard.

Recommendation Serial No. 33 Para. No. 5.5

The Committee find that as per the information furnished by the Department, Jharkhand has yet to amend State Act/Law in conformity with the provisions of Panchayats (Extension to Scheduled Areas) Act, 1996. They would like to be apprised of the present position in this regard.

Reply of the Government

As per notification dated 20 February 2003 of the Ministry of Law, the provisions of PESA have been made applicable to the Scheduled Areas of Chhattisgarh, Jharkhand and Madhya Pradesh. The text of the provisions of PESA uses the term 'shall' instead of customary 'may' in mandating enactments and actions by States; hence, the Act is mandatorily applicable to all V Scheduled Areas.

The Ministry has been regularly writing to the State Government, Ministry of Environment & Forest, Ministry of Tribal Affairs, Ministry of Law and Ministry of Mines to ensure implementation of PESA in letter and spirit. The implementation of PESA by States is also reviewed by the Ministry in Workshops/Meetings from time to time. one such Review Meeting is proposed to be held on 20 May 2003.

Regarding the amendment of the State Acts/Laws by the State to Jharkhand to bring it in conformity with provision of PESA, it may be mentioned that a letter has since been issued to the State Government to know the current status.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 43 of Chapter I of the Report)

Recommendation (Para. No. 6.18)

The Committee find that as per the Government's view, the role of NGOs is in functional conflict with the structures envisaged under Part IX. Although the Committee agree that in spirit, all the welfare schemes should be implemented through Panchayati Raj Institutions, they do not underestimate the role played by NGOs in effective implementation of the different schemes. They, therefore, recommend that some mechanism should be evolved for getting assistance, from NGOs by the Panchayats specifically in technical matters like preparation of plans etc. The Committee are of the view that involvement of NGOs in the implementation of various schemes for economic development/social justice can be resorted to under strict supervision and control of PRIs. Technical expertise, infrastructure and resources could be of great help in some cases if Voluntary Agencies/NGOs are involved but these agencies in no case should undermine the authority of PRIs, nor preclude the evolution of PRIs as self governing institutions. The Committee would also expect that Union Government to think over this aspect seriously and issue necessary guidelines in this regard. Schemes, which need technical expertise, should be clearly demarcated but the Panchayat should have the upper hand in the involvement of NGOs/Voluntary Agencies wherever necessary. The Committee believe that the most effective form of NGO involvement would be in generally arousing awareness of the rights and duties of the panchayats as well as in mobilizing the mass participation in meetings of the Gram Sabha.

Reply of the Government

A letter in this regard has since been issued to the State Government/UTs. It has been mentioned that PRI-NGO relationship

should not be adversarial rather they should complement each others efforts. NGOs have to accept the primacy of PRIs while Panchayats should appreciate the role of NGOs in terms of their access to knowledge, technology and capacity to deliver.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 8.4)

The Committee notes that enlightenment of rural masses about the different welfare, State and Centrally Sponsored Schemes as well as the importance of Gram Sabha can play a very crucial role in monitoring all the different programmes for which crores of rupees are being allocated annually by the Central Government as well as the State Governments. How to make the public aware about all this is perhaps the biggest challenge. They also appreciate that fact that the print media in rural area cannot be useful where there is low level of literacy among rural people. They feel that important mass awareness building programmes through distance education training schemes such as have been prepared by IGNOU and the rest need to be organized at different levels to communicate to the people the importance of Panchayats. Besides, radio and Doordarshan can also play a crucial role in this regard. As has been given in detail in Chapter related to gram Sabha, the meetings of Gram Sabha, if conducted properly can itself be major forum to make the people aware about their responsibilities and duties towards society and making them aware about their responsibilities and duties towards society and making them aware about the different welfare schemes being run by the Central as well as State Governments. Besides, transparency in the implementation of the schemes by way of making people aware like putting the Bill Boards, at the sites of different schemes indicating the cost, the agency which has funded the project, the date of starting and the likely date of completion etc. can be the best method to involve the public/to make the public/to make the public aware about the functioning of Panchayats.

Reply of the Government

With the enactment of the 73rd Constitution Amendment Act, a new challenge to impart training to more than 3.4 million elected representatives and official functionaries has emerged. The Ministry of

Rural Development is assisting the States in imparting training to all elected representatives and official functionaries in an effective, time-bound and economical fashion. The strategy adopted focuses attention on the need to develop skills and competencies of the people related to rural development and increase the reach of training to district, block and village level by adopting a cascading model of training. It also aims at improving the quality of training at all levels for networking among institutions of training in diverse sectors and to promoting macro, meso, and micro level annual action plans to facilitate need-based goal-oriented training.

The Information education and Communication (IEC) is also an integral component of the Training Strategy. Spreading awareness about the welfare schemes amongst the target groups particularly the elected representatives from the weaker and backward sections of society is an important aspect of the training strategy. Radio, Doordarshan, awareness camps, signboards and posters, other traditional methods (cultural troupes etc.) are means, which are used to improve awareness and encourage greater participation in the training programmes. Use of distance learning modes, and NGOs to create mass awareness is being encouraged. The material prepared by IGNOU has been seen in this regard for possible use in training. As regards putting up Billboards, the Ministry has already emphasized that the Panchayati Raj Institutions (PRIs) should display all vital information pertaining to development projects especially receipt of funds and how they are being spent in the Panchayat Office for the information of public; all relevant records should be open to inspection; members of public should be able to obtain photo copy of documents pertaining to development projects as also matter of general public interest by paying nominal charges.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 10.9)

The Committee find that there are a number of States where District Planning Committees have not been constituted so far in accordance with the provisions of article 243ZD. They take serious view of it and feel that this amounts to serious infringement of key Constitutional requirements. They urge the Union Government to ensure that in all States/Unions Territories, the District Planning Committees are constituted within a set time frame.

Reply of the Government

The matter regarding the expeditious constitution of DPCs has been taken up with the State Governments/Union Territories several times before and is being taken up again. In fact this is an item of constant review, with the State Governments from time to time.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

Recommendation (Para. No. 10.13)

The Committee further note that the Ministry of Urban Development and Poverty Alleviation had circulated the draft guidelines to the States/Union territories giving some advice about the constitution of District Planning Committees. The Committee would like that the Ministry of Urban Development and Poverty Alleviation pursue further with the State Governments so that the necessary suggestions given in the said guidelines are scrupulously followed by the State/Union territory Governments.

Reply of the Government

The guidelines issued by the Ministry of Urban Development regarding the constitution of DPC have since been received and are under examination.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 55 of Chapter I of the Report)

Recommendation (Para. No. 12.7)

The Committee are extremely concerned to learn that arrangements for the training of elected members of the Panchayats at different levels, and of the administrative and technical staff attached to the Panchayats, fall at present far short of requirements. The Committee recommend an exponential increase in the quantum of funds made

available for such training as well as deep consideration to the overall training requirements of both elected members and Panchayat staff. Moreover, there is a special need to concentrate on training of the weaker sections and women. It has been brought to the notice of the Committee that the Indira Gandhi National Open University has evolved a multi-media model for extending training on a mass-scale through the use of both traditional and innovative forms of mass communication. The Committee recommend this multi-media model to the attention of the authorities concerned. The Committee further urge that Doordarshan and AIR should take up the challenge of effectively training elected members and staff, especially representatives of the weaker sections and women, in the art of Panchayati Raj. The NGOs have a very vital role to play in regard to training and should receive financial assistance from CAPART to run training programmes.

Reply of the Government

The Ministry is making efforts to increase funding for training. As against the total funding of Rs. 29.74 crore in the year 2002-03, the budget for the year 2003-04 has been kept at around Rs. 51.00 crore. The efforts during the course of the year would be to further consolidate this. The Ministry is also encouraging synergisation and synchronization of capacity building project of the UNDP and other sources with the over all efforts of training. Training of Trainers (TOT) and development of training material/modules has been done under a UNDP assisted project. States are being encouraged to use the distance learning mode to the extent possible. States like Karnataka and Madhya Pradesh have already made sustained use of distance learning mode by using satellite-based two-way interactive communication systems for imparting training at an extensive scale. States are being encouraged to use all available infrastructure by using and networking with NGOs and other institutions for training. In order to ensure capacity building of Panchayati Raj functionaries by providing easy access to information on Rural Development Programmes, Ministry have taken the following initiatives:

- (a) A bi-weekly TV programme titled 'Grameen Bharat' of 15 minute duration with segments of successful implementation of various programmes of the Ministry, success stories of human interest, Rural Technology has been going on Doordarshan-1 and regional network in Hindi and 10 regional languages w.e.f. 2nd October, 2002.

- (b) Considering the reach and potency of radio in rural areas, the Ministry has been sponsoring radio programmes over All India Radio (AIR) and spots are also broadcast over AIR. Two sponsored radio programmes-one in infotainment format titled 'Jage Jan Jan Jage Gaon' is broadcast every week on Friday from Commercial Broadcasting Stations of AIR; second programme titled 'Geet Gunje Gaon Gaon' is produced in 19 languages/dialects and broadcast all over the country through 128 Primary and Local Radio Stations to disseminate information to people in rural areas in language and idiom easily understood by them. In addition, there are other programmes aiming at awareness building of the people in rural areas. Further use of this media for capacity building is constantly under review.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Recommendation (Para. No. 12.8)

The Committee find that sometimes-rural women are hesitant to attend training programmes along with the men. They, therefore, recommend that separate training programmes should be arranged for such women participants; Besides, special care should be taken for imparting training to SC/ST and Backward Classes.

Reply of the Government

As regards the specific aspect of imparting training to improve effective participation of women, SC/ST and Backward Classes participants of PRIs, the Schemes of Training Division of Ministry of Rural Development encourage imparting training to all PRI representatives, especially women, SC/ST and Backward Classes representatives. Resources have been made available for a number of programmes aimed at imparting training to elected women participants of Panchayati Raj Institutions, and also to those belonging to SC/ST and Backward Classes. For this purpose the concerned State Government pays honorarium and conveyance allowance as per the local prevailing norms.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

Recommendation (Para. No. 9.11)

The Committee further find that the Government of Kerala have suggested that the Constitution of India should have enabling provision for the States to allow them to have unchanged boundaries for wards for long periods. They also note that the matter has been referred to the Central Ministry of Law, Justice and Company Affairs to seek their opinion in this regard. The Committee would like to be apprised of the present position on the said suggestion of the Kerala Government.

Reply of the Government

The request made by the Government of Kerala for having unchanged boundaries for wards for long periods was referred to the Ministry of Law by the Ministry of Rural Development for their opinion. The Ministry of Law, in the light of article 243C (1), 243C (2), 243 (k) (4) and 243 (f), providing for a uniform ratio throughout the State between the population of the territorial area of a Panchayat at any level and the number of seats in such a Panchayat, and for making provisions by State Government with respect to all matters relating to elections to Panchayats using the relevant published figure in the last preceding census, have opinion that it is mandatory to make delimitation of territorial constituencies after every census.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Para. No. 2.22)

The Committee find that so far as the question of reservation for Backward Classes in Panchayats is concerned, as per article 243D (6), the matter has been left to the discretion of the State Legislatures. As could be seen from the information furnished by the Department, the issue of reservation for Backward Classes has led to intensive litigations and is often used as an excuse for postponing elections to the Panchayats. Since the reservation for Backward classes is an enabling provision and State Legislatures are free to take their own decisions in this regard, the Committee recommend that the Government should bring the experiences of different States to the notice of all State Governments with a view to enable them to solve suitable reservation system for the Backward classes which may enjoy a wide measure of consensus in the society, and should not come in the way of effective and timely implementation of part IX.

Reply of the Government

Experiences of different States in this regard do get discussed at the periodical meetings of State Ministers/Secretaries, in charge of Panchayati Raj arranged by the Ministry of Rural Development. Further, the Ministry do attend promptly to the request of the States in this regard.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 7 of Chapter I of the Report)

Recommendation (Para. No. 2.23)

The Committee note that article 243E nowhere provides for postponing of elections in any circumstances. They also note that in a leading judgment, the Supreme Court ruled that the concerned States cannot be permitted to withhold elections to Panchayats except in case of genuine supervening difficulties such as unforeseen natural calamities in the State like flood, earthquake etc. or urgent situation prevailing in the State for which elections to the Panchayat cannot be held in time. The Committee while going through the information provided by the Department, find that the said ruling of the Supreme Court interpreting article 243E of the Constitution is being differently interpreted by the State Governments. The Committee are strongly of the view that since regular periodic elections, within the letter and spirit of the Constitutional provision lies at they very heart of the democratic process, the Central Government should secure a clear ruling from the Supreme Court about the meaning and scope of article 243E, so that elections are held within five years and jurisprudence clearly indicates the highly exceptional situations, if any, in which there may be a short postponement.

Reply of the Government

The provisions of the Constitution are quite categorical regarding the holding of Panchayati Raj elections every five years. The Ministry have been emphasizing to the States to hold elections within the stipulated period of five years and has been writing to the States concerned before the expiry of the terms of existing PRIs in the States.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 10 of Chapter I of the Report)

Recommendation (Para No. 2.24)

The Committee further feel that there is a need for harmonizing and clarifying the body of jurisprudence arising out of the relatively recent introduction of Part IX, since some court judgments appear prima facie not to be consistent with other judgments. It is urged that such a process of harmonization and clarification be undertaken by the authority or authorities concerned.

Reply of the Government

PRI Centre in NIRD is being asked to bring out a compilation of all the rulings in Court cases on Panchayats in different States.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 13 of Chapter I of the Report)

Recommendation (Para. No. 3.11)

The overall aim of Part IX is to endow the Panchayats with such powers and responsibilities as may be necessary to enable them to function successfully as institutions of self-government, as per article 243G of the Constitution. State Legislatures have been empowered to endow Panchayats by law with such powers and authority as may be necessary to enable them to prepare plans for economic development and social justice and implement schemes for economic development and social justice, including those in relation to the matters contained in the Eleventh Schedule. The Committee are, however, constrained to note that although more than nine years have passed since the Constitution (Seventy-third Amendment) Act was enacted, very few States seem to be serious about the implementation of said provision of Part IX. They further find that endowing Panchayats with certain functions is fruitful only if the Panchayats are equipped with the trained functionaries and adequate finances are also made available to them. Thus they note that Panchayats can fulfill their responsibility as institutions of self-government only if devolution is patterned on a nexus between the three Fs, *i.e.* functions, functionaries and finances. The Committee are unhappy to note that very few States have linked the very important devolution of functions to the means of actualising such devolution through the devolution of functionaries and funds for all the 29 subjects enlisted in the Eleventh Schedule. Other States like Kerala and West Bengal are doing well. Yet it is really pathetic to note that several States/UTs have not yet transferred the funds *vis-a-vis* functions and functionaries, not even for a single subject to Panchayats. Further, the Committee find that there is lack of clarity about the tasks to be entrusted to different tiers of Panchayati Raj system.

Reply of the Government

The matter is constantly being reviewed and taken up at the highest level and was last taken up in the meeting of Ministers of Panchayati Raj of various States held on 27-28 January 2003. The Task Force set up by the Ministry of Rural Development explicitly states that inter tier distribution of functions would be a function of State specificities in terms of structure of administration at the State and sub State levels, topography and size of Panchayat; and hence should be best left to the State Governments. The report of the Task Force has already been circulated to the State Governments for guidance and action.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 19 of Chapter I of the Report)

Recommendation (Para. No. 3.12)

The Committee appreciate the efforts made by the Union Ministry of Rural Development in appointing a Task Force, which dealt with this subject in detail and prepared an Activity Mapping. They also note that the State Governments/Union territories' Administrations have been advised to complete devolution of powers upon Panchayats by 31 March, 2002. They hope that the Activity Mapping prepared by the Task Force would be a model for the State Governments, and they would sincerely make efforts to ensure devolution of funds, functions and functionaries in the true spirit of the Constitution with the encouragement and support of the Centre.

Reply of the Government

The recommendations of the Task Force have already been forwarded to the State Governments. This matter was also taken up during discussion in the Panchayati Raj Ministers' Conference on 27-28 January 2003.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 19 of Chapter I of the Report)

Recommendation (Para. No. 3.13)

The Committee further note that the said Task Force has made several observations/recommendations on executive and managerial measures that are imperative for the successful functioning of grassroot governance. They hope that the State Governments would act in accordance with the pattern of functional capacity building of Panchayats as recommended by the Task Force which would result in empowering the Panchayats in the true spirit of the Constitution to enable these institutions to function as institutions of self-government.

Reply of the Government

The need to empower Panchayati Raj Institutions in true spirit of the Constitution has been and continues to be emphasized upon the State Governments.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 19 of Chapter I of the Report)

Recommendation (Para No. 3.14)

The Committee note that although it is the responsibility of the State Legislatures to endow the Panchayats with requisite powers and responsibilities in the true spirit of article 243G of the Constitution, the overall responsibility of monitoring the implementation of Part IX of the Constitution lies with the Union Ministry of Rural Development. They are constrained to note that even after the lapse of nine years of coming into force of the Constitution (Seventy-third Amendment) Act, most of the States are yet to fully and conscientiously implement article 243G of the Constitution. They find that although the Union Ministry of Rural Development has set up different Departments to deal with its many functions, responsibilities and schemes relating to poverty alleviation and rural development, all of which should be planned and implemented through the Panchayats under article 243G grade

with Eleventh Schedule, the Ministry has no separate Department overseeing the implementation of Part IX of the Constitution. Since monitoring the implementation of the Constitution is the central responsibility of the Government of India, and given the complex and detailed provisions of Part IX, the Committee recommend that the Union Ministry of Rural Development be reconstituted as the Union Ministry of Panchayats and Rural Development, which would include a Department of Panchayats to oversee the work of the other departments of the Ministry of ensure that the Ministry itself promotes the implementation of article 243G in letter and spirit besides working with State Governments to ensure that they do likewise. The Committee further recommend that the proposed Union Ministry of Panchayats and Rural Development submit an annual State of the Panchayats Report to Parliament to enable Parliament to effectively monitor the implementation of Part IX. The Committee do not accept the view of the present Department of Rural Development that a Ministry of Panchayats might “tend to more control from the Centre.” The role of the Centre would not be to “control” implementation but monitor implementation to ensure that the objectives and basic principles of Part IX are being pursued in letter and spirit.

Reply of the Government

The matter has been carefully considered in the Ministry. At present the concern for empowerment of PRIs is integrated into the charter of programme division. As a result, the role of Panchayats has been steadily increasing in various Programmes of the Ministry. SGRY is implemented through PRIs. Selection of beneficiaries in almost all Schemes of Ministry of Rural Development is being made on the recommendations of Gram Sabhas. Further, the newly conceived Programme of Swajaldhara is to be implemented by Panchayats. The Watershed Development Programmes namely Integrated Wasteland Development Programme, Drought Prone Areas Programme and Desert Development Programme will also be now implemented through Panchayats through the new approach called ‘Hariyali’. The Ministry also interacts with other Ministries to secure the role of Panchayats in their programmes. This commitment will get diluted by confining the advocacy and monitoring to a separate Department.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 22 of Chapter I of the Report)

Recommendation (Para. No. 3.19)

The Committee find that one of the primary factors behind the enactment of 73rd Amendment Act was the lack of financial resources which stood in the way of the Panchayats to acquire the status and dignity of viable and responsive peoples' bodies. Devolution of functions without funds is not realistic and can never provide the required momentum to the self-governing bodies to act independently in a fruitful manner. However, quantum and nature of devolution cannot be uniform keeping in view the varied needs of each State, the resources available for mobilisation and the implementing machinery involved in the process of mobilisation. The Committee agree with the Task Force's observation that keeping in view the federal character of the Indian Constitution and the divergence in the needs and functions of States, it may not be possible to set a rigid and uniform pattern of financial devolution to the Panchayats for all States. It is perhaps because of this, that the State Legislatures have been endowed with discretionary power to strengthen the finances of Panchayats. The Committee also agree that each State should give due consideration to certain principles in general while designing scheme of financial devolution for Panchayats (article 243H prescribes certain basic fundamentals). The State Legislatures, thus, have been given discretionary powers to strengthen the finances of Panchayats by arrangement of certain revenue powers and sharing of State revenues with Panchayats and payment of grants-in-aid. The Committee hope, as also observed by the Task Force, that State Legislatures will utilize the discretionary powers assigned to them in such a way that the same facilitate the transformation of the PRIs into wholesome, autonomous institutions of self-government.

Reply of the Government

Noted. The Ministry have already circulated the Task Force Report for necessary action to the State Governments. The matter is also being followed up with the States from time to time.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 25 of Chapter I of the Report)

Recommendation (Para. No. 3.22)

The Committee further find that although article 244H(a) provides for Panchayats to “appropriate” into their own funds the proceeds of taxes, etc. collected by them, few States appear to have encouraged this useful mechanism for Panchayats to raise their own resources. The Committee recommend that the Government should make the earnest effort to persuade the State Legislatures to consider which of the taxes etc. assigned to the Panchayats might be left to be appropriated by the Panchayats and request State Governments to prepare appropriate legislation in this regard. The Committee further recommend that such appropriation should be encouraged to the maximum extent possible.

Reply of the Government

The matter falls within the domain of the State Finance Commission. The Ministry has recently held a meeting with the State Finance Secretaries and Chairpersons/Members of the State Finance Commission on 9.5.2003.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 25 of Chapter I of the Report)

Recommendation (Para. No. 3.30)

- (i) “in many cases, time limit has not been fixed for the submission of reports by the State Finance Commissions; and
- (ii) in some cases, there has been delay in the constitution of State Finance Commissions and in the submission of their recommendations to State Legislatures.

Reply of the Government

The matter falls within the domain of the State Finance Commissions. The Ministry has recently held a meeting with the State Finance Secretaries and Chairpersons/Members of the State Finance Commissions on 9.5.2003.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 28 of Chapter I of the Report)

Recommendation (Para. No. 3.31)

The Committee further note that as could be see from the status of the recommendations of various State Finance Commission set up by the State Governments, most of the recommendations have been accepted by the respective State Governments. They also note the observations made by the Task Force according to which the implementation of the recommendations made by the Finance Commission as the major constraint. Even after coming of the second generation State Finance Commissions into existence in many States, the Committee are unhappy to note that the pace of implementation of the recommendations made by the State Finance Commissions is very slow as pointed out by the Task Force. In view of this, they endorse the suggestions made by the Task Force that the State Governments should take expeditious measures to ensure that all recommendations of the respective State Finance Commissions, which are broadly agreed to, are implemented through relevant administrative, legislative and financial measures a given time limit. The Committee would like that the Union Government should further pursue with the respective State Governments in this regard.

Reply of the Government

The matter falls within the domain of the State Finance Commissions. The Ministry has recently held a meeting with the State Finance Secretaries and Chairpersons/Members of the State Finance Commissions on 9.5.2003.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 28 of Chapter I of the Report)

Recommendation (Para. No. 3.34)

The Committee find that the Tenth and Eleventh Central Finance Commissions have made some *ad-hoc* provisions for the Panchayati Raj Institutions for the period 1996-2000 and 2000-2005, respectively. The Committee note that the Tenth Finance Commission for want of SFC Reports had to resort to an *ad-hoc* provision of Rs. 4,381 crore. The Committee were informed that for the utilisation of the specific outlay, certain directives were also given to the State Governments. The Committee would like to know the guidelines drawn by the States in this regard and also whether the local bodies made suitable matching contributions by raising resources. They further note that a review and monitoring mechanism has been suggested by the Eleventh Finance Commission. The Committee stresses that whatever funds have been allotted by the Tenth and Eleventh Finance Commission to the local bodies should be utilised for the specified purposes. To ensure this, the Central Ministry has to monitor the implementation of directives of Tenth and Eleventh Finance Commissions. The Committee would like to be apprised of the details of the funds allotted to each of the States and the expenditure made till date categorically on maintenance of civic services, *i.e.* primary education, primary health care, etc. The Committee note that the EFC asked the States to enhance the Consolidated Funds of the States for supplementing the resources of Panchayats. The Committee would like to know from the Government about the steps taken in this regard by State Governments. Besides, they would like to recommend that the Union Government in consultation with the State Governments should carefully review and monitor on an ongoing basis the implementation of the directives of the Tenth and Eleventh Finance Commissions with a view to prepare the terms of reference for the Twelfth Finance Commission. The Committee would like to know the steps taken by the Central Monitoring Committee in this regard.

Reply of the Government

The details of funds released to States by the Ministry of Finance is given at Appendix-I. Expenditure details in respect of these funds are being sought from the Ministry of Finance. The matter regarding

augmentation of local body resources has been taken up with the State Governments at several fora. The Ministry has recently held a meeting with the State Finance Secretaries and Chairpersons/Members of the State Finance Commission on 9.5.2003.

[Ministry of Rural Development Department of Rural Development
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Comments of the Committee

(Please see Paragraph No. 31 of Chapter I of the Report)

Recommendation (Para. No. 3.39)

The Committee have repeatedly been recommending in their reports to implement all the Centrally Sponsored Schemes by Panchayats. They have also been recommending for transfer of outlay directly to the Panchayats at appropriate level. They are unhappy to note that in spite of their repeated recommendations only one scheme, *i.e.* Sampoorna Grameen Rozgar Yojana (SGRY), which is a combination of EAS and JGSY, is being implemented by the Panchayats. They are equally disturbed to note that during 2000-2001 less than 25 per cent of the outlay earmarked for Centrally Sponsored Schemes was transferred to DRDA/Zila Parishad. In this scenario, the Committee feel that not only the States, the Union Ministry is also not serious in implementing Part IX of the Constitution. They, therefore, strongly recommend that as per the Constitutional mandate Central Government should release all funds for Centrally Sponsored Schemes falling within the ambit of the Eleventh Schedule directly to the Panchayats at the appropriate level as has been done in the recently restructured scheme SGRY.

Reply of the Government

In addition to funds being released to Panchayats under SGRY, Hariyali and Swajaldhara, guidelines of almost all programmes including PMGSY (Pradhan Mantri Gram Sadak Yojana) have been modified by the Ministry of Rural Development to give a greater role to Panchayats in selection of beneficiaries, in preparing the shelf of projects, monitoring and supervision.

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Comments of the Committee

(Please see Paragraph No. 34 of Chapter I of the Report)

Recommendation (Para. No. 3.41)

The Committee further find that the Task Force has recommended that all the Central as well as State level schemes should be merged with some broader guidelines at the District level and converted into untied grants under one head. The Committee endorse the said recommendation of the Task Force with the hope that money earmarked for development purpose would not be diverted for other purposes like ways and means advances for the disbursement of salary of State Government officials etc.

Reply of the Government

The burden of the recommendations of the Task Force is that Panchayats get grants and moneys from diverse sources; and despite appointment and recommendations of State Finance Commissions, the system of grants in most of the States still requires rationalization. In view of this, the Task Force suggested that State Governments may initiate urgent measures to streamline and integrate the various grants to the Panchayats. The specific schemes aimed to achieving some pre-defined National Goals reflecting National Policy using the broad national parameters, *i.g.* housing, self-employment, drinking water required to be implemented as per the Schemes. However, as has been done by Kerala that 30 to 40 per cent of the State Plan funds devolved on local bodies as untied funds, the other States could also consider making untied grants at the disposal of Panchayats. The concern of the Standing Committee regarding diversion of untied grants for disbursement of salaries is very genuine and would be appropriately conveyed to State Governments.

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Comments of the Committee

(Please see Paragraph No. 37 of Chapter I of the Report)

Recommendation (Para. No. 3.42)

The Committee have dealt with DRDA Administration in a separate Chapter in the Report. However, in the context of Centrally Sponsored

Schemes/Programmes, they would like to recommend strongly that the Government should ensure that the outlay for all the Centrally Sponsored Schemes is released directly to the Panchayats at the appropriate level and not through DRDAs.

Reply of the Government

The Ministry has been continuously emphasizing the role of PRIs in implementation. Accordingly, under SGRY, Hariyali and Swajaldhara, outlay is released to Panchayats. Consequently in these programmes the role of DRDA is getting restricted to provided technical support for formulation and execution of schemes/works by PRIs, providing training to them and coordinating on their behalf.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 34 of Chapter I of the Report)

Recommendation (Para. No. 3.42)

While going through the position of quorum in different States, the Committee find that there is no uniformity in this regard. They also note that all the State Acts or Rules that prescribe a quorum require no quorum when the Gram Sabha is reconvened. The Committee feel that this provision is an easy tool in the hands of village sarpanch and powerful local leaders to take decisions according to their desires. The Committee are of the view that without quorum the representative character of Gram Sabha is not pronounced and hence quorum is absolutely necessary even if the meeting is reconvened. The Committee note that Gram Sabha is a forum where every adult of the village is entitled to come and express his grievances and his desire for development of education and other related express his grievances and his desire for development of education and other related aspects. Besides, this is the best forum for social audit. In view of the importance of Gram Sabha meetings, the Government should consider to make a provision to the effect that even in adjourned meetings as and when held, the quorum is insisted upon. Further if for the third time, there is no quorum, the development fund of the village should be stalked for a limited period of time. They think that such a provision would create a community stake in holding meetings

of the Gram Sabha. To ensure proper participation in Gram Sabha, the date and time of meeting of Gram Sabha should be settled well in advance and given publicity and all concerned should be asked to attend the meeting. The Agenda of Gram Sabha should also be given adequate publicity so that the common people could put forward their suggestions for consideration of Gram Sabha from time to time. Besides, the Government should find out ways and means to provide financial incentives in the form of allowance for those citizens who cannot attend the Gram Sabha meetings due to distance or health reasons by providing arrangements for transport etc. The Committee also feel that the decisions taken at the meeting of Gram Sabha should be well publicised so that the people at large could know about the measures contemplated and action taken. Without people's participation economic planning cannot be effective and this is a must.

Reply of the Government

The Government in their replies have stated as under:

“Comprehensive indicative guidelines to States on Gram Sabhas have been issued in the past by Ministry of Rural Development.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 40 of Chapter I of the Report)

Recommendation (Para. No. 4.16)

The Committee have dealt with role of women in Panchayati Raj Institutions separately in a subsequent Chapter. However, they would like to stress here that in view of the crucial importance of adequate women participation in meetings of the Gram Sabha, a sub quorum of women attendance be built into the required quorum. It should also be ensured that the meetings of the Gram Sabha are conducted at the appropriate time so that women feel comfortable in attending the meetings. In order to ensure that gender concerns and preferences are fully reflected in the proceedings of the Gram Sabha, the meetings of the Gram Sabha should be preceded by meetings of the Mahila Sabha so that women interlocutors authorised to do so by the Mahila Sabha effectively participate in Gram Sabha meetings.

Reply of the Government

Comprehensive guidelines to States on Gram Sabhas have been issued in this regard. Besides, efforts are being made to create and enhance capacity of women elected representatives through training.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 40 of Chapter I of the Report)

Recommendation (Para. No. 4.17)

The Committee further note that it has been resolved in the Conference of the State Ministers of Rural Development and Panchayati Raj held in Delhi on 13 My 1998 that the meetings of the Gram Sabha should be convened on single pre-determined days at every quarter. They find that pursuant to this resolution, some of the States are holding Gram Sabha meetings four times a year. But in most of the States the meetings are held twice a year. They would like that the defaulting States should be requested to adhere to the minimum four sittings in a year as resolved in the said Conference. The Committee also feel that the meetings of the Gram Sabha should not be held for the sake of counting numbers. There should be effective agenda for the consideration of Gram Sabha meetings. Besides, as he repeatedly been recommended by them in their respective reports, the beneficiaries of various welfare schemes should be identified by the Gram Sabha. The concerned State officials and officials of the Banks, etc. concerned with the Central/State sector welfare schemes should invariably be required to attend the said meetings to make the Gram Sabha meetings really effective. They also feel that if the meaningful agenda is considered in Gram Sabha meetings, it will encourage the member's of the Gram Sabha to attend the meetings invariably.

Reply of the Government

Comprehensive guidelines to States on Gram Sabhas have been issued in this regard.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 40 of Chapter I of the Report)

Recommendation (Para. No. 4.18)

The Committee note that Task Force has made very valuable observations regarding social audit by Gram Sabha. They feel that there is no denying the fact that if the people are enlightened, the meetings of the Gram Sabha could be a forum to curb corruption and misutilisation of funds at the Gram Panchayat level. They, therefore, would like that the States should legally empower the Gram Sabhas for social audit.

Reply of the Government

Comprehensive guidelines to States on Gram Sabhas have been issued in this regard.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 40 of Chapter I of the Report)

Recommendation (Para. No. 6.13)

The Committee find that not only pre-Part IX parallel bodies like DRDAs joint forest management and water user groups are working, but certain post-amendment parallel bodies like Expert Committee in Kerala and Janmabhoomi in Andhra Pradesh are also there. They also find that although the Department agrees that these parallel bodies are undermining the decision making powers of Gram Sabha and Gram Panchayat in respective States, nothing concrete has been done to remedy the situation. The Committee have been recommending repeatedly that the practice of creating parallel bodies and parallel programmes be discouraged. But, nothing concrete seems to have been done in this regard. The Committee also note that the Task Force in their Report have stressed for creation of Standing Committees in the Panchayats at each level for specific and important subjects. Besides, they have been recommending for an inter tier Standing Committee on Monitoring and Supervision. The Committee, therefore, strongly

recommend that all the parallel bodies and programmes working in various States should be brought under the overall monitoring and supervision of Panchayats at the appropriate level.

Reply of the Government

DRDA is not a parallel body. It is a separate entity which essentially has the role of providing technical support for formulation and execution of schemes/works by PRIs, providing training to them and coordinating on their behalf. It functions under the Chairmanship of Chairman of the Zilla Parishad. Similarly, the Ministry has ensured that the dichotomy between Watershed Committees/Watershed Associations and PRIs is eliminated and in the revised Guidelines issued on Watershed Development Programmes, Watershed Committees have been replaced by Gram Panchayats and Watershed Associations have been replaced by Gram Sabhas. Separately letters have also been issued at the level of Secretary (RD) to the State Governments for disbanding parallel bodies.

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O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 46 of Chapter I of the Report)

Recommendation (Para. No. 6.14)

As emphasised by the Task Force, the Committee stress the importance of establishing Standing and *Ad hoc* Committees of the Panchayat at each level. Corruption in the Panchayat at all levels has become rampant in most States, because chairpersons are not responsible to the Committees of the Panchayats or to the general body of the Panchayats or to the Gram Sabha. In association with the bureaucracy, chairpersons have tended to usurp the functions, which properly belong to the Panchayats as a whole. The Committee, therefore, stress the crucial importance of establishing Standing and *ad hoc* Committees of the Panchayats at each level so that proposal are processed by such Committee and then brought before the general body of the Panchayat for approval before, during and after the execution of works. Utilisation certificates should be issued by the Panchayats as a whole and, at the village level, after securing the endorsement of the Gram Sabhas. It is only if this is done that the

Sabhas will have functional relevance, the elected members of the Panchayats will have real and meaningful work to do, and the chairpersons will operate as chairpersons-in-council, thus reducing, if not always completely eliminating, the scope of for nepotism and corruption.

Reply of the Government

Under examination in the Ministry

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 46 of Chapter I of the Report)

Recommendation (Para. No. 6.15)

The Committee have been repeatedly recommending for the merger of DRDA with Zila Parishad. In spite of that, they find that the approach of the Union Ministry, is to strengthen the DRDAs. they also find that only five States, i.e. Chhattisgarh, Kerala, Madhya Pradesh, West Bengal and Karnataka could achieve the objective of merging DRDA with District Panchayat. In all other States, DRDA is functioning separately, and as informed by the Ministry, at present there are 571 DRDAs/DRDA cells. They also note from information provided by the Department that there is no provision in the State Panchayati Raj Acts to ensure coordination between DRDAs and the three tiers of the Panchayats. In this scenario, the Committee disapprove of the way of the Union Government are encouraging the role of DRDA administration. They find that with the enactment of Part IX, pre-Part IX arrangement of DRDA has become obsolescent and needs to be ended, especially as the DRDA is inimical to the fundamental objective of Part IX which is the establishment of institutions of self-government. The Committee strongly recommend that in the interests of effective Panchayati Raj, as envisaged in the Constitution, DRDAs be disbanded and merged with District Panchayats, with the Chairperson of District Panchayati as Chairperson of the merged DRDA. Moreover, *pari passu* with the clarification of which functions, functionaries and finances are to be devolved to which tier of the Panchayati Raj system, intermediate and Village level bodies with duties

parallel to those of the existing DRDAs would need to be set up at these levels, so that State and Central finances are channeled to the appropriate tier and not necessarily concentrated in the merged DRDA at the District Panchayat level.

Reply of the Government

DRDA is not a parallel body. It is a separate entity which essentially has a coordinating role to play on behalf of the Zilla Panchayats and functions under the Chairmanship of Chairman of the Zilla Parishad. Similarly, the Ministry has ensured that the dichotomy between Watershed Committees/Associations and PRIs is eliminated and in the revised Guidelines issued on Watershed Development Programmes, Watershed Committees have been replaced by Gram Panchayats and Watershed Associations have been replaced by Gram Sabhas.

Separately letters have also been issued at the level of Secretary (RD) to the State Governments for disbanding parallel bodies.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 46 of Chapter I of the Report)

Recommendation (Para. No. 7.3)

The Committee find that although the Government agree to the crucial role to be played by MPs and MLAs in the process of decentralisation of powers in pursuance of Part IX of the Constitution, serious attention is not being paid at the State level to involve MPs and MLAs in different welfare schemes. The Committee have time and again been stressing for the specific role of MPs and MLAs in monitoring of different Centrally Sponsored Schemes, yet they find that the meetings of DRDAs are generally being held at the time when the MPs are not available. In this scenario, they recommend that a serious thought should be given to involve MPs and MLAs at the higher levels of Panchayats, *i.e.*, Intermediate and District level Panchayats so that they can play an effective role in monitoring the activities being undertaken by these Institution.

Reply of the Government

At the instance of Ministry of Rural Development, State Governments have set up Vigilance and Monitoring Committees at State and District level. The Vigilance and Monitoring Committees have been constituted with a view to fulfilling the objective of ensuring quality expenditure, particularly in the context of large public funds being spent under all the programmes of the Ministry of Rural Development. These Committees keep a close watch over the implementation of the programmes as per the prescribed procedures and guidelines. The major objective of the Vigilance and Monitoring Committee is to put in a place a mechanism to control the execution of the schemes with a view to ensuring the attainment of the stated objectives in the most effective manner and within the given time-frame, as a result of which the public funds are put to optimum use and the programmes benefit will flow to the rural poor in full measure. State level Vigilance and Monitoring Committees are chaired by the Minister, Rural Development Department of the concerned State and the District level Vigilance and Monitoring Committees chaired by Members of Parliament (Lok Sabha) and the members of the Committee include the MPs and MLAs and other officers.

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Comments of the Committee

(Please see Paragraph No. 46 of Chapter I of the Report)

Recommendation (Para. No. 9.10)

The Committee note as accepted by the Government that the definitions as given in article 243 are open to various interpretations. Too much flexibility in interpretation may defeat the very purpose of definition. As such the Committee would like to the Government to ponder over the definitions and make them as clear as possible so that there is no confusion at any levels, particularly, concerning Gram Sabha and Gram Panchayats, the definition of which should be more pronounced. The Committee during interaction with the Panchayati Raj Institutions and experts were informed that there is no rationalization of population of Gram Sabha and Gram Panchayat. They note that sometimes the size of Village Panchayat and Gram Sabha is

so big that the purpose of participatory democracy of the kind that is envisaged for a Gram Sabha is not possible as has been admitted by the Department in its written note. The Committee would, there, like to recommend that the size of a village Panchayat and Gram Sabha be fixed at a level that would facilitate the democratic participation by all voters. Besides, where for any reason the size of the Gram Sabha appears too larger for effective democratic participation, possibilities of subsidy Sabhas be explored at the ward/both level.

Reply of the Government

No optimum size can be fixed for a Village Panchayat and Gram Sabha. However, the Ministry is examining the possibility for creating an enabling provision for "Ward Sabhas" in States with large villages.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 49 of Chapter I of the Report)

Recommendation (Para. No. 10.10)

The Committee feel that planning is required to be undertaken at every tier of the Panchayati Raj System, not at the level of the District Planning Committee (DPC) alone. The very wording of article 243ZD, dealing with the District Planning Committee, says the DPC is to consolidate the plans prepared by the Panchayats. They, therefore, recommend that the annual plans and Five Year Plans should be prepared by each of the three tiers of Panchayati Raj Institutions as well as the Municipalities and, thereafter, be consolidated at the District level by the District Planning Committees.

Reply of the Government

A letter is being addressed to the State Governments/Union territories requesting them to take action in the light of the earlier letters issued by this Ministry, and the recommendations now made by the Standing Committee.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 52 of Chapter I of the Report)

Recommendation (Para. No. 10.11)

The Committee further note that different tiers of Panchayat need technical assistance for preparation of plans. In this regard, they recommend that local NGOs, educational institutions, especially college faculties, legal professionals can play a crucial role in facilitating scientific planning at all these levels of the Panchayati Raj system. Besides, the services of retired bureaucrats, technocrats could also be utilised by the different tiers of Panchayats in this regard. How and when the services of the aforesaid professionals could be utilised for planning should be examined by the Union Government, in consultation with States and the modalities of their functioning may be worked out.

Reply of the Government

A letter is being addressed to the State Governments/Union territories requesting them to take action in the light of the earlier letters issued by this Ministry, and the recommendations now made by the Standing Committee.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 52 of Chapter I of the Report)

Recommendation (Para. No. 10.12)

The Committee further note that in some of the States, District Planning Committees are being chaired by Ministers in the State Government. They also find that as per article 243ZD (2)(d), the matter regarding the manner in which the Chairpersons of DPC shall be chosen has been left to the respective State Governments. They note that a State Minister chairing the DPC is against the spirit of the Constitution (Seventy-third and Seventy-fourth) Amendments. In view of this, they would like that the respective State Governments where the practice of Minister chairing District Planning Committees is

prevalent should be advised in this regard. Moreover, Parallel/Planning Bodies to the District Planning Committees, as set out under article 243ZD, should not be established.

Action Taken by the Ministry of Rural Development

A letter is being addressed to the State Governments/Union territories requesting them to take action in the light of the earlier letters issued by this Ministry, and the recommendations now made by the Standing Committee.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 52 of Chapter I of the Report)

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAITED

Recommendation (Para. No. 11.5)

The Committee feel that reservation for women have opened the door to revolutionary changes of a political, social and cultural nature. India can truly be proud of being the first and only country in the world to have empowered through free and fair elections, more than one million women who are participating in the Panchayats. The Committee feel that there is still some way to go in changing the apparent empowerment of women into a real and genuine empowerment. To this end, the Committee recommend that:

- (i) Reservation for women should be extended to at least two terms.
- (ii) No-confidence motions against women Chairpersons should not be allowed to be tabled more than once in two years, no oftener, so as to end the widespread harassment of women Chairpersons through threats of No-confidence motions, which the Committee find, are more in vogue with respect to women than men Chairpersons.

- (iii) If a woman Chairperson or a member is removed for any reason whatsoever, she must be replaced by another women of the same category, not by a man, whether in full or acting charge.

Reply of the Government

The matter is under examination.

[Ministry of Rural Development Department of Rural Development
O.M. No. H-11011/1/2003-PR Dated 12th May 2003.]

Comments of the Committee

(Please see Paragraph No. 58 of Chapter I of the Report)

NEW DELHI;
30 January, 2004
10 Magha, 1925 (*Saka*)

CHANDRAKANT KHAIRE,
Chairman,
Standing Committee on
Urban and Rural Development.

APPENDIX I

(Mentioned in Point No. 3.34) As on 12.03.2003.

STATEMENT SHOWING DETAILS OF FUNDS RELEASED TO THE STATES BY THE MINISTRY OF FINANCE.

RELEASE OF LOCAL BODIES GRANTS AS PER THE RECOMMENDATIONS OF ELEVENTH FINANCE COMMISSION

(Rs. In Lakh)

Sl. No.	State	Panchayati Raj Institutions					Urban Local Bodies				
		Annual Allocation	Released				Annual Allocation	Released			
			2000-01	2001-02	2002-03 so far	Total		2000-01	2001-02	2002-03 so far	Total
1	2	3	4	5	6	7	8	9	10	11	12
1.	Andhra Pradesh.	15204.83	0.00	15204.83	7602.41	22807.24	3293.14	1646.58	4102.56	2483.71	8232.85
2.	Arunachal Prades	556.85	278.42	0.00	0.00	278.42	13.67	6.84	6.83	20.50	34.17
3.	Assam	4668.95	0.00	4668.95	2334.47	7003.42	430.84	215.42	215.42	646.26	1077.10

1	2	3	4	5	6	7	8	9	10	11	12
4.	Bihar	10875.00	0.00	10875.00	16312.50	27187.50	1340.94	0.00	0.00	3352.35	3352.35
5.	Chhattisgarh	4200.39	2100.00	6300.76	4200.38	12601.17	572.23	286.10	858.36	572.23	1716.69
6.	Goa	185.45	92.72	278.19	92.72	463.63	92.73	46.36	139.10	46.36	231.82
7.	Gujarat	6960.87	0.00	6960.87	10441.30	17402.17	2650.46	1325.22	1325.24	3975.69	6626.15
8.	Haryana	2941.75	1470.88	4412.63	2941.74	8825.25	732.80	366.40	1099.20	732.80	2198.40
9.	Himachal Pradesh	1313.38	65668	1970.08	656.69	3283.45	77.84	38.92	38.92	116.76	194.60
10.	J&K	1488.14	744.06	744.08	0.00	1488.14	313.16	156.58	156.58	469.74	782.90
11.	Jharkhand	4825.76	0.00	0.00	0.00	0.00	537.00	0.00	0.00	1342.50	1342.50
12.	Karnataka	7882.35	3941.18	11823.53	3941.17	19705.88	2496.39	1248.20	1248.19	3744.58	6240.97
13.	Kerala	6592.58	3296.28	9888.88	3296.29	16481.45	1504.91	752.46	2257.36	752.45	3762.27
14.	Madhya Pradesh	10109.00	5054.70	15163.30	10109.00	30327.00	2548.00	1274.00	1274.00	3822.000	6370.00
15.	Maharashtra	13134.58	6567.28	19701.88	6567.29	32836.45	6325.09	3162.54	9487.64	3162.54	15812.72
16.	Manipur	375.43	187.72	563.15	0.00	750.87	87.92	43.96	43.96	13.88	219.80

1	2	3	4	5	6	7	8	9	10	11	12
17.	Meghalaya	512.16	256.08	768.24	256.08	1280.40	53.98	27.00	26.98	80.97	134.95
18.	Mizoram	157.11	78.56	235.67	157.10	471.33	76.89	38.44	115.34	76.89	230.67
19.	Nagaland	257.33	128.66	386.01	128.66	643.33	35.72	17.86	17.86	53.58	89.30
20.	Orissa	6911.76	3455.88	10367.64	3455.88	17279.40	799.20	399.60	1198.80	399.60	1998.00
21.	Punjab	3092.71	0.00	0.00	1546.35	1546.35	1094.53	547.26	547.27	1641.79	2736.32
22.	Rajasthan	9818.96	4909.48	14728.44	4909.48	24547.40	1988.32	994.16	2982.48	994.16	4970.80
23.	Sikkim	105.85	52.92	158.79	52.92	264.63	4.16	2.08	2.08	6.24	10.40
24.	Tamil Nadu	9322.36	4661.18	13983.54	4661.18	23305.90	3867.34	1933.66	5801.02	1933.67	9668.35
25.	Tripura	569.19	284.60	853.79	284.59	1422.98	80.32	40.16	120.48	40.16	200.80
27.	Uttaranchal	3040.00	1520.00	4560.00	0.00	60.80.00	475.00	237.42	237.58	712.50	1187.50
28.	West Bengal	11554.59	5777.30	17331.89	5777.29	28886.48	3949.78	1974.90	5924.66	3949.78	11849.34
Total		160000.00	57185.92	206944.18	101396.82	365526.92	40000.00	19061.02	46064.29	37540.51	102665.82

Confidential

COMMITTEE ON URBAN AND RURAL DEVELOPMENT (2004)

MINUTES OF THE SECOND SITTING OF THE COMMITTEE
HELD ON TUESDAY, 27 JANUARY 2004

The Committee sat from 1100 hours to 1200 hours in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Chandrakant Khaire — *Chairman*

MEMBERS

Lok Saba

2. Shri Padmanava Behera
3. Shri Jaswant Singh Bishnoi
4. Shrimati Hema Gamang
5. Shri Savshibhai Makwana
6. Shri Sadashivrao Dadoba Mandlik
7. Shri Gutha Sukender Reddy
8. Shri D.C. Srikantappa
9. Shri V.M. Sudheeran
10. Shri Ravi Prakash Vermaerwtz

Rajya Sabha

11. Shrimati Prema Cariappa
12. Shri Ramadhar Kashyap
13. Shrimati Gurcharan Kaur
14. Shri Faqir Chand Mullana
15. Shri Rumandla Raamachandrayya
16. Shri Harish Rawat

SECRETARIAT

1. Shri K. Chakraborty — *Director*
2. Shrimati Sudesh Luthra — *Under Secretary*

2. At the outset, the Chairman welcomed the members to the sitting of the Committee. He informed that the sitting was convened to consider and adopt the Memorandum No. 4 and thereafter the Committee would proceed on the local Study Visit to the Delhi Metro Rail site. The Committee then took up for consideration Memorandum No. 4 regarding action taken by the Government on the recommendations contained in Thirty-seventh Report of the Committee (Thirteenth Lok Sabha) on 'Implementation of part IX of the Constitution' of the Department of Rural Development (Ministry of Rural Development). The Committee after deliberating on various recommendations/observations made in the said Report adopted the aforesaid Action Taken Report with slight modifications as given in *Annexure*.

3. The Committee authorised the Chairman to finalise the above draft Action Taken Report on the basis of factual verification from the concerned Ministry/Department and to present the same to the Parliament.

The Committee then adjourned.

ANNEXURE

(See para 2 of the Minutes of the second sitting of the
Committee (2004) held on 27.01.2004)

Sl. No.	Page No.	Para No.	Line No.	Modification
1.	45	46	2 from below	<i>Add the following after 'accordingly.'</i> <i>'As regards recommendation at (iii) above, the Committee would like that as earlier recommended by them, MPs of both Lok Sabha and Rajya Sabha and MLAs should be involved at the higher level of Panchayats i.e. in the Intermediate and District level Panchayats'.</i>

APPENDIX III

[Vide Para 4 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT OF THE RECOMMENDATIONS CONTAINED IN THE THIRTY SEVENTH REPORT OF THE STANDING COMMITTEE ON URBAN AND RURAL DEVELOPMENT(13TH LOK SABHA)

I.	Total number of recommendations	19
II.	Recommendations that have been accepted by the Government (Para Nos. 2.19, 2.20, 2.21, 2.25, 3.20, 3.21, 3.40, 3.43, 3.48, 4.14, 4.19, 5.3, 5.4, 5.5, 6.18, 8.4, 10.9, 10.13, 12.7 and 12.8)	20
	Percentage to the total recommendations	(40.82%)
III.	Recommendation which the Committee do not desire to pursue in view of the Government's replies (Para No. 9.11)	1
	Percentage to total recommendations	(2.40%)
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee. (Para Nos. 2.22, 2.23, 2.24, 3.11, 3.12, 3.13, 3.14, 3.19, 3.22, 3.30, 3.31, 3.34, 3.39, 3.41, 3.42, 4.15, 4.16, 4.17, 4.18, 6.13, 6.14, 6.15, 7.3, 9.10, 10.10, 10.11 and 10.12)	
	Percentage to total recommendations	(55.10%)
V.	Recommendation in respect of which final reply of the Government are still awaited (Para No. 11.5)	1
	Percentage to total recommendations	(2.04%)