

(c) **Rapti Project:** It was noted that the feasibility of a multi-purpose project on river Rapti at Bhalubhang in Nepal has been established and in keeping with their desire for the early execution of the project for the benefit of the two countries, it was agreed that experts of the two sides should meet within one month to finalise the arrangements and to prepare detailed project estimates within two years.

(d) **Devighat Hydro-Electric Project:** India agreed to execute, on a turn-key basis, the Devighat Hydro-Electric Project utilising the tail-race waters of the Trisuli Hydro-Electric Project for the exclusive benefit of Nepal. It was agreed that the formal agreement to enable commencement of the work should be signed as soon as possible.

8. The two Prime Ministers agreed that separate treaties to cover trade and transit may be concluded expeditiously. It was further decided to provide, at the same time, for effective measures to control unauthorised trade from one country to the other.

9. The two sides agreed that detailed ground surveys should be undertaken in as efficient and expeditious a manner as possible of the Dolaghat-Bhankuta Road.

10. Though the visit of the Prime Minister of India was brief, both sides felt satisfied at the purposeful discussions and the ground covered in these discussions. The visit reinforced the recognition of the value of frequent contacts at higher levels between the two countries. Apart from functional cooperation between officials of the various Ministries and the planning bodies of the two countries, the Prime Ministers agreed that annual consultations should take place between the officials of the two Governments.

11. The Prime Minister of India expressed gratitude for the warmth

and hospitality he and his party received in Nepal. He extended an invitation to His Excellency Shri Kirti Nidhi Bista, Prime Minister of Nepal, to visit India at a mutually convenient time. He was pleased to accept the invitation.

KATHMANDU:

11th December, 1977

12.15 hrs.

STATEMENT RE. APPOINTMENT OF A COMMITTEE ON PANCHAYATI RAJ INSTITUTIONS.

THE PRIME MINISTER (SHRI MORARJI DESAI): I would like to inform the House that Government has today appointed a Committee, with Shri Asoka Mehta as Chairman, to inquire into the working of Panchayati Raj Institutions. A copy of the Resolution, which contains the composition of the Committee as well as the terms of reference, is placed on the Table of the House.

RESOLUTION

The Government accords the highest priority to rural development, so as to increase agricultural production, create employment, eradicate poverty and bring about an all round improvement in the rural economy. The Government considers that the maximum degree of decentralisation, both in planning and in implementation, is necessary for the attainment of these objectives. It has accordingly been decided, in consultation with the State Governments and Union Territories, to set up a Committee to inquire into the working of the Panchayati Raj Institutions, and to suggest measures to strengthen them, so as to enable a decentralised system of planning and development to be effective.

2. The composition of the Committee is:

1. Shri Asoka Mehta. *Chairman*
2. Shri Karpoori Thakur, *Chief Minister, Bihar.*

3. Shri Prakash Singh Badal, Chief Minister, Punjab.
4. Shri M. G. Ramachandran, Chief Minister, Tamil Nadu.
5. Shri, B. Sivaraman, Member, Planning Commission.
6. Shri Mangal Deo, M.P.
7. Shri Kunwar Mahmood Ali Khan, M.P.
8. Shri Annasaheb P. Shinde, M.P.
9. Shri E. M. S. Namboodripad, Trivandrum.
10. Shri S. K. Dey, New Delhi.
11. Shri Sidharaj Dhadha, Jaipur.
12. Prof. Iqbal Narain, University of Rajasthan, Jaipur.
13. Shri Vallabhbhai Patel, President, Zila Panchayat, Rajkot.

3. The Committee would have the following terms of reference:

(1) To review the existing situation regarding democratic decentralisation in the States and the Union Territories, and the working of the Panchayati Raj institutions from the district to the village levels, so as to identify shortcomings and defects. In particular, to examine the working of these institutions in respect of—

(a) mobilisation of resources;

(b) planning and implementation of schemes for rural development in an objective and optimal manner, and in looking after the interests of the weaker sections of society.

(2) To examine the methods of constituting the Panchayati Raj institutions, including the system of elections, and to assess their effect on the performance of the Panchayati Raj system.

(3) To suggest the role of Panchayati Raj institutions, and the objectives which could be attained through them, for integrated rural development in the future.

(4) To suggest measures for re-organising the Panchayati Raj System, and removing the shortcomings and defects, with a view to enable these institutions to fulfil their future role.

(5) To recommend the form and content of the relationship that should exist between the Panchayati Raj institutions, the official administrative machinery, and the co-operative and voluntary institutions involved in rural development.

(6) To make such other recommendations, including those on financial matters, as may be necessary to ensure adequate availability of funds for the discharge of the responsibilities that may be entrusted to the Panchayati Raj institutions.

4. The Committee should complete its inquiry and submit its report within a period of six months and may also submit an interim report, if it deems it necessary, or if so required by Government.

5. Secretarial and other assistance to the Committee would be provided by the Department of Rural Development in the Ministry of Agriculture and Irrigation.

R. C. BHARGAVA,
Joint Secretary to the Cabinet.

12.16 hrs.

PAPERS LAID ON THE TABLE

STATEMENT re DELAY IN LAYING ON THE TABLE ANNUAL REPORTS AND ACCOUNTS OF AGRO-INDUSTRIES CORPORATIONS OF SOME STATES.

THE MINISTER OF AGRICULTURE AND IRRIGATION (SHRI SURJIT SINGH BARNALA): I beg to lay on the Table a statement (Hindi and English versions) showing reasons why the Annual Reports and Accounts of the Agro-Industries Corporations in the States of Andhra Pradesh, Assam, Bihar, Gujarat,