



REPORT
OF
THE HIGH POWER COMMITTEE
ON
PANCHAYATI RAJ
(ANDHRA PRADESH)

1972

**PANCHAYATI RAJ DEPARTMENT,
GOVERNMENT OF ANDHRA PRADESH,
HYDERABAD**

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CHAPTER I.

INTRODUCTORY.

The origin of Panchayati Raj:

1.1. We won our freedom. We framed our Constitution and made our country the biggest democracy in the world. We accepted the concept of a Welfare State, Planned Development, Socio-economic transformation and Social justice. We enshrined in our Constitution the most valuable Directive Principles of State Policy one of which enjoins--

“40. The State shall take steps to organise village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government”.

Although the reference is to village panchayats, the Central and the State Governments have rightly interpreted it to include the other higher tiers of Panchayati Raj.

1.2. The situation in the country when it became Independent was depressing — utter poverty, low yields in agriculture, dependence on other countries even for our essential needs, a poor industrial base, no infra-structure, illiteracy, ill-health, meagre facilities for education and health, poor communications, etc. Therefore the primary and obvious task of the National Government then was to launch upon an era of comprehensive planned development with a view to achieving higher rates of growth in production and making significant progress in education, health, communications, etc. and increasing thereby the standard of living with special attention to the problems of rural India.

1.3. In this gigantic process of development, it was felt necessary that the people's participation should be secured through their representative institutions for carrying out various programmes for socio-economic development and for the welfare of weaker sections. The Government of India therefore appointed the Balwantray Mehta Committee to examine rural problems and conditions and make suitable recommendations.

1.4. Panchayati Raj in its present form and content largely owes its origin to the report of that Committee. The three tier Panchayati Raj came into being in Andhra Pradesh on 1st November, 1959.

Need for a review of the working of Panchayati Raj :

1.5. More than a decade has elapsed since the establishment of Panchayati Raj in our State and in several other States too. These institutions are still in a state of flux and in recent years they are operating at a low key. There is a feeling that the development that has taken place in rural India so far, has not kept pace with time or needs and yet they have a crucial role to play in rural development and in the welfare of the large masses of people living in villages.

1.6. Panchayati Raj is regarded by some as an important milestone in the progress of democracy in our country while there are others who feel that it has introduced a new dimension in the body politic and has only helped the traditional leaders and vested interests in creating, promoting and fomenting factionalism. If favouritism and factions are at all the result of Panchayati Raj, some argue that in a country of our size and complexity where caste, class and history are the warp and woof of its social fabric, one cannot completely avoid them as they are endemic to any developing society under Indian conditions.

1.7. Some of the respected national leaders like Sri Jayaprakash Narayan ask whether there has been a real transfer of power to the Panchayati Raj bodies and whether they have the freedom to function freely as real democratic institutions. Some, however, think that power to the people in our country means power to the traditional leader of a socially powerful group wielding authority in the name of the people and ask whether real transfer of power to the people is at all possible. There are others who argue as Roscoe Martin has done and say :

“(i) that little Government is amateur, casual, often highly personal and even proprietary. If any one thinks that small rural units govern themselves democratically in practice, one has to live in a unit and observe it closely over a period ;

(ii) little Government arouses little interest in the people ;

(iii) It is not free of politics ; actually it is often ruthlessly political as minor officials discover to their cost ; also

(iv) little Government cannot possibly perform the many services required of any Government today. They are too many and too important for the purpose ; the national interest forbids them to be left to its choice and mercy ” .

1.8. This view, however, is not shared by the United Nations which has pertinently pointed out in its report on “ Measures for economic development for under-developed countries ”, “ that men learn administration by participating in it. They therefore learn fastest in countries where self-governing institutions are most wide spread ”. From this point of view, Panchayati Raj bodies have a

vital role to play because they provide a forum for a dialogue and make possible "government by consent" at various levels. Holding this view, some say, perhaps with justification, that a full-fledged democracy at the Centre and at the State level and a bureaucratic conveyor-belt all along the line below would be incongruous and undesirable in the long run. "The politics of adult franchise and participation and diffusion with decentralisation of political power that it entails would lead to more responsive and more integrated polity as well" says Rajini Kothari. Sri Jaya Prakash Narayan supports this view as according to him "to have gone all the trouble and expense of establishing Panchayati Raj merely to create new agencies of the State Governments would appear to him to have been a foolish and wasteful enterprise". In spite of differing views on the question of transfer of power to the people, it is fair to assume that the general trend of thinking is in favour of working out a strategy of development through local level institutions in keeping with the genius of the people and their native wisdom.

1.9. It has also to be recognised that no representative institution or body will be content to be a mere subordinate agency. Such an agent-body will not be able to attract leaders at various levels who will prove accountable, responsible and also responsive to the needs of the people.

1.10. Some say that the elected office bearers of Panchayat Raj bodies have failed to rise above their party once they are elected and allotted themselves to be influenced by groups and cliques with the result that the baneful effects of partisan attitude are clearly seen in the administration. There are others who argue that in a party system which is the key-note of democracy, it is unrealistic to expect the elected office bearers "to govern above the battle", that the party spirit, unfortunately, is inseparable from our nature having its roots in the strongest passions of human mind and that all that we could do in a democracy is to endeavour to suppress it as far as possible. They believe that there is more that holds the numbers together than pulls them apart. If the political involvement of office bearers is inevitable, the question is whether such involvement could be more positive and contributory to development rather than become an impediment and whether it could be more responsive to the national and local aspirations than ending up merely with mouthing slogans.

1.12. The role of Panchayati Raj bodies has always been a matter of controversy. While some have advocated that Panchayati Raj should be made responsible only for development functions, others have recommended that it should discharge the functions of local-government as well. According to the former, they should function as the agencies of the State Government while according to the latter they should become units of self-government. Some scholars have observed that the inter-action of the traditional administrative system and the elected representatives of Panchayati Raj bodies is full of ambiguity leading to a general dissatisfaction among all. In their view, the problem of devolution of powers and functions has become more difficult because of the existence of two

parallel lines of administration—the elected bodies and the local administrative units of Government departments. According to some scholars like Appleby, the final test of any decentralisation is efficiency of administration and national integration and they have cautioned against too much decentralisation which is likely to create local egoism. There are others who think that Panchayat Raj bodies can contribute effectively in the economic development of the nation only when they are effective units of self-government.

1.13. Then there is the vexed question of direct and indirect elections and their merits and de-merits. Here again there is difference of opinion among the social scientists who have studied the problem. Indirect elections according to some lead to greater consensus and harmony so essential for functioning of Panchayati Raj bodies, while according to others there must also be some conflict which leads the society towards progress. Some strongly argue that if alignments based on caste, kinship and territorial ties are to be broken, direct election is the only way. There are others who maintain that direct elections will be costlier and the poor who are many cannot afford to contest successfully in such elections.

1.14. Different people have different views on Panchayati Raj. To the office-bearers and officials of Panchayati Raj, it is an instrument for carrying out useful development programmes; to the teachers, however, it is a weapon for harassment; to the rural elite it is a means of attaining positions of power; to the general public who are somewhat indifferent, Panchayati Raj bodies are no better than the old local bodies—district boards, taluk boards and gram panchayats; to the weaker sections, they are just one more agency of good intentions only but of little service in practice; to the bureaucrat they are unnecessary and wasteful; to the political parties in opposition they are no more than partisan units striving to strengthen the party in power; to the social scientists, the structure is not fully democratic and is not appropriately designed to secure its major purposes; to confirmed democrats, the Government themselves lack faith in Panchayati Raj and that unless they have faith in the competence of rural people to manage local affairs and display that faith in their day-to-day administration there is no bright future for Panchayati Raj. It is therefore not surprising that we have on the whole a confused image of Panchayati Raj—the inevitable result of subjective approach by various groups and interests.

1.15. Thus, the reactions to Panchayati Raj vary from stark pessimism and disillusionment on one side to conviction in its efficacy and optimism in its ultimate future on the other. It must, however be admitted that the working of Panchayati Raj today is nowhere near the promised goal. There are complaints that they are unduly dependent on Government for funds, that they have not been able to generate local resources, that a major portion of the funds is spent on establishment leaving very little for development programmes that the weaker sections have not received adequate attention, that the benefits conferred by them are not equitably distributed, etc. On the other hand, there are representations from these bodies that

their financial resources are inadequate, that assistance from Government has not proportionately increased despite steep rise in the cost of materials, labour, service, etc., that procedural bottlenecks have caused delays, that there has been excessive bureaucratisation in recent years which is the cause of deterioration of Panchayati Raj etc.

Why a High Power Committee ?

1.16. The Bill for establishing Panchayati Raj was drafted in 1959 in the context of conditions as they existed then. Therefore, in the light of experience gained in the working of Panchayati Raj in the past 12 years and the great change that has come over in the thinking of the people since then and the present climate in the country, a review has become necessary not only of the Acts and Rules governing Panchayati Raj but also of the procedures and arrangements conceived more than a decade ago. Consequently the Chief Minister gave an assurance on the floor of the Legislative Assembly that these and other matters would be thoroughly gone into by a High Power Committee. The Government accordingly appointed a High Power Committee in G.O. Ms. No. 648, Panchayati Raj, dated 22-9-1971 consisting of the following members :

Sri C. Narasimham.	..	<i>Chairman.</i>
Sri B. R. K. Sastry, Commissioner of Panchayati Raj and Secretary to Government, Panchayati Raj Department.	..	<i>Member.</i>
Sri K. R. Raja Reddy, Chairman, Zilla Parishad, Nizamabad.	..	<i>Member.</i>
Sri G.V. Chandrasekhara Reddy,	..	<i>Member.</i>
Sri G. Krishna Murthy, M.L.C.	..	<i>Member.</i>
Sri B. Nageswara Rao, Deputy Secretary to Government, .. Panchayati Raj Department.	..	} <i>Member, Secretary.</i>

1.17. The Committee was strengthened in G.O. Ms. No. 212, Panchayati Raj, dated 28-4-1972 and G. O. Ms. No. 279, Panchayati Raj, dated 27-5-1972, by including Sri A. Krishnaswamy Aiyangar, I.A.S., (Retired) former Secretary to Government, Panchayati Raj, Department, Sri M. Bhoj Reddy, Chairman Zilla Parishad, Hyderabad and Prof. K. Seshadri of the National Institute of Community Development. Consequent on the transfer of Sri B.R.K. Sastry, I.A.S., as Secretary to Government, Health and Municipal Administration Department, Sri P. L. Sivaram, I.A.S., Secretary to Government, Panchayati Raj Department, was included in the committee. Copies of the two relevant G. Os., are given in Appendix-I.

Sri K. Seshadri subsequently tendered his resignation as he had to leave Hyderabad.

Terms of Reference of the Committee.

1.18. The terms of reference of this committee are :

(I) The Committee shall evaluate the existing financial position of the Panchayati Raj institutions *vis-a-vis* the obligations they are required to fulfil under the relevant Acts and make recommendations for improvement of their finances, keeping in view the overall financial conditions of the State.

(II) It shall also make recommendations on the following :

(1) Whether the existing powers under the two Acts are adequate, whether they are being fully utilised in raising the financial resources and what is the impact of development programmes on the people and in particular of special programmes on Scheduled Castes, Scheduled Tribes, Women and Children.

(2) Whether the existing resources and revenues are very properly realised and utilised and if so, whether they are adequate for the performance of the functions assigned to them and if not, what changes should be made in their finances, machinery, involvement of the people, etc.

(3) Whether any further powers can be delegated to them to enable them to adequately raise further resources by way of taxes, levies, etc.

(4) To study the important trends in the working of Panchayati Raj bodies and suggest measures for improving their working so as to make them really effective and efficient instruments of socio-economic development in the district.

(5) Mode of financing rural development schemes.

(6) Power to raise loans from the public and the nationalised banks and the Life Insurance Corporation of India.

(7) Permitting the Panchayati Raj institutions to invest the loans taken by them from the Life Insurance Corporation and other sources in the nationalised and other banks instead of Government treasuries as at present.

(8) Whether the powers entrusted to the Zilla Parishad are adequate and whether there is need for a further devolution of powers downward for improvement of developmental work.

(9) Whether the present structures of the gram panchayats, Panchayat Samithis and Zilla Parishads and their *interse*

relationship are conducive to the harmonious working in the developmental sphere or whether any re-alignment of relationship is considered necessary or whether a re-shaping of the organisational structures of the Panchayati Raj bodies would achieve this objective.

(10) Whether the existing arrangement of a Secretary supervising the entire range of activities of Zilla Parishad is adequate or an officer of a higher status is necessary to give a purposeful direction to the activities and maintain a liaison with the senior district heads as well as problems of co-ordination of various functionaries at different levels and within the institutions themselves.

(11) Whether any other services or subjects could be entrusted to Zilla Parishad keeping in view the present policy of Government of decentralisation of administration.

(12) Whether any changes in the mode or system of elections to these bodies at the Panchayat Samithi and Parishad levels are necessary to eliminate the present defects.

(18) Whether any amendments are necessary to the provisions of the relevant Acts and rules for the efficient functioning of Panchayati Raj institutions particularly with reference to their constitution, recruitment, promotion and transfer of staff of these bodies, control over staff, etc., the status of executive officers, sanction of schemes, programmes, etc.

(14) Whether the present supervision over the Panchayati Raj institutions is adequate and to suggest means to make such supervision more and more effective.

(15) Whether the present system of audit is really effective and in time and if not, how it could be more and more effective.

(16) Whether the training institutions now in existence and the training given to various functionaries are adequate and to suggest suitable measures for making the functionaries more efficient.

(17) Measures for the drawing up of practical district plans for incorporation in the State plan and for financing them.

(18) Any other matter of importance.

Time for submission of the report.

1.19. The Committee was asked to submit its report before the end of March, 1972. But it was not able to do so as the replies to the questionnaire were not received in time, as Assembly elections intervened and the officials and elected functionaries of the Panchayati Raj institutions were busy and as some of the members of the High

Power Committee were also engaged on other urgent Government work. On the request of the committee, the Government extended the term of the committee upto the end of October, 1972.

1.20. The Member-Secretary of the committee was assisted by the following office staff sanctioned by the Government.

1. One Assistant Secretary.
2. One Section Officer.
3. Two Assistants.
4. Two Stenographers.
5. One Typist.

Accommodation was made available for the staff of the committee and the Chairman in the Secretariat itself.

The Programme of the High Power Committee.

1.21. The first meeting of the High Power Committee was held at 4.00 p.m. on 30-11-1971 in the Chambers of the Minister for Panchayati Raj in the Secretariat. The Minister (Panchayati Raj) formally inaugurated the meeting and mentioned broadly the task set before the Committee. He referred to the setting up of parallel Zilla Development Boards and their adverse reaction on statutory Panchayati Raj institutions. He stressed the need for strengthening financial resources of Panchayati Raj bodies. It might be possible, he said, for the Government to make over the entire land revenue to Panchayati Raj bodies as in Maharashtra but the question would still be how it should be equitably distributed among the different tiers of these bodies and the bodies functioning in different regions. There are districts which pay substantial land revenue while there are others whose land revenue receipts are small because they are mostly dry and the rate is low. He disclosed that the State Government were firmly committed to Panchayati Raj system but within this frame-work there were several aspects and problems which the committee had to go into and make recommendations to set-right defects and remove drawbacks and mal-factors. He assured the committee that the Government had an open mind on all the aspects and problems of Panchayati Raj bodies and that the committee's valuable recommendations would be given the most serious consideration. He agreed with the Chairman, High Power Committee, that the Gram Panchayats are the key-stone of the Panchayati Raj set up and that local self-government institutions should be strengthened and given sufficient resources to discharge their legitimate duties to the people. He finally observed that welfare of the people should over-ride all other considerations and that Panchayati Raj bodies should function keeping this sole objective in view.

1.22. The draft questionnaire prepared for eliciting information and opinion from Panchayati Raj bodies and the public was approved by the committee in the first meeting itself. The committee decided to call for statistical data from all the 21 Zilla Parishads, 45 representative Panchayat Samithis and 60 representative Gram Panchayats

The committee also decided that separate questionnaires, for the Heads of Departments and the District Collectors, besides the general questionnaire, should be drafted and sent to them for eliciting their views. Accordingly, the general questionnaire and the special questionnaires for Heads of Departments and Collectors were prepared and printed copies sent to all functionaries concerned and persons known to be interested in the Panchayati Raj system of administration. Copies of general questionnaire were also sent to Members of Parliament from Andhra Pradesh and all Legislators with a request to assist the committee by offering their valuable views. Suitable proformae were also drawn up for collecting statistical data and printed copies sent to all Zilla Parishads, representative Panchayat Samithis and Panchayats for furnishing the information. Instructions were also issued by the Government to all Chairmen, Zilla Parishads and Presidents, Panchayat Samithis, that special meetings of the Zilla Parishad/Panchayat Samithi might be convened and the various matters in the questionnaire might be discussed and the replies as approved by the members at that meeting sent to the committee. A press release was also issued requesting the general public to express their views on the various problems of Panchayati Raj.

1.23. Some Zilla Parishads and the select Panchayat Samithis and Panchayats sent their replies to the questionnaire. A few M.L.As. sent their replies. Among Associations, Andhra Pradesh Panchayati Raj Ministerial Employees' Association, Kakinada, Andhra Pradesh Gram Panchayats Executive Officer's Association, Pamarru, Andhra Pradesh, Panchayati Raj Officers' Association, Kakinada and the State Teachers' Union, Andhra Pradesh, Hyderabad sent their replies. Professor Mamidipudi Venkatarangayya and Sri P. Hanumantha Rao, Retired Manager, Zilla Parishad, sent replies to the questionnaire. The Collectors of Anantapur, Khammam and Karimnagar sent their replies to the special as well as the general questionnaire. Among the Heads of Departments, Registrar of Co-operative Societies, Director of Animal Husbandry, Director of Industries, Director of Information, Public Relations and Tourism, Director of Women Welfare and Director of Fisheries sent their replies. The District Panchayat Officers sent their replies to questions relating to Gram Panchayats. The questionnaires drawn up by the committee are in Appendices II, II-A and II-B.

1.24. Keeping in view the nature and volume of work before it, the Committee decided in its second meeting to visit only select representative districts viz., Visakhapatnam, Krishna, Chittoor, Anantapur, Karimnagar, Khammam and Hyderabad and not all the districts in the State.

1.25. The High Power Committee met the District Collectors, the Chairmen and Members of the Zilla Parishads, representative

Sarpanchas, District Officers, Service Associations and the public at the following places on the dates noted against each :—

Place.	District.	Dates.
1. Zilla Parishad, Chittoor.	Chittoor.	19-4-72 & 20-4-72.
2. Zilla Parishad, Hyderabad.	Hyderabad.	12-6-72 & 13-6-72.
3. Zilla Parishad, Visakhapatnam.	Visakhapatnam.	15-6-72 & 16-6-72.
4. Zilla Parishad, Karimnagar.	Karimnagar.	29-6-72 & 30-6-72.
5. Municipal Office, Vijayawada.	Krishna.	17-7-72 & 18-7-72.
6. Zilla Parishad, Khammam.	Khammam.	19-7-72 & 20-7-72.
7. Zilla Parishad, Anantapur.	Anantapur.	25-7-72 & 26-7-72.

1.26. The Committee met some of the members of the Legislative Assembly and the Council on the 31st July and 1st August, 1972. In all, 14 Members gave evidence before the Committee. The Committee is thankful to them for meeting it and expressing their views, frankly.

Visit to Maharashtra :

1.27. Having regard to the Panchayati Raj set up obtaining in Gujarat and Maharashtra the Committee felt that it would be advantageous to visit both the States in order to have a comparative picture of the variations of Panchayati Raj in these 2 States. But in view of the limitation of time, the committee had to restrict its visit to Maharashtra only to study in depth the Panchayati Raj system there. On 3-9-1972, the committee met the Chairman and members of the Panchayat Samithi, Haveli at Poona and had discussions on the working of Panchayat Samithis in Maharashtra. The Chairman of the Panchayat Samithi who has considerable experience in the administration of Panchayat Samithis gave very valuable information. On 4th September, morning, the committee visited the Primary Health Centre located at Wagholi which is a Panchayat about 10 miles from Poona and had discussions with the Medical Officers and staff of this Primary Health Centre. It also visited a Lift Irrigation scheme sponsored by a few private individuals including the Chairman of the Panchayat Samithi, Haveli. This lift irrigation scheme is being implemented without any assistance from the Government, Zilla Parishad or the Panchayat Samithi and only with the funds provided by the beneficiaries and the funds borrowed from commercial banks.

On 4th September (afternoon), the Committee had prolonged discussions with the President, members and officers of the Zilla Parishad, Poona. The discussions covered also the subjects Agriculture, Education and Social Welfare. Separately it had discussions with the President of the Zilla Parishad, Poona. In the night, it met the Minister for Rural Development, Government of Maharashtra who was camping at Poona. The discussions were frank covering various aspects of Panchayati Raj especially financial resources and elections. The Minister was kind enough to give an incling of the present thinking of the Government of Maharashtra in regard to Panchayati Raj.

On 5th September, it proceeded to Bombay and on 6th September fore-noon it had discussions with the Secretary and officers of the Rural Development Department in the Sachivalaya, Bombay. Discussions were on the financing pattern of Panchayati Raj institutions in Maharashtra, the functions entrusted to the different functioneries, various aspects of elections, the functioning of I.A.S. Officers as Chief Executive Officers in Zilla Parishads, etc. On 7th September, it visited the Zilla Parishad Thana, which had then a lady as its President. 'Education' and 'Co-ordination' were discussed with the non-officials and officials who participated in the meeting. In the afternoon it visited Thana Panchayat Samithi. On 8th September, the officers had further discussions with the officers in the Secretariat in Bombay. The results of the study made are incorporated at appropriate places in the succeeding chapters.

1.28. The Committee is very grateful to the Government of Maharashtra, the Zilla Parishads of Poona and Thana, the Panchayat Samithis of Haveli and Thana and the Gram Panchayat, Wagholi for the co-operation extended to us. It is particularly thankful to Shri Shankar Rao Patil, Minister for Rural Development, Government of Maharashtra and to Shri V. Prabhakar, I.A.S., Secretary to Government Rural Development Department, Shri H.A.D. Savian, I.A.S., and other Deputy Secretaries and Under Secretaries of Government of Maharashtra as also to Shri Mundke, Special Officer, Rural Development. It also appreciates the assistance and the co-operation given by the Presidents and officers of the Zilla Parishads, Poona and Thana and all officers of the Panchayat Samithis, Haveli, and Thana. Shri Jhagde, the Extension Officer for education of Haveli Panchayat Samithi was very helpful in getting all information needed by the Committee.

The Committee places on record its thanks for the co-operation and help it has received from the various Secretariat Departments of the Government especially the Panchayati Raj Department, the Heads of Departments, the Chairmen of Zilla Parishads, the District Collectors, the Secretaries of Zilla Parishads, the District Panchayat Officers and the many District Officers, Members of the Zilla Parishads and Panchayat Samithis, Presidents of Panchayat Samithis and the Block Development Officers, Sarpanchas of Gram Panchayats, the President and Office-Secretary of the Andhra Pradesh State Chamber of Panchayati Raj, the Department of Political Science, Osmania University and the District Chamber of Panchayati Raj, Hyderabad, which conducted a Seminar on Reforms in Panchayati Raj, the National Institute of Community Development and Panchayati Raj,

Rajendranagar, the State Institute of Community Development and Panchayati Raj, Rajendranagar, Examiner of Local Fund and Panchayati Raj Accounts, Hyderabad, the nominees of the Heads of Departments and several others who were kind enough to give evidence before our Committee.

Acknowledgments :

1.29. Sri B. Nageswara Rao, the Member-Secretary on whom the burden of work has fallen, has worked unceasingly, collected relevant material, supplied it to the members regularly and endeavoured to keep up to schedule and thus ensured that the Report is submitted early. The Committee hereby places on record its appreciation of his good work and his valuable assistance to it. The Assistant Secretary, Sri P.D. Lakshminarayana, has had considerable experience in Panchayati Raj having been in that Department ever since its inception and continued to serve it till now but for small breaks. He and the Member-Secretary worked closely and are mainly responsible for the Committee completing its work as early as possible. We give our appreciation to Sri Lakshminarayana for the valuable service rendered to our committee. We would like to make special mention of Sri G. Suryanarayana, Section Officer, who has given unstinted and devoted service to the Committee. We should also mention the good work done by Sarvasri K. Krishna Murthy and S. Hanumantha Rao, Assistants, P. Prakasam and K. Radhakrishna Murthy, Stenographers and N. Nageswara Rao, Typist and Isa Khan, and Abdul Hamed the Roneo Operators.

CHAPTER II.

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PANCHAYATI RAJ / ACTION.

Birth of Panchayati Raj in Andhra Pradesh :

2.1. The Study Team headed by Sri Balwantray G. Mehta observed " that a single representative institution should be set up to take charge of all developmental work in the rural areas. Such a body, if set up, has to be statutory, elective and comprehensive in its duties and functions equipped with the necessary executive machinery and in possession of adequate resources. It must not be cramped by too much control by the Government or by Government agencies. It must have the power to make mistakes and to learn by making mistakes, but it must also receive guidance which will help it to avoid making mistakes. In the ultimate analysis, it must be an instrument of expression of the local people's will in regard to local development ". It added that " the body can function effectively only if it is the sole authority for all developmental programmes which are of exclusive interest to the area. In such matters the State Government will cease to operate within the area. " The National Development Council and the Government of India generally agreed with the recommendations of the Study Team and advised the State Governments to establish decentralised democratic institutions and ensure that they function as units of self-government.

2.2. The Government of Andhra Pradesh accepted the recommendations of the Study Team and the advice of the Central Government and decided to establish one Panchayat Samithi in each district on an adhoc basis and benefit by the experience gained through their working and bring forward legislation thereafter to create the three-tier system of Panchayati Raj. As the Ad-Hoc Samithis formed in 1958 proved successful, the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959 was passed and these statutory elected bodies were established in all the districts from 1st November, 1959 (Samithis) and 1st December, 1959 (Zilla Parishads).

Abolition of District Boards and Enactment of Uniform Legislation for Panchayats in the State :

2.3. Even at the time of enacting the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959, there existed statutory Panchayats in Andhra area constituted under the Madras Village Panchayats Act and Gram Panchayats in Telangana area established under the Hyderabad Gram Panchayats Act. With the coming into being of Panchayat Samithis and Zilla Parishads, all the three bodies at the village, block and district level became corporate, statutory

and democratic. They could acquire, hold and dispose of property and enter into contracts. In the year 1964, the Andhra Pradesh Gram Panchayats Act, 1964 came into force in supersession of the two Gram Panchayats Acts of Andhra and Telangana. On first December, 1959, all the District Boards were statutorily abolished and the Zilla Parishads were constituted for all the twenty districts. The Andhra Pradesh (Andhra Area) District Boards Act, 1920 and the Andhra Pradesh (Telangana Area) District Boards Act, 1955 were suitably adapted and the powers and functions and the assets and liabilities as also the institutions and staff of the District Boards were transferred to the Panchayat Samithis and Zilla Parishads by an Adaptation Order.

The adaptation order refers to the various provisions of the District Boards Acts concerned. It is very difficult now-a-days to get copies of these old Acts which are frequently required for reference by all those concerned with Panchayati Raj institutions. We recommend that the adapted provisions of the District Boards Acts be incorporated in the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act or the rules made thereunder. In order to advise, guide and help the Panchayati Raj bodies, non-statutory advisory bodies a District Chamber of Panchayati Raj for each district, a State Chamber of Panchayati Raj at State headquarters and a State Informal Consultative Committee of M. L. As., M. L. Cs., were also constituted.

Reduction in the number of Blocks and their classification :

2.4. In the year 1963, the Government considered whether it was necessary to have the full complement of staff as it existed then in the 448 blocks or whether with a view to ensuring economy in expenditure on establishment the number of blocks could be reduced by carving out larger blocks without affecting the tempo of developmental activities, whether it would be possible to revise the pattern of allocation of revenues to the blocks, whether the blocks could be made permanent, whether it would be desirable to integrate the administrative machinery at the village level, whether the powers of control and supervision given to the district collectors, the revenue divisional Officers, etc., were adequate and whether any further steps were needed to be taken for better co-ordination of administrative and development functionaries at different levels. As all these were important matters which required a thorough examination by a competent body, the Government constituted a High Power Committee with Sri M. Purushotham Pai, I.C.S., the then Chief Secretary and Development Commissioner as Chairman and four other experienced senior officers of Government and Sri J. Vengal Rao, M.L.A., as members. The main purpose of the committee was to suggest economy measures which should be undertaken quickly to reduce and rephrase the expenditure on Panchayati Raj. The Committee recommended that larger blocks would be financially stronger and have better scope for planning and execution of development programmes. It proposed reduction in the number of blocks by making them bigger and in certain categories of staff. It also suggested the categorisation of blocks as Advanced, Ordinary, Backward and Tribal, abolishing the distinction between Stage-I, Stage-II, Post-Stage, etc. It recommended

allotment of Community Development funds on a varying per-capita basis so that blocks which were less developed would get a little more than others and the imbalance among the blocks would atleast be gradually minimised. The Government accepted most of the recommendations of this committee and undertook redelimitation of the blocks and reconstitution of the Panchayat Samithis. As a result, on 1-7-1964 there were 321 Panchayat Samithi blocks, 20 Zilla Parishads and 15,228 Gram Panchayats. In that year (1964) certain town municipalities in Telangana were also down-graded as Gram Panchayats. The Samithi Blocks in the State were categorised as Advanced, Ordinary, Backward and Tribal taking into consideration per-capita land revenue, percentage of irrigated area to cultivated area, percentage of children attending schools, percentage of literacy, district-wise income, road mileage, etc. With the formation of the new district of Ongole in 1970 since renamed as "Prakasam District" and the creation of the new taluk "Gajapathinagaram" in Visakhapatnam district, the number of Zilla Parishads increased to 21, the number of taluks to 195, the number of Panchayat Samithis to 324 and the Gram Panchayats stood at 15,906 (as on 31-8-1972).

Amendments to Andhra Pradesh Panchayat Samithis and Zilla Parishads Act :

2.5. The Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959 was first amended in the year 1960 to provide that the funds of Zilla Parishads should be lodged in the nearest Government Treasury or in a scheduled bank with the sanction of the Government. It was amended again in the year 1961 to make provision for the representation on the Samithi of Gram Panchayats which have not elected a Sarpanch, to prohibit a person from becoming a member in more than one Panchayat Samithi at a time, to limit the tenure of a member nominated to a Samithi from a Gram Panchayat, to provide for co-optation of non-members to certain standing committees, to restrict, to the extent possible, a member from being elected to more than one standing committee, to refix the quorum for motion of no-confidence, to enlarge the functions of the Zilla Parishads and to recast suitably the penal provisions in the Act, etc. It was again amended in 1963 to redefine Andhra area, to restrict the membership of Legislators with voting right to one Samithi only, to prohibit a person from being a Legislator and also a presiding member of any one of these bodies, to prohibit M.L. As., from becoming members of Zilla Parishads or Samithis, if their constituencies do not include any rural area, to prescribe the term of the presiding members, to prohibit the village officers from becoming members of these bodies, to include certain additional items for disqualification of a person to continue as member, to re-prescribe the number of Standing Committees and the mode of election of members to certain Standing Committees and to add a penal provision to ensure that the general body meetings of these bodies are held at regular intervals. The Act was again amended in 1964 to empower Government to alter the boundaries of blocks to reconstitute the Samithis, to enable certain authorities to sanction the budget of the lower body if it failed to pass it before a prescribed period, to empower Government to take suitable action if a Panchayat Samithi or a Zilla Parishad defaulted in performing function and to provide certain remedies for persons ceasing to be

members owing to their failure to take the oath of allegiance. In March, 1970, for constituting the Ongole Zilla Parishad in the new district of Ongole and for constituting a new Panchayat Samithi in the newly created taluk of Gajapathinagaram in Vishakapatnam District, the Government enacted the Gajapathinagaram Taluk and Ongole District (Formation) Act, 1970 (Act of 1970). The Act had to be amended in August, 1970 to provide for extension of the term of office of the presiding members, etc.

2.6. The Integrated Andhra Pradesh Gram Panchayats Act, 1964 was amended once in 1964 to provide for certain routine matters and again in the year 1970 to prescribe dates for the commencement and termination of office of sarpanch, upa-sarpanch and members. Some sections of the Act still need to be amended and the draft amendments are reported to be under consideration of the Government.

Panchayats, their composition, etc.

2.7. The Gram Panchayats were constituted taking into consideration their income, population and area. Some are big townships—some are fairly large and some are small. Their incomes vary from a mere Rs. 500/ per annum to more than Rs. 2.0 lakhs per annum, their populations from about 500 to 25,000 and their membership from 5 to 17. There is provision for reservation of seats for women and for Scheduled Castes and Scheduled Tribes. Panchayats having an annual income of Rs. 20,000 or more have full time executive officers while those with lesser incomes employ either a full time or part-time clerk or clerk-cum-bill collector, etc. The members of the Gram Panchayats have a tenure of 5 years and are directly elected from wards while the Sarpanch is elected by the members. There is a Gram Sabha for each panchayat and the Sarpanch is required to convene Gram Sabha meeting atleast once in six months to consider in general the work done, the future programme, the funds position, new taxation proposals, if any, etc. The Sarpanch is required to convene a meeting of the members of the panchayat once in a month. The decisions of the Gram Panchayat have to be implemented by the Sarpanch himself where there is no executive officer and by the latter where there is one. Each Gram Panchayat is required to have functional committees for Agriculture, Public Health, Communications, etc. The Gram Panchayats are basically civic bodies but function also as agents of the Samithi and the Zilla Parishad in all development and social welfare activities. The levy of house tax and profession tax is compulsory while the imposition of some others like vehicles tax and Kolagaram tax is optional. They also collect licence fees for D. & O. Trades, run markets and other remunerative enterprises, raise fisheries, grow plantations, etc. The office-bearers could be removed by the members through a no-confidence motion or by the Government in case of grave irregularities. If a Sarpanch fails to convene a meeting of the Gram Panchayat for over three months, he would automatically cease to be a Sarpanch.

Panchayat Samithis, their composition, Functions, etc. :

2.8. The Panchayat Samithis are constituted with every Sarpanch in the block as an ex-officio member. The members of the

State Assembly whose constituencies included the block in whole or in part and the members of Legislative Council who are resident in the block are also members. Six persons who are voters in the block are also coopted as members of the Samithi of whom two should be women, two persons belonging to Scheduled Castes or Scheduled Tribes and two persons to represent special interests. All the members of the Panchayat Samithi elect the President and the Vice-President. Their term of office is 5 years. The Panchayat Samithi function through the Standing Committees. The President of the Panchayat Samithi is the ex-officio chairman of all the standing committees. Every Panchayat Samithi should ordinarily have seven Standing Committees, one for Planning and Production, one for Co-operation and Industries, one for Education, one for Women Welfare, one for Social Welfare, one for Communications and one for Taxation and Finance. The general body is required to meet once in three months while the standing committees have to meet at least once in two months. Large powers are given to the standing committees themselves with a view to speeding up sanctions and execution of schemes, programmes and works. They are first examined by the appropriate standing committee and then placed before the standing committee for Finance and taxation for approval. The President of the Panchayat Samithi exercises certain emergency powers and also some administrative powers. The block development officer is the executive officer of the Samithi and is subordinate to the Samithi. He functions as the head of the team of block level officials and exercises certain administrative powers over the staff. The members of the Panchayat Samithi and the staff have intimate knowledge of the conditions in the field and the actual working of the various functionaries. The President, Vice-President or any member can be removed by Government for grave defaults. The President or Vice-President can also be removed by the members by passing a motion of no-confidence. If a President fails to convene a meeting of the general body before the expiry of four months from the date of the last meeting he will cease to be President. The Samithi can be suspended or dissolved by Government if it disobeys the lawful orders of the Government or fails to perform its functions or becomes incompetent. The Panchayat Samithi is entrusted with various functions including primary education, agriculture, animal husbandry, fisheries, water supply, rural housing, etc. While it has no powers of direct taxation, it could levy a surcharge on any tax levied by the Gram Panchayat. It can also collect contributions from Gram Panchayats in the block.

Zilla Parishads, their composition, functions, etc :

2.9. The Zilla Parishad comprises all Presidents of Panchayat Samithis in the district, the Members of Parliament and of the State Legislatures from the district, the district collector and six co-opted members, two from among women, two from Scheduled Castes or Scheduled Tribes, and two to represent special interests. The Chairman is elected by all the members for a tenure of five years. The district collector is the chairman of all the seven standing committees of the Zilla Parishad. Zilla Parishads having scheduled areas in their districts have one more standing committee i.e., for Tribal Welfare. Secondary Education and inter-samithi roads are the two main subjects directly under their charge. Besides, a Zilla Parishad has to

co-ordinate the activities of the Samithis, approve the budgets of the Panchayat Samithis distribute the funds allotted to them by the Government execute plans and schemes common to two or more Samithis and perform and exercise such powers and functions of the District Boards as are provided in the relevant Act. One of its important functions is to review the progress of plan schemes regularly and suggest measures for better performance and achievement. It performs its functions through its standing committees. It has no powers of levying any tax or surcharge but it can collect contributions from the Panchayat Samithis in the area. The Zilla Parishad can be superseded or dissolved by Government for valid reasons. The Chairman or Vice-Chairman of the Zilla Parishad and the members can be removed by Government for commission of grave irregularities. The Chairman or Vice-Chairman can be removed by the members through a no-confidence motion. If a Chairman, Zilla Parishad, does not convene a meeting of the Zilla Parishad for over four months, he will cease to be Chairman.

Government's financial assistance to Panchayati Raj bodies :

2.10. The Government levy land/local cess in the State at 18 paise in Andhra area and 25 paise in Telangana area and also an education cess in the Andhra region at 19 paise per rupee and make over the proceeds to Panchayati Raj bodies as shown below:—

Education cess : The entire proceeds are earmarked for primary education which is under Panchayat Samithis.

Land/Local Cess.	Panchayats.	Panchayat Samithis.	Zilla Parishads.	Total.
Andhra (Land Cess) ..	7	6	5	18
Telangana (Local Cess) .	12	8	5	25

2.11. In addition, 3/5ths of the proceeds of the duty on transfers of property and 90% of the entertainment tax collected in its area is made over to the Gram Panchayat concerned. The Government also provide a grant of 25 paise per head of population to each Panchayat per year for general purposes. The poorer panchayats also get some amount as equalisation grant from the Government. Assistance is given to panchayats by Government for construction of buildings, roads, drains, etc., by way of matching grants. Grants and loans are also sanctioned to panchayats for undertaking remunerative enterprises to improve their financial resources.

2.12. The following are the sources of income of the Panchayat Samithis in the State:—

- (1) Funds relating to schemes, etc., transferred by departments of Government.

- (2) Community Development funds.
- (3) Funds from All-India bodies for specific programmes.
- (4) Taxes and contributions from Gram Panchayats and Public.
- (5) Income of District Boards allocated to Panchayat Samithis.
- (6) Share of land or local cess, State taxes and fees.
- (7) Proceeds from taxes, surcharge etc., and
- (8) Miscellaneous income.

The Panchayat Samithis in Andhra area receive a land cess of six paise per rupee of land revenue and in Telangana area a local cess of eight paise per rupee of land revenue. They are also entitled to 1/5th of the duty on transfer of property and also in Andhra area to an education cess of 19 paise per rupee of land revenue. The Government also provide grant at the rate of 25 paise per head of population to each Panchayat Samithi for general purposes and also another 20 paise for communications. The net cost of primary education is also reimbursed to Panchayat Samithis. Although the Panchayat Samithis are empowered to levy surcharge on any tax levied by the Gram Panchayat, in practice very few Panchayat Samithis have resorted to this levy.

2.13. The Zilla Parishad gets full grant for secondary education and also grants for maintenance of roads and bridges and for all other programmes entrusted to it by Government. It also gets a share of (and/local cess, a share from duty on transfers of property etc. The various funds intended for Panchayat Samithis are distributed by the Zilla Parishads.

Elections :

2.14. During the last 12 years, *i.e.*, from November, 1959 to March 1971, elections to Panchayati Raj institutions were conducted thrice in 1959, 1964 and 1970. In 1959, elections were conducted to all Panchayat Samithis and Zilla Parishads in the State. Elections to the Gram Panchayats were not due then. Several Members of the State Legislature were elected as presiding members of the Zilla Parishads and Panchayat Samithis. In many cases the elections were unanimous. There were very few law and order cases arising out of elections. In the elections of 1964, all the rural voters participated as by then the entire State was covered with Samithis. With a view to creating an harmonious atmosphere in the Panchayats conducive to better performance, the Government offered incentives by way of cash grants to the Panchayats which achieved unanimity in the election of their members and presiding members in the hope that such unanimity would minimise factions and group rivalries and help their smooth working for the next five years and also ensure provision of some atleas of the essential amenities so badly needed in villages. In as many as 7,177 Gram Panchayats members were elected unanimously and in 18,287 others the sarpanchas were elected unanimously. The election were smooth and peaceful in all but 22 Gram Panchayats. However

he elections conducted in 1970 have a different story to tell. The general atmosphere on the eve of elections was not so peaceful as before. The fact that those elected in 1970 at the three levels as members and office-bearers would be in position when the next elections to the State Assembly and the Parliament took place added importance to the elections and drew more persons into the contest. The atmosphere became tense and there was fear of violence breaking out in many places although such violence was actually resorted to in a few places only.

2.15. We were told in almost all the districts we had visited—

(i) that the link in the three-tier system made the sarpanch extremely important and that he became the pivot in the scheme of elections to the next two tiers: therefore, political parties as also the prospective candidates for the presidentship of Panchayat Samithis and the chairmanship of Zilla Parishads and all other powerful and influential people threw themselves into the vortex of panchayat elections, spent considerable sums of money, vitiated the atmosphere, sometimes indulged in violence and coercion, resorted to confinement in camps and even abduction of voters and members;

(ii) that while there should be co-ordination between the three bodies, it would be unwise to link up the composition of the Zilla Parishads and Panchayat Samithis wholly with the presiding officers of Panchayat Samithis and Panchayats respectively;

(iii) that as co-opted members participate in the election of presiding officers, a party having a small majority of just one is gaining strength by adding to its members all the co-opted members with the help of the insignificant one vote majority;

(iv) that the voice of the poor is not reflected in the outcome of the elections as the sarpanchas are not directly elected by them but by ward members and that as there is no direct election of members to Panchayat Samithis and Zilla Parishads they are deprived of electing their real representatives to these bodies;

(v) that as the elections to these bodies were spread over and not conducted on the same date, undue pressures and malpractices played a big role in the short intervals between different elections and distorted the outcome of the elections;

(vi) that Government should recognise the reality of the operation of political parties in Panchayati Raj institutions at all levels and the purpose of political socialisation of rural masses which contributes to national integration and clearer perception of national goals;

In providing a suitable solution to weeding out corrupt practices and undesirable trends in elections to Panchayati Raj bodies, we have taken full note of these and other representations made before us.

Dilution of responsibility of Panchayati Raj bodies :

2.16. Some of the representatives of Zilla Parishads and Panchayat Samithis are sore about the manner in which the State Government have treated them. They feel that these bodies cannot function efficiently unless Government have confidence in their competence and ability to perform their functions and discharge their duties envisaged in the scheme of Panchayati Raj. According to them the constitution of Zilla Development Boards with the collector as chairman of that Board is proof of lack of Government's confidence in the ability of Zilla Parishads and the dilution of the responsibilities of these bodies. These development boards have since been abolished and their work has been entrusted to the standing committee No. 1 of the Zilla Parishads.

2.17. The representatives of certain Zilla Parishads and Panchayat Samithis have also cited the case of the collectors utilising the engineering staff of Zilla Parishads and Panchayat Samithis for the execution of (a) Rural Housing Schemes, (b) Drought Relief Schemes, (c) Crash Programmes, etc., without involving these bodies in those schemes and to the detriment of other development works and maintenance programmes of these bodies which the engineering staff have got to attend. They are completely in favour of the programmes executed by the collectors and have given their full co-operation to the collectors and the staff in their implementation. The collectors whom we met have admitted that they have been receiving excellent co-operation from the office-bearers and staff. The contention of these representatives, however, is that the Zilla Parishads could have been entrusted with these programmes and the collector as chairman of standing committees could have given his best guidance and advice for their formulation and execution and reviewed their progress in the standing committees. The present arrangement has eroded the responsibility of the Zilla Parishad and introduced dual control over the engineering staff which is not a healthy trend.

2.18. The representatives of the Zilla Parishads and Panchayat Samithis have also represented that frequent changes in the authority competent to make transfers of teachers etc., have created a poor image of these bodies and damaged the prestige of the presiding members. If they should be effective their public image should infuse confidence in the people but not get clouded.

2.19. In the case of Gram Panchayats, the Sarpanchas are sore that despite the provisions of Section 67 (1) of the Andhra Pradesh Gram Panchayats Act, 1964, Government porambokes have not been handed over to them and that the porambokes are being assigned or alienated or leased even without consulting them. They say that they have not only been deprived of the opportunity of developing the porambokes and strengthening the finances of the Gram Panchayats concerned but have also been made the target of mockery of democratic decentralisation.

2.20. The principal objective of creating a team of competent officials at the block level has been diluted by taking away some of the block functionaries like the social education organiser from the control of the Samithis and by attempts being made by some heads of

departments to withdraw their functionaries back to the control of the Government departments.

Fulfilment of the objectives of Panchayati Raj :

2.21. We have endeavoured to identify the areas of success and the sectors where failures have occurred, where weaknesses have developed and where correctives would need to be applied.

2.22. We agree with the finding of the Seminar held in 1969 in the National Institute of Community Development, Rajendranagar, on 'Local Government Institutions in Rural India' viz., "that Panchayati Raj in India has come to stay and will stay in the future as a permanent institution for bringing about an effective regeneration of the civic, economic and political life of our rural communities". It has to be accepted that Panchayati Raj has brought about a remarkable awakening among the rural people as a result of which the villager has become conscious of his own rights and the urgent need to improve his living standards. So long as India stays democratic, it cannot dispense with Panchayati Raj institutions. Even if it does, it will reappear in a new garb.

2.23. There is a general feeling that there is a deep crisis enveloping Panchayati Raj. There is a great deal of uncertainty and doubt about the very future of Panchayati Raj. The glory that was Panchayati Raj some years ago is no longer there. There has been a setback to Panchayati Raj and in recent years the policy of the Government in respect of Panchayati Raj has not been such as to remove doubts, uncertainty and confusion and recreate a better climate for effective and harmonious functioning of these bodies.

2.24. The absence of a competent officer as the chief executive officer of the Zilla Parishad has given rise to inadequate supervision over the administration in the blocks and the continuance of undesirable trends and practices. The situation is worsened by the absence of a whole-time commissioner of Panchayati Raj charged with the supervision, guidance, control etc., of Panchayati Raj bodies.

2.25. Political power in Panchayati Raj institutions has mostly gone into the hands of those who command the higher rungs of the socio-economic ladder in rural parts.

2.26. It seems true that the social and economic benefits have flown largely to the more affluent sections of our rural communities.

2.27. Approximately 17% of our State's population consists of Scheduled Castes and Scheduled Tribes. Although facilities for their education, housing, roads, etc., have improved considerably, their economic situation continues to be poor and acute, unemployment still stares in their face. There are instances where the earmarked funds had not been fully utilised for their benefit or in some cases not utilized at all. The Scheduled Castes, Tribes and other weaker sections are not altogether happy with Panchayati Raj bodies whatever may be the justification for these bodies for not doing their utmost for them. It is stated before our Committee that till recently there was no sustained and effective drive to pay adequate attention to

these sections and that the funds earmarked for them in the budgets were not actually available as the grants due from Government had not been received in full. Even the director of social welfare never seems to have bothered himself in the past as to what these bodies were doing in the field for the benefit of weaker sections.

2.28. Significant progress has been generally achieved by Panchayati Raj bodies in the fields of primary and secondary education, communications, agricultural extension, coverage under co-operation, medical help etc.

2.29. Where resources are available, panchayats have provided drinking water facilities and some have commissioned protected water systems, improved the streets, provided electric lights, constructed sanitary conveniences, maintained sanitation staff etc.

2.30. The areas of failure and the development of weaknesses brought to our notice are—

- (a) Failure to mobilise resources to the extent necessary ;
- (b) Failure to secure people's participation except in the case of works sponsored by themselves ;
- (c) Tendency on the part of the office-bearers to identify themselves with their own party men neglecting the needs of others ;
- (d) The failure of many office-bearers to take adequate work from the staff of the Samithi office and wilful omission to follow rules and procedures prescribed by Government ;
- (e) Failure to take up schemes specially intended for the benefit of the weaker sections and to bestow special attention to complete them and also failure to take adequate steps for complete abolition of untouchability ;
- (f) Frequent transfers of primary school teachers ;
- (g) Inadequate maintenance of amenities already provided ;
- (h) Visits of office-bearers to Panchayats being not always purposeful but mostly casual ;
- (i) The works sponsored by Panchayats being badly delayed for want of prompt attention by the engineering supervisors at the block level to prepare estimates, to check-measure works etc.

Sociology of Development in Panchayati Raj :

2.31. We have not been given specialists to assist us in conducting enquiries into some of the important aspects of Panchayati Raj,

So we have had to depend on the research literature already available. Sri R. N. Haldipur, a former dean of National Institute of Community Development, Rajendranagar, has brought out a 'Review of Research work done' in this field by several eminent social scientists. The studies made cover Andhra Pradesh also particularly those of Sri Raman Rao of the Gokhale Institute of Economics and Political Sciences, Prof. Seshadri of National Institute of Community Development, Professors Hoffsomer and Dubey, the Indian Institute of Public Opinion and the study team of the All India Panchayat Parishad, etc. The research studies are based on personal interviews, replies to questionnaires, case studies and survey methods. The more important of the conclusions recorded in Haldipur's review are—

(a) Traditionally powerful men were defeated in direct elections in the hands of lower caste leaders because of their numerical strength ;

(b) In some cases it was neither caste nor party that operated but factions ;

(c) Many elite of the ruling party belonged to the dominant caste ;

(d) There seems to be agreement among the scholars that the institutions of Panchayati Raj have been able to bring about changes in the rural social structure and its various elements ;

(e) Leaders belonging to the lower sections of the society continue to be ineffective ;

(f) Panchayati Raj institutions are attracting the younger generation into their fold but there is really no transformation in the power structure ;

(g) Panchayati Raj bodies cannot remain free from political stresses and strains and political parties cannot be isolated from Panchayati Raj institutions ;

(h) People have generally attained a good deal of maturity and understanding in the working of democratic processes ;

(i) Villagers have become more vocal about their problems, more assertive in their claims and more critical of the shortcomings and of failures in the implementation of programmes ;

(j) Panchayati Raj has created new hierarchies of officials and non-officials leading to tensions between the two in the initial stages ;

(k) The three different tiers carry different images among the rural people. There is a case for strengthening all the three ;

(l) People connected with Panchayati Raj bodies play an important role in the general elections.

Panchayati Raj not to be judged harshly :

2.32. Several representationists are aggrieved that Panchayati Raj is not being judged in its proper perspective. They have drawn our attention to the fact that the prevailing social and economic conditions, unemployment, high prices, frequent droughts, etc., have a bearing upon the work of Panchayati Raj bodies too. When Governments at the Centre and the State levels with larger financial resources, highly placed experienced officers to advise them and vast powers to direct and control administration have admitted their failure in several respects, the performance of Panchayati Raj bodies which lack sufficient experience, adequate funds, competent staff, etc., should not be judged harshly. We expressed our sympathy with the difficult role which they have got to play under strains and stresses to which they are not accustomed and assured them that the committee would remain unexcited and make its findings and recommendations on an objective appreciation of all relevant facts and circumstances. Indeed, in our report we have endeavoured to adhere to that assurance particularly because democratic decentralisation in a developing country with a vast and mostly illiterate population, innumerable diversities and wide social and economic inequalities is a rare phenomenon and needs understanding and sympathetic support.

CHAPTER III.

STRUCTURE, COMPOSITION, METHOD OF ELECTIONS ETC., OF PENCHATI RAJ INSTITUTIONS.

Panchayati Raj to stay :

3.1. The question whether Panchayati Raj should be done away with or not is not one of the term of reference to us. However, during the course of our meetings with representatives of Panchayati Raj institutions, Officers and the general public, a few persons stated before us that because of the various shortcomings of Panchayati Raj bodies and the complex composition of our society, time is not yet ripe according to them for establishing people's institutions at the district and lower levels and that the present system of Panchayati Raj should be scrapped. We have, therefore, examined this issue from all angles and aspects and have come to the firm conclusion that there should be no question of re-thinking whether Panchayati Raj should continue or not. In our view Panchayati Raj has come to stay. But there are various features which need to be closely examined as has been done by us in the course of our report, suitable remedies have to be found to eliminate undesirable trends and to strengthen the Panchayati Raj institutions with a view to ensuring that they achieve the objectives for which they have been established. The reasons for our coming to this conclusion are :

(a) unlike many other countries where the rural population is small, ours is over 81% and without their active involvement through local representative institutions their own development becomes well-nigh impossible ;

(b) as nearly 70% of the people are poor and as self-help and self-reliance are essential for progress in their economic and social conditions, these are best inculcated through local example and through local leadership and the much needed stimulus has to be provided by representative local institutions ;

(c) socio-economic development which is so very necessary is not something that can be imposed from above but has to come from below where the people actually live ;

(d) democracy has little meaning if it does not involve the teaming millions in villages in an intimate way through their own local representative institutions ;

(e) local problems and needs are better understood at local levels and should therefore be left to be dealt with by local institutions ;

(f) it is true that many awkward problems are thrown up in Panchayati Raj administration but that is natural where millions of illiterate poor are involved and the voice of the rich and the socially higher-up is still powerful which however is sought to be lessened in various ways particularly through the introduction of directly elected members ;

(g) the criticism that casteism is still rampant in our rural life is probably true. It is argued that casteism must itself be thrown out of our body politic before democracy takes root at lower levels. However, casteism is nothing but individual opportunism which exploits the caste sentiment at the grass-root level. With better educated voters and with a larger base which the direct elections provide, casteism is bound to lose its hold, even at higher levels there is ample evidence of the politics of region, language, religion and caste, so, why blame only the people in the village?

(h) as democratic governments extend the scope of their activities, the need for more and more intermediary bodies grows ; they are needed to provide more effective contacts between the citizen and the State and also necessary co-ordination between different policy making authorities ; these contacts and co-ordination are essential in a participatory democracy where people and their representatives have got effective roles to play ;

(i) more and more people have got to be trained in the art of governing as far more educated young men and women are now available in rural India than before ; it would be wrong not to provide opportunities for them to serve through democratic bodies at lower levels.

Two-tier or three-tier for Panchayati Raj :

3.2. The views of the different functionaries which we have recorded during our visits to the district are overwhelmingly in favour of the existing three-tier system. A few, however, have suggested that either the Panchayat Samithi may be altogether abolished as it is more or less an unnecessary intermediary post-office or in the alternative there should be only an advisory council at the block level some-what on the lines of the old block development committees set up under community development pattern. The reasons advanced by the few for the abolition of Panchayat Samithis are :

(a) they have no independent resources ;

(b) there is no policy making at that level ;

(c) they are mere agents of the Zilla Parishad and the State Government to execute schemes ; and

(d) most of the complaints against Panchayati Raj relate to the administration of Panchayat Samithis.

3.3. We have examined this question thoroughly and looked into the patterns existing in some of the States and their working. We have also made a fairly detailed study of the working of the Panchayat Samithis in Maharashtra where the Panchayat Samithis are

just statutory agents of the Zilla Parishad at the block level. This question was also examined in great detail by the seminar on Panchayati Raj held at the National Institute of Community Development, Rajendranagar, Hyderabad in October, 1969 and the plenary session of the seminar came to the definite conclusion that Panchayat Samithis should continue to exist. The Administrative Reorganisation Committee set up by the Government of Maharashtra in 1968 also came to the conclusion that having regard to the inter-relationship among the three tiers of Panchayati Raj, the Panchayat Samithi is absolutely necessary as a unit for active local participation as was contemplated by the Naik Committee on Democratic Decentralisation. The Administrative Reforms Commission set up by the Government of India also recommended the three-tier system including the Samithi at the block level. We agree with their views for the following reasons :

(1) the Panchayat Samithi is a democratic agency at an appropriate level, namely the block level for ventilation of grievances and to stimulate local initiative;

(2) the Zilla Parishad at the district level is far too distant from the village and the poor cannot afford to approach the Zilla Parishad whenever they have representations to make;

(3) the Panchayat Samithi is in a better position to appreciate the needs of the various Panchayats within the block;

(4) the control over extension staff which even to day is not very satisfactory will become worse and less effective if there is no statutory Samithi at the block level;

(5) the members of the Panchayat Samithi know intimately what is happening in the villages in the block area and consequently there is less chance for bad work, false mustering and such other corrupt practices;

(6) according to the evidence given by some collectors, the administration of only 20 to 30% of the Samithis is not satisfactory. This is not an alarming situation which would amply justify the abolition of Samithis of which atleast 70 to 80% are doing quite well; even in Maharashtra where it is not an independent body, the Bhongirwar Committee has recommended in 1971 that the Samithis should be strengthened;

(7) elsewhere we have recommended that the finances of the Panchayati Raj institutions should be strengthened; when this is done Panchayat Samithis also will get adequate funds to do much better than at present;

(8) most of the persons who proposed that Samithis should be abolished seem to have been carried away by their own reactions to local feuds in which they were also actively involved and consequently their approach to this important issue has not been quite objective;

(9) after 1964, there has been diminution in the real value of funds made available to Panchayat Samithis for development work and because of the steep rise in the cost of material, labour and supervision, there has been less development activity in the blocks this is largely responsible for giving an impression that Samithis have not been quite useful;

(10) we are also aware that as a result of the extension work done in the blocks, people expect to receive timely supply of credit, seed, sprayers, fertilizers, pesticides etc ; but these are not received always in time or in adequate quantities although the Samithi may not be directly responsible for the delay or inadequate supply ; there is therefore both dis-satisfaction and frustration.

3.4. In the reorganised set up suggested by us, complaints against appointments, transfers, punishments etc. can no longer be laid at the door of the non-official office-bearers as these powers vest in the executive authority and not in the former ; we have, therefore, no hesitation in recording our view that the Panchayat Samithis should continue as statutory corporate bodies at the block level.

GRAM PANCHAYATS

Criteria for viability :

3.5. Gram Panchayats are constituted either for whole villages or for parts of villages or for groups of villages. It has been represented to us that most of the small panchayats in dry taluks have very little income and that unless their resources are suitably strengthened they would not be in a position to ensure the provision of essential minimum amenities to the people in the area. We have examined the financial viability of Gram Panchayats in our State and in Maharashtra in some detail.

It is not our intension that there should be a reorganisation of panchayats which have already been constiuted in the entire State. However, we make the following recommendations for consideration in future of the proposals or requests for formation of separate panchayats for villages which are already grouped with some other villages or for bigger hamlets included in a panchayat along with the main village etc.—

- (1) where the population of a revenue village is about 1000 and its anticipated income is not less than Rs. 1000 per annum, it might be consituted into a separate panchaya t.
- (2) where the population of a revenue village or a hamlet which is distinctly away from the main village is less than 1000 but the estimated income is about Rs. 3,000 per annum, irrespective of its population, such a village or hamlet might be constituted into an independent panchayat; the constitution of separate panchayats as recommended by us will ensure greater attention to their local needs and also better harmony in their working

- (3) in the case of health resorts, industrial townships and large educational campuses and pilgrim centres away from the existing municipalities we recommend that townships might be constituted under the provisions of the Andhra Pradesh Gram Panchayats Act, 1964.

Strength of Panchayats and tenure :

3.6. The strength of members of panchayats as stipulated in section 7 of the Andhra Pradesh Gram Panchayats Act, 1964 may be increased by one. Depending upon the population the strength would then vary from 6 to 18 and with the addition of the directly elected sarpanch the strength would be between 7 to 19. Their tenure of office may also remain as five years as now provided the Andhra Pradesh Gram Panchayats Act, 1964.

Reservation of seats for Women :

3.7. The Gram Panchayats Act provides for reservation of one seat for women when the strength is seven or less and two seats if the strength is nine or more. Having regard to the representation made before us for greater representation for women; their large population and the availability of more educated women for service even in rural areas, we recommend that reservation for women should be made as follows :

- (a) one seat when the strength of a panchayat is seven or less;
- (b) two seats when the strength is between 8-12 ; and
- (c) three seats when it is 13 or more.

Reservation for Scheduled Castes and Scheduled Tribes :

3.8. Under the existing provisions of the Gram Panchayats Act, there is no reservation for Scheduled Castes or Scheduled Tribes when the combined population of these communities in the village is less than 50. We are of the view that having regard to the greater consideration that should be shown to these communities, there should be one seat reserved for either of them if there are atleast ten voters among them in a Panchayat according to the latest electoral roll. In all other cases where the combined population is less than 50% the percentage of reserved seats shall correspond to the percentage of their combined population. Where it is 50% or more, the reservation must be 50% and the reserved seats should be divided between Scheduled Castes and Scheduled Tribes in proportion to their population. For determining the total number of seats to be reserved for Scheduled Castes and Scheduled Tribes, any fraction of a seat for the combined strength of Scheduled Castes and Scheduled Tribes should be counted for one seat. We have recommended reservation of seats even when their population is 50 percent or more because it is feared by many that in spite of their numbers they are still weak and may not be able to withstand inducements and pressures from the richer and powerful sections.

Division into Ward :

3.9. The parts into which the electoral roll of a gram panchayat is divided into may be called wards and not constituencies. If the population of a village is about 1000, normally the voting strength will be about 500 and the number of seats will be eight. If the electoral roll is divided into eight single member wards as contemplated under section 10 of the Act, there will be 62 voters in seven wards and 66 in the last ward. If 60% of them go to polls, only 37 or 38 persons would participate in the election in each ward.

A contesting candidate will become a member if he commands just 20 votes. This, in our view, is not a happy position because communal sectarian, professional or other alignments are likely to influence the result of election significantly as the number of voters is very small. We, therefore, recommend that hereafter the electoral roll of each panchayat should be divided into multi-member wards to elect two or even three members from each of them. As the emphasis is now more and more on secularism, it is necessary to do everything possible to help reach that objective and to check and control communal and sectarian forces. Multiple-member wards are therefore desirable. Reservation of seats also can be made without difficulty if there are multiple-member wards. Reservation for Scheduled Castes and Tribes could be made in wards where there is concentration of their population and in respect of women, the wards could be selected in rotation every five years, if necessary. Each voter will have as many votes as there are seats in that ward.

Election of Sarpanch :

3.10. At present the Sarpanch and Upa-sarpanch are elected by the members and where the strength of a gram panchayat is seven, any member who has the support of 3 other members will easily get elected. The number of voters who elect these members from each ward is very small and the Sarpanch who is elected by so small a number of members as 3 or 4 or slightly more cannot in any real sense be taken as a true representative of the entire people in the village. There is need to have a broader base for the election of sarpanch. Representations have been made before us that although the poor people are in a majority their voice is not fully reflected in the election to the office of sarpanch as they are divided into various constituencies, and their combined strength is thereby stifled. Therefore very few persons representing the poorer sections of the society have been elected in fact to the office of sarpanch. Once a sarpanch is to be elected by all the voters in the village, there is a reasonable chance of the candidates among the poor who are in a majority also getting elected to this office. As the needs of the poor and their welfare have to receive greater attention, it is better that their own chosen representatives serve them in the role of sarpanchas. This may help bring about greater harmony in the working of the panchayats because the poor who are many will identify themselves more closely with the activities of the panchayat than at present. We therefore recommend that the sarpanch should be elected by all the voters in the panchayat area and that his term should be five years, it being coterminous with that of the members. The Upa-sarpanch may continue to be elected by the

members and the sarpanch as his office carries no duties or functions except in special circumstances and his term of office should be five years. If a person is elected both as a sarpanch and as a member he should resign from one or the other of the two elective positions before the conduct of elections for the office of Upa-sarpanch or within seven days from the date of his election whichever is earlier. If he fails he should cease to be both. The resignation should be tendered to the extension officer(panchayats)or the block development officer concerned.

Sarpanch for gram Panchayat in Scheduled area :

8.11. It is brought to our notice that although Panchayat Samithis in scheduled areas contain a fairly large population of tribals to justify their inclusion in scheduled areas, the populaion of tribals in some individual panchayats is very very small and does not exceed a single digit and in a few cases there is not a single tribal voter at all. As the Act lays down that only a tribal shall be elected as a Sarpanch, in sheduled areas, there is difficulty in fulfilling the statutory requirement for want of tribal electors. We, therefore, recommend that the provisions should be suitably amended so as to make it obligatory to elect a tribal as a sarpanch only when the tribal population in the panchayat is 25% or more and in other cases seats have to be reserved for them as proposed in paragraph 8.8 and they may contest for the office of sarpanch . We have recommended else-where that the election of the members and the sarpanch as also the directly elected members of the Panchayat Samithis and the Zilla Parishad be held simultaneously and completed on the same day.

Motion of no-confidence :

8.12. As the sarpanch is directly elected by all the voters in the village and not by the members existing provision for removal of sarpanch by a motion of no-confidence passed by the members will no longer be valid or just. It is also necessary that the sarpanch who is elected by the entire electorate should be allowed to function without having to face the threat of no-confidence motion from the members. We, therefore, recommend that the provision relating to no-confidence be deleted. The Upa-sarpanch who is elected by the members shall however, be removed by a motion of no-confidence passed by the members of the gram panchayat as now provided in the Act. The sarpanch should also be entitled to vote.

Safeguards for the directly elected sarpanch :

8.13. It has been stressed before us that a contingency may arise where the members to whom the sarpanch does not owe his election may with hold co-operation or even cause obstruction to the smooth running of the Panchayat. We have examined such a possibility in detail and have decided to make the following recommendations :

- (1) if the members are hostile and unreasonably with hold co-operation or even prove obstructive, the Government may, after due enquiry and after giving the members concerned adequate opportunity remove them from office for the rest of their tenure ;

(2) if the budget is not passed with or without modifications within the time limit prescribed under the rules, it should be open to the Government to supersede the panchayat and appoint a special officer for a specific period;

(3) if the sarpanch himself becomes some what autocratic as he owes no allegiance to the members or fails to convene meetings regularly or fails to execute the resolutions of the panchayat within a reasonable time or otherwise becomes ineffective the Government may remove him under the existing provisions of the Act.

Electoral Roll :

8.14. It is stated before us that once elections to the panchayats are announced, there is a huge rush of applications for enrolment upsetting the wards into which the electoral roll has already been divided, that there is very little time for the staff to make thorough enquiries in respect of so many applications and verify the correctness of the statements made by them and that consequently there are too many complaints that non-existing persons have been enrolled etc. As this practice leads to many undesirable trends and corrupt practices we recommend that the current Assembly rolls relating to the panchayat area should constitute the electoral roll for the panchayat also and that it should be republished as the final roll dividing the electors into the specified number of wards. Once the roll is republished splitting it into wards no opportunity need be given for enrolment of new voters. Such enrolment should take place before the republication of the roll divided into wards. The notice of election to the gram panchayats which should be published at least two months in advance of the date of election should specifically provide for this so that the voters have sufficient notice and time to enrol themselves as voters. There may be an interval of 45 days between the election notice and the publication of the final electoral roll for purposes of elections to gram panchayats.

Filling up of casual vacancies in the office of Sarpanch and Upa - sarpanch:

8.15. When a casual vacancy occurs in the office of sarpanch and the vacancy is to last for more than six months, a new sarpanch should be elected to fill the vacancy by all the voters of the panchayat and his term should be coterminus with that of the members. Where, however, the period of vacancy is not more than six months, the Act should provide for the upa-sarpanch to discharge the functions of the sarpanch till a new sarpanch is elected after the reconstitution of the panchayat. If the office of upa-sarpanch is also vacant, an upa-sarpanch should be elected irrespective of the period of vacancy and if the members fail to elect an upa-sarpanch within forty-five days from the date of vacancy, the chief executive officer of the Zilla Parishad concerned shall nominate one of the members as upa-sarpanch. If a member so nominated declines to accept the nomination to the office of upa-sarpanch, the Gram Panchayat should be superseded or dissolved.

Two Consecutive terms for office Bearers :

8.16. We recommend that no sarpanch or upa-sarpanch shall be eligible to contest for the same office if he has held that office for two consecutive terms, but filling a casual vacancy of less than one year duration need not be counted as a term.

Functional and Works Committees :

8.17. Section 40 of the Act provides for the constitution of functional committees for agriculture; public health, sanitation and communications. We are told that these committees have either not been constituted or where they have been constituted they are not functioning effectively. We recommend that these committees must be constituted and made to function actively. It should be the duty of the extension officers under the block development officer to see that these committees meet regularly and attend to the functions allotted to them. It should be possible for them to attend a few of their meetings and guide them. We do not recommend the constitution of works committee since gram panchayats execute only very minor and petty works.

Grama Sabhas :

8.18. It is stated that the grama sabhas have been meeting regularly twice a year but the attendance at such sabhas is poor. The sarpanch's election by all the voters in the village would amount to his election by the grama sabha itself. The sarpanch thus elected becomes more answerable to the grama sabha than before. We are of the view that attendance at grama sabha meetings will be better if at the meetings of the grama sabha which take place once in six months, all the extension officers are made to be present compulsorily. The extension officers could draw up a programme for all the panchayats in the block to avoid clash of dates.

PANCHAYAT SAMITHIS.

Size of the Blocks :

8.19. The blocks as they exist today are the outcome of the report of the High Power Committee appointed in 1964 under the Chairmanship of the then Chief Secretary Sri M.P. Pai which recommended the reduction of blocks from 448 to 290. We have examined the desirability or otherwise of reorganising the blocks further in the light of the evidence tendered before us and the study made by us. Even after reorganisation there are three distinct features which are discernible in the blocks. They are -

- (1) in some cases a block is coterminus with the taluk; in some others there are two or even three blocks in a taluk;
- (2) the population of blocks in the plains ranges between 80,000 and 2.0 lakhs or even more;
- (3) the area in some cases is small while in others it is very extensive;

It has been pressed before us that it would be more convenient if the block and the taluk have the same jurisdiction. In that case the headquarters of the block and the taluk will be the same and consequently there is greater facility of association between taluk officials and the block officials. Such association becomes more and more necessary as the Panchyati Raj institutions, particularly the samithis, have to play an increasing role in rural development. In the changing role of district administration in which people's representative bodies (Panchyati Raj institutions) have to assume greater responsibility for rural development, we consider that there is every advantage in the taluks and the blocks becoming co-extensive. We, therefore, make the following recommendations:

(1) wherever the taluks are unduly large, there should be realignment of the taluks or a sub-division of the taluks as may be deemed necessary and proper ;

(2) wherever the blocks are small, there should be redelimitation of such blocks with a view to realign them along the taluk boundaries ;

(3) even for other branches of administration like revenue, co-operation, public health etc., it would be a desirable change if the taluks are realigned on some scientific basis having regard to geographical features, physical barriers like hill ranges, unbridged streams, area, population, historical associations etc.;

(4) a committee may be appointed solely for the purpose of realignment of blocks and taluks to achieve identity between them.

Classification of Blocks :

8.20. In order to help the poor and backward blocks with more funds than those given to others which are economically and socially better, the Pai Committee recommended the classification of blocks into Advanced, Ordinary, Backward and Tribal. If ordinary blocks receive Re. 1.00 per head advanced blocks would receive Re. 0.75, Backward blocks Rs. 1.25 and tribal blocks Rs. 2.00 The Pai Committee classified the blocks on the basis of the following criteria and indicators :—

- (a) per-capita land revenue assessed within the block ;
- (b) percentage of irrigated area to cultivated area ;
- (c) percentage of children of the age group 6-11 attending schools ;
- (d) percentage of illiteracy—district wise ;
- (e) districtwise national income ;
- (f) road mileage for 100 sq. miles within the block ;

The classification was done eight years ago and it is time it is reviewed having regard to their present conditions. We, therefore, recommend that the classification of blocks may be reviewed every five years

corresponding with the national five year plans of the Union Government, the first review to be undertaken in 1978-74.

Composition of Panchayat Samithis :

8.21. The Panchayat Samithis at present consist of all sarpanchas within the block and members of the Legislative Assembly representing a constituency which comprises the block and Members of the Legislative Council specified by the Government. In addition six persons are co-opted, two women, one representative of scheduled caste, one representative of scheduled tribe if their population in the block is not less than 5% and where it is less than 5% another representative of scheduled caste and two persons interested in rural development. We have examined in great detail as to what changes should be brought about in the composition of a Panchayat Samithi with a view to making it broad based and more representative of the people within the block.

Dissatisfaction has been expressed by many that samithis as they are constituted today consist only of sarpanchas as ex-officio members and co-opted members and that at the important middle tier there is no direct representation to the electors. Although the weaker sections constitute the bulk of the population, they say they are not proportionately represented on the Panchayat Samithis because there is no opportunity provided for their representatives to contest for the membership of the Samithis. It is generally supported by many that there should be a large element of members directly elected by the voters in the block. At the same time it is also urged before us that the main purpose of the Panchayati Raj institutions at all the three levels is comprehensive rural development and that all the three bodies have their role to play in such development. Therefore co-ordination between their efforts and the utilisation of their experience in the bodies functioning at the lower levels are very necessary for the proper functioning of Panchayati Raj institutions at the higher levels. Consequently they have stressed that while the Samithi should contain a majority of the directly elected members it should have an organic link with gram panchayats by means of adequate representation for sarpanchas on it. We have examined various alternatives placed before us including the valuable suggestions made by Vengal Rao Committee to see how best a synthesis could be evolved between direct elections on the one hand and on link up of gram panchayats with Panchayat Samithis on the other. After examining every one of them, we have decided to recommend as follows :—

(1) every Samithi must consist of members who are elected directly by the general electorate and members who are sarpanchas elected by an electoral college of sarpanchas and members of gram panchayats ; there shall be no ex-officio or co-opted members; similarly there need be no associate members to give representation to Land Mortgage Banks or Co-operatives ;

(2) the strength of each Panchayat Samithi shall be related to the number of members which the block area of that samithi directly elects to the Zilla Parishad and three fourths of such members shall be directly elected from the electoral divisions carved out in each block and the balance of one fourth shall be

elected from among sarpanchas by all the members and sarpanchas of all panchayats within the block ; each elector should have as many votes as there are seats and the candidates who poll the highest number of votes would be declared elected ; the election of members to fill one fourth seats shall be conducted at the block headquarters only as the total number participating in the election will not be more than 600 or at the most 700 ;

(3) every Samithi shall have members in the Zilla Parishad on the basis of one for every 50,000 population or less subject however to a minimum of two and a maximum of four. Thus, blocks with a population of one lakh or less will have two seats, those with a population of more than one lakh but not more than 1.5 lakhs will have three seats and all others with a population of more than 1.5 lakhs will have four seats ; the strength of the Panchayat Samithi shall be fixed 12 times the number of members elected to the Zilla Parishad ; if a block has only two electoral circles to elect two members to the Zilla Parishad its strength shall be $2 \times 12 = 24$ of whom 18 (three fourth) will be elected directly from the electoral divisions into which the block is delimited and the remaining 6 (one fourths) will be sarpanchas elected by all the members and sarpanchas of gram panchayats in the block ;

(4) each block shall be delimited into as many electoral circles as there are seats in the Zilla Parishad and each circle shall be further divided into nine electoral divisions containing more or less equal population ;

(5) the electoral divisions of Panchayat Samithis may be single member constituencies ; seats shall be reserved for scheduled castes and scheduled tribes in proportion to the percentage of their combined population to the total population of the block ; as between them the seats shall be distributed according to the percentages of their population ;

(6) in the case of women we have examined whether reservation is necessary at all for them ; neither in the State Legislature nor in the Parliament, seats are reserved for women ; the reason for not reserving seats for them is that political parties which set up candidates should take into consideration the need to give proper representation for women and set up candidates for general and reserved seats ; following the same principle, we have decided to recommend that no reservation be made for women and we expect political parties to choose as candidates as many women as possible and give them proper representation ; we are reinforced in our view by the recommendation made at the seminar jointly conducted by the Osmania University Public Administration Department and the District Chamber of Panchayati Raj, Hyderabad, that no special representation need be given to women in these bodies.

It may be asked why in that case we have recommended reservation of seats on a more liberal scale than at present in the case of gram panchayats. We do not expect political parties to set up candidates in all the panchayats which number more than 15,000 and hence our recommendation for reservation of seats for women.

Legislators :

3.22. Opinion is divided on the question whether Legislators should be ex-officio members of panchayat samithis and Zilla Parishads. The majority opinion however was that Legislators enjoying a higher role and status than ex-officio membership of these bodies need not be on Panchayati Raj bodies. We agree with this view which is fully shared by the Administrative Reforms Commission and recommend that neither in the Panchayat Samithis nor in the Zilla Parishads Legislators need become ex-officio members. Our reasons are—

(1) unlike in the existing composition of Zilla Parishads and Panchayat Samithis where all the members are either ex-officio or co-opted members, in the new set-up now recommended by us, majority of the members of the Samithi and the Zilla Parishad will be directly elected and only a limited number of sarpanchas will be elected as the members of the Panchayat Samithis and the presidents of Panchayat Samithis will become ex-officio members of the Zilla Parishads; they are double filtered—the sarpanchas are first elected by all the voters in the gram panchayats and again as members of the Panchayat Samithis by all the members of the gram panchayat and their sarpanchas in the block while the presidents of the Samithis are those who are elected by the members of the panchayat samithis; in this altered composition of the Zilla Parishads and Panchayat Samithis, there is no valid ground for bringing any additional ex-officio members from any other source;

(2) the presence of Members of Parliament and of State Legislatures might discourage free and frank discussion on local issues by less experienced members of Panchayati Raj bodies and may inhibit the emergence and growth of local leadership;

(3) elected members of Panchayati Raj bodies are nearer to the electorate and are in a position to give close and continuous attention to their local problems and needs; they do not ordinarily need any others to help them in decision making at block and district level;

(4) the work-load of Legislators is so heavy that it would be better in the country's interest if they concentrate on their work as Legislators and on other work which as partymen and leaders they have to discharge; their duties are growing day by day and they keep them away from their constituencies for long periods;

(5) the inclusion of legislators in the Zilla Parishad particularly will make it unwieldy and the very purpose of bringing in directly elected members to it will be defeated if there are far too many ex-officio members;

(6) if the advice of legislators is not accepted by the Panchayati Raj bodies it may result in distorting the opinion of such legislators about Panchayati Raj bodies;

(7) we have recommended elsewhere in this chapter the association of legislators besides others in an advisory body at the district level to review the formulation and executions of local plans, economic situation, etc;

Election of President and Vice-President :

3.23. As two thirds of the members of the Panchayat Samithi are directly elected and the remaining one-third are elected by members of gram panchayat who are themselves elected from the wards and by sarpanchas we feel that there is no real need or purpose to lay down that the president should be elected directly by all the voters in a block. Except a few, all those who spoke before us are overwhelmingly against the direct election of the president of a Panchayat Samithi by all the voters. We also agree with them because under the new set-up envisaged by us there is no justification for prescribing that the president should be elected by all the voters in the block. We, therefore recommend that the president of the Panchayat Samithi and its vice-president be elected by the members of the samithi.

Eligibility of Persons to Contest for the Office of President and Vice President of Panchayat Samithi :

3.24. The question is as to who should be the people qualified to stand for election as president and vice-president of a Panchayat Samithi. One view expressed is that any voter in the samithi should be qualified to contest the election for presidentship or vice-presidentship. This view we have discussed in the previous paragraph and we have recommended that a president or a vice-president of a panchayat samithi be elected by the members of the samithi. Another view placed before us is that any member of the Panchayat Samithi whether directly elected from a division or indirectly elected by members of gram panchayats and sarpanchas should be qualified to stand for election as president or vice-president of a Panchayat Samithi. Yet another suggestion is that only a member elected directly by the voters should be eligible to be elected as president or vice-president. We have given our very careful consideration to this issue. We are of the view that the president and vice-president of the Panchayat Samithi should be elected from among the members of the samithi, viz., directly elected members and the sarpanchas who are elected as members to the Panchayat Samithi. Elsewhere we have recommended that political parties should set up candidates with their party labels so that party symbols could be allotted to them, ultimately when the elections of the presiding members of Panchayat Samithis take place in the samithis it will be the nominees of the majority party who can legitimately hope to succeed. Consequently the chances for running camps or for defection will be extremely limited. So, we recommend that any member of the Panchayat Samithi can contest for the office of president or vice-president of a Panchayat Samithi. If a sarpanch is elected as president of a Panchayat Samithi he should cease to hold office of sarpanch forthwith.

Term of Office :

3.25. The term of office of directly elected members should be five years from the date of election. The term of office of the president and vice-president should ordinarily be five years but co-terminus with the term of the directly elected members. The duration of any casual vacancy should end with the term of the directly elected members. No casual vacancy of directly elected members need be filled up unless the

duration is not less than six months. This restriction will not apply to the casual vacancy of president and vice-president. We also recommend that no president or vice-president of Panchayat Samithis should be eligible to contest for the office of the president or vice-president if he held such an office for two consecutive terms.

No-Confidence Motion :

3.26. The existing provisions with regard to motion of no-confidence should continue so far as Panchayat Samithis are concerned.

Subject Committees :

3.27. There are seven standing committees at present in the Panchayat Samithis. A few Panchayat Samithis have an eighth standing committee also. In the scheme envisaged by us, the minimum strength of panchayat Samithis will be 24, the maximum being 48. If seven standing committees are to function members may have to sit on more than two committees each which is not very desirable. Further we are satisfied that there is not sufficient work for each of the seven standing committees. We are also of the view that as in Maharashtra these committees may be designated more appropriately as 'subject committees' We, therefore, recommend—

(1) that the standing committees of the Panchayat Samithi be redesignated as 'subject committees ;

(2) that their number be reduced to four ;

(3) that standing committees Nos. 1, 2, and 6 be combined as subject committee No. 1 for planning, agriculture, industrial production, co-operation and communications. Subject committee No. 2 shall deal with education and subject committee No. 3 with social welfare. While subject committee No. 4 shall be for women welfare ; cultural activities being important should be included within the scope of subject committee for women welfare ;

(4) the vice-president of the Samithi shall be the Chairman of the subject committee No. 1. In the case of subject committee No. 3 for social welfare, a member belonging to scheduled castes or scheduled tribes shall be elected as Chairman ; subject committee No. 4 shall elect a women member as its chairman ; this leaves us with subject committee No. 2 for which a member of the committee shall be elected as chairman ; the Chairman of the subject committees 2, 3, and 4 shall be elected every year while the tenure of office of the members of the subject committees will be co-terminus with their membership on the Samithis ;

(5) the strength of the subject committees should be 5 including the presiding member ; they should meet atleast once in two months ; the Panchayat Samithi should meet atleast once in 8 months ;

Standing Committee :

3.28. We also recommend that there shall be a standing committee consisting of the president of the Panchayat Samithi as its chairman and all the chairmen of the subject committees as its members. This committee should meet once every month. The chairmen of the subject committees shall have the right to make visits to institutions maintained by the Panchayat Samithi, inspect works within the ambit of their committees and offer suggestions to the block development officer and the president. They should be entitled to draw travelling allowance for all such visits.

Honoraria or Compensatory Allowance :

3.29. We recommend the following rates of honoraria should be allowed for the presiding members of Panchayat Samithi :

	per mensem
	Rs.
President : Honorarium	300
Vice-President : Honorarium	150
Chairman of each subject Committee	150

ZILLA PARISHADS*Composition :*

3.30. The Zilla Parishad shall consist of all members directly elected from the territorial constituencies (electoral circles) into which the Samithi blocks are divided and the presidents of the Panchayat Samithis as ex-officio members. The number of directly elected members from the electoral circles will be atleast two and not more than four from each block. Where the population of a block is one lakh or less, it shall have two members on the Zilla Parishad, where it exceeds one lakh but not 1.5 lakhs, it shall have three members and where it exceeds 1.5 lakhs it shall have the maximum of four members. According to the number of members thus allotted to each Samithi block, the block should be divided into single member circles with approximately equal population for each such circle.

3.31. As in the case of Panchayat Samithis where one-fourth of the members will be elected from among sarpanchas in order to provide a link between the Samithis and the Panchayats within the block, we recommend that the Presidents of Panchayat Samithis should become ex-officio members of the Zilla Parishad to provide the necessary link between the Samithis and the Zilla Parishad. Although they are ex-officio, they are themselves elected first to the Panchayat Samithis members and again as Presidents of Panchayat Samithis and they should therefore, be regarded as effective representatives of the people in their blocks.

3.32. We have already given our reasons why Legislators should not be made ex-officio members of Panchayat Samithis. For the same reasons we recommend that they should not be brought into the

Zilla Parishad as ex-officio members with or without the right to vote or even as associate members without the right to vote. There is a weighty reason for not including them in the Zilla Parishad. The number of Legislators in a district is so large that they may almost outweigh the strength of the directly elected members which will not be desirable from any point of view. Since legislators are not being made ex-officio members of the Zilla Parishads, Members of Parliament also need not be made members of the Zilla Parishads ex-officio.

8.88. We have also decided to recommend that the District Collector who is now an ex-officio member of the Zilla Parishad and Chairman of all the standing committees need not be a member of the Zilla Parishad. This also is the view of the Administrative Reforms Commission and of the study team on district administration set up by the Commission. In the new scheme envisaged by us, there will be a chief executive officer-cum-district development commissioner for each Zilla Parishad. He will be an officer of the I.A.S. in the senior time-scale or one who is of an equal status and it is, therefore not necessary to bring the collector into the Zilla Parishad. There are also other reasons why he should keep himself out of the Zilla Parishad. They are :—

(a) he will be the election authority at the district level to programme and conduct all the elections at the three levels; it is, therefore better that he is not in any way associated directly with the administration of these bodies;

(b) he will be the chairman of the district selection committee for recruitment of suitable candidates for various posts in the district cadre of Panchayati Raj service;

(c) an officer of equal status in the senior time-scale of I.A.S. is to be the chief executive officer of the Zilla Parishad in the scheme recommended by us, it is in the interests of both district general administration and development activities that the district collector should be free to devote his full time and energies to his regulatory functions and to his duties as the representative of the Government in the district while the chief executive officer-cum-district development commissioner devotes his full time and energies to development of Panchayati Raj institutions, formulation and execution of rural development plans and welfare schemes; the district collector will then be more free to attend to his traditional functions of law and order, revenue administration and general executive duties like elections, civil supplies, floods, droughts, inspections etc., which in themselves require his exclusive attention;

(d) even when he is not a regular member of the Zilla Parishad the collector's assistance to the Zilla Parishad would always be necessary in many respects; we, therefore, recommend that it should be provided statutorily that the collector and the chairman of the Zilla Parishad should meet regularly once a month to discuss matters of mutual interest and come to agreed solutions; if,

however, there is a difference of opinion on any matter of importance, it should be referred by either of them to the Government in the Panchayati Raj department whose decision or advice should be final ;

3.34. As the Zilla Parishad has to assume greater responsibility for planning and execution of development schemes, programmes and works, there is need to forego closer association between the Zilla Parishad and the co-operative institutions operating at the district level. We therefore recommend that the director of the central land mortgage bank in the district, the director representing the central bank or banks in the district on the apex co-operative bank, the president of the district co-operative marketing society should be made associate members of the Zilla Parishad without the right to vote.

Reservation of Seats for Scheduled Castes and Scheduled Tribes :

3.35. We recommend that seats for scheduled castes and scheduled tribes should be reserved in accordance with the percentage of their population and in any case scheduled castes should get a minimum of two seats and scheduled tribes one atleast provided the population of scheduled tribes is not less than 3% in the district. The electoral circles which contain the largest population of these sections should be reserved for them. Any difficulty arising in reservations of circle should be resolved by the district collector whose decision should be final.

Reservation of seats for Women :

3.36. As in the case of Panchayat Samithis, there need be no reservation of seats for women. As they are about 50% of the total population they should be able to press their claims for proper representation before the political parties who set up candidates. We wish to emphasise that political parties which select party candidates should choose suitable and adequate number of women candidates to contest on their behalf.

Election of Chairman and Vice-Chairman :

3.37. The chairman of the Zilla Parishad is now elected by the members of the Zilla Parishad. We have examined the suggestion made by a few persons that the chairman should be elected directly by all the voters in the district. We find that there are many difficulties in accepting this suggestion. They are :—

(a) a district in most cases has two parliamentary constituencies and in some cases more than even two. The prospective candidates for the chairmanship have to establish contacts with the electorate spread over a whole district atleast twice larger, than a parliamentary constituency; this is too heavy a burden on the contestants.

(b) if the intention is that members of the poorer sections should have a fair chance in direct elections, most of the deserving candidates from those sections may not be able to afford the

expenditure involved in covering an entire district; the purpose can be achieved much better if the political parties choose suitable members of the weaker sections already elected to the Zilla Parishad to contest on their behalf for the chairmanship of the Zilla Parishad;

(c) even the Chief Minister who holds the highest powerful position in a State is elected from an Assembly Constituency which is not even 1/10th of a district and in some cases it is less than 1/20th of a district and he becomes the Chief Minister merely on the majority of members of his own party choosing him as leader; he is not even elected by the entire assembly and his colleagues in the Cabinet are not even elected by the party but are purely his own choice; when such is the case in regard to these most important offices, we are unable to agree that a person aspiring to become the chairman of a Zilla Parishad a much smaller position, should run to every nook and corner of a district for this election; it does not appear to us to be either sound or reasonable or desirable.

(d) the members of the Zilla Parishad as envisaged by us, are either directly elected from the electoral circles by all the voters in the circle or they are presidents of Panchayat Samithis who are themselves elected to the Samithis first by the voters directly; we therefore do not see any objection to these elected members electing their chairman and vice-chairman. We therefore recommend that the chairman and vice-chairman of Zilla Parishads may be elected by all members of Zilla Parishads except associate members.

Persons who can contest for the office of Chairman and Vice-Chairman of Zilla Parishad :

3.88. On the question of qualification and eligibility for election as chairman, Zilla Parishad, the same three alternative views have been expressed as in the case of election of the president of a Panchayat Samithi, which we have discussed in para 3.28. For the reasons stated by us therein, we recommend that any member of the Zilla Parishad other than associate members should be eligible to contest the election for the chairmanship or vice-chairmanship of the Zilla Parishad. If a president of a Panchayat Samithi is elected as chairman of the Zilla Parishad, he shall cease to be the president of the Panchayat Samithi forthwith.

Term of Office :

3.89. The term of office of directly elected members should be five years from the date of election. The term of office of the chairman and vice-chairman should ordinarily be five years but co-terminus with the term of the directly elected members. The duration of any casual vacancy should end with the term of the directly elected members. No casual vacancy of a directly elected member need be filled up unless the duration is not less than six months. This restriction will not apply to the casual vacancy in the office of chairman or vice-chairman of Zilla Parishad.

Subject Committees :

3.40. The present standing committees of the Zilla Parishad may be redesignated as Subject Committees. The standing committees No. 1 and 2 may be combined and redesignated as Subject Committee for Planning, Agriculture, Industrial Production and Co-operation. The other standing committees may remain with the same functions but called subject committees. There shall be thus six subject committees and they shall consist of nine members each including the chairmen. The vice-chairman of the Zilla Parishad shall be the chairman of the subject committee No.1 (combined standing committees Nos. 1 and 2), and the members of the subject committees shall be elected by the general body and no member shall ordinarily be represented on more than one committee. If however the number of members on the Zilla Parishad is not sufficient to give the full compliment of members to all the subject committees the members may be elected to not more than two committees each. The chairman of each subject committee other than No. 1 shall be elected by the elected members of the subject committee, provided that in the case of subject committee for social welfare the chairman shall be a member of the scheduled caste or scheduled tribes and in the case of women welfare the chairman shall be elected from among the women members of the committee.

3.41. The term of office of the members of the subject committees shall be co-terminus with their membership on the Zilla Parishad. Excepting the vice-chairman, others who preside over subject committees shall have a term of one year only. The subject committees should meet at least once in two months.

3.42. Cultural activities being important should be included within the scope of the subject committee for women welfare. There is no need to constitute a separate committee for cultural affairs. The conveners of the subject committees shall be as under :

No. 1 (Agriculture etc.)	Deputy Director of Agriculture.
No. 2 (Education)	District Educational Officer.
No. 3 (Women Welfare)	District Women Welfare Officer
No. 4 (Social Welfare)	District Social Welfare Officer.
No. 5 (Communications)	Executive Engineer (P.R.).
No. 6 (Taxation and Finance)	Finance and Accounts Officer.

It shall be incumbent on the officers of the Zilla Parishad and other officers of Government to attend meetings of the subject committees whenever they are required to do so.

Standing Committee :

3.43. We recommend that as in Maharashtra there should be a standing committee for each Zilla Parishad with the chairman of the Zilla Parishad as its chairman and the chairmen of all the subject com

Committees as members of the standing committee. This committee should function as a sort of cabinet for the Zilla Parishad. It should meet at least once in a month. The convenor for the meetings of the standing committee should be the deputy chief executive officer. (secretary, zilla parishad).

Meetings of the General Body of the Zilla Parishad :

8.44. The general body of the Zilla Parishad should meet at least once in three months. The provision disqualifying a chairman for not convening such a meeting should be retained.

Honorarium etc :

8.45. As in Maharashtra, we recommend that the chairman of Zilla Parishad be paid an honorarium of Rs. 500 per month and a free furnished accommodation or in lieu thereof Rs. 150 p.m. and the chairmen of the subject committees including the vice-chairman should be paid a monthly remuneration of Rs. 800 and free furnished accommodation or in lieu thereof Rs. 100 p.m. We are of the view that it is very necessary and desirable for these chairmen to keep themselves fully in touch with the progress of schemes, programmes etc. relating to their subject committees and unless they are provided these facilities it may not be possible for them to devote as much attention to this work as is necessary and desirable. They should also be eligible to claim T.A. for official visits to places within the district at rates appropriate to their status to be decided by the Government.

Tenders Committee :

8.46. We have examined the desirability of disposal of tenders in the fairest manner possible and avoiding giving room for adverse comments against the office-bearers or officials. We have, therefore, decided to recommend that the power to accept the most advantageous tender in each case should not vest with any individual but must be entrusted to a committee. Accordingly a Tender Committee should be constituted with the chief executive officer as its chairman, the departmental head at the district level concerned with the tenders and the accounts officer as its members. This committee should dispose of all tenders which are invited publicly by the Zilla Parishad. In samithis, the tenders may be disposed of by the standing committee.

Elections :

8.47. We have successfully established a great democracy which could withstand all kinds of strain and stresses. More than 81% of the electors are in villages. Consequently, whenever there is an election to the State Legislative Assembly or the Lok Sabha there is a stir in each village as one political party after another visits them, holds meetings, explains the party's ideology and solicits support of voters. Experience has shown that although elections to the PanchayatiRaj bodies are not officially declared by political parties to have

been fought out on party basis, in practice the contestants declare themselves as members of recognised political parties and seek support on the basis of their party, besides the support they command by virtue of their hold on communal and factious groups and their financial resources. There are occasions when members of the same party have contested for elective offices as their party has not declared its official candidate for the election but has allowed members of its party to fight out their battles. This has led in some cases to many undesirable trends—corruption, confinement in camps, kidnapping etc. Whenever elections take place to the State Legislature or Parliament the party members of Panchayati Raj bodies are fully in the election field. The party which wishes to capture power at the State and at the Centre has no roots in the villages except through the members of Panchayati Raj bodies. It would be extremely difficult for any political party to win a substantial number of seats without the active support of its members in Panchayati Raj bodies. It is therefore no use advocating that these bodies should have nothing to do with political parties and at the same time using them fully and vigorously for elections. It is much better to recognise the realities and the imperative need for growth of democracy on party lines right from village level, for setting up candidates with party labels, and contesting the elections on party basis. In that case, corruption will be reduced and the election of members and office-bearers will be a clean contest between political parties and the party which secures a majority of seats will nominate its own candidate for contesting the elections for the office-bearership. We therefore recommend that the candidates should be allowed, if they wish to identify themselves publicly with recognised political parties and to ask for party symbols on the certificate of the political party concerned. Individuals contesting without their belonging to any political party should be treated as independents.

We recommend that all elections should take place on the same day as far as possible. Consequently the election of members of Gram Panchayats and sarpanch of each panchayat, members from the electoral divisions of Panchayat Samithis, members from electoral circles of Zilla Parishads will all be elected on the same day and at the same time. As we have recommended that 1/4th of the total strength of a Panchayat Samithi shall be elected from among sarpanchas by all the members and sarpanchas in a block. We recommend that such election should take place as soon as possible and in any case not later than three days after the declaration of election of the members of the gram panchayats and the sarpanchas. The election will take place at the block headquarters between 8.00 a.m. and 12.00 noon on the day fixed for the poll. The election of the presidents and vice-presidents of all the Panchayat Samithis in district shall take place on the same day at 5.00 p.m. There will be no difficulty to conduct this election because all the sarpanchas including the contesting sarpanchas for election to the Panchayat Samithi will be available at the block headquarters on that day to participate in the poll. The election of chairman and vice-chairman of a Zilla Parishad shall be conducted within 8 days after the election of the presidents of the Samithis.

Election Authority :

3.48. The district collector conducts elections to Panchayati Raj bodies. He should continue to do so, as conduct of elections is a regulatory function and the district collector under the general supervision of the commissioner of Panchayati Raj and the Government is the appropriate authority to conduct the elections. We, therefore, recommend that the district collector be designated as the district election authority and he may be given such assistance of competent officers as is necessary. The services of the officers of Panchayati Raj bodies should be placed at the disposal of the district collector for discharging such duties and performing such functions as he may assign under his direct control and supervision. The Panchayati Raj bodies and their employees should have no other connection with elections to these bodies. It is only then that people will have greater confidence in the impartial manner of the conduct of elections.

Election Disputes :

3.49. We have examined whether the recommendations made by the Administrative Reforms Commission with regard to election disputes could be supported by us. Their recommendation is that there should be a tribunal in each district consisting of the district collector and a sub-judge of the district nominated by Government to go into all election disputes and serious allegations of mal administration. This will add considerable burden on the collector who has already too many things to attend to. As the district collector is the election authority in the district and as he himself may be a party to the proceedings challenged in an election dispute it would not be proper to associate him with any enquiry connected with elections or with adjudication of election disputes. We are unable to support the recommendation of the Administrative Reforms Commission and maintain that election disputes should continue to be dealt with only by courts as at present.

Multi-Membership :

3.50. We are not in favour of multi-membership. We recommend that no office-bearer of any of the Panchayat Raj bodies who is elected as a Legislator should continue to hold both the offices. Similarly, a Legislator who is elected as an office-bearer of any of these bodies should choose between the two offices and hold only one.

Office-Bearers for Two Consecutive Terms :

3.51. We also recommend that no chairman or vice-chairman of the Zilla Parishad shall be eligible to contest for the office of the chairman or vice-chairman if he has held such an office for two consecutive terms.

District Advisory Council :

3.52. Although Members of Parliament and Legislators will not be members of the Zilla Parishad and Panchayat Samithi, they may

participate as members of the district advisory council constituted in each district and advise on all matters coming up before them. We recommend that a district advisory council be constituted for each district with the following composition :—

President	A Minister nominated by the Government.
Vice-President	The chairman of the Zilla parishad.
Members	All members of Parliament and Legislators whose territorial constituencies cover the district or part of the district and those who have no territorial constituencies but are registered as electors in the district, the district collector, the chief executive officer, chairmen of all the subject committees of the Zilla Parishad, the presidents of all the samithis in the district, the chairmen of all the municipalities in the district, the presidents of all the central co-operative and land mortgage banks in the district and the district marketing society, all district heads of development departments, the divisional engineer (electricity).

Secretary and convener for this council should be the deputy chief executive officer, Zilla Parishad. The council should meet at least once in four months and it may consider and discuss the following subjects and matters :—

- (1) development schemes and programmes either under execution or contemplation ;
- (2) production programmes particularly those relating to agriculture, small scale industries ;
- (3) food position ;
- (4) drinking water supply in difficult areas ;
- (5) programmes for the welfare of weaker sections ;
- (6) housing for weaker sections, and slums clearance ;
- (7) town and country planning ;
- (8) transportation facilities in the district ;
- (9) marketing ;
- (10) unemployment and any other matter which the Government may decide

Functions and Powers of Office Bearers of Panchayat Samithi and Zilla Parishad and their Committees :

8.53. The president, Panchayat Samithi, should have the power to give directions to convene the meeting of the general body of the Panchayat Samithi and its standing committee. We have considered whether as chairman of the standing committee, he should have power to accord administrative sanction for works and schemes. It is our view that it would be enough if the powers are given to the committees instead of to presiding members including chairmen of subject committees. The meetings of the subject committees could be convened at the instance of the chairmen concerned.

Powers and Functions of Standing Committee and Subject Committees of Panchayat Samithi

8.54. The standing committee of Panchayat Samithi should be empowered to accord administrative sanction for works and schemes the cost of which does not exceed Rs. 10,000 non-recurring and to sanction recurring expenditure upto Rs. 5,000 per year. All such sanctions should be placed at the next meeting of the general body of the Samithi. The subject committees of Panchayat Samithis should be empowered to accord administrative sanction to works and schemes the cost of which does not exceed Rs. 5,000 non-recurring and to sanction recurring expenditure upto Rs. 1,000 per year. All such sanctions should be placed before the standing committee at its next meeting. The standing committee should consider the annual budget before it is placed before the general body of the Panchayat Samithi. It should also review critically once in three months the execution of development and welfare schemes and place its review before the general body of the Panchayat Samithi. It should also review levy and collection of taxes, fees etc., by gram panchayats every three months and submit its reviews to the general body. It shall discharge such other functions and duties as are delegated to it by the general body of the Panchayat Samithi. All residuary powers and functions should vest with the Panchayat Samithi. The standing committee should approve the annual statement of account. It should also review disposal of audit objections and sanction refund of unspent balances.

Powers and Functions of Standing Committee and Subjects Committees of Zilla Parishad :

8.55. The chairman of Zilla Parishad should have the powers to convene the meetings of the general body and the standing committee in his capacity as their chairman. The standing committee should be empowered to accord administrative sanction for works and schemes the cost of which exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 and to sanction recurring expenditure exceeding Rs. 10,000 but not exceeding Rs. 20,000 per year. All such sanctions by the standing committee should be placed before the general body of the Zilla Parishad at its next meeting. The subject committees should be empowered to accord administrative sanction to works and schemes the cost of which does not exceed Rs. 50,000 non-recurring and to sanction recurring expenditure not exceeding Rs. 10,000 per year. All such

sanctions should be placed before the standing committee at its next meeting. The Zilla Parishad should have all the residuary powers. The standing committee should discharge such functions as are assigned to it by the Government and as are delegated to it by the Zilla Parishad from time to time and in particular :—

- (i) formulation of policy and district plans ;
- (ii) critical review once in 3 months of the progress of schemes in the local and State plan sectors entrusted to Panchayati Raj bodies and welfare projects and schemes ;
- (iii) critical review of the working of the subject committees and the activities of the several development departments ;
- (iv) advice to Zilla Parishad over major policy matters involving the State Government and Government departments ;
- (v) scrutiny of the budget of the Zilla Parishad and presentation of the same to the general body of the Zilla Parishad ;
- (vi) determining the lending and borrowing policy of Zilla Parishad, principles of financial assistance to subordinate Panchayati Raj institutions ;
- (vii) prompt preparation of Annual Accounts, and prompt sanction of surrender of unspent balances and quick disposal of audit objections.

8.56. Having regard to the detailed recommendations made by us as to the various functions which the Panchayati Raj bodies should perform, we recommend that government do prescribe in detail the functions of each. The Government shall, however, have power to transfer the functions and powers in respect of any or all Panchayat samithis to the Zilla Parishads, at any time by a notification to that effect in the official gazette. The Zilla Parishads should be competent to delegate any of their functions for a specific period to any Panchayat Samithi.

8.57. The provisions relating to disqualification prescribed in the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act for not convening the meetings should be retained.

CHAPTER IV.

PLANNING AT THE DISTRICT LEVEL—FINANCES FOR THE PLAN AND ITS EXECUTION.

Challenge of Poverty :

4.1. Two decades of planning for a socialist pattern has not brought any material improvement in the common man's level of living. It is stated by expert economists and planners that, on the contrary, the poor man is decidedly worse off today than fifteen to twenty years ago. The latest available data has revealed that out of the total rural population of 420 million, some 70% or 294 million live in what is described as conditions of abject poverty even according to admittedly low Indian standards. Their per-capita expenditure on consumption per day is not more than 75 paise. People below poverty line have now swelled to 70% from 52% in 1960-61. Twenty per cent of these are the poorest, their consumption expenditure being 85 paise per day or Rs. 10.5 per month. Deficiencies in foodgrains consumption in relation to the minimum calorific requirements vary from 51.4% at the lowest expenditure level of 20% of the population at 85 paise per day to 20% of the slightly higher strata whose consumption expenditure is 75 paise per day.

4.2. Andhra Pradesh with 73% of the rural house-holds in the expenditure group of Rs. 100 or less per month, presents a picture of extreme poverty in rural areas, followed by Orissa (66%) and Madhya Pradesh (57%). House-holds with expenditure of over Rs. 500 per month in rural areas in Andhra Pradesh are rare and do not exceed 8% of the total house-holds in the rural sector.

4.3. Eradication of poverty especially in rural areas is, therefore, the main task before our Government and our people as it is in other States. Elimination of poverty is possible only if we are able to provide productive and gainful employment to all able-bodied men and women who are willing to work. The economic advance of the under-privileged and weaker sections of the population has got to keep pace with the rising expectations of the people. The Planning Commission has been making a reappraisal of the States' Plans from time to time and has recommended that the State Government's efforts should be directed mainly towards :

- (1) accelerating the pace of economic advance of all the weaker sections of the community; providing guaranteed employment to the unemployed and under-privileged rural population ;
- (2) expanding the opportunities of self-employment for the growing number of educated un-employed :

- (3) increasing incentives for greater production effort of industrial workers, casual labour, contract labour etc., through appropriate socio-economic measures ;
- (4) offering of possible assistance for increasing agricultural and industrial production which alone is the real solution to avoid shortage and to arrest the rising prices ;
and
- (5) distributing equitably essential goods and services among all sections of the population so that they get their requirements without impediments.

Rural Plans Lack Community Drive :

4.4. Our local or rural plans lack community drive as the co-operative movement, community development etc., have failed to secure people's co-operation in an adequate measure in the implementation of rural development programmes. According to some knowledgeable national leaders, the main reason for the failure is that these movements lacked real community approach. They have, therefore, emphasised the necessity of propagating community approach and finding an institutional framework which would not only ensure the participation of people in rural development programmes but also protect illiterate and poor people from being exploited. They have also cautioned against rural development programmes aiming at increasing agricultural production only and urged that such programmes should ensure all round development of rural areas by giving adequate attention not only to agriculture but also to animal husbandry and cottage, village and small industries. For this purpose they say that political parties should be re-organised into mass cadre-based parties, that planning should be decentralised and that the involvement of working classes and the participation of local institutions and professional associations, the academic community and youth should be brought about in sufficient measure. Our leaders have also warned that the Five-Year Plans failed to give substantial results so far as the poor people are concerned and that unless the common people themselves are made to participate actively in their development, the results of future plans also would not be different.

4.5. Such participation is possible only when the people's representative institutions are fully at it and infuse confidence in the minds of the people, enthuse them, appeal to them and be sympathetic to them.

4.6. The national leaders have also been saying that democracy cannot have a firm base without people's involvement and that the States must not only preach democracy but also practise it. If plans should yield the desired results, they emphasise that standards of public conduct and democratic values should be raised to the highest possible level. No one can disagree with this imperative requirement for better administration at all levels.

District as a Unit of Planning :

4.7. It is generally agreed by economists, sociologists, planners and administrators that block is an ideal unit for purposes of local administration but that it is rather too small to be an appropriate area for planning and that district alone should be the unit for decentralised planning. The reasons advanced generally are :—

(1) the technical and administrative staff available at the block level are generally not quite competent to estimate the available resources in money, material and manpower and to assess correctly the needs and requirements of the people and to prepare Five-Year Plans ; the position at the district level is different as there are more competent and experienced district heads and technical personnel to prepare comprehensive plans :

(2) there are imbalances between block and block in the same district ; this cannot be corrected if the unit for planning is a block and not the district :

(3) co-ordination will be achieved better, if each district has its own plan prepared taking into consideration the needs of each block and the priorities properly fixed in advance. There will be also many schemes which will benefit more than one block and it is only the district level authorities who can formulate such useful schemes ; for example, medium irrigation schemes, inter-block roads, training institutes etc., could be planned only at the district level and not at block level.

4.8. We have carefully considered and discussed in the succeeding chapters the changing pattern of district administration and the role which Panchayati Raj bodies have got to play hereafter in the district development programmes. The views publicly expressed by the Planning Commission have stressed the importance of decentralised planning. The trend of the discussions in the Lok Sabha is also in favour of decentralised planning as revealed during the debates on the Fifth Plan Approach Paper. The Administrative Reforms Commission has unreservedly come to the conclusion that district should be the unit for planning and that the Zilla Parishad should be solely responsible for formulation and implementation of district plans and also for the implementation of Central and State schemes within the district except those which are intended to benefit two or more districts or which involve special or advanced technical and technological skills. Thus, while actual planning by the Zilla Parishad will be limited to the local sector which should be clearly defined, execution of plans by the Zilla Parishad would cover not only the local sector but also those in the State and Central sectors which can be executed more conveniently through the agency of Panchayati Raj bodies. The Bongirwar Committee appointed by the Government of Maharashtra and the State Planning Commission of Tamil Nadu have also recommended decentralisation of planning with district as the unit.

4.9. Even as the Planning Commission is gradually giving up the concept of "centrally sponsored schemes", and consequently the

State Governments are getting enough opportunity and freedom to frame and build up their own plans on a much fuller and independent basis, so also the State Governments should adopt a similar policy in respect of Panchayati Raj bodies. It is possible to do so only if there is a clear categorisation of schemes. The Government should categorise schemes under three heads—the State Sector, the Zilla Parishad sector and the Panchayat Samithi sector which comprises the Panchayats also. While the district plans will include both the Zilla Parishad sector and the Panchayat Samithi sector, the State Plan will include the State sector and the Zilla Parishad sector which includes the Samithi sector also. Once the schemes are categorised in the above manner, the State Government should allocate resources to Zilla Parishads and Panchayat Samithis for schemes in Zilla Parishad and Panchayat Samithi sectors. The State Government Departments should not take up identical programmes and schemes in respect of Subjects categorised and allotted to Zilla Parishads and Panchayat Samithis.

4.10. Resources planning has got to be done at the State level with the assistance of Zilla Parishads and allocations have to be made for each sector (i.e.) State sector and the District sector which would include schemes of the Zilla Parishad and Panchayat Samithis. The schemes of Zilla Parishad, Panchayat Samithis and panchayats should not be restricted to the funds allocated to the District sector but the Panchayati Raj bodies should make sustained and determined efforts to mobilise all possible resources for the district sector so that with the additional resources thus mobilised, the Zilla Parishads, the Panchayat Samithis and Panchayats would be in a position to take up more schemes and programmes.

Resources for financing the district sector plans :

4.11. The plan resources should consist of—

- (1) funds from the resources at the disposal of Panchayati Raj bodies;
- (2) State's assistance, i.e., State's share of the plan schemes; and
- (3) Central assistance.

With regard to funds from the resources of Panchayati Raj bodies, if the recommendations made by us in Chapter V are accepted by the Government, it should be possible for the Panchayati Raj institutions to share the expenditure on the district sector plans. Their share will consist of contributions from the people in cash, or material and funds contributed by Panchayat Samithis and Zilla Parishads. To the extent that the Panchayati Raj institutions are making available their own funds including people's contribution for implementation of plans, the State Government's liability will get reduced. The total cost of the district plan comprises should be the State's share plus the amount found by the Zilla Parishad and Panchayat Samithis from its resources normally. Central assistance if any should be passed on to the district sector as grant only irrespective of the fact whether part

of it is a loan and part of it is a grant. In most cases where returns are expected on completion of schemes, they will go to the State funds only and in other cases like education, social welfare, etc., there will be no pecuniary returns. The Panchayati Raj bodies cannot therefore take over the burden of loan in respect of plan schemes. It is not possible for this Committee to clearly indicate what percentage of the plan expenditure on schemes included in the district sector should be met by Panchayati Raj institutions. That would depend on how far the Government will implement the recommendations of this Committee in Chapter V and to what extent the funds of Panchayati Raj institutions will be augmented in consequence thereof. It is necessary to leave adequate funds in the hands of the Panchayati Raj bodies for normal maintenance of amenities, services, institutions, etc., and take what is likely to be in excess of this requirement, for the purpose of financing the plans. This exercise has to be undertaken by the Government in Finance, Planning and Panchayati Raj departments after a decision is taken by the Government on our recommendations in Chapter V. For instance, we have recommended that the entire land revenue as levied at present in the State should be made available to Panchayati Raj bodies for financing the district plans, and that a District Development Fund should be constituted in each Zilla Parishad with its share of this land revenue and of the surcharge on sales tax as the nucleus. If that is accepted, to the extent that land revenue contributes to the District Development Fund, to that extent the State Government's share of plan expenditure will be reduced. In 1972-78, the Government have provided Rs. 9.45 crores including Rs. 2.275 crores for Community Development Programmes as grant to Panchayati Raj bodies towards plan expenditure. When the district sector is defined, those schemes and programmes which are now provided in the departmental plans but fall under the district sector will no longer find a place in the State's sector. Consequently, the provision to be made by Government in their departmental plans will get reduced but funds have to be provided by them to the Zilla Parishads for executing all such schemes. In other words when the State's share exceeds the District Development Fund, the excess has to be given as grant to the Zilla Parishads and that also will go into the District Development Fund. The land revenue and the surcharge on sales tax will become an earmarked fund in the hands of Zilla Parishads for financing plans in the district sector. It is mentioned to us that the receipts under land revenue may be taken at about Rs. 14.00 crores a year on the average sometimes they are less and sometimes more. More details about the District Development Fund are given by us in Chapter V.

Scales of Contribution :

4.12. We recommend that the present rates of people's contribution may be continued as they are quite reasonable. The Bongirwar Committee in Maharashtra has recommended that contribution in cash only should be accepted as the contribution in labour is imposed on the poorer sections of the community and the richer section of the community do not contribute such labour. Further, those who can offer only shramadan would be persons who cannot work without wages. Contribution by way of labour and material has also led to

a number of corrupt and undesirable practices in the matter of valuation of works. So we agree with the above view and recommend that contribution should be in cash only.

Plan Execution:

4.13. If the Zilla Parishad is to be made responsible for formulation and implementation of plans in the district sector, it follows that it should have the necessary officers and staff to carry out this important function. Since the early days of planning the Government of India have emphasised that an important adjunct for planning is an efficient machinery for the implementation of the plans. Therefore the Zilla Parishad should not only have a competent planning cell or department but also effective control over all the district heads of development departments concerned with subjects included in the district sector and transferred to the Zilla Parishad. The administrative set up of the Zilla Parishads, the powers, functions and duties of the chief executive officer and district development commissioner, the various district heads of development departments and all other connected matters are dealt with in detail in Chapter VI.

CHAPTER V.

RESOURCES OF PANCHAYATI RAJ INSTITUTIONS AND THEIR OBLIGATIONS.

Finances of local authorities before Independence :

5.1. The history of the finances of local authorities in India shows that their financial difficulties are as old as themselves, although the difficulties have become more aggravated during the last ten to fifteen years. The various commissions and committees which went into the question of finances of local self-government bodies have held from time to time that the sources made available to them are not in the main such as could yield an increasing revenue commensurate with their growing needs. The Royal Commission on Decentralisation (1906) was of the view that the revenues of local bodies were insufficient and inadequate. In its resolution, dated 28th April 1915, the Government of India held that "the smallness and inelasticity of local revenues" and "the difficulty of devising further forms of taxation" were some of the factors which impeded the free and full development of local self-government. The Indian Taxation Enquiry Committee (1924) observed that it was perhaps hardly necessary to emphasise the fact that the finances of local bodies all over the country were inadequate for the services which they had to perform and that one of the causes of this was no doubt to be found in the development of local bodies by a process of devolution and another in the fact that the *taxation of real property which should be the main basis of the local taxation* had in a great measure in India been reserved for the State. It recommended that at least something in the nature of tax on sales be levied by the local bodies to get rid of indirect taxation in the shape of octroi and terminal taxes. The Simon Commission (1930) said that "it is a commonplace of administration in India that financial resources are generally quite inadequate to meet the needs and this specially is true of local self-government".

Post-Independence Era :

5.2. The Local Finance Enquiry Committee (1949) recommended that all public utility and commercial undertakings of Government should be treated so far as local taxation is concerned in the same manner as if they were conducted by private enterprise; that the liability of railways for both general and service taxes should be recognised; that the stress laid on payment of taxes for services rendered as criterion for local taxation on railway properties was in its opinion not justified. It observed that if the functions imposed on local bodies under the Constitution (Articles 45, 47, etc.) were to continue to be the responsibility of local bodies, the State should come to their assistance

by way of adequate grants-in-aid to enable them to achieve the minimum national standard of efficiency. It also recommended that there should be no financial responsibility on local bodies in respect of secondary education. It further observed that the basis of compensation for the loss of income due to abolition of tolls should be reopened and fresh amounts fixed in the light of altered facts. The Taxation Enquiry Commission (1958) stated that the growth of revenues of local bodies as compared to the Central or State revenues had been very less, that local authorities were generally faced with the problem of inadequate resources of finance for even essential functions and it finally recommended that the *taxes on lands and buildings should be completely reserved for local bodies* and that local bodies should receive an equitable share of the proceeds from Motor Vehicles Tax. The Central Council of Local Self-Government Ministers (1962) complained that the recommendations made by the Local Finances Enquiry Committee (1949) and the Taxation Enquiry Commission (1958) had not been implemented at all, that local bodies had been deprived of their lucrative non-tax sources of revenue like electricity distribution, levy of tolls, tax on motor vehicles, octroi, etc., that local bodies had suffered from neglect over the years and that their problems had been regarded unfortunately as inferior to those of State and National Governments. The Rural Urban Relationship Committee (1966) observed that the State Governments had by and large ignored the pressing recommendations of the committees and the commissions previously appointed and that if local bodies were to be made financially self-reliant, they should be assured of adequate sources of revenue to meet the cost of their essential services.

Constitutional position of Local Authorities and their finances :

5.3. Article 12 of the Constitution of India makes it clear in the two most important parts of the Constitution, viz., Part III which deals with Fundamental Rights and Part IV which deals with Directive Principles of State Policy that "the State includes the Government and Parliament of India and the Government and the Legislature of each of the States and of *Local or other authorities* within the territory of India or under the control of the Government of India". The Constitution thus recognises that 'Local Government' institutions are an essential part of the National Government. The subject of 'Local Government' figures under entry No. 5 of List II of VII Schedule of the Constitution which reads as follows :

"Local Government that is to say, the constitution and powers of municipal corporations, improvement trusts, district boards, mining settlement authorities and other local authorities for the purpose of local self-government or village administration".

Thus there is no separate list in the Constitution of subjects which fall exclusively within the purview of local authorities. As such, all units of local government are creations of the State Government and possess such powers and functions as are specifically delegated to them by the Acts of the State Legislatures. They are therefore subject to statutorily defined supervision and control by State Government. The Constitution divides the public revenues of the country into two

parts only—one for the Union and the other for the State and permits the State authorities to allot any resources at their discretion to local bodies out of the State's share of public revenue. Theoretically local bodies can be permitted to levy any of the taxes which a State Government is empowered to levy under the Constitution.

5.4 Democratic management of local affairs carries with it the cognate responsibility of mobilising local resources. Low taxes would perpetuate the low level of services creating a vicious circle of poor services and local resistance to levy of taxes. By improving the quality of services rendered by Panchayati Raj bodies, they can generate greater confidence in the people and overcome their resistance. It is therefore imperative in the interests of the people themselves that the resources of these bodies are strengthened to the extent necessary for extending and improving the quality of service rendered to them and that at the same time they are properly utilised.

5.5 In our own State, the Vengal Rao Committee which went into the working of Panchayati Raj bodies observed that Panchayati Raj institutions had not received sympathetic understanding of their problems, let alone helpful guidance and that this particularly reflected in the masterly inaction displayed by the Government in regard to the problem of paucity of funds and that Panchayati Raj bodies, faced with serious financial difficulties, were forced to slow down the tempo of development with the result that their image suffered and left a bitter strain of dissatisfaction. It went on to observe that lack of adequate finances was nothing but a mockery of the concept of local-self government.

Panchayati Raj Institutions, their Resources, their Powers and Functions:

5.6 The obligatory functions of Panchayats are detailed in Chapter III of the Andhra Pradesh Gram Panchayats Act, 1964. They cover all civic functions including construction, repairs, and maintenance of roads and streets, disposal of drainage water and sullage, lighting of public roads and streets, cleaning of streets, removal of rubbish, provision of public latrines, opening and maintenance of cremation and burial-grounds, preventive and remedial measures connected with any epidemic, sinking and repairing of wells, supply of water for drinking, registration of births and deaths, establishment and maintenance of cattle pounds, conservation of manurial resources, preparation of compost, etc.

5.7 The Gram Panchayats may also undertake the construction and maintenance of dharmasalas, rest-houses, planting and preservation of groves and trees, provision of pre-primary education, elementary education, health education, cottage industries, establishment and maintenance of dispensaries, play grounds, wireless receiving sets, parks, libraries and reading rooms, provision of relief to the crippled, the destitute and the sick, etc., etc. We have not listed out here exhaustively all the functions which are within the scope of panchayats as they are found in the Andhra Pradesh Gram Panchayats Act, 1964.

In addition, as agents of the Government, the Zilla Parishad, the and Pan chayat Samithi the Gram Panchayats have got to execute development works or schemes which lie within their jurisdiction and which are entrusted to them by the higher bodies.

5.8 The sources of income of Gram Panchayats, Panchayat Samithis and Zilla Parishads are listed in Appendix (IV) of this report. Although the list under Gram Panchayats is very large, the per capita income in the year 1970-71 for all the notified (793) and non-notified (15,057) Gram Panchayats in the State was just Rs. 2.75. It does not require much imagination to conclude that with such a poor income of less than Rs. 3 per head it would not be possible for any Gram Panchayat to discharge even a few of the most essential functions listed out in the preceding paragraphs. It cannot be said that Gram Panchayats have not made any significant effort to improve their resources. In a decade from 1959-60 to 1969-70, the receipts of Panchayats have grown from Rs. 297.13 lakhs to Rs. 915.46 lakhs registering thereby a growth of 235 percent over 10 years (Appendix V). Even then the per capita income is still Rs. 2.75. In the year 1970-71, the total grant made available by Government to Gram Panchayats in the entire State amounted to just Rs. 87.16 lakhs out of the total receipts of Rs. 938.65 lakhs. This works out to 9.28 per cent. Their own resources amounted to Rs. 536.49 lakhs (56%) and receipts from local cess, duty on transfer of property and entertainment tax worked out to Rs. 315 lakhs (34%). The income range particulars of Gram Panchayats in Andhra Pradesh are given in Appendix (VI) to this report. According to it, there are nearly 3,000 Panchayats with an income of less than Rs. 1,000 per year while over 6,600 get an income over Rs. 1,000 but below Rs. 3,000. There are only 1,258 Panchayats whose annual income is more than Rs. 10,000.

Panchayat Samithis :

5.9. The functions of Panchayat Samithis are listed out in the Schedule to the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959. These functions cover programmes under Community Development, Agriculture, Animal Husbandry, Fisheries, Health and Rural Sanitation, Education (Elementary and Basic), Social Education, Communications, Co-operation, Cottage Industries, Women Welfare, Social Welfare, Emergency Relief, collections of statistics and self-help programmes. The various items included under each of these heads in the Schedule cover almost every service that has to be attended to for the social, economic and cultural development of the rural masses. Against this formidable list of the duties and functions of Panchayat Samithi, the sources of income allotted to them are those detailed in Appendix IV. They mainly consist of a share of the land/local cess and duty on transfers of property, the per-capita grant of 45 paise, Community Development grants, and funds allotted either by the Zilla Parishad or by the Government for specific schemes, etc. On an average, a Panchayat Samithi in the coastal districts in Andhra area receives about Rs. 50,000 under land cess, Rs. 20,000 under 25 paise grant, Rs. 60,000 towards its share of the surcharge on stamp duty while in Rayalaseema and Telangana regions the corresponding figures are Rs. 30,000, Rs. 20,000 and Rs. 1,500.

The Government have since taken over the full responsibility for the payment of salaries of teachers and approved contingent expenditure in respect of elementary schools maintained by the Panchayat Samithis. There is however a persistent demand that there are no adequate grants for the construction of school buildings, provision of play grounds and equipment including teaching aids, etc. Therefore with the Government retaining the entire Education Cess in Andhra area and giving a small amount to all Panchayat Samithis towards contingent expenditure and little or no funds for capital expenditure, it is not possible for the Panchayat Samithis to make any substantial headway in providing school buildings, play grounds, etc. Very few Panchayats have protected water facilities although a large number of them do have tanks or wells to supply drinking water. There are still 16,149 villages including hamlets which do not have adequate facilities for drinking water. That even after 25 years of independence we have not been able to provide even drinking water facilities to such a large number of villages is almost shocking. The sanitary conveniences which are so essential for maintaining the village sanitation are either not adequately provided or not provided at all. The people are yet to be educated about the dangers of indiscriminate pollution and the necessity of providing themselves with latrines and to use public latrines provided for them. The harijan hamlets have yet to receive adequate attention in the formation of feeder roads to their hamlets, pavements at least to main streets, provision of electric lighting, construction of pucca school buildings, etc. Much has yet to be done by the Panchayat Samithis which should spur the Gram Panchayats to take up these works with such assistance as the Samithis could offer and with people's participation. In respect of production programmes under Agriculture, Animal Husbandry, Fisheries, Cottage, Village and Small Scale Industries, the resources made available to the Panchayat Samithis are inadequate for achieving significant progress and improving upon it year by year. Although minor irrigation works upto a limit have been entrusted to the Panchayat Samithis, the funds given to them are not at all sufficient for repairing the irrigation sources regularly and maintaining them in proper condition. The annual per acre maintenance grant is Rs. 8.50 as against Rs. 5 in Maharashtra. Poor maintenance even when funds are available is not uncommon in India. There is nothing surprising if Panchayat Samithis have not been giving adequate attention to the maintenance of roads, buildings, furniture in schools, etc., for want of funds.

Zilla Parishads :

5.10 The important obligatory functions of the zilla parishads are—

- (1) establishment, maintenance and expansion of secondary, vocational and industrial schools ;
- (2) improvement and maintenance of roads classified as district roads ;
- (3) making adequate provision for prevention of and combating epidemics, etc., and
- (4) performance of the functions and duties of the former district boards transferred to them which include maintenance of markets, ferries, etc.

The sources of income of Zilla Parishads are as shown in Appendix (IV). In the main, they consist of share of land cess and of surcharge on stamp duty, grant at the rate of 10 paise per head of population and funds made over to Zilla Parishads for the specific purpose of executing schemes entrusted to them.

5.11 The Government have undertaken the full responsibility for meeting the entire expenditure on Secondary Education. This, however, does not cover the non-recurring expenditure—provision of school buildings, play grounds, equipment, etc. The grants given to the Zilla Parishads and the funds available to them for improving and maintaining district roads are totally inadequate. The total length of roads maintained by the zilla parishads is 18,264 miles and the expenditure on maintenance is Rs. 151.00 lakhs which works out to Rs. 1,188 per mile as compared to Rs. 570.26 lakhs spent by Government on 18,758 miles of roads maintained by them which works out to Rs. 4,145 per mile.

Success of Panchayati Raj depends on resources :

5.12 It is recognised on all hands that the success of local-self governing bodies depends to a considerable extent on the financial resources available to them. They cannot prove effective and useful unless they have adequate financial resources to carry out their functions. A number of activities like primary and secondary education, medical and public health, communications, agriculture, animal husbandry, etc., for which the State Government have a direct responsibility have been transferred to the Panchayati Raj institutions. To the extent of such transfer to Panchayati Raj bodies, the Government are relieved of direct responsibility but have still to ensure that these activities which are for the benefit and welfare of the people as a whole are not only maintained at an efficient level but also extended from year to year so as to meet the growing demands of the people. Consequently, the financing of these activities should still continue to be the responsibility of the State Government. As observed by the Santhanam Committee on 'Panchayati Raj Finance,' "no where in the world do local bodies function without substantial assistance from State Government". We, however, wish to observe that it will detract from dignity and autonomy of self governing institutions if they are to be entirely dependent on assistance from the Government. It is essential for their stability and their growth that they should have substantial and growing resources of their own which they can exploit and develop to the maximum extent necessary and possible. In making our recommendations we have kept this objective in view.

Financial difficulties of Panchayati Raj bodies :

5.13 The financial difficulties of Panchayati Raj bodies may be attributed to the following factors :—

- (1) inadequate assignment of resources and their limited scope for yielding steady and expanding revenue from year to year ;

(2) rural people are becoming more and more conscious of their needs and consequently the Panchayati Raj bodies have got to extend the services atleast to some extent to meet their demands even if their resources do not justify ;

(3) even the promised assistance from Government departments is not released in time or in full and the assistance has too many strings attached to it ;

(4) the cost of services has grown enormously because of increase in salaries and allowances and wages and the cost of materials ;

(5) there has been a steep decline in the purchasing power of the rupee as shown below and the Government have not given additional assistance to these institutions to make up for the erosion in the rupee value :

Description of articles.	(Base year 1989—100)				Residual purchasing power expressed as a percentage of 1949 value.
	Price indices as in				
	June 1949	June 1956	June 1966	June 1972	
(1)	(2)	(3)	(4)	(5)	(6)
Cereals (Rice, Ragi, etc.)	285	472	768	1,282	19%
Pulses ..	512	484	928	1,587	88.8%
Sugar and Jaggery.	416	318	628	1,288	88.8%
Vegetable oils	711	615	1,809	1,811	88.2%
Textiles ..	325	425	564	898	86.2%
Metals ..	286	398	678	1,590	18%
Building materials...	191	550	762	1,160	16.5%

The table gives detailed price indices of basic consumption articles from 1956-1972 which are the relevant years for our purpose as Panchayat Raj institutions came into operation after 1956. The data has been compiled by the Directorate of Statistics, Government of Tamil Nadu and not by commercial bodies which are likely to be impeached.

It will be seen from the table that the base year was 1989 with price indices of 100 while in June 1956 the price indices rose for the various items between 818 and 615 and in June 1972 it varied from 896 to 1,811. The residual purchasing power of the rupee has been reduced in some cases to as low as 16.5%. No further comment is necessary to highlight the fact that the increase in revenues is too small to make up for the huge drop in the purchasing power of the rupee.

5.14. In order to pay wages salaries and essential bills, the Panchayat Raj bodies have no option but to divert in many cases earmarked funds such as the provident fund, endowment fund, social welfare fund, etc., and to reduce expenditure on maintenance of roads, dispensaries, buildings, etc., and to avoid taking up even small works of non-recurring nature like addition of school rooms to schools when higher classes are started, construction of small culverts etc.

Need for additional taxation in the Rural Sector accepted :

5.15. We placed the facts before the large gathering of rural representatives when we met them in the districts which we visited. We frankly told them that unless the rural people tax themselves to the extent necessary there will be no scope for any substantial improvement in any field of activity assigned to the Panchayati Raj institutions. We explained to them that the Government are sympathetic but they are almost helpless as their own resources are under great strain even to meet their normal expenditure. We explained how the Government had to cut down the size of their annual plans because of their inability to provide the State's share for financing the approved plans. Frequent droughts and floods had added enormously to aggravate the financial strain on the State Government. We also told them that even if the State Government wanted to provide more funds to Panchayati Raj institutions, they should come only through additional taxation in the rural sector. We are glad to record that the representatives of Panchayats, Panchayat Samithis and Zilla Parishads and others who came to give evidence before us have almost unanimously agreed for additional taxation measures being undertaken provided the benefits of such taxation were entirely made over to the Panchayat Raj institutions for fulfilling their obligations to the people. The proposals mentioned in the succeeding paragraphs have been discussed with them and they have given their wholehearted support to them. We therefore recommend that they be accepted by the Government and the Panchayati Raj institutions helped thereby to improve their finances.

Imperative need to improve the conditions of Rural Masses :

5.16. It is not necessary for us to give a detailed account of the deplorable conditions still prevailing in the rural areas to support our proposals nor need we reiterate again the enormous responsibility that lies on the State Government and the Panchayati Raj bodies to make substantial progress atleast in the coming years for the welfare of the rural people in all directions more particularly in respect of infra-structures, amenities, housing, agriculture production, cottage, village and small scale industries etc. We, however, would have to

mention once again that nearly 70% of the people are still poor and most of them belong to weaker sections and that greater effort has got to be made to improve their socio-economic conditions.

Taxation Proposals :

5.17. We recommend the following proposals:—

(1) The existing land revenue in the State as a whole should be doubled and made over to the Panchayati Raj institutions as proposed elsewhere in this chapter;

(2) The land cess/local cess should be raised to 50 paise per rupee throughout the State and the entire receipts should be made over to the Panchayati Raj institutions ;

(3) A local surcharge of 5% should be levied on sales tax collected within the State and 80% made over to the Panchayati Raj institutions and 20% to Municipalities.

(4) A surcharge of 5% should be levied on the bid amounts of toddy and arrack shops and also on the licence fees collected from wine and narcotic shops and the amounts so realized should be made over to the Panchayati Raj Institutions ;

(5) One-third of the receipts under the Motor Vehicle Taxation Act should be passed on to the Panchayati Raj Bodies for the construction and maintenance of roads ;

(6) The Bangla Desh surcharge now levied on entertainment tax should be converted into local surcharge and given to the local authorities concerned. We understand from the statement made by the Union Finance Minister that Bangla Desh surcharge would not be required after 1973. It would, therefore, be worthwhile continuing it as a local surcharge and giving the benefit to the Municipalities in urban areas and to Panchayati Raj bodies in rural areas.

Grants for sugarcane cess Roads :

5.18. The sugarcane cess at present levied is utilised partly for research and partly for maintaining communications. As is well known iron tyred carts and lorries loaded with cane use the roads which are maintained mainly by Panchayati Raj bodies and partly by the State Roads and Buildings Department and partly by the Municipalities. The fund available after earmarking a portion of it for research should be distributed between the authorities maintaining the roads used for the transportation of sugarcane in an equitable manner. We suggest that they should receive a share each in proportion to the length of roads in the sugarcane area which are used for transportation of cane and which are maintained by them.

The case of Panchayats for a Higher Share in assigned revenues.

5.19. As Panchayats have been established for every village, it is both necessary and desirable that the base for Panchayati Raj that is the Gram Panchayat should have adequate funds to do everything that is necessary and possible for village development at the village level itself. We are, therefore, recommending a higher share of funds to be given to gram panchayats.

Position in Maharashtra in regard to the aid to the Panchayati Raj Bodies from Land Revenue and Land cess.

5.20. We may mention here that in Maharashtra, the entire land revenue is given to Gram Panchayats and land cess levied at 100 paise per rupee is given to the Zilla Parishads and Panchayats. The land cess can be raised upto 150 paise. In addition, an amount equal to seventy per cent of the land revenue is given from the consolidated fund of the State to the Zilla Parishads.

Committee's basic approach :

5.21. At this stage, we would venture to mention that our approach to this very important question of strengthening the resources of Panchayati Raj bodies has been that as far as possible no undue additional strain should be thrown on the State Government's finances as their own financial position is none too happy and the rural population has to accept additional taxation.

Distribution of funds :

5.22. *Land Revenue :*

(1) It is generally accepted that the taxation of real property should be reserved for local bodies. Commission after commission recommended that the tax on land and buildings should be reserved for or made over to local authorities. So, we strongly recommend that the land revenue levied at present by State Government on each acre should be doubled and the entire amount made over to Panchayati Raj institutions. As against what the Maharashtra Government have done as explained in para 5.20 above we are recommending that the State Government do give only the land revenue after it is doubled along with the land and education cess. Part of the land revenue will be going to the District Development Fund which will relieve the State Government to that extent from the burden of making grants to the Zilla Parishad towards the State's share of plans in the district sector.

(2) Some of the representatives have stressed before us that the receipts under land revenue in each Panchayat area should be made over to the Panchayat itself or atleast the entire land revenue collected in each district should be distributed among the three tiers within that district giving a major share to Panchayats. We are unable to accept either of the suggestions for the reasons that the land revenue receipts are heavy in areas which have been enjoying irrigation facilities for a long time and which are

consequently better off in every way. If the receipts in each district are to be allotted in that district only, the imbalances which now exist between economically forward areas and the backward areas will be further widened;

(3) The total receipts under land revenue in the State are of the order of about Rs. 14.00 crores on an average. We recommend that land revenue levied at present should be made over to the Zilla Parishads so that it may be constituted into a District Development Fund to be administered by the Zilla Parishad solely for the purpose of financing plan schemes within the district sector about which more details are given in later paragraphs.

Additional Land Revenue :

5.23. The Additional receipts of land revenue through doubling the existing rates would amount to about Rs. 14.00 crores. If this sum is completely made over to the Panchayati Raj institutions, it would work out at about Rs. 4 per head of rural population. We recommend that this amount of Rs. 14.00 crores may be distributed as below :

(a) 50% of the total amount in the State to be distributed among the Panchayats on per capita basis (1971 census).

(b) 25% of the amount to be distributed among Panchayat Samithis on per capita basis.

(c) 25% of the amount to be distributed among Zilla Parishads on per capita basis.

If the distribution of about Rs. 14.00 crores of land revenue is made on the above basis, each Panchayat will get approximately Rs. 2 per head while Samithis and Parishads will get Re. 1 per head of their population.

Local Land cess :

5.24 As the land revenue is proposed to be doubled its receipts are expected to be of the order of Rs. 28.00 crores per year. Therefore 50 paise cess per rupee of land revenue which we recommend will yield about Rs. 14.00 crores. We recommend that it should be distributed as follows :—

Gram Panchayats	25 paise of the collection in the Panchayat area.
Panchayat Samithis	15 paise of the collection in the Samithi block.
Zilla Parishads	10 paise of the collection in the district.

Total .. 50

Thus out of the cess collected in each Panchayat area half the amount will go to the Panchayat and the balance will be distributed between Samithis and Parishads in the ratio of 15:10. We have already recommended that the Government should adopt uniform pattern for levy of cesses in both the regions of the State particularly because the funds of Panchayats in Telangana are meagre.

Five Per cent Surcharge on Sales Tax :

5.25. The 5% surcharge on Sales tax which we recommend will be collected mostly in urban areas although a large percentage of the purchases will be from the villages. It seems fair that the total receipts in the State under this item should be shared by the municipalities and Panchayati Raj bodies in proportion of 20% to municipalities and 80% to Panchayati Raj bodies. The share of Panchayati Raj institutions and municipalities might be distributed thus-Panchayati Raj institution's share to be distributed to Zilla Parishads on district-wise rural population basis and to municipalities on the basis of population of each municipality. The Zilla Parishads share should be credited to the District Development fund maintained by the Zilla Parishad. The Zilla Parishads may receive about 1.5 crores on this account,

5% Surcharge on bid Amounts of toddy and Arrack Shops etc:

5.26. This should be distributed to municipalities when the shops are located within municipal limits and to Panchayati Raj bodies where the shops are outside municipal limits and in villages. The amounts collected outside municipal limits in each district should be shared equally between Panchayat Samithis and Panchayats in the district on population basis i.e., 50% of the anticipated receipt of about Rs. 1.00 crore (Panchayati Raj share) in the State will be distributed to the samithis in the districts on population basis and the balance 50% to the Panchayats on the same basis.

Share of Receipts under Motor Vehicle Taxation Act :

5.27. We also recommend that 1/3rd of the total collections made in the State under the Motor Vehicles Taxation Act should be made over to the Panchayati Raj bodies. This should be distributed to all the districts on population basis. The Zilla Parishads should receive 1/3rd and the balance 2/3rd shall be distributed among the Panchayat Samithis on the basis of their population. The 1/3rd share of Panchayati Raj institutions is expected to bring about Rs. 5.00 crores annually.

District Development Fund :

5.28. We strongly recommend that there should be a District Development Fund constituted for each Zilla Parishad for the purpose of financing plans in the district sector. Since the State Government, the Zilla Parishads and the Panchayat Samithis are all responsible for the development of the rural areas and since the benefits of all plan schemes in the district sector will be going to the people living in the villages whichever may be the authority executing such schemes, there should be no hesitation in any quarter for the constitution of this fund in each Zilla Parishad in the State.

We have said in para 5.22 that the anticipated receipts at the present rates of land revenue which would be of the order of Rs. 14 crores should be credited to the twenty one district development funds to be constituted by each Zilla Parishad solely for the purpose of financing plan schemes in the district sectors concerned. We have also recommended in para 5.25 that the share of Panchayati Raj bodies in respect of the five per cent surcharge on sales tax should also be credited to District Development Fund. This is estimated at Rs. 1.5 crores annually. Thus every year a total amount of Rs. 15.50 crores would be available to this fund to be constituted in all the districts in the State and in a plan period of five years, this fund which is to be administered by the Zilla Parishads might be of the order of rupees 77.50 crores. This amount of Rs. 15.50 crores per annum should be distributed at Rs. 4 per head of population to each of the district and it should be earmarked for development schemes in the district. In giving priorities to the schemes to be selected for being financed from out of this fund, preference should be given to backward areas in the district and to the schemes exclusively benefitting the weaker sections of the community. Each Zilla Parishad could also credit at least part of its surplus funds to this fund. The amounts accumulating in this fund should be in the Government Treasury. The amounts of this fund should be always kept separately and not mixed with the other funds of the Zilla Parishad.

Special Provisions for Panchayats:

5.29. The pilgrim tax levied under the old District Boards Acts by the Zilla Parishads or Panchayat Samithis should be made over to the Gram Panchayats or townships concerned for making adequate arrangements during the festivals, etc. The provisions in the Acts for collection of this tax should be enforced in respect of the areas in which important temples are located.

5.80. In order to enable Panchayats to raise plantations on Government vacant lands and porambokes, we recommend that within a period of one year from now, the Government should ensure that the district collectors hand over all such lands and porambokes to the Panchayats concerned as stipulated in section 67 of the Andhra Pradesh Gram Panchayats Act, 1964.

5.81. Fishing rights in minor irrigation tanks vest with Panchayats. Instead of handing over the tanks to the Panchayats for the purpose of rearing fish and auctioning the fishing rights year by year, the Revenue Department continues to keep the tanks under their control, auction the fishery rights and makes over the proceeds to the Panchayats. In some cases, it is alleged that even the proceeds have not yet been handed over. We recommend that in accordance with the provisions in the Andhra Pradesh Gram Panchayats Act, the fishery rights in such tanks should be handed over to the Gram Panchayats. We also recommend that where there is a fishermen co-operative society in the Panchayat, the fishery rights should be given to the fishermen co-operative society and the lease amount should be fixed by the assistant director of fisheries concerned or by an officer authorised by the

Director of Fisheries. In the absence of such a society, the lease could be given to even a non-fishermen co-operative society in consultation with the senior local fishery official. In case neither of these societies is available nor they do not come forward to take them on lease, there should be a public auction.

5.32. The seigniorage fees and cess collected in respect of minor minerals, etc., should be made over to the Panchayat concerned.

5.33. We agree with the High Power Committee on Municipal Finances and recommend that the existing rates of 85 and 45 paise entertainment tax should be raised by 5 paise. This will give financial help to Panchayats in which cinema theatres are located or touring talkies play now and then.

5.34. We also recommend that Government should retain only one percent and not three percent of the tax towards collection charges of entertainment tax.

5.35. The licence fees now charged for D & O trades etc., are low and the fees may be raised by 100 per cent.

Assistance to Tribal Development Blocks :

5.36. In Maharashtra, 5% of the forest revenue is made over to the Tribal Development blocks. We recommend that in our State also 5% of the total forest revenue should be earmarked for distribution among all the Tribal blocks on population basis. This may be about Rs. 35 lakhs per year.

Panchayati Raj Finance Corporation :

5.37. The Study Team on Panchayati Raj Finances headed by Sri K. Santhanam recommended that every State Government should establish a Panchayati Raj corporation and its authorised capital should be divided into fully paid up shares of Rs. 100 each and issued to the Panchayati Raj institutions, State Government, Central Government, Reserve Bank of India, Scheduled and Co-operative Banks, Life Insurance Corporation of India and other financial institutions. The corporation shall be empowered to sell bonds and debentures and give loans to the Panchayati Raj institutions to enable them to undertake public utility works like water supply, drainage, remunerative enterprises, construction of wells, pisciculture etc. This is an important and far reaching recommendation. The Study Team of the Administrative Reforms Commission recorded that the State Governments welcomed the proposal enthusiastically. It recommended that legislation should be undertaken by Parliament on the lines of the State Industrial Finance Corporation Act.

5.38. Although State Governments sanction loans under the Local Authorities Loans Act, 1914 to Panchayati Raj institutions, they are totally inadequate for the purposes mentioned above. We therefore strongly recommend that the State Government do take

steps to establish Panchayati Raj Finance Corporation in the State. If the avowed object of improving the rural areas, particularly the conditions of weaker sections, is to be achieved, the existence of a financing organisation like the corporation is absolutely necessary. We may mention here briefly what the Government in Japan do to provide adequate finance to local bodies. Prior to the commencement of every fiscal year, the Government of Japan make a basic financial policy for the year concerned for all public bodies and according to that policy, work out an estimated programme of administrative expenditure and revenue for all the public bodies. The programme is called 'Local Finance Programme'. Through the 'Local Finance Programme', the state will, in case a balance of revenue with expenditure is upset in local finances, take necessary measures to balance the revenue with the expenditure by way of revision of the local financial or administrative structure and also adjusting the local allocation tax etc. The Government thus attach great significance to the local finance programme and show to local bodies in concrete terms what the local finance should be. The local finance programme is formulated on the following basic policy :

(a) to expand public investment and to provide for roads, water supply, sewage, housing etc., with a view to elevate the standard of living of the people consistent with the improvement of industrial economy ;

(b) to rationalise the local tax burden and to reinforce local independent revenue ; and

(c) to fill up the revenue resources of poor local bodies and thereby to reduce the regional difference in succession and to issue more local bonds for construction of public facilities in remote places. (The financial obligation to be borne by a local authority for a period exceeding one fiscal year is called local bond).

5.89. We may also benefit from what Japan has done by passing a Local Autonomy Law which consists of three parts :

(a) Local finance law which establishes a basic policy concerning financial obligations between State and the local bodies ;

(b) Local Allocation Tax Law by which the financial sources of the local bodies are guaranteed ; and

(c) Local Tax Law which provides for a basic local tax system in the country in accordance with which the local tax is levied and collected.

Consolidated legislation covering these three aspects is long overdue and is a pre-requisite for the financial stability of Panchayati Raj institutions.

Government's present assistance to Panchayati Raj Institutions :

5.40. Apart from land/local cess and surcharge on stamp duty and entertainment tax which are levied specially for the benefit of local bodies, the Government give assistance as shown below :—

(a) An annual grant of 80 paise per head of rural population— 10 paise to Zilla Parishads, 45 paise to Panchayat Samithis and 25 paise to Panchayats. The rural population according to 1971 census is 8.70 crores and the Government's commitment is Rs.2.91 crores per year. Under our scheme of financing Panchayati Raj bodies, Government need no longer pay this per capita grant.

(b) The cost of primary and secondary education is met directly by Government. We recommend that Government continue to meet this expenditure as at present besides giving additional amounts towards capital expenditure for construction of school buildings, purchase of equipment etc. As we have observed elsewhere in this report, most of the primary schools run by the Panchayat Samithis and secondary schools under Zilla Parishads do not have their own buildings, adequate play grounds, sufficient equipment etc. Unless substantial funds are released year after year to the Panchayat Samithis and Zilla Parishads for the purpose of providing these essential amenities for primary and secondary schools, the present condition of schools may further deteriorate. We understand that the Government are contemplating to levy a substantial education cess. We recommend that atleast 25 paise of the proposed levy of education cess should be earmarked for this purpose and made over to the Panchayat Samithis and Zilla Parishads.

(c) Assistance is also given to Panchayati Raj institutions by the departments of Government as provided in the State budget. The budget for 1972-73 has provided Rs. 66.99 crores as such assistance-Rs. 9.45 crores towards plan expenditure and Rs. 57.54 crores under non-plan expenditure. Appendix No. VII gives the details of the provisions made. The non-plan provision includes Rs. 35.16 crores for education. As Government meet this expenditure directly without passing on the grant to Zilla Parishads and Panchayat Samithis, it may be excluded to arrive at the grant paid by all other departments to Panchayati Raj bodies. That comes to Rs. 22.38 crores (Rs. 57.54 crores minus 35.16 crores). As this includes cost of establishment under medical, public health animal husbandry, etc., we feel that Government may raise the provision of Rs. 22.38 crores by 10% to enable Panchayati Raj bodies to meet the extra cost on annual increments and to provide better maintenance for Minor Irrigation Sources, roads etc. If it is increased by 10%, the annual grant comes to Rs. 24.61 crores (Rs. 22.38 crores plus 2.23 crores at 10%) or Rs. 25.00 crores roundly. Its distribution headwise may be done by Panchayati Raj Department in consultation with Finance and the Heads of Departments concerned. It should be given as block grant to the Panchayati Raj bodies. This amount may be paid till the end of the fifth plan period and the position reviewed thereafter.

5.41. The plan expenditure (Rs. 9.45 crores in 1972-73) in future years till the end of the fifth plan will be taken care of by the District Development Fund of each district in respect of all schemes and programmes included in the district sectors of the plan upto availability.

5.42. *The extent of Augmentation of Financial Resources of Panchayati Raj Institutions—Non-Plan Resources :*

(A) ZILLA PARISHADS :

	Rs.
(i) Additional Land Revenue (25%) ..	3.5 crores
(ii) Local cess at 10 paise out of 50 paise ..	2.8 crores
(iii) $\frac{1}{3}$ rd of the receipts under M.V. Tax Act assigned to P. R. bodies (i.e., $\frac{1}{3}$ rd of Rs. 5.0 crores.)	1.7 crores
	8.0 crores

Loss of revenue :

(iv) Loss because of non-payment of 10 paise..	0.86 crore
(v) Share of cess already levied ..	0.70 crore
Total loss ..	1.06 crores
Net resource ..	6.94 crores

(Rs. 8.00 crores minus Rs. 1.06 crores.)

(B) PANCHAYAT SAMITHIS :

(i) Additional Land Revenue (25%) ..	3.5 crores
(ii) Local cess (at 15 paise) ..	4.2 crores
(iii) $\frac{1}{3}$ rd of the receipts under M.V. Tax Act assigned to P.R. bodies (i.e. $\frac{1}{3}$ rd of Rs. 5.0 crores.)	3.3 crores
(iv) 50% of the 5% surcharge on bid amounts of toddy and arrack shops etc.	0.5 crore
(v) Special assistance to tribal blocks—5% of forest revenue. ..	0.35 crore
	11.85 crore

Loss of Revenue :

(vi) Loss as there will be no per capita grant of 45 paise.	..	1.62 crores
(vii) Share of cess already levied	..	0.84 crore
		<u>2.46 crores</u>
Net resource		<u>9.89 crores</u>

(Rs. 11.85 crores minus Rs. 2.46 crores)

(c) Panchayats :

(i) Additional Land Revenue (50%)	..	7.0 crores
(ii) Local cess (25 paise)	..	7.0 crores
(iii) 50% of the 5% surcharge on bid amounts of toddy etc., shops	..	0.5 crore
		<u>14.50 crores</u>

(d) Loss of Revenue :

(i) Loss owing to non-payment of per capita grant of 25 paise.	..	0.90 crore
(ii) Share of cess already levied in Andhra and Telangana.	..	1.0 crore
		<u>1.90 crores</u>

Net resource		<u>12.60 crores</u>
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(Rs. 14.50 crores minus Rs 1.90 crores)

Total non-plan resources for the 8 bodies (Rs. 6.94 crores plus Rs. 9.89 crores plus Rs. 12.60 crores)		<u>28.93 crores</u>
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This additional investment of about Rs. 8 per head of rural population is the minimum required to help Panchayati Raj bodies to discharge their obligations to the millions in villages.

5.43. Plan Resources :

	Rs.
(i) Allocation of land revenue to the District Development Fund.	14.00 crores
(ii) Share of 5% surcharge on sales tax transferred to District Development Fund.	1.5 crores
	<u>15.5 crores per year.</u>

NET ADDITIONAL COST TO GOVERNMENT

Additional commitment :

(i) One third of the receipts under M. V. Tax Act. ..	5.00 crores
(ii) 5% of forest revenue to be given to tribal blocks. ..	0.85 crores
(iii) Increase in the State budget provision of non-plan expenditure. ..	2.62 crores
Total	7.97 crores

Relief to Government :

(i) Abolition of per capita grants to P.R. bodies from State revenue at 80 paise per head of rural population.	2.88 crores
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Net additional cost :

(Rs. 7.97 crores minus Rs. 2.88 crores)	5.09 crores per year.
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Considering the vast rural population, this additional commitment of about Rs. 5.0 crores per year cannot be considered to be an undue burden even in the face of Government's financial difficulties.

5.44 We have not included the land revenue levied at present in our tally as it will go to the District Development Fund in all the 21 districts and helps to relieve the State Government of its share of district sector extent of its availability. As this District Development Fund gets also Rs. 1.5 crores from the surcharge on sales tax, the State Government actually benefits by this addition as it has to meet the State's share of the excess over and above Rs. 15.5 crores per year. If this is taken into account the actual additional commitment to Government referred to above will be reduced to Rs. 3.59 crores annually.

5.45. If Panchayati Raj institutions are to make plans in advance and implement them effectively, the assistance due to them has to be assured. We therefore recommend that whenever there is a short fall in the collection of land revenue, because of suspension of collection or remission of land revenue Government should make up the short fall from its consolidated fund.

Local Authorities Finance Commission :

5.46. The High Power Committee on Municipal Finances and Financial Administration recommended the appointment of a Local Authorities Finance Commission every five years well in advance of the appointment of the Finance Commission by the President of India to examine the financial requirements of local authorities for meeting their financial obligations for water supply, drainage, sanitation health,

education and other obligatory services and expenditure on plan schemes and programmes forming part of Five Year Plan but meant to be executed by local authorities. The Commission should make an assessment of prospective revenue which the local authorities should be expected to realise from resources allocated to them and lay down the scale for sharing of certain taxes divisible between the State Government and the local authorities. The State Government should include the financial obligations determined by the local authorities finance commission in their memorandum to the Finance Commission. It is only then that the finances of local authorities will become an integral part of the overall national finances. We entirely agree with this recommendation and support it strongly.

5.47. Now that the Sixth Finance Commission is already at work, we recommend that on the basis of the analysis and the recommendations made by us, the requirements of Panchayati Raj institutions in our State should be taken note of and a memorandum presented to the Finance Commission in good time lest the golden opportunity of bringing the needs of Panchayati Raj institutions to the notice of the Finance Commission should be lost.

Taxation of Government of India Properties including those of the Railways and Central Sector Undertakings :

5.48. Under the Constitution of India (Article 277 and Article 285 (2)), only buildings owned or constructed by the Government of India before 31st March, 1957 are liable to be taxed and that too according to the range of taxation as existed prior to 1st April, 1957 and not according to its expansion owing to increase in the rates or duties. We strongly recommend that the State Government do take up this important question of treating all Central Government properties including railways and public sector undertakings on the same footing as properties of the State Government which are assessed to taxation.

Lodgment of Funds :

5.49. Under the existing rules, Zilla Parishads, Panchayat Samithis and larger Gram Panchayats lodge their funds in Government treasuries and other Panchayats in post offices. The funds include current collections, loans, Government grants, contractors' deposits etc. If Government agree to provide funds as "ways and means advance" to these bodies or release the funds regularly in order to avoid possible dislocation of payments which are obligatory, there may be no need to authorise these bodies to invest their funds in nationalised or scheduled banks. If, however, "ways and means" advances are not to be granted or funds are not released either monthly or quarterly in advance, the Zilla Parishads and Panchayat Samithis will have to make their own arrangements for ways and means. Banks are likely to give them accommodation in this respect provided they lodge their funds and keep their accounts with them. We hope Government will examine the alternatives and decide how best these bodies should be helped to avoid facing financial difficulties in meeting the day to day expenditure on salaries, wages, approved programmes, schemes etc. We have examined this matter in greater detail in Chapter IX.

CHAPTER VI.

ADMINISTRATIVE STRUCTURE OF THE THREE PANCHAYATI RAJ INSTITUTIONS.

6.1. In the foregoing chapters, we have recommended a system of elections to and composition of the three tiers of Panchayati Raj institutions, namely, Gram Panchayats, Panchayat Samithis and Zilla Parishads, which are at once broad based and truly representative of the rural people, the Zilla Parishads playing a vital role in the development of rural areas with adequate financial resources and powers. We have suggested the appointment of a senior officer to be designed as chief executive officer-cum district development commissioner who will be responsible to help the Zilla Parishads in formulating and executing the district plans and all other development and welfare projects and schemes in the district, with sufficient authority and adequate powers. It follows, therefore, that departments in the district intimately connected with development of the district should form part of the Zilla Parishad and the chief executive officer-cum-district development commissioner should assume the leadership of the team of the district officers of these development departments and direct and co-ordinate their programmes and work. It is, therefore, necessary for us to outline the administrative organisation of the Zilla Parishads, Panchayat Samithis and Gram Panchayats and spell out the powers and functions of the district development commissioner, those of the district heads of development departments transferred to the Zilla Parishad and the block development officers in relation to the extension officers and other staff in the Samithis.

6.2. The chief executive officer-cum-district development commissioner, as we have stated earlier, in para 8.5 of chapter III should be a member of the I.A.S. in senior time-scale in the initial stages of the re-organised administrative set-up of the Zilla Parishads. It should be open to the State Government to appoint officers belonging to superior service of development departments of a comparable status and stature once the administrative organisation of the Zilla Parishads settles down as a smooth and efficient one to play its assigned role. The chief executive officer-cum-district development commissioner need not be a member of the Zilla Parishad or its standing committee or subject committees. But, he should be competent under the statute to attend the meetings of the Zilla Parishad and its standing committee. When any subject committee invites him to attend any of its meetings, he should attend such meetings without fail. In fact, it will be a wholesome practice and tradition if the chief executive officer-cum-district development commissioner creates opportunities for meeting the chairman and other office-bearers of Zilla Parishad informally as often as possible to understand each other and appreciate the problems

and programmes and, conversely, the office-bearers of the Zilla Parishad encourage and invite chief executive officer-cum-district development commissioner to meet them informally.

6.3. The chief executive officer-cum-district development commissioner should draw up and present the budget of the Zilla Parishad and the district plan including annual plans to the standing committee and the general body of the Zilla Parishad, providing the necessary guidance, material and information to them. He will report the progress in execution of plans and other developmental activities to the standing committee and the Zilla Parishad as often as necessary for review by them. He will have the ultimate responsibility for the proper implementation and execution of all resolutions of the Zilla Parishad, its standing committee and the subject committees. If, in his opinion any resolution of the Zilla Parishad, its standing committee or subject committees is beyond their competence or jurisdiction or not in conformity with any law or statutory rule in force or contrary to a direction or order of the State Government, he should have power to remit the relevant resolution to the Zilla Parishad or its standing committee or subject committee with a minute containing the reasons and grounds in support of his opinion and if the Zilla Parishad or its standing committee or subject committee as the case may be does not agree with him, he should be competent to refer such resolutions to the State Government through the Commissioner for Panchayati Raj with his minutes for such orders as they deem fit and pending decision of the State Government he should be competent not to implement such a resolution. He should have power to direct the secretary of the Zilla Parishad to convene a special or extraordinary meeting of the Zilla Parishad in consultation with the chairman Zilla Parishad for considering any special or urgent matter. All executive orders should be issued by and in the name of the chief executive officer-cum-district development commissioner and all deeds and contracts should be executed and entered into by him, on behalf of the Zilla Parishad. He should be empowered to tour within the district and with the permission of the Commissioner for Panchayati Raj outside the district.

6.4. The chief executive officer-cum-district development commissioner being responsible to the Zilla Parishad for proper and efficient execution of its resolutions and those of its committees should have power and authority to co-ordinate the activities and programmes of the several development departments and the district heads of these departments should carry out his orders and directions in regard to administrative matters. He should have power to grant earned leave up to 60 days to all district officers (class-I) and divisional officers. He should be empowered to transfer divisional officers and extension officers and head-masters of secondary schools within the district. Orders of transfer in respect of divisional and extension officers should be intimated to the regional and State heads of departments concerned. He should be empowered to accord administrative sanction to schemes and works the cost of which does not exceed Rs. 10,000 and to sanction recurring expenditure up to Rs. 2,000 per year and non-recurring expenditure up to Rs. 10,000 in case of emergency. All such sanctions should be placed before the concerned subject committee or standing committee at its next meeting. He should have power to

suspend a sarpanch or upa-sarpanch for any of the lapses mentioned in para 8.8 of chapter VIII and to nominate an upa-sarpanch to a Gram Panchayat in the circumstances stated in para 8.15 of chapter III. He should be empowered to delegate his powers in respect of specific matters to the appropriate district heads of development departments and to the two deputy chief executive officers. He may exercise such other powers and discharge such other functions in connection with the affairs of Zilla Parishad as the State Government may assign to him from time to time.

6.5. The following district officers of the development departments along with their office establishment at district level and all their subordinate officers and staff in the district should come under the control of the Zilla Parishads in the scheme of administrative set-up suggested by us:

- (1) Deputy Director of Agriculture.
- (2) District Veterinary Officer.
- (3) District Educational Officer.
- (4) Deputy Director of Industries.
- (5) Executive Engineer (Panchayati Raj).
- (6) District Medical and Health Officer.
- (7) District Panchayat Officer.
- (8) Assistant Director of Fisheries.
- (9) District Women Welfare Officer.
- (10) District Statistical Officer.
- (11) District Public Relations Officer.
- (12) District Social Welfare Officer.
- (13) Additional District Social Welfare Officer.
- (14) Tribal Welfare Officer if there is one.

The Executive Engineer (Panchayati Raj) and the District Social Welfare Officers are already under the Zilla Parishads.

Representations were made to us by officials and non-officials that departmentalisation of engineering services at the district level and below has resulted in duplication of organisation and over-lapping of jurisdiction resulting in avoidable delay in execution and maintenance of works besides avoidable waste of money by way of transportation charges and allowances and it was suggested that engineering services could be merged into one unified pool at the district level and below and the engineers up to the rank of executive engineers may be

entrusted with all types of engineering work, in a compact territorial jurisdiction. There could be one or two superintending engineers for each district to supervise all types of works. It was also suggested that there could be a board of chief engineers at the state head quarters with different branches of engineering allotted to them. While we agree that this is a good suggestion with potential for a lot of operational efficiency both at the field and higher levels, we are not inclined to recommend the scheme for implementation at once as it has got to be studied in greater detail. We recommend the scheme for active consideration by the State Government at an appropriate time in the future.

6.6. The district officers of development departments after they are brought under the control of the Zilla Parishad along with their subordinate staff will function as departments under the overall control and authority of the chief executive officer-cum-district development commissioner. Since the Zilla Parishad would function through six subject committees and a standing committee, the district heads of these development departments should attend the meetings of the Zilla Parishad, its standing committee and the appropriate subject committee. The departments should be attached to the subject committees as shown below. The conveners of these committees are those indicated against each committee.

<i>Committee</i> (1)	<i>Subject</i> (2)	<i>Convener</i> (3)
1. Subject Committee for Agriculture and Industries.	Agriculture, Animal Husbandry, Industries, Fisheries.	Deputy director of Agriculture.
2. Subject Committee for Education and Health.	Education, Public Health.	District Educational Officer.
3. Subject Committee for Social Welfare.	Social Welfare	District Social Welfare Officer.
4. Subject Committee for Communications and Works.	Communications, Minor Irrigation, Buildings, Housing, etc.	Executive Engineer, (Panchayati Raj).
5. Subject Committee for Women Welfare and Cultural Activities.	Women Welfare, Public-Relations and Cultural Activities.	District Women Welfare Officer.
6. Subject Committee for Taxation and Finance.	All matters concerning Finance.	Finance and Accounts Officer.
Standing Committee of Zilla Parishad.	Preparation and review of district plan, budget of Zilla Parishad and Policy matters etc.	Deputy Chief Executive Officer to Zilla Parishad, (Planning).

6.7. There should be a secretary of the Zilla Parishad of the status of selection grade deputy collector who should be under the statute responsible to attend to the business of the Zilla Parishad and its standing committee. He should also be in charge of the general

administration department as deputy to the chief executive officer *cum*-district development commissioner. The district statistical officer should function as part of the planning department besides looking after statistical work. The Planning Department will be in charge of a deputy chief executive officer who would be of the status of a selection grade deputy collector. The finance and accounts officer of the Zilla Parishad should, besides the duties assigned to him, function as the convener of the taxation and finance subject committee. He has an important and key role to perform in the new organisational set-up of the Zilla Parishad in regard to financial control and accounting and his functions and powers are outlined in greater detail in Chapter IX.

6.8. These departmental officers should be responsible to the chief executive officer *cum*-district development commissioner, the subject and standing committees and ultimately to the Zilla Parishad for implementing the resolutions of the Zilla Parishad and its committees, for formulating schemes and programmes and for their execution efficiently, economically and speedily. While they should be under the administrative control of the chief executive officer *cum*-district development commissioner, they should also be under the control of and answerable to their regional and or State heads of departments in respect of technical aspects. Even so, except in routine and minor matters, all business of the Zilla Parishad including correspondence with the regional and State heads of technical departments should be carried on by and in the name of the chief executive officer *cum*-district development commissioner. For the proper formulation of plans, their quicker sanction and effective execution, we strongly recommend that all the powers of heads of departments now vested in the district collector besides such administrative powers of the director of medical and health services, director of animal husbandry, directors of social welfare and women welfare etc., be vested in the chief executive officer *cum*-district development commissioner in so far as such powers are directly related to the activities at the district level.

6.9. We have given serious thought to the question whether district co-operative officer should be brought within the fold of the Zilla Parishad. We find that the functions and powers of the co-operative officers are mainly regulatory and the promotional activities are now comparatively insignificant. Since Panchayati Raj institutions are concerned with the promotional aspects of the co-operative movement, namely, spreading the message of co-operation, fostering the growth of co-operative effort and expanding the co-operative activities, it does not seem necessary or desirable to bring the district co-operative officer under the control of the Zilla Parishad and it will be enough if one gazetted officer of the co-operation department with a small staff is attached to the general administration department of the Zilla Parishad to look after the promotional activities in the district through the extension officers (Co-operation) and to maintain liaison with the co-operative department and the Panchayati Raj Bodies.

6.10. The district officers should have adequate and effective control and authority over their field staff, especially, the extension

officers and other subordinate staff. The chief executive officer-cum-district development commissioner should be encouraged to delegate powers and functions to the district officers. They should, in particular, be allowed freedom and initiative in decisions and action at the field level, besides, of course, technical matters. They may be empowered to transfer subordinate staff below the level of extension officers and even in regard to the latter they should be allowed and even encouraged to advise the chief executive officer-cum-district development commissioner in this regard. The district development commissioner will be well-advised to have informal staff meetings with his district officers at least once a month to discuss problems and matters with a view to bring about a better understanding among themselves.

6.11. It has been represented to us that the work-load of the district panchayat officers in several districts is not uniform. While there are about 400 Gram Panchayats in Hyderabad district, there are over 1,400 Gram Panchayats in Srikakulam district. The result has been, we are told, that the district panchayat officers and the divisional panchayat officers are not able to cope with the inspection of the Gram Panchayats and consequently there has been deterioration in the quality of inspections. We, therefore, recommend that in all districts where the number of Gram Panchayats is more than 700, there should be second district panchayat officer. The Government have asked us to examine whether the divisional panchayat officers at present are effective and whether they could be stationed at the district headquarters with advantage. We have examined this matter in detail. The main and most important work of the divisional panchayat officer is to inspect Gram Panchayats and also to take effective follow up action on the reports made to him by the extension officers (panchayats). We find that a divisional panchayat officer on an average is having three to four blocks in his jurisdiction. In our opinion, the proposal to shift the headquarters of the divisional panchayat officers to the district headquarters is likely to result in further deterioration in the standards and quality of inspection of Gram Panchayats. It is also pointed out to us that because the divisional panchayat officer is a non-gazetted officer, he is not able to function effectively and assert his full authority. We agree with this view and recommend that the status of the divisional panchayat officer should be raised to that of a tahsildar and the status of a district panchayat officer should be raised to that of a deputy collector on a corresponding scale of pay.

Panchayat Samithis :

6.12. At the Panchayat Samithi level, it was urged before us by many that the status and stature of the block development officer is not adequate for the responsibilities and functions attached to the office and that his status and stature should be raised to that of a deputy collector. There is very often, it was impressed upon us, friction and lack of understanding between the block development officer and the medical officer-in-charge of the primary health centres mainly because of complexes developed by both due to the fact that the medical officer is a class I gazetted officer while the block development officer is a

class II gazetted officer. Further, the block development officer does not have effective control and powers over the extension officers for want of disciplinary powers over them. We agree with this view and recommend that the block development officer should be of a status and stature equivalent to that of a deputy collector. This has added significance in tribal blocks where greater initiative, better capacity for giving guidance and taking decisions is needed in order to protect the interests of the tribals, prevent their exploitation and strengthen the hands of the office-bearers of tribal Panchayat Samithis.

6.13. The block development officer should have greater control and disciplinary powers over the extension officers and other subordinate staff in the samithi area. He should have power to transfer subordinate staff within the block such as village development officers, gram sevikas and teachers of elementary schools subject of course to certain principles and guidelines which we have outlined in Chapter VII.

6.14. The block development officer should be the convener for the meetings of the subject committees, the standing committee and the general body of the Panchayat Samithi. He should have power to remit any resolution of the Panchayat Samithi, its standing committee and subject committees back to the committee or the general body as the case may be with a statement of his reasons and grounds why such resolutions are beyond the competence and jurisdiction of the Panchayat Samithi or its standing and subject committees or why they are illegal or contrary to any lawful directive or order of the State Government. If the Panchayat Samithi or its standing committee or subject committee as the case may be declines to reconsider its resolutions, he should be empowered to refer them along with his minutes to the chief executive officer-cum-district development commissioner and pending decision by the competent authority, he should be competent to defer implementation of the resolution. The chief executive officer-cum-district development commissioner on receipt of such reference from the block development officer should promptly cause the same to be placed before the standing committee of the Zilla Parishad at its very next meeting and the decision of the standing committee in the matter shall be final. The block development officer should frame the budget and present it to the standing committee and the Panchayat Samithi. He should place before the standing committee and the Panchayat Samithi once in three months and at the end of the financial year a statement containing the progress in the execution of block plans and other development activities. Such statements along with the resolutions of the Panchayat Samithi should be sent to the chief executive officer-cum-district development commissioner who will cause them to be placed before the standing committee of the Zilla Parishad for review.

6.15. It was pointed out to us by almost all the non-officials and officials that the absence of an extension officer in the samithis for social welfare has proved to be a great handicap in formulating schemes and programmes for the weaker sections. The social educational organiser in the blocks had been re-designated as block assistant public relations officer under the administrative control of the information and public relations department and he ceased to have anything do

with social welfare and cultural activities in the block. We are told that they do not have the job satisfaction and their services are not fully utilised. We strongly recommend that this functionary should be re-transferred to the Panchayat Samithis and re-designated as extension officer (social welfare) under the control of the district social welfare officer to look after social welfare and cultural activities. There should be no objection to his services being utilised for information and public relations also. The director of information and public relations has agreed to this arrangement.

6.16. Primary health centres now-a-days have two medical officers, one for the health centre and the other exclusively for family planning. Opinion expressed before us was that this arrangement has not been yielding the best results. There is scope for friction between the two medical officers in the matter of control over staff distribution of work etc. Medical officers-in-charge of some primary health centres even though they are senior to the medical officers-in-charge of family planning do not have government quarters while the latter are provided with the same. There are several other aspects of the unsatisfactory situation which it is needless for us to go into. It was suggested that the existing jurisdiction of the primary health centres should be bifurcated and one more primary health centre should be established with a little more expenditure and re-adjustment of staff. It would then be possible to utilise the services of the two medical officers better for both family planning and normal primary health centre work and at the same time bring medical relief nearer to the people than at present. The local people, members and office-bearers of the Panchayat Samithis could be depended on for securing free accommodation and certain other facilities. The director of medical and health services has agreed to this proposal. We, therefore, strongly recommend that as soon as possible, each block should have two independent primary health centres with two medical officers, subordinate staff and independent sub-centres attending to all kinds of work including family planning.

6.17. Regarding elementary education, while a majority of the persons who placed their views before us are in favour of elementary education being continued with Panchayat Samithis, some have stated that education including elementary education should be taken outside the purview of Panchayati Raj bodies while others have pleaded for the constitution of a separate statutory board at the district level to manage education or that education should be taken over by the State Government. Yet, another opinion was that education including primary education should be withdrawn from Panchayat Samithis and transferred to Zilla Parishads. We regret we are unable to accept the suggestion that education must be taken completely outside the purview of Panchayati Raj bodies. District educational councils were administering aided primary schools about 40 years ago in the then composite State of Madras and as they were not working satisfactorily even when the number of such schools was small, these councils were abolished. Further, we are not convinced that education boards whether they consist of members nominated by the Government or elected in some way will be better or more competent than the broad-based Panchayati Raj bodies which we have recommended in this report. In Panchayati Raj

there are Panchayats at the village level where the schools are actually functioning and although they do not have any control over the schools, the fact that they are organs of a body under which they are functioning is itself a corrective against irregular absence of teachers, closure of schools etc. Once the schools are brought under a committee the control becomes too distant and there will be greater deterioration in their working. We are fully aware of some undesirable practices and trends in the present administration of these schools particularly transfers and we have made effective proposals to curb them. In this connection the Report on the 'Reorganisation of Administration in Maharashtra' 1971 has completely discountenanced the setting up of any duplicate organisation for the purposes or functions already transferred to Zilla Parishads (and Panchayat Samithis) as it would be a retrograde step if the principle of democratic devolution on which Panchayati Raj has been established is not to be discarded. The report adds "There is a clamour for autonomy from a section of educationists who resent the control of democratic institutions on educational activities and dub such control as interference of politicians. One view is that those who resent these controls and want to set themselves up as their own arbiters are out-politicizing the politicians. . . . It does not seem necessary to dissipate the available resources by creating a parallel organisation for work which legitimately falls within in the sphere of Zilla Parishads (Panchayat Samithis) when these resources could well be utilised for improving the quality of education." We, therefore, recommend that primary education should continue to be with the Panchayat Samithis. However, it was urged before us by the director of public instruction that it would be better if upper primary schools which are the nuclei of high schools and which are headed by trained graduate teachers are brought under the control of the Zilla Parishads to facilitate the posting of experienced trained graduate teachers already in the Zilla Parishad. We agree with him and recommend that the upper primary schools be transferred to the control of the Zilla Parishads. Secondary education should continue to be with the Zilla Parishads as at present.

6.18. Even though we did not have the opportunity of having the personal views of the director of agriculture, he has urged in his memorandum to this committee that agriculture has not received the attention it deserved from the village development officer who is at present a multi-purpose worker. Almost all the persons associated with Panchayat Samithis have categorically asserted that a village development officer should only be a multi-purpose worker, that earmarking of some village development officers exclusively for agriculture would result in duplication of staff and over-lapping of jurisdiction; that in fact the village development officer even to day does mainly agriculture extension work. We have had the benefit of a study made of this question by Maharashtra Government with reference to statistics and performance. It is established that village development officers working exclusively on agriculture with larger jurisdiction have fared worse than the multi-purpose workers with smaller areas to cover. We are, therefore, not in favour of changing the original concept and we recommend that village development officer should continue as a multi-purpose worker. It should be possible and in fact desirable that the block development officer should ensure that during

the period of agricultural operations of one kind or the other, the village development officer devotes all his time and energy only to agriculture.

6.19. We were told that in the present set-up of Panchayat Samithi, the loyalty of extension staff is divided between the block development officer and the district officer and the best results are not realised in the blocks from the extension officers and the staff working under them. In the set-up envisaged by us, the block development officer is directly subordinate to the chief executive officer—cum—district development Commissioner like all the district officers of development departments and this direct line of control exercised by a single officer and the link established between the block and the district officer through the district development commissioner will, we hope, strengthen their sense of belonging to the same organisation and ensure better loyalties “interse” and clothe the block development officer with as much control and authority over the extension staff as the district officers have.

6.20. At present Gram Panchayats with an income of more than Rs. 20,000 have the services of a full time executive officer and some Gram Panchayats with less income also have similar officer on a lower grade. We have examined the suggestion that village karnams/patwaris be appointed as ex-officio secretaries to Gram Panchayats with less income. Opinion has been divided on this issue. Some have stated that the village karnam/patwari has sufficient work-load at present to keep him busy and it will not be possible for him to attend to the duties of a secretary. Some others have stated that it is not desirable to induct the village karnam/patwari into the Gram Panchayats as their secretaries. Some have, however, stated that in principle it is a good idea to merge the revenue administration and local panchayat administration and make the village karnam/patwari as the secretary of the Gram Panchayat in addition to his normal revenue and other miscellaneous work. We learnt in Maharashtra that this was tried in that State for one or two years but was given up as the services of patwaris were required by the revenue administration itself. We are, therefore, of the opinion that while in principle it is good to integrate the village administration and save expenditure the present is not very opportune to bring about such integration. As a result of land ceilings law, the services of village officers may be required wholly by the revenue department for some years. It may be implemented at a future date. It has been represented by one and all before us that the sarpanchas being new to the administration and financial rules and regulations have been finding it difficult to attend to the clerical work of the Gram Panchayats and that the assistance of secretary to them is very essential. We have carefully considered the best arrangement in this regard and make the following recommendations. Gram Panchayats may be classified into three categories according to their average income over a period of three years or five years. Gram Panchayats with an income of more than Rs. 20,000 must have whole-time secretaries corresponding to the status of the present executive officers of grade I or grade II. Gram Panchayats with an income ranging between Rs. 5,000 and Rs. 20,000 should have group secretaries on whole-time basis who should be appointed for every

two or three Gram Panchayats depending on the size of the Gram panchayats, their contiguity and their income. Gram Panchayats with an income of less than Rs. 5,000 should be given the assistance of the village development officers as their part-time secretaries. This arrangement will bring village development officers into closer touch with the panchayat administration and help them to utilise the good offices of panchayats for doing more effective work in extension, etc. At the same time these officials may stand to benefit by the additional allowance they will receive for this work.

6.21. It has been pointed out to us during our discussions in the districts that the staff of the Gram Panchayats are appointed by the Sarpanchas and the day-to-day control over them vests with them, even though there are whole time or part time Executive Officers. We recommend that the secretary of the Gram Panchayat, whole-time, should be vested with the day-to-day administrative control over the staff of the Gram Panchayats, the sarpanchas themselves having administrative control over the executive authorities. During the absence of the Executive Authority however, the Sarpanchas should be competent to give instructions to and extract work from the panchayat staff.

Execution of works by Gram Panchayats :

6.22. According to the existing statutory rules, the Gram Panchayat has administrative powers to sanction estimates not exceeding Rs. 5,000 and where the estimates exceed Rs. 5,000 they are sanctioned by the District Panchayat Officer, but not Rs. 10,000. If the estimate exceeds Rs. 10,000 the district collector sanctions them. In the revised set up we recommend all such estimates the cost of which exceeds Rs. 5,000 but not Rs. 10,000 should be sanctioned by the District Panchayat Officer and those whose cost exceeds Rs. 10,000 should be sanctioned by the chief executive officer.

6.23. It has been represented to us by the sarpanchas and others that the sarpanchas are not competent to sanction expenditure of even Rs. 10 and that an estimate is required to be prepared by the supervisor and sanctioned by the competent technical authority. No payment could be made till the work is check-measured. We are informed that the Government have since issued orders empowering the Gram Panchayats to execute works, the value of which does not exceed Rs. 200 after preparing estimates themselves and to make final payment only after they are checkmeasured by the supervisor. The Maharashtra Government have gone into this matter and empowered the sarpanchas to incur expenditure upto Rs. 300 on estimates prepared by themselves or through a private agency provided the final payment is made only after checkmeasurement by a qualified engineer. We recommend that the procedure in Maharashtra be adopted in our State to ensure that petty works in the villages are executed as quickly as possible and part payments made by the sarpanchas/secretaries of Gram Panchayats before they are check-measured and final payment made.

6.24. It has also been brought to our notice by a good number of sarpanchas that the Andhra Pradesh Gram Panchayats Act, 1964 does not enable a Gram Panchayat to remove unauthorised construction or putting up unauthorised structures. The rules enable the levy of a small fine and this is found to be not at all effective. We recommend that the powers available for local bodies in the District Municipalities Act for demolishing unauthorised construction or unauthorised structures should be adopted in the Gram Panchayat Act also to effectively check unauthorised construction, etc.

6.25. It has been represented to us that many Gram Panchayats do not have lands or village site for public purposes or for future expansion. Since surplus land would become available consequent on the implementation of the Land Reforms Act we recommend that the Gram Panchayat may be given some surplus land, part of which could be used by it as village site and part of it for various communal purposes. We also recommend that in the distribution of surplus land due priority should be given in respect of the requirement for a play-ground, schools, housing colonies for weaker sections, etc.

CHAPTER VII.

SERVICES

7.1. We have recommended in chapters IV (Planning) and chapter VI (Administrative structure) the separation of development administration at the district level and its entrustment to Panchayat Raj bodies. In the new set up envisaged by us, the office of the Zilla Parishad, will function as a sort of district development secretariat with the functions of planning, direction, control and coordination. In addition it will have to discharge the functions of budgeting, observance of financial proprieties, satisfactory maintenance of accounts, etc. The development departments send their reports, proposal schemes, programmes, etc., to the Zilla Parishads and they have to be examined and placed before the subject committees, the standing committee and the general body of the Zilla Parishad for suitable action. Such examination by the Zilla Parishad secretariat will have to be made in consultation with the departments of the Zilla Parishad concerned and with reference to the approved policies of the Zilla Parishad, the directions given by the Government, relative priorities, budget provisions (plan and non-plan), etc. It should also function as the main channel of communication between the State Government the state heads of departments and the district development departments. It is also a general supervisor of executive action as it has to ensure that field offices carry out the programmes etc. sanctioned by the Zilla Parishad. This function involves adequate communication between the Zilla Parishad and the field offices, verification of facts and figures, etc.,. It is in view of this new role, which the Zilla Parishad secretariat has to play, we have recommended that the district officers of development departments have to be transferred to the Zilla Parishad along with their staff. As soon as possible the Zilla Parishad must provide adequate accommodation to all the transferred offices within the premises of the Zilla Parishad secretariat itself to facilitate easy communication between them and to avoid loss of time in covering distances, etc., which is inevitable if they are located in different places at head quarters. The Hyderabad Zilla Parishad has already done this and is greatly appreciated. We are aware that the administrative organisation of the Zilla Parishad apart from being adequate and economical, should be efficient enough to respond to the functions taken over by it. It should be one endowed with sufficient authority in all matters entrusted to it and capable of taking appropriate decisions and follow-up action. It must have under its control sufficient number of skilled administrators, technical officers and staff who are efficient, contended, reliable, co-operative, honest and impartial. The technical and non-technical staff working in Panchayat Samithis should be integrated at the district level to facilitate unified control and direction by the Zilla

Parishad. All the transferred departments will function under the overall supervision and control of the chief executive officer-cum-district development commissioner and the responsibility for formulation, execution and supervision of schemes should be placed without ambiguity on the officers at various levels of each development department of the Zilla Parishad. At the block level the block development officer will be the executive authority for the block administration, and all extension and administrative staff will work under the Samithi as one team but the responsibility of each officer will not in any way get diluted. Although many representatives have pleaded before us that time has come for having a unified setup for both revenue and development functions at village and block level, we do not recommend such unification of revenue and development functions at the village and block level immediately as the land reforms work will fully engage the Revenue personnel for quite some time.

GRAM PANCHAYATS

Secretary of Gram Panchayat :

7.2 As suggested by us elsewhere, every Gram Panchayat should have a part-time or full-time secretary in whom will vest the executive functions of the Gram Panchayat. When this arrangement is brought into force, all cheques should be signed both by the sarpanch and the secretary of the Gram Panchayat. All executive officers already appointed should be designated as secretaries of Gram Panchayats. At present Gram Panchayats having an income over Rs. 80,000 have a full time executive officer (grade I) in the pay grade of Rs. 150-10-800 and Gram Panchayats having an income over Rs. 20,000 but below Rs. 30,000 have an executive officer (grade II) in the scale of Rs. 110-150. These officers do not belong to Government service but they belong to a non-government cadre constituted in pursuance of the regulations issued under the Andhra Pradesh Gram Panchayats Act, 1964. The entire Andhra region is declared as one unit for grade I and grade II executive officers of Gram Panchayats in that region and the entire Telangana region as a separate unit for the two grades of Executive Officers of Panchayats in that region. The collectors are competent to transfer these officers within the district while the Commissioner for Panchayati Raj is competent to transfer them from district to district within the region. There is no provision for direct recruitment to either of the grades of executive officers. The feeder services to grade II are :—

- (1) Lower Divisional Clerks in the offices of district panchayat officers and divisional panchayat officers (Government service),
- (2) Lower Divisional Clerks in the offices of the Zilla parishads and panchayat samithis (panchayati raj district cadre),
- (3) village development officers; and
- (4) clerk-cum-bill collectors in Gram Panchayats.

For grade I posts 80% of the vacancies are filled by promotion of grade II officials and the balance 20% by village development officers.

7.3. We have recommended elsewhere that even small Gram Panchayats should be provided with secretarial assistance by appointing a whole time group secretary for every group of 2 to 8 panchayats or by making the Village Development Officer of the village concerned to perform the functions of secretary of that Gram Panchayat in addition to his duties as village development officer. The Village Development officers therefore perform the functions of panchayat secretaries while continuing to serve as the village development Officers. Group secretaries appointed for groups of gram panchayats may be placed in the present grade II of executive officers. The required number of whole-time group secretaries should be found from among experienced Village development officers already in service and from the other categories of officials from whom grade II executive officers are now recruited. The senior village development officer should be preferred for these posts and the newly recruited Village Development officers should fill their vacancies after completion of their training successfully. We also recommend that hereafter the unit for appointments, transfers, and promotions for both the grades of secretaries of Gram Panchayats should be the "District". This is necessary because all these functionaries are entitled to pension which is to be paid from the pension fund of the Zilla Parishads concerned. The authority who is competent to transfer them may be the District Panchayat Officer by virtue of the powers delegated to him by the chief executive officer-cum-district development commissioner but all proposals for transfer should conform to the general principles which we have recommended elsewhere in this chapter and subject to the final authority of the chief executive officer-cum-district development commissioner. We also recommend that these posts should be a separate category in one of the services of the Panchayati Raj (district cadre).

7.4. At present, every Gram Panchayat is required to contribute to the Zilla Parishad pension and gratuity fund and to the leave reserve fund. This arrangement has created unnecessary complications. In some districts, the funds are not properly managed. We recommend that the system of recovering pension contributions from Gram Panchayats with reference to the individuals serving in various Gram Panchayats may be given up. The nominal amount due towards pension and leave contributions from each Gram Panchayat could be worked out and recovered, from the grants or other funds released by the Zilla Parishad to the Gram panchayats concerned every year and the pension amount credited by the Zilla Parishad to its pension fund and the leave amount to the general fund. (This would be effective only if grants or other funds due to panchayat samithis and Gram Panchayats are routed through the Zilla Parishads). Whenever any panchayat secretary goes on leave, his leave salary should be paid by the Zilla Parishad.

7.5 In many Gram Panchayats there are clerks whose scales of pay are lower than the scales of pay of lower division clerks in the Panchayat Samithis and Zilla Parishads. The persons working in these clerical posts do not belong to a service at all although they are eligible for pension and gratuity. There are also full-time clerk-cum-bill collectors in various Gram Panchayats on different scales of pay. These two types of posts could be combined into one cadre "cadre of panchayat

clerks'. This service also should be included in the district cadre (ministerial service) of the Zilla Parishad as a distinct category below the category of lower division clerks. The district may be the unit for recruitment, transfers, etc. Unless conditions of service improve, better qualified persons will not be attracted to it. As the offices of Gram Panchayats mostly employ only one clerk or clerk-cum-bill collector and he becomes the main spring of action at the village level, it is very necessary to bring them into a regular service and prescribe the minimum qualifications, etc. The arrangement recommended by us secures this objective. There are various posts in Gram Panchayats like watchmen, sweepers, etc. It may not be necessary to group them into any definite service as the scales of pay, etc., vary from Gram Panchayat to Gram Panchayat. They may be allowed to continue as they are as part-time or whole time servants in Gram Panchayats.

7.6 The Panchayati Raj Executive Officers' Association represented to us that certain percentage of posts of secretaries of Municipalities in the third grade should be reserved for the first grade Executive Officers of Gram Panchayats. This does not come under the terms of references made to us. We consider this to be a reasonable request as major gram panchayats become Municipalities but leave this matter to be considered by the government on merits. The association also suggested that the posts of Extension Officers (panchayats) and grade I executive officers should be made inter-changeable as the difference of pay between them is only Rs. 10 and as a change will do good to both. The executive officers grade I are now feeder posts to the cadre of Extension Officer (panchayats) in Andhra area and they are therefore eligible for promotion as extension officers. In Telangana region, due to certain safeguards some serving executive officers are treated on par with the extension officers. We are unable to accept the plea that Executive Officers of grade I should be inter-changeable with Extension Officers (panchayats).

7.7 We have considered the question of giving some additional remuneration to the Village Development Officers for the work done as secretaries of gram panchayats. We recommend that Village Development officers appointed as part-time group panchayat secretaries may be paid an allowance of Rs. 25 p. m.

PANCHAYAT SAMITHIS

7.8 The personnel belonging to the Panchayat Samithis fall under the following categories :—

- (1) officers belonging to class I and class II gazetted services of the State Government ;
- (2) Extension Officers belonging to various State services ;
- (3) ministerial service employees who belong to the district cadre or who are on deputation from the Revenue Department ;
- (4) staff belonging to the samithi cadres ;

- (5) work-charged establishment under the supervisors ;
- (6) contingency staff in the samithis.

The categories mentioned in the first 3 items mentioned above are discussed by us under the "Zilla Parishads". As far Village Development Officers and teachers working in samithis, they are also dealt with by us under "Zilla Parishads". The samithi cadre consists of the posts of drivers and peons mainly. We feel that there is no need to have a "Samithi cadre". These posts also could be brought under the district cadre so that certain undesirable practices resorted to by some in making these appointments at samithi level could be eliminated and security of service could be ensured to the holders of posts. This becomes necessary too as we have recommended else where that no person should be posted within his block or a place which is within twenty miles from his native place. We also recommend that peons should be appointed from among sevaks, sweepers, night watchers, etc., who are paid from contingencies and are already in service. As regards work-charged establishment, we recommend that the facilities and benefits which are enjoyed by their counter-parts in the public works department should be extended to those in Panchayati Raj service. They relate to regularisation of services, sanction of specific scales of pay, allowances, leave benefits, etc.

ZILLA PARISHADS

7.9 The officers and staff working in the Zilla Parishads fall under the following categories :—

- (1) class I and class II gazetted officers belonging to State services deputed to work in Zilla Parishads ;
- (2) gazetted officers belonging to State services working under the direct control of the district collector but performing the functions relating to Zilla Parishads or Panchayat Samithis or Gram Panchayats ;
- (3) non-gazetted officers, technical and non-technical belonging to subordinate service of the Government deputed to work under the Zilla Parishads and Panchayat Samithis ;
- (4) district cadre staff recruited by the Zilla Parishad and staff transferred to this cadre from ex-district boards which include ministerial staff and class IV staff and certain other staff like teachers, laboratory assistants and drivers, etc.

7.10 In the re-organised set-up which we have recommended for the Zilla Parishad, certain district officers of development departments and their staff will have to be transferred to the Zilla Parishad. The establishments of these district offices, now working at block level and below are already under the control of the Panchayat Samithis. In the new set up the taluk level officers and district level officers of these

departments and their staff will also come under the Zilla Parishad. Each of these officers have various categories of gazetted officers and non-gazetted officers. The holders of the posts in these offices belong to different State and subordinate services. The gazetted posts in these offices belong to State service and the unit of recruitment is the whole State and the appointing authority for most of these gazetted posts is the Government. The number of gazetted posts in each department technical or executive in the district will not be many. Now that certain development departments will be coming under the Zilla Parishad, the technical personnel belonging to these departments working under the district heads at district or taluk level or working in the blocks should also come under the Zilla Parishad. Quite now the unit of recruitment for the gazetted posts is the whole State and for non-gazetted posts the whole of Andhra region for all posts in Andhra region and the whole of Telangana region for all the posts in Telangana region. In regard to ministerial services in the various departments, there are varying patterns adopted by different departments. For none of these ministerial posts the whole State is a unit for some offices the district is the unit and for some others the region is the unit. In some of these departments promotions from lower division clerk to upper division clerk or from upper division clerk to superintendent are now made on regional basis. In respect of some offices, for one category of post the district is the unit while for the higher category the region is the unit. These systems are adopted in order to ensure, that the chances of promotion are even in all districts and regions and the choice of selection to higher posts is not unduly restricted. We have given our careful consideration as to how all these posts could be fitted into the new set up of the Zilla Parishad.

7.11 We have recommended elsewhere that every Zilla Parishad should have a chief executive officer-cum-district development commissioner and that for some years to come and till suitable officers of other development departments and zilla Parishad of a status and stature equal or comparable to those of chief executive officers-cum-district development commissioners are available, only I. A. S. officers in the senior-scale should be appointed for these posts. We recommend that in due course some posts out of the total number of the posts of chief executive officers-cum-district development commissioners be earmarked for such non-I. A. S. officers as are fit for appointment as the chief executive officers-cum-district development commissioners. The chief executive officer-cum-district development commissioner appointed for each Zilla Parishad should be appointed by the Government themselves. In selecting All-India Service Officers for appointment as chief executive officers-cum-district development commissioners, the Government to the extent possible may ensure that the officer posted as the chief executive officer-cum-district development commissioner is slightly junior to the district collector of that district. Also, whenever the collector of a district is transferred and a new collector is posted, the Government should invariably post an officer who is senior to the chief executive officer-cum-district development commissioner working there.

7.12 The chief executive officer-cum-district development commissioner posted to a Zilla Parishad should not ordinarily be disturbed

for three years and under no circumstances he should be retained in the same district for over five years. If a Zilla Parishad by a resolution passed with atleast 3/5ths of the total number of members of the Zilla Parishad requests that the chief executive officer-cum-district development commissioner should be transferred, such a request should be complied with by the Government in order to maintain harmony between the Zilla Parishad and the executive. We also recommend that the chief executive officer-cum-district development commissioner should be allowed the same special pay or allowances as are given to a district collector. He should also be provided with residential accommodation by the Zilla Parishad on payment of rent and he should also be given a telephone at his residence and a car for his official use, the fuel cost and repair charges being met by the Zilla Parishad. The confidential reports of the chief executive officer-cum-district development commissioner should be written by the Commissioner of Panchayati Raj who should forward it to the secretary to government in the panchayati raj department for onward transmission to the chief secretary. The chief executive officer-cum-district development commissioner will be competent to address all heads of departments, the commissioner of Panchayati Raj, the Accountant-General and all other Zilla Parishads. He should not normally correspond with Government Departments except in furnishing information for answering Assembly and Council questions or in reply to any communication from Government calling for direct reports. The cost of pay and allowances of the chief executive officer-cum-district development commissioner should be met by the Government. The chief executive officer-cum-district development commissioner should draw his pay and allowances from the treasury direct from the consolidated fund of the State Government. He should, however, draw his travelling allowances for tours from the Zilla Parishad funds only. The transfer travelling allowance should be borne by Government. The Zilla Parishads should not be required to pay pension and leave contribution in respect of the chief executive officer-cum-district development commissioner. Leave travel concessions medical aid, etc., of the chief executive officer-cum-district development commissioner should also be the liability of the Government.

District Officers and Their Immediate Gazetted Officers :

7.13. The district officers who would come under the Zilla Parishads belong to class I or class II gazetted State services. In Maharashtra these posts continue to belong to the respective State services and all the officers who hold these posts under the Zilla Parishad are not treated as on deputation. They are treated as officers holding posts which are additions to the State cadres. By this arrangement the term 'deputation' is avoided and the various complications arising in treating the officers as on deputation are avoided. We recommend that this system may be adopted in our State also and all these posts treated as Government posts. The question would arise whether these officers should draw their salaries from the consolidated fund of the State or from the funds of the Zilla Parishad. It may be mentioned that treating the existing secretaries of Zilla Parishads and block development officers as on deputation to the Panchayati Raj institutions concerned has resulted in many difficulties in fixing their pay and

allowances and enabling them to drawing their increments. The Accountant-General has been disowning them for the purpose of fixing their pay, giving them increments, maintaining their service records, etc. In order to avoid similar difficulties, it is desirable that these officers are allowed to draw their salaries from the State exchequer as is done by them now and is done in Maharashtra. In any case the expenditure on their salaries will continue to be met by the State Government. In due course the Government may evolve a suitable procedure whereby these officers could draw their pay and allowances from the funds of the Zilla Parishad without any complications and when such a procedure is accepted by audit, the gazetted posts of district officers may be transferred to the Zilla Parishad.

7.14. All the district officers should be subject to the same disciplinary control by the regional or head of department as now. However, their confidential reports should be written, hereafter by the chief executive officer-cum-district development commissioner and forwarded to the regional or State head of the department as the case may be. The chief executive officer-cum-district development commissioner should be competent to issue directions to all these officers in administrative matters. If any such instructions or directions involve or contravene technical aspects or procedures, these officers should explain the position to the chief executive officer-cum-district development commissioner and if the chief executive officer-cum-district development commissioner does not agree, these officers may write to their heads of departments for instructions. Such correspondence should be through the chief executive officer-cum-district development commissioner. For exercising administrative control, the chief executive officer-cum-district development commissioner should be treated as head of department for these officers as far as administrative matters are concerned.

7.15. A similar procedure may be adopted for the other gazetted officers working under these heads of departments either at headquarters or elsewhere in the district. The confidential reports of other gazetted officers under the district officers should be written by the district officers concerned and sent to the chief executive officer-cum-district development commissioner. After the chief executive officer-cum-district development commissioner adds his remarks they should be forwarded to the regional or State head of department as the case may be. The control which the chief executive officer-cum-district development commissioner will have over these gazetted officers will be that which a regional or head of department exercises in respect of administrative matters. Any disciplinary action pursued by the chief executive officer-cum-district development commissioner should be intimated to the head of department. For promotion to higher technical or executive posts at regional and State level these officers should continue to be eligible and their working under Zilla Parishad should not in any way affect their normal chances of promotion to higher posts and for special training in and outside India.

7.16. The chief executive officer-cum-district development commissioner of the Zilla Parishad should be competent to sanction leave to these officers for a period not exceeding 60 days without consulting

the head of the department if no substitute is required. However, if a substitute is required, the leave should be sanctioned only after obtaining the concurrence of the head of the department who should post a substitute in time. Transfers of junior gazetted officers within the district should be made by the chief executive officer-cum-district development commissioner on the recommendation of the district officer concerned. Transfers outside the district should be made by the head of the department. No gazetted officer should be transferred within 3 years and if a head of a department desires to transfer gazetted officers within 3 years, the prior concurrence of the Commissioner of Panchayati Raj should be obtained. It shall not be competent for the chief executive officer-cum-district development commissioner to delay the implementation of the transfer orders unless he obtains prior permission of the transferring authority to postpone the implementation.

7.17. For selection and appointment to the posts of district officers, the concerned gazetted or non-gazetted posts in the Zilla Parishad or Panchayat Samithis should continue to be feeder lines along with similar posts in Government departments. The selection should be finalised by the Government department concerned in consultation with the State Public Service Commission. As the number of vacancies is not likely to be large, we do not consider regional recruitment boards necessary. The State Service Commission can manage this work.

Extension Officers :

7.18. The posts of medical officers and veterinary extension officers belong to gazetted cadres of State Government. All of them are government servants and the unit of recruitment is the respective region (now) or the State as a whole. The Service Commission is the recruiting authority. The transfers are effected by the head of the department concerned and these personnel are liable to be posted either in rural or urban areas or in Government hospitals or institutions. We have considered whether the posts belonging to these cadres should not be constituted into a separate service for Zilla Parishads, the urban areas having another service. In such a case the urban cadre may not be big but such a cadre will be having too many higher special posts and will be more attractive. It may not, therefore, be desirable to split these services. They may continue to belong to one service as at present.

7.19. In regard to non-gazetted technical posts like agricultural extension officers, live stock inspectors, and supervisors and executive posts like block assistant public relation officers to be re-designated as extension officers (social welfare), mukhyasevikas, extension officers (co-operation) progress assistants, extension officers (industries) extension officers for education and extension officers (panchayats), we recommend that these posts could be brought under the following Panchayati Raj subordinate services:—

- (1) Panchayati Raj (Agriculture) Subordinate Service ;
- (2) Panchayati Raj (Veterinary) Subordinate Service ;

- (3) Panchayati Raj Engineering Subordinate Service ;
- (4) Panchayati Raj Social Welfare Subordinate Service ;
- (5) Panchayati Raj Women Welfare Subordinate Service ;
- (6) Panchayati Raj Co-operative Subordinate Service ;
- (7) Panchayati Raj Statistical Subordinate Service ;
- (8) Panchayati Raj Industries Subordinate Service ;
- (9) Panchayati Raj Education Subordinate Service ; and
- (10) Panchayati Raj Executive Subordinate Service.

The requirements of urban areas in respect of the above personnel will not be much except perhaps under education. The departments, may require some personnel of these categories for research stations statewide schemes, etc. Recruitment to these cadres should be made by the State Service Commission taking into consideration the requirements of Zilla Parishads and the State departments concerned. The Commission will allot the required number to the Zilla Parishad's services. The authority competent to allot them to each Zilla Parishad and appoint them to the Zilla Parishad service should be the head of department concerned and the posting orders should be issued by the district officers concerned after approval by the chief executive officer-cum-district development commissioner. They should be eligible for promotion to gazetted posts and cadres along with their counter-parts in Government departments or institutions in proportion to their number and strength in their cadre or service.

Ministerial services :

7.20. The posts in the ministerial services in Government offices would belong to the following categories :—

- (1) managers / superintendents or Section heads ;
- (2) divisional accountants ;
- (3) upper division Clerks / upper division accountants ;
- (4) lower division clerks / lower division accounts /store-keeper etc ;
- (5) steno-typists and typists ;
- (6) record keepers, shroffs, etc.

The district cadre of the Zilla Parishads at present comprises all the ministerial posts mentioned above besides other posts such as those of teachers, medical staff etc. We have considered whether all similar posts in the district development departments coming under Zilla Parishads and the posts in the present district cadre of Zilla Parishads could not be integrated without undue hardship to the

servicing personnel in either of the wings. We find that the chances of promotion to the ministerial staff in the district development departments are not many while the ministerial staff in the district cadre of Zilla Parishad have better chances. Once they become managers in the Panchayat Samithis or Zilla Parishads they can be promoted as Assistant Accounts Officers, Block Development Officers, finance and accounts officers and Secretaries of Zilla Parishads. When the posts under the district development departments merge with the district cadre of Zilla Parishad, the number of higher posts will increase and they will have better chances in the long run. We feel that integration has got to take place now or a little later. It is better that it takes place sooner than later. Suitable safeguards may however, be provided in hard cases by extending to them the same benefits of promotion as are available to them in their departments. When such cases which should be a few are dealt with appropriately, the integration of services will not be difficult. After such integration they can be brought under the appropriate category of the district cadre of the Zilla Parishad. The district cadre may also include the posts of drivers, peons, etc., working in Panchayat Samithis.

7.21. All the Village Development Officers should belong to the district cadre service. We have considered their request to treat them as a government servants as most of the benefits which a Government servant is entitled to have also been extended to the employees of the Zilla Parishads and Panchayat Samithis who after all perform the functions transferred by Government to them. Perhaps the holders of these posts apprehend that all the benefits enjoyed by government servants may not be extended to them in future and have therefore made this request for being treated as Government servants. We recommend that whenever government enhance the scales of pay, dearness allowance, house rent allowance, etc, they should automatically extend the benefits to the employees of the Panchayati Raj also without separate orders being issued by the administrative department. For purposes of promotion, the district should be the unit comprising all similar posts in all offices under the Zilla Parishad including panchayat samithis. All persons belonging to the revenue department but working in the Panchayati Raj institutions should either opt to Panchayati Raj service for permanent absorption or revert to the revenue department within a specified time.

Teachers :

7.22. We have already recommended elsewhere that secondary education should be under the Zilla Parishad and primary education should be under Panchayat Samithis and that upper primary schools should be transferred to the control of the Zilla Parishads. The posts in the schools fall under the following categories:—

- (1) Headmasters of secondary schools.
- (2) B.Ed. Assistants in secondary schools.
- (3) Telugu and Hindi Pandits.

- (4) Headmasters of upper primary schools.
- (5) Elementary school teachers.
- (6) Crafts instructors.
- (7) Physical instructors and
- (8) Laboratory attendants,

All these posts may belong to various categories in the district cadre. The headmasters of secondary schools under the Zilla Parishads should also be made eligible for promotion as Deputy Secretary (education and teachers, etc., working in Zilla Parishads should be eligible for appointment as Extension officers for education.

7.23. For recruiting personnel required for various categories in the district cadre of Zilla Parishad there should be a district selection committee consisting of—

- (1) district collector of the district as the chairman,
- (2) the chief executive officer-cum-district development commissioner of the Zilla Parishad and
- (3) the district officer concerned as members.

We also recommend that for the executive posts (non-technical) suitable personnel from the district cadres of Zilla Parishads should also be considered by the head of department concerned who should call for particulars and duly consider them before sending proposals to the service commission.

Accounts Personnel :

7.24. In chapter IX we have made proposals concerning the accounts set-up at different levels and maintenance of accounts. We have considered whether there need be a separate Accounts Service for Panchayati Raj institutions. The following are the posts at different levels for accounts exclusively :—

State Level :

- (1) the financial adviser-cum-chief accounts officer
- (2) accounts officers (two posts) ;
- (3) section officers ;
- (4) assistants.

District Level :

- (1) finance and accounts officer ;
- (2) manager or superintendent ;
- (3) upper division and lower division accountants.

Block Level :

- (1) Manager (not exclusively) ;
- (2) Upper division and lower division accountants.

We consider that if there is a separate accounts organisation suitably linked up at all levels, the standard of accounts maintenance will improve considerably. The posts concerned with accounts at the block and the district level in different offices transferred to the Zilla Parishad could be brought under one distinct category under the district cadre and only persons qualified in accounts should be posted from the lower division category in other branches to the lower division category in the accounts-branch. Lower division clerks in the accounts branch of the Panchayat Samithis and the Zilla Parishads should alone be considered for promotion as upper division accountants in Panchayat Samithis and Zilla Parishads and allied offices including secondary schools if there are separate posts of upper division clerks for accounts. For the posts of Divisional Accountants in the Zilla Parishads and as assistant accounts officers in panchayat samithis and superintendent or manager of accounts branches in zilla parishad only Upper Division accountants should be considered. The posts of finance and accounts officers in Zilla Parishads should be thrown open to the managers of accounts branches and assistant accounts officers in blocks. The finance and accounts officers may, in due course, be considered for appointment as the financial adviser and chief accounts officer in the office of the Commissioner of Panchayati Raj.

GENERAL.*Avenues of Promotions :*

7.25. We have suggested already that contingency staff and work-charged establishment staff should be considered for posts of peons, etc., instead of resorting to direct recruitment to these posts. There are certain avenues of promotions for the ministerial staff working in the Panchayati Raj Institutions. These should continue. The clerks of the panchayats are already eligible for the posts of grade II Executive officers in Gram Panchayats. If they possess the minimum general qualifications they must be considered for appointment as lower division clerks also without regard to their age. The Village Development officers have been agitating for additional avenues of promotions as according to them there is complete stagnation. Already they are being considered for appointment as block assistant public relation officers, progress assistants, Executive Officers of panchayats etc. We recommend that the quota allotted to the Village Development Officers in these cadres may be suitably raised. We also recommend that more number of Village Development officers may be sent to B.Sc. degree course in agriculture giving them suitable stipend and such of the Village Development officers as acquire the degree in agriculture should be given preference in the appointment as Agricultural Extension Officers. Pending their promotion as Agricultural Extension Officers they should be given three advance increments. We also recommend that here-after the Village Development officers should be

recruited only from among agricultural graduates with appropriate initial pay and others should not be recruited as village development officers. They are better qualified and should be expected to give more satisfactory service as village development officers. Further their training will cost less as they need not stay for full 2 years in their training centres. We recommend that a percentage of the posts of mukhyasevikas should be earmarked for promotion of qualified gramasevikas after giving them sufficient training. We also recommend that there should be selection grade posts for all categories of posts in Panchayati Raj services as in Government.

Transfers and Postings :

7.26. The authority to transfer district cadre staff including village development officers and gramsevikas as also peons and drivers outside blocks should vest with the district officer concerned. The power to transfer elementary school teachers and other staff within a block should be with the block Development officer. No one except the last grade staff should be posted to a block in which his native place lies or to any place which is within 20 miles of his native place. No person should be transferred from a place before he completes a period of three years and no person should be retained at a place beyond five years. The percentage of transfers to be effected in a year within the district by a district officer or within a block by a Block Development Officer should be limited to 10% of the total strength in the district block as the case may be but the chief executive officer-cum-district development commissioner can permit transfers upto 15% of the total strength in the district or block as the case may be. The transfers should ordinarily be done at the commencement of the school year and if any transfers during the middle of the academic year are to be made, such transfers should be approved by the chief executive officer-cum-district development commissioner who should ensure that the transfer proposed is under unavoidable circumstances or in the public interest. Whenever it becomes necessary to transfer a person whose wife or husband is also working at the same place both of them should be transferred simultaneously or as soon as possible and to the same place so that they could continue to be together. Where transfers have to be effected under some special circumstances like transfer for facility of conducting enquiries etc, such transfers should be ordered by the chief executive officer-cum-district development commissioner only.

Confidential Reports :

7.27. The procedure for writing up of confidential reports of the higher officers has been dealt with by us elsewhere in this chapter. The confidential reports of other officers and staff should ordinarily be initiated by the immediate superior officer and it should be forwarded to the next higher officer for counter-signature, in respect of administrative personnel. In respect of technical personnel working in the blocks, the block development officer should initiate the reports and send them to the concerned district officer who after adding his remarks should forward them to the head of the department or the

Regional officer concerned *through* the chief executive officer-cum-district development commissioner. In respect of Block Development officers the report should be initiated by the deputy chief executive officer (administration) and after its counter-signature by the chief executive officer-cum-district development commissioner, it should be forwarded to Commissioner of Panchayati Raj for custody. In our view, the elected office-bearers need not record their remarks on confidential reports. If occasionally they have something to say about any official of the Zilla Parishad or Samithi, they can discuss with the chief executive officer-cum-district development commissioner or the Block Development Officer as the case may be so that they may take due note of their views.

Disciplinary Powers :

7.28. Every gazetted officer should have power of imposing minor punishments on his non-gazetted subordinate. The power of imposing major punishments should be with the authority which is competent to appoint the delinquent officer. The appeal should lie to the next higher authority or the chief executive officer-cum-district development commissioner and revision in respect of non-gazetted non-technical posts should lie to the Commissioner of Panchayati Raj, to the Director of Public instruction in respect of teachers and the head of department concerned in respect of technical officers and to Government in respect of gazetted posts—class I and class-II.

Leave and Pension Contributions :

7.29. We observed that there was considerable difficulty in the recovery of pension and leave-salary etc, in respect of personnel working at different levels. Each Zilla Parishad is required to maintain a pension fund. It would be much better that some formula is worked out in regard to the quantum of pension and leave charges to be collected from each Gram Panchayat and Panchayat Samithi and the amount so arrived at deducted from the per capita grant itself and credited to the pension fund and general fund. This will reduce a lot of avoidable work and correspondence and ensure prompt payment of pension and general provident fund. We also recommend that the Government should not collect any pension or leave salary contribution in respect of government employees serving in the Zilla Parishads and Panchayat Samithis. In respect of provident fund, recoveries should be effected by the institutions concerned as is being done now quickly and credited to the funds concerned, Accounts slips should be issued to the subscribers before September of the year following the year of account to enable subscribers to satisfy themselves about the correctness of the accounts and to supply information regarding missing credits, if any. We also recommend that all establishment grants to Panchayat Samithis should be routed through the Zilla parishad only.

Special facilities to Drivers :

7.30. The drivers should be sanctioned special pay as their duty hours extend through out the day and late in the night. They should

also be provided quarters near the office. They have represented that often times they are relieved only after 10.00 p.m. in the night and that as their rented houses are situated miles away from the offices, they reach their houses very late in the night and they have to leave very early in the morning to report themselves for duty.

Simplification of provisions in the Act, Rules and Procedures :

7. 31. We have been told that the provisions in the Act, the rules issued under the Act and the various procedures evolved have become cumbersome and complicated and that they require simplification. The various recommendations made by us necessitate the amendment of the Acts and rules. The actual amendments can be drafted only after Government have taken decisions on our recommendations. As a result of such amendments, the rules also require to be changed. A Deputy Secretary in Panchayati Raj department may be placed on special duty to attend to this important work which must necessarily precede the reorganisation envisaged by us.

7. 32. We also recommend that service rules should be framed as quickly as possible for all services under the Zilla Parishad. We have been told that a large number of employees has not been confirmed in permanent posts and that quite a good number of the posts existing for a long time have not yet been made permanent. It has also been represented to us that many staff members working in these institutions have not yet been regularly appointed for want of service rules and that seniority lists have yet to be drawn up. We suggest that the deputy secretary on special duty should be asked to attend to this work also. We firmly believe that contentment and security have an intimate relationship with efficiency and devotion to duty and work and the sooner the benefits which are already overdue are conferred the better for Panchayati Raj and its service personnel.

CHAPTER—VIII

SUPERVISION AND CONTROL OF PANCHAYATI RAJ INSTITUTIONS.

Need for supervision, control, etc. :

8.1. The team for study of community development and national extension service, while recommending decentralisation of powers and functions of Government also felt that sufficient guidance in technical as well as administrative matters should be available to the Panchayati Raj bodies and that certain amount of control should be retained by the Government. The team also felt that there should be an authority nearby who has powers to suspend resolutions or proceedings of these bodies which would result in breach of peace or which would be in contravention of the Constitution of India and that the Government in transferring functions to the panchayati raj bodies should not however abdicate their constitutional responsibility. The Vengal Rao Committee also felt that imaginative and helpful guidance from higher circles would be essential for the efficient working of the Panchayati Raj institutions and that there should be proper arrangement for close and competent supervision over the functioning of these institutions. It felt that there should be a separate head of department for Panchayati Raj with regional deputy commissioners at the rate of one for every group of four districts. According to the recommendations of the study team on district administration of the Administrative Reforms Commission of India, there should be a proper system of supervision to exercise checks and controls over the Panchayati Raj institutions, these being vested at appropriate levels which should include the measures suggested by the study team for decentralisation. The Administrative Reforms Commission of the Government of India observed that "supervision in the sense of overseeing and or guiding day to day work of Panchayati Raj would neither be desirable nor in fact feasible. All that would be necessary would be an inspection of the offices of the Panchayati Raj institutions. . . . Emergency situations will be taken care of by the special provision in the Act like suspension of resolution, removal of office-bearers and members and supersession and dissolution of these bodies". The Bongirwar Committee of Maharashtra State which went into evaluation of the various aspects of the working of Panchayati Raj institutions in Maharashtra is of the view that the State Government must continue to pay their closest attention to the working of the Panchayati Raj bodies and ensure that they actually function effectively and acquire the necessary strength and stability.

8.2. All the officers and the elected functionaries whom we interviewed have also agreed that there should be adequate powers for the

State Government and the higher officers concerned to guide and guard these institutions and also to check and correct them in time if they go wrong. Many have also advocated the creation of a separate department for Panchayati Raj with the Commissioner of Panchayati Raj as its head, who along with his joint or deputy commissioners could undertake supervision and inspections of the Panchayati Raj institutions. We have given our careful consideration to the various suggestions made to us in respect of powers of control, supervision, etc., which should be exercised at different levels and made our recommendations in the succeeding paragraphs.

8.3. GRAM PANCHAYATS :

(a) At present the executive officers of the Gram Panchayats are not able to exercise control over the Gram Panchayat staff as the staff according to the Andhra Pradesh Gram Panchayats Act, 1964 is under the control of the sarpanch. The Act should be amended so as to place the staff under the immediate control of the executive officer who will be designated as secretary. In the absence of the executive officer, the sarpanch could give instructions and extract work from the staff. The secretary, however, should be under the administrative control of the sarpanch and the Gram Panchayat ;

(b) The provisions in the Andhra Pradesh Gram Panchayats Act relating to suspension of resolutions under certain circumstances, revision of resolutions, proceedings, orders, etc., directions to enforce the doing of certain things, cessation from office for failure to perform certain functions, removal from office, supersession and dissolution, etc., should be retained ;

(c) In addition, we strongly recommend that provision should be made in the Andhra Pradesh Gram Panchayats Act for the suspension of a sarpanch and upa-sarpanch. In Maharashtra a sarpanch or an upa-sarpanch could be suspended under certain circumstances. Experience in Andhra Pradesh has shown that sarpanchas who are called upon to explain against penal action for commission of irregularities not only try to delay the proceedings by resorting to various dilatory tactics like asking for extension of time piece-meal, asking for unnecessary records, delaying the submission of explanation, etc., but also exhaust the funds of the Gram Panchayats completely before they are finally removed from office. In many such cases the controlling authorities could not stop such drawals of funds. We, therefore, recommend that suspension of sarpanch and upa-sarpanch should be resorted to under justifying circumstances and that the Act should be amended to provide for suspension of a sarpanch and upa-sarpanch on the following grounds :—

(1) that he has been sentenced for a criminal offence involving moral turpitude ; or

(2) that criminal proceedings have been launched against him for criminal offence involving moral turpitude ;

(3) that after due enquiry it is found that there is a *prima facie* case of misappropriation of funds, misuse of funds, wanton or deliberate waste of funds or persistent disobedience to the orders of the Government or a delegated authority. The chief executive officer of the Zilla Parishad should be the authority empowered to suspend the sarpanch or upa-sarpanch subject to confirmation by the Commissioner of Panchayati Raj.

(d) We are also told that the procedure for giving sufficient opportunity is not clearly laid down in Section 50 of the Act, and it is very essential that the procedure is clearly laid down so that it could be correctly followed. We suggest that before a show-cause notice is given to a sarpanch, upa-sarpanch or even a member for penal action, there should be a preliminary enquiry conducted by an officer authorised to conduct such enquiries and that report should be the basis of the show cause notice. A copy of this report should be made available to the delinquent office-bearer along with the show cause notice. The competent authority can pass final orders after getting and examining the reply or after the time given for reply is over. There should be no delay in the supply of any document as the show cause notice will be based on the records already made available.

(e) The study team on district administration of the administrative reforms commission of India felt that the budget of these institutions need not be approved by any higher authority. While we agree with this view so far as the Zilla Parishads and Panchayat Samithis are concerned, as stated in para 9 of Chapter IX, we feel that the budget of Gram Panchayats should be approved by the Panchayat Samithi concerned.

(f) It has been suggested to us that the power of suspension of a resolution, etc., of a Gram Panchayat should be with the revenue divisional officer of the area. We feel that there is no great advantage in giving this power to the revenue divisional officer who will be associated only with elections and no confidence motion meetings of these bodies. This power in our view should be with the chief executive officer-cum-district development commissioner of the Zilla Parishad. The authority who should finally decide whether the resolution of a Gram Panchayat should be annulled or not should be the head of the department, i.e., the Commissioner of Panchayati Raj or his deputy. It need not be necessarily with Government as this function would fall under the category of 'executive functions'. The appellate authority or authority with powers of revision in this regard can be the Government.

(g) At present the power of supersession and dissolution of a Gram Panchayat is vested in the district collector. We have considered whether this power could continue with the district collector as suggested by the study team on district administration of the Administrative Reforms Commission of Government of India or whether it should be with the Government or the Commissioner of Panchayati Raj. We feel that this power should be with an authority who is above the district level. So, we recommend that the power may be with the Commissioner of Panchayati Raj. The appellate authority can be the Government.

(h) We have examined the question whether the power to remove any member or sarpanch of a Gram Panchayat should vest with the commissioner of panchayati raj or with the Government. We consider that the commissioner of panchayati raj who according to our recommendation will be competent to supersede or dissolve a Gram Panchayat should also be authorised to exercise this power of removing a member or sarpanch or upa-sarpanch of a Gram Panchayat. The appellate authority against the orders of the commissioner of panchayati raj may be the Government. The power to confirm or cancel the suspension of a sarpanch by the chief executive officer of a Zilla Parishad should vest with the Commissioner of Panchayati Raj.

(i) We were also told that there is not much difference between "supersession" and "dissolution" and because of this there were some writ petitions. It is better that the provisions in the Act are made clear. Supersession is suspension of the elected body from performing its functions for the period of supersession and on completion of the period the elected body as it was before supersession with the same elected head, etc., should restore itself. There should be no elections for the office-bearers when the body is reinstated after the period of supersession. By dissolution, the elected body should stand dissolved and fresh elections should be conducted. This position which is in accordance with the rulings given by courts may be made clear in the Act.

(j) The powers to direct a Gram Panchayat to perform certain duties now with the district collector may be vested in the chief executive officer-cum-district development commissioner of the Zilla Parishad.

(k) Regarding inspection of Gram Panchayats the Government in the Panchayati Raj department, issued instructions in G.O. Ms. No. 409, Panchayati Raj, dated 15-6-1971 after examining various feasibilities suggested by the district collectors in distributing the huge inspection workload. We are of the view that it is now too early to suggest modifications. The functions now performed by the district collector in regard to matters relating to Gram Panchayats other than elections may hereafter be entrusted to the chief executive officer-cum-district development commissioner. He should, to the extent possible, visit select Gram Panchayats, big and small.

(l) Under the provisions of the Act for certain types of offences like failure to hand over records, etc., Government sanction is required for prosecution. This is a routine matter. We would recommend that the Act should be amended so that this power is vested in the chief executive officer-cum-district development commissioner who could be effective in getting back records, etc., from the defaulting sarpanchas.

(m) The chief executive officer-cum-district development commissioner and the district panchayat officer should take special steps to ensure that the divisional panchayat officers and the extension officers for Panchayats have a systematic programme of visiting and inspecting the Gram Panchayats and that their tours are properly planned and adhered to.

8.4. PANCHAYAT SAMITHIS:

(a) In regard to resolutions and other proceedings of the panchayat samithi, the authority who can now suspend them under certain circumstances is the district collector under section 62 (3) of the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act. This power may be transferred to the chief executive officer-cum-district development commissioner of the Zilla Parishad. As regards the authority who should decide whether such resolutions or proceedings should be annulled or not, the powers which are now with the Government may be vested in the commissioner of Panchayati Raj. It need not be with the Government who, however, may remain the appellate and revision authority.

(b) At present, Government alone are competent to give directions to Panchayat Samithis to perform a defaulted function within a specified period. This power can be vested in the chief executive officer-cum-district development commissioner at the district level because with the Zilla Parishad assuming greater responsibilities, the chief executive officer-cum-district development commissioner would need this power in respect of Panchayat Samithis in the district. The appellate authority may be the Commissioner of Panchayati Raj. This arrangement will also be in conformity with the concept of decentralisation of power.

(c) The power of removal of member, vice-president president of Panchayat Samithi, as also according sanction for prosecuting them may be with the Government themselves, who should take action after obtaining a report from the Commissioner of Panchayati Raj. Since all the functions in the Panchayat Samithi are performed through officers the question of suspending the president, vice-president or members may in fact arise very rarely. The proceedings for removal of any of them once started should be completed in the quickest possible time.

(d) The power of supersession and dissolution of the Panchayat Samithis should continue to be with the Government. The terms 'supersession' and 'dissolution' should be defined clearly in the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act as recommended by us in para 8.3 (i) in respect of Gram Panchayats.

(e) It should be the duty of the chief executive officer-cum-district development commissioner to inspect the Panchayat Samithis and works and schemes as frequently as possible with a view to ensure their proper and efficient execution. There shall, however, be a regular annual inspection of every Panchayat Samithi. This can be done either by the chief executive officer-cum-district development commissioner himself or by the deputy chief executive officer. We suggest that the chief executive officer-cum-district development commissioner should take up annual inspection of at least 1/3rd of the number of Panchayat Samithis every year and the rest by the deputy chief executive officer.

8.5. ZILLA PARISHADS:

(a) The authority who can suspend the resolution or other proceedings of a zilla parishad under certain circumstances should be the Commissioner of Panchayati Raj (we have recommended elsewhere that

the chief executive officer-*cum*-district development commissioner can withhold the implementation of a resolution of the Zilla Parishad and ask for the advice of the commissioner). The final authority to decide whether a resolution should be annulled or not may be the Commissioner of Panchayati Raj, the appellate authority being the Government.

(b) At present, Government alone are competent to give directions to the Zilla Parishads to perform defaulted functions within a specified period. This power should vest with the Commissioner of Panchayati Raj and the appellate and revising authority with the Government.

(c) The powers of removal of members, vice-chairman and chairman of Zilla Parishad as also according sanction for prosecuting any of them may be with the Government themselves who should take action after obtaining a report from the Commissioner of Panchayati Raj. There seems to be no need to provide for the suspension of the members of Zilla Parishads.

(d) The powers of supersession and dissolution of Zilla Parishads should continue to be with the Government.

(e) In regard to inspection of Zilla Parishads the Commissioner of Panchayati Raj and the joint or deputy commissioner, if any, should undertake inspection work. There should be an annual inspection of every Zilla Parishad. The Commissioner of Panchayati Raj should inspect atleast 1/3rd of the zilla parishads (i.e.) 7 in an year and the remaining number could be inspected by his deputies.

8.6. In order to enable the general body of Zilla Parishad to ensure that the subject committees function effectively and that schemes, programmes, works, etc., are implemented speedily, the standing committee of the Zilla Parishad should undertake detailed reviews of the scheme and programme, etc., periodically and place such reviews before the general body for its information.

Functions of Heads of Development Departments.

8.7. According to the orders issued in G.O. Ms. No. 986, Planning and Local Administration, dated 11-7-1960 and G.O. Ms.No. 99, Planning and Local Administration, dated 11-1-1961, the technical department should inspect the work of the Zilla Parishads in so far as it relates to the activities of the department concerned such inspection being divided by the head of the department between himself and his deputies and regional officers. The inspecting officers were also made responsible for the followup action in respect of the inspection reports issued by them after inspections. Where the head of the department himself did not undertake inspections, he should get reviews prepared for his information. The heads of departments were also required to ensure that their district officers gave good guidance to the Samithis. The head of the department and his regional officers were also required to ensure that their district officers inspected the Panchayat Samithis in respect of technical works.

However, we were told that the technical inspections of Zilla Parishad branches by heads of departments are not adequate and that this matter would be considered by the Standing Advisory Reforms Committee of the State Government. Since the Zilla Parishad is being made responsible for the development of the district and since we have recommended in chapter VI that the chief executive officer cum-district development commissioner of the Zilla Parishad should be given certain powers of heads of development departments in the implementation of plan schemes concerning the development departments, the need for the heads of departments exercising full technical control has become more essential now. Even, if certain administrative powers of heads of departments are given to the chief executive officer-cum-district development commissioners the heads of departments will continue to have the same technical control and general administrative authority in respect of State sector schemes as they are now having over district officers. They will supervise the departments in the Zilla Parishad concerning them. We recommend that the heads of departments should also participate in the meetings of the subject committee, standing committee and the general body of the Zilla Parishads as often as possible.

8.8. In respect of education, it was suggested to us that management and administrative control only should be with the Zilla Parishads and that academic control and enforcement of Government regulations and statutory rules should continue to be outside the purview of the Zilla Parishad. We agree with this suggestion. The inspection staff under the district educational officer for academic inspections may not be under the direct control of the Zilla Parishad. The district educational officer may supervise the work of inspections and also scrutinise their reports and pass them on to the director of public instruction direct. This procedure is in vogue in Maharashtra and we are told that it is working satisfactorily.

8.9. We are told that the inspection of primary health centres is not adequate, while there is no inspection at all of the rural dispensaries. We feel that the district medical and health officer or his deputy should conduct the annual inspection of all primary health centres in the district atleast once in an year and the deputy district medical and health officers should visit each primary health centre once every year in addition to the annual inspection. The district medical and health officer should ensure that the senior-most medical officer of the primary health centre inspects every rural dispensary in his block twice a year atleast. The primary health centres and other rural dispensaries should also be inspected by surprise as frequently as is necessary and possible.

8.10. The district heads of departments apart from ensuring that there is a smooth flow of funds for their schemes implemented by the Zilla Parishad should also check rush of expenditure. They should also take effective steps to ensure that all lapsed grants are refunded to Government promptly and loan amounts, if any, due are recovered within the time prescribed.

State Head of Department for Panchayati Raj :

8.11. Several representations have been made before us by the elected functionaries and officers as also by the various service associations that the number of Panchayati Raj bodies is so large, the functions entrusted to them are so varied and the funds utilised by them are also so substantial that there is need for a State head of department to visit them frequently get first hand information about their problems, suggest solutions, give guidance, check undesirable trends and take up with Government matters which require their orders. Even the officers of the Panchayati Raj secretariat have expressed that in the absence of an independent State head of department for Panchayati raj, Government have before them in each case only the views expressed to them either by the Panchayati Raj institutions or the district collectors. Neither of them have the advantage of Statewide experience for placing before the Government a comprehensive views on all such matters. Till the year 1962, the inspectorate of local boards was there to look after the affairs of the Gram Panchayats and district boards. After its conversion into the office of the director of municipalities, the work relating to the Gram Panchayat was transferred to the Panchayati Raj department. For some time thereafter there was a commissioner of panchayati raj who was a member of the board of revenue. He was provided with certain staff from the panchayati raj department. But this arrangement did not last long and was given up. But, the work relating to the inspections of the Zilla Parishads and the offices of the district panchayat officers was entrusted to the Board of Revenue and one of its members was continued to be designated as the commissioner of panchayati raj. Early in 1968, again one of the board members was designated as the commissioner of panchayati raj and he was given separate staff. Some were of the view that this arrangement worked very well. A separate commissioner of panchayati raj with his officers was able to concentrate on executive and inspection functions and guidance became available to the Panchayati Raj functionaries. It is said that due to certain administrative complications, this system had to be given up. The Board of Revenue also expressed its inability to continue to undertake the inspections of the Zilla Parishads and offices of district panchayat officers. After the merger of the functions of the head of department in the secretary to the Government in panchayati raj department it had not been possible for him to effectively inspect the Zilla Parishads and atleast select Panchayat Samithis and the district panchayat officers' offices. We are told that Government thought of sanctioning a post of additional secretary to Government to the Panchayati Raj department so that the Secretary to Government could entrust his main secretariat functions to the additional secretary and he could concentrate on the executive side as Commissioner of Panchayati Raj. This however did not materialise. We recommend that there should be a separate head of department to be designated as Commissioner of Panchayati Raj on super-time scale of I.A.S. He should be assisted by a joint commissioner in selection grade of I.A.S., and two deputy commissioners on senior time-scale of I.A.S., besides junior officers and staff. In our recommendations, we have proposed entrusting of many important executive functions to the Commissioner of Panchayati Raj which would give great relief to the (Secretary to Government) secretariat which could thereafter confine itself to policy

matters and appellate and revisionary powers. There is sufficient justification for creating a separate head of department with the designation of 'Commissioner of Panchayati Raj'. In the proposed head of department office there should be a "vigilance cell" which should be under the direct control of the Commissioner of Panchayati Raj. Whenever any complaints are received by government or the Commissioner of Panchayati Raj about alleged misdeeds of elected functionaries or officers of Panchayati Raj bodies the commissioner of Panchayati Raj should arrange for spot inspection and enquiries by the officers of this cell and his deputies and obtain their reports for taking further action. Since the Zilla Parishads are being made responsible for formulation and execution of plans in the local sector there should be an organisation in the commissioner's office for giving guidance to the planning units working in the Zilla Parishads. It will be also necessary for the commissioner to obtain progress reports from all the Zilla Parishads. Thus in the commissioner's office there should be a planning and evaluation cell with competent officers and staff. The officers of this cell should visit the districts, scrutinise the plans and give guidance to the deputy chief executive officers (planning). The work of the tribal welfare blocks is now supervised by the director of tribal welfare. But in future tribal Samithis will also come under the Zilla Parishad and the chief executive officer-cum-district development commissioner. The Zilla Parishads will have the same control, responsibilities and powers in regard to tribal Panchayat Samithis as in respect of all other Panchayat Samithis. The commissioner of Panchayati Raj should continue to be the co-ordinating authority for the work in the tribal blocks also. The director of tribal welfare should continue to supervise the tribal Panchayat Samithis. He is now delegated the powers of commissioner of Panchayati Raj in regard to tribal blocks. We recommend that he may continue to exercise these powers, advise both the Samithis of tribal blocks and the Zilla Parishads concerned.

8.12. The finance and accounts department of Zilla Parishads playing an important role in the new set up of Zilla Parishads recommended by us, the finance and accounts officers of Zilla Parishad will require the guidance and constant advice of a senior officer well-versed and experienced in finance and accounts. The financial advisor and chief accounts officer in the Panchayati Raj department of the Government is the officer to fulfil this function and role. He should, therefore, form part of the office of the Commissioner of Panchayati Raj. We do not consider that the government in panchayati raj department need the services of a financial adviser. If a senior officer is required in the panchayati raj department of the Government for looking after financial administrative matters, the Government could have a senior officer from the administrative service or from the finance department of the secretariat as in Maharashtra State.

Functions of the Government :

8.13. We have indicated in the previous paragraphs that certain functions now performed by the Government could be entrusted to the Commissioner of Panchayati Raj and to the chief executive officer-cum-district development commissioner. Then the Panchayati Raj

department at secretariat level should be able to concentrate on matter of policy, structural changes, developing trends, performance of Panchayati Raj, assistance by state heads of departments, priorities etc.

8.14. In the report of the study team on district administration of the Administrative Reforms Commission of Government of India, a suggestion has been made that penal action against the elected functionaries as also matters relating to supersession and dissolution of the panchayati raj institutions could be entrusted to a tribunal consisting of the district collector and a subordinate judge. This tribunal after examining the complaints with reference to the evidence collected by it can make recommendations to Government who would take further action. We are unable to accept this suggestion as the process would be time-consuming and it would be very difficult for the two officers of the tribunal to meet frequently and find time to attend to this tribunal work, busy as they are with their normal work and duties.

CHAPTER IX.

ACCOUNTS AND AUDIT

Financial Discipline and Accountability :

9.1. Three important attributes of the custodians of public funds are financial discipline, accountability and integrity. Accountability and financial discipline are the prime need of every institution which deals with public moneys. Correct accounting is not only a safeguard against avoidable loss of revenue and improper spending but also a protection against possible objections of wasteful or infructuous expenditure, etc., which may be raised even in the case of bona-fide items of expenditure or waiver of revenue or recoveries. Panchayati Raj institutions are trustees in the eye of law and the public and nothing infuses confidence in the people about the proper working of these institutions as prompt and correct accounting does. It is such accounting that helps audit to perform its function and bring to notice irregularities which need to be checked. Proper up-keep of accounts and systematic audit are therefore quite essential for every public institution and more so in the case of the Panchayati Raj institutions which receive crores of rupees from Government by way of grants and assigned revenues. As the sources of their revenue are derived from different departments which impose varying types of restrictions, the accounting procedure is no doubt some what complicated. So, there should be an independent and efficient accounts organisation in the offices of Zilla Parishads and Panchayat Samithis. This is all the more necessary now as we have recommended the Zilla Parishad to be made responsible for the rural development of the whole district in all sectors and the Panchayat Samithis will have to take up more schemes for implementation with more funds made available to them.

9.2. True there is an accounts organisation in the Panchayati Raj institutions even now but the accounts personnel in Zilla Parishads and Panchayat Samithis are not all fully qualified and efficient and are not quite effective. Perhaps, this is one of the causes for Panchayati Raj institutions coming in for adverse criticism by Public Accounts Committee, etc. There are complaints that accounts for the moneys spent are not correctly maintained and that there is no effective financial control exercised by the accounts officers of Zilla Parishads even though they have been placed under the direct control of the collectors. The study group on budgeting and accounting procedures of

Panchayati Raj institutions set up by the Government of India, Ministry of Community Development and Co-operation observed, "we have no reservations in stating that the success of the newly formed Panchayati Raj institutions will depend ultimately on the manner in which financial and accounting arrangements are carried out in the field. We would also emphasise the need for systematic administrative supervision and guidance on budgetary and accounting matters". We agree with the views expressed by this Study Group.

Present Set-Up :

9.3. At the State level there is a financial adviser and chief accounts officer in the Panchayati Raj department. He belongs to the I.A. & A.S. and is on deputation to the State Government. He is assisted by two accounts officers and necessary staff. There is an accounts officer in every Zilla Parishad under the direct control of the district collector. The accounts officer is assisted by some staff given by the Zilla Parishad consisting of upper division and lower division clerks. Besides, there is a divisional accountant and some accounts staff in the engineering branch of Zilla Parishad to attend to the accounts of the executive engineer, Zilla Parishad. At Samithi level, the office manager assisted by one upper division accountant and lower division accountant looks after the accounts of the Samithi. In Gram Panchayats, the accounting work is done by the executive officers, and where there are no executive officers, by the sarpanchas who are the executive authorities with the help of part-time or full-time clerks depending on the annual income of the Gram Panchayats. The audit is done by the examiner of local fund accounts and his subordinate staff in the districts. The Accountant-General is also competent to test check the accounts of these bodies so far as they relate to Government grants.

New Set-Up :

9.4. The acceptance of our recommendations in chapters III, IV, V and VI making the district as the unit for planning and the Zilla Parishad responsible for the economic development of the district and placing all districts heads of development departments along with their staff and funds under the control of the chief executive officer-cum-district development commissioner of the Zilla Parishad would require the re-organisation and strengthening of the accounts branches in the Zilla Parishads and the Panchayat Samithis. We have given thought to the re-organisation keeping in view the recommendations made by the Administrative Reforms Commission of Government of India and its study teams, the working of the accounts organisation of Panchayati Raj in the State of Maharashtra, the views expressed by the financial adviser and chief accounts officer, Panchayati Raj department, the director of treasuries and accounts, the examiner of local fund and Panchayati Raj accounts, the district collectors the accounts officers of Zilla Parishads and the elected representatives of the Panchayati Raj institutions. The financial adviser and chief accounts officer of the Panchayati Raj department has expressed before us that there is need for constituting an account service for Panchayati Raj comprising qualified and competent accounts officers and accountants who should have a thorough knowled

of panchayati raj accounts and who should have passed a comprehensive accounts test to be prescribed for them. For accounts officers in the Zilla Parishads, the examination should be somewhat on the lines of S. A. S. examination of the examiner of local fund and panchayati raj accounts. The accounts officer of the Zilla Parishad who should be designated as finance and accounts officer should be independent of all other officers and should work directly under the chief executive officer-cum-district development commissioner and the existing accounts officers can be fitted into the proposed new-set up provided they are given further training in accounts. The director of treasuries and accounts has suggested that the accounts officers for Zilla Parishads, should be from the department of treasuries, accounts and audit as these officers who are constantly in touch with the spending of the Panchayati raj institutions would be the most suitable officers. In the set-up for the re-organised zilla parishads suggested by us in paragraphs 6.6 and 6.7 of Chapter VI, we have proposed that there should be a separate subject committee for taxation and finance which would be concerned with all matters concerning finances in the Zilla Parishad and of which the finance and accounts officers in the Zilla Parishads should be the conveners. After taking into consideration all relevant views and the needs foreseen in the reorganised set-up, we recommend that for every Zilla Parishad there should be a finance and accounts department, which should be headed by a finance and accounts officer of the Zilla Parishad. He should be given adequate qualified subordinate staff consisting of managers or superintendents, upper division and lower division accountants. The strength of the finance and accounts department of each Zilla Parishad should be fixed and a suitable yardstick prescribed for sanctioning additional staff as and when there is increase in the work load. Every department under the Zilla Parishad should consult the finance and accounts department before any proposal involving financial implications is sanctioned or placed before the subject/standing committee. This new department should deal with budget, compilation of accounts of all funds, exercise financial control over the different funds to be maintained by the Zilla Parishad, carryout internal audit, supervise the accounts of all the Panchayat Samithis in the district, issue utilisation certificates, refund unspent balances, recover advances, refund deposits, etc. The main accounts of all departments should be maintained by the accounts officer and the senior accountants, if there are any, of the district heads of development departments should be transferred to the accounts and finance branch of the Zilla Parishads. Minor detailed or sub-accounts of the departments should however be maintained by the several departments for facilitating control of day-to-day expenditure and to watch the progressive expenditure with reference to sanctions and budget provision. The finance and accounts officer may be of the status of assistant examiner of local fund and panchayati raj accounts or district treasury officer. While it would be desirable that the officers having experience in audit and accounts are appointed to the posts, we have no objection to the present accounts officers of Zilla Parishads and other officers who are qualified in accounts being considered for these posts provided they undergo suitable training and pass a comprehensive accounts test similar to the S.A.S. test in vogue within a

reasonable time. They will become eligible to be regular members of the services only there after. All future appointments to this cadre should be from the subordinate accounts service of the Panchayati Raj institutions. The divisional accountants working in the engineering branches of Zilla Parishads should belong to the staff component of the accounts department of the zilla parishads but, for the time being, he should be continued to work under the control of the executive engineer. We have considered the suggestion of the chief engineer (Panchayati Raj) that divisional accountants in the engineering branches should be those who have experience in public works department accounts and should be brought on deputation from the accountant General's office or from the public works department. While the suggestion is good, since it might be causing hardship to the present divisional accountants in the offices of Zilla Parishads and to the lower division and upper division accountants working in the accounts and finance department of the Zilla Parishads, the present practice may continue but the divisional accountants should be given training in public works department accounts and works audit.

9.5. A suggestion has also been made to us that there should be a separate Panchayati Raj Accounts Service for the gazetted posts of finance and accounts officers working in Zilla Parishads and a subordinate accounts service for the posts of assistant accounts officers for Panchayat Samithis. We have already made our recommendations on these proposals in chapter VII.

There should be a district cadre in the zilla parishads consisting of divisional accountants, upper division accountants and lower division accountants. The postings and transfers of all accounts personnel in the Zilla Parishads and Samithis should be made by the chief executive officer-cum-district development commissioner in consultation with finance and accounts officer. Postings and transfers of the finance and accounts officers may be done by the commissioner of Panchayati Raj. The finance and accounts officer of every Zilla Parishad should every year prepare a financial statement of the Zilla Parishad in respect of the previous financial year and after getting it approved by the Zilla Parishad send it to the financial adviser and chief accounts officer of Panchayati Raj department for placing it before the State Legislature. This statement should include the receipts and expenditure of all Panchayat Samithis in the district. Any differences arising between the finance and accounts officers of the Zilla Parishad and other officers should be resolved by the chief executive officer-cum-district development commissioner of the Zilla Parishad concerned. The chief executive officer-cum-district development commissioner should be competent to over rule or reject the advice of the finance and accounts officer and he should record reasons and grounds for such action.

9.6. In the Panchayat Samithis, there is a manager who is concerned with the samithi accounts besides other work entrusted to him. In our view, this arrangement is not at all satisfactory as the manager is not effective so far as the accounts are concerned. So, we agree with the view expressed by the financial adviser and chief accounts officer of the Panchayati Raj department that there should

be an assistant accounts officer of the grade of the district inspector of local fund accounts or sub-treasury officer for each Panchayat Samithi with a upper division accountant and lower division accountant in the panchayat samithi. Whenever the work load is heavy, the Samithi accounts branch should be suitably strengthened. We recommend that all these accounts personnel should be given sufficient training at the district level and those who have not yet passed accounts tests should be required to pass them within a time stipulated by the State Government. The block development officer is normally bound to accept the advice of the assistant accounts officer but in cases where he differs from the assistant accounts officer, he should refer the matter along with the advice of the assistant accounts officer and his own views to the chief executive officer-cum-district development commissioner who in consultation with the finance and accounts officer of the Zilla Parishad decides the matter. In cases of emergency the block development officer, however, could over rule the assistant accounts officer but refer the case to chief executive officer-cum-district development commissioner for final orders.

Budget and Simplification of Procedure for Preparation of Budget :

9.7. The study team on State-level administration of the Administrative Reforms Commission of Government of India has observed "just as the audit is the post-discipline, budget is the pre-discipline on public spending. The budget should be meticulously prepared and after its approval by the competent authority it should be meticulously and scrupulously enforced. The relaxation of checks and stretching of flexibilities may go to ridiculous ends. Budgeting has become more a ritual than a rigorous financial discipline. Lack of strict enforcement of financial discipline will lead to financial crisis and result in dislocation of all plans and programmes. Budget should be realistic and include only schemes fully examined and approved. All attempts should be made to avoid provisional inclusion of schemes". We fully agree with the above views.

9.8. The Administrative Reforms Commission held that Panchayati Raj institutions need not submit their budgets to higher authorities if they frame their budgets including their obligatory expenses within their own resources and that if they, however, exceed their resources, their budgets should be approved by the authority which is in a position to meet this excess. At present according to the rules issued for the preparation of budgets for Gram Panchayats, Panchayat Samithis and Zilla Parishads, the budgets of these bodies should be approved by the Samithi, Zilla Parishad and Government respectively. Certain Panchayati Raj functionaries deposed before us that the submission of budgets to and their approval by higher levels is more or less a formality and that the actual expenditure incurred by these bodies has no relevance to the budget approved. In Maharashtra, the budgets of the Gram Panchayats are approved by the Panchayat Samithi, the budgets of the Panchayat Samithis are approved by the Panchayat Samithis themselves and they are forwarded to the Zilla Parishad for inclusion in the budget estimate of the Zilla Parishad the budgets of zilla parishads including those of panchayat Samithis are approved by the Zilla Parishads themselves. If a Gram Panchayat

fails to frame and approve a budget within the stipulated time it should be the duty of the secretary to frame and submit the budget to the Panchayat Samithi which will approve it with such modifications as it deems fit and certify the same. The budget so approved and certified by the Panchayat Samithi would be the lawfully approved budget of the Gram Panchayat. In the case of a Panchayat Samithi if it fails to pass its budget by a date in the year prescribed, the block development officer concerned should forward it to the Zilla Parishad concerned which would approve it with or without modifications and certify it also and on such certification it would become an approved budget. If such an exigency arises in respect of a Zilla Parishad budget, the chief executive officer should get the Zilla parishad budget approved and certified by the State Government.

9.9. We agree that in practice the approval of budgets by the higher level authority has become a mere formality especially in respect of the budgets of the Panchayat Samithis and Zilla Parishads where the budgets are prepared with some thought by trained staff. So we recommend that :

(a) the budgets of Gram Panchayats should continue to be approved by the panchayat samithis as at present.

(b) the budgets of panchayat samithis and zilla parishads should be approved by the bodies themselves and where budgets are not passed within a prescribed time, action should be taken by the executive officer concerned to get them approved and certified by the higher authority.

9.10. With the transfer of different district officers of development departments to the Zilla Parishads the question arises whether the budgets of those departments should also be included in the budget of the Zilla Parishad. There is no doubt that there should be one composite budget for the Zilla Parishad, having within its compass the activities, schemes and programmes of all the departments in it. The budget should be divided into 2 parts State sector and district or local sector, receipts and expenditure being indicated in appropriate sections or sub-heads according to the source of revenue or receipt and the department concerned with expenditure. The chief executive officer should frame and present the budget to the standing committee of Zilla Parishad in November of every year. The Standing Committee should finalise it in December and present it to the Zilla Parishad which should pass it in January of every year. The same procedure should be applicable to Panchayat Samithis also. All funds of the Zilla Parishad, whether they are grants-in-aid assigned revenues or from sources at the disposal of the Zilla Parishads should be at the disposal of the chief executive officer on whose behalf the finance and accounts officer of the Zilla Parishad operates on this fund. All payments should be made by him by cheques including salaries, allowances and advances to staff and officers of all departments of the Zilla Parishad.

9.11. In Maharashtra, the Zilla Parishad prepares and approves a budget both plan and non-plan taking also into account schemes taken up by it with its own resources, new schemes under district

sector to be financed from the additional resources raised by it and assigned revenues given to it, plan provisions transferred to it from State plan and estimates of expenditure in respect of normal staff and transferred Government schemes. The departmental district officers forward these estimates to the chief executive officer through the finance department of the Zilla Parishad in the prescribed form under the respective heads of accounts in the State budget. The finance and accounts officer obtains the approval of the chief executive officer for these estimates and forwards them to the controlling officers of the State Government. The controlling officers will examine the estimates in accordance with the prescribed budgetary procedures and forward them to the administrative departments in the secretariat in a consolidated form. The departments of the secretariat scrutinise them and send the consolidated estimates to the Rural Development Department which in turn gives a block fore-cast of the total expenditure anticipated under the local sector to the Finance Department of the Government. When the estimates of expenditure are thus finalised and accepted, the grants are worked out in consultation with the departments concerned and included in the civil budget estimates of the State Government. After the total budget estimates for the respective major heads are finalised in the secretariat and district-wise distribution obtained from the heads of departments concerned, details are discussed with the officers of the Zilla Parishad and minor adjustments are made wherever possible before officially intimating the figures of budget estimate to the Zilla Parishads. The Zilla Parishad-wise details of the estimates are then printed in a separate publication showing provision from the State budget transferred to the Zilla Parishads and copies thereof are supplied to the concerned. We have outlined the broad procedure in framing the budgets and their approval by the Zilla Parishads and Panchayat Samithis in the preceding paragraph and while we commend this procedure for adoption in our State, we hasten to state that as conditions in our State differ substantially the evolution of the new procedure requires greater detailed study and technical scrutiny. So, we recommend that a small committee of officers belonging to the finance and panchayati raj departments, officers of the accountant-general and director of treasuries and accounts and the examiner of local fund and panchayati raj accounts, may be constituted to evolve suitable procedures. This small committee could also consider simplification of procedures and reduction of registers to be maintained by different tiers of Panchayati Raj institutions, as the number of registers is alarmingly large.

Unsatisfactory maintenance of accounts in Zilla Parishads and Panchayat Samithis

9.12. The examiner of local fund and panchayati raj accounts, represented that the maintenance of accounts in Panchayat Samithis and Zilla Parishads, is far from satisfactory. He particularly mentioned about the lapses in accounting of transactions relating to provident fund deposits, advances, utilisation of grants, refund of unspent amounts, etc., in the Panchayat Samithis and Zilla Parishads. We understand that some of the reasons for this state of affairs are :

- (i) shortage of adequate and technically qualified staff in accounts branch ;

(ii) frequent transfer of personnel from accounts branch to general branch ;

(iii) lack of control by the present accounts officer in the Zilla Parishad over the accounts personnel ;

(iv) lack of supervision and guidance from higher levels.

The measures we have suggested for strengthening the accounts organisation should improve matters to some extent. The reduction in the number of registers and simplification of procedures also would improve matters and bring in due course the desired results.

Mode of release of grants :

9.18. Under the present arrangement grants are released to Panchayati Raj institutions by different sources on different dates in a year as detailed below :

Details of grants and head of account.	Source and mode of release.
(1)	(2)
1. Pay and allowances of Secretaries of Zilla Parishads and subordinate staff. (19 General Administration).	Government in Panchayati Raj Department yearly.
2. (a) Teaching grants	.. Authorisation is issued by examiner of local fund accounts and the amounts are adjusted by the director of treasuries and accounts/district treasury officer (monthly). In respect of plan schemes the district educational officer releases in two instalments.
(b) Building and equipment grants.	Sanctioned by education department and is released in lumpsum once a year.
(c) CARE grant towards cost of u.d.c. and transportation charges to Zilla Parishads.	Sanctioned and released by the district educational officer yearly.
(d) Mid-day meals-Panchayat Samithis.	The grant is released yearly by the Zilla Parishad from out of the grant released by the district educational officer. The contribution payable by Panchayat Samithis and Panchayats is deducted at source from the grant of 25 paise payable to Panchayat Samithis and Panchayats.

- | (1) | (2) |
|---|---|
| <p>2. (e) Contingency grant to Panchayat Samithis/Zilla Parishads to cover the expenditure on contingencies in secondary/primary schools.
(38 Education).</p> | <p>district educational officer.</p> |
| <p>3. (a) Pay and allowance of staff in primary health centres (to panchayat samithis).</p> | <p>Authorisation is issued by the assistant examiner of local fund accounts, after pre-audit and the grant is adjusted to panchayat samithi funds monthly by the sub-treasury officer, district treasury officer.</p> |
| <p>(b) Subsidies to rural medical practitioners and maternity assistants.</p> | <p>Director of Indian medicine. In respect of allopathic dispensaries district medical and health officer.</p> |
| <p>(c) For family planning clinics (Incentives and reimbursement of expenditure for sterilisation and i.u.c.d. insertions).</p> | <p>district medical and health officer.</p> |
| <p>(d) Contingencies (contingent expenditure and propulsion charges of UNICEF vehicle)
(29 Medical).</p> | <p>district medical and health officer annually in advance at the commencement of year.</p> |
| <p>4. Maintenance of maternity and child welfare centres.
(80 Public Health).</p> | <p>Government in health and municipal administration department on the recommendation of director of medical and health services after certified expenditure figures are made available by the examiner of local fund accounts.</p> |
| <p>5. (a) Seed farms and seed stores.
(b) multiplication and distribution of improved seeds.</p> | <p>} district agriculture officer.</p> |
| <p>(c) Package scheme.
(d) Intensive dry farming scheme.</p> | <p>} Government in food and agriculture department.</p> |
| <p>(e) Development of fisheries and for fishery schools.
(81 Agriculture).</p> | <p>Director of fisheries.</p> |

(1)	(2)
6. Minor veterinary dispensaries and artificial insemination of cattle. (88 Animal Husbandry).	district veterinary officer.
7. (a) Health and rural sanitation (cost of block headquarters staff) construction of primary health centres.	Government in Panchayati Raj department.
(b) Applied nutrition programme, establishment of mahila mandals in the villages for conduct of nutrition education demonstration.	do.
(c) Poultry development—construction of poultry sheds and purchase of breeding stock.	do.
(d) Fisheries development—purchasing fish seed and employing fishermen ..	do.
(e) Horticulture development digging of wells in Panchayat Samithi gardens and village gardens (the grant under community development excluding the expenditure on the staff can be utilised by Panchayat Samithis according to felt needs) ..	do.
(f) Local development works programme in Panchayat Samithis	do.
(g) Crash programme (87 Community Development Projects).	do.
8. (a) Staff of district social welfare officer.	district social welfare officer to Zilla Parishad.
(b) Social welfare department, government hostels.	director of social welfare to Zilla Parishads.

(1)	(2)
<p>8. (c) Subsidised hostels</p> <p>(d) Welfare of scheduled castes.</p> <p>(e) Scheduled tribes.</p> <p>(f) House sites.</p> <p>(g) Social welfare schools.</p> <p>(h) Sanitary amenities.</p> <p>(i) Monetary aid for books and stationery.</p> <p>(j) Drinking water wells. (89 Miscellaneous).</p>	<p>director of social welfare places the funds at the disposal of Zilla Parishad for distribution to Panchayat Samithis.</p>
<p>9. Minor irrigation—restoration and maintenance of minor irrigation sources. (44 Irrigation).</p>	<p>Government in Panchayati Raj department (grant is given in lumpsum to Zilla Parishad for distribution to Panchayat Samithis according to felt needs).</p>
<p>10. (a) Pay and allowances of supervisors in Panchayat Samithis</p> <p>(b) Communication—spill-over works, new roads, roads in village plan, roads in sugar cane areas—ex-district board roads (50 Public Works)</p>	<p>Government in Panchayati Raj department to Zilla Parishad. (in four instalments)</p> <p>Government in Panchayati Raj department (yearly)/The grants for improvement and construction of roads leading to sugar-cane areas are released by chief engineer (P.R.). The grant for maintenance of the ex-district board roads are released by chief engineer (P.R.) (annually).</p>
<p>11. Women welfare.</p>	<p>.. regional assistant director of women welfare.</p>
<p>12. Tribal welfare—maintenance of hostels; special telangana development scheme, medical dispensary buildings construction of ashram schools. (71 Miscellaneous).</p>	<p>director of tribal welfare. (yearly)</p>
<p>13. (a) Payment of t.a. and d.a. to non-officials.</p> <p>(b) Honorarium to president, Panchayat Samithi and chairman Zilla Parishad.</p>	<p>Government in Panchayati Raj department on ad hoc basis in one lumpsum.</p>

(1)	(2)
(c) 25 paise per head of population to Panchayat Samithis to discharge their function. (Non-lapsable grant.)	Government in Panchayati Raj department (quarterly)
(d) 25 paise per head of population to Zilla Parishads for sanction to gram panchayats for drinking water supply works, improvement of rural sanitation, village roads, construction of maternity and child welfare centres, rural dispensaries etc., (non-lapsable grant). (71 Miscellaneous).	
14. (a) 30 paise grant for maintenance of roads.	Government in Panchayati Raj department (yearly).
(b) Matching grants for impressive collection by panchayats.	district collector out of the funds placed at his disposal.
(c) Maintenance of maternity and child welfare centres.	Government on recommendation by director of medical and health services.
(d) Antimosquito, antilariasis, antimalaria, etc., measures. (76 Miscellaneous)	Government on the recommendation of director of medical and health services on the strength of audited figures of expenditure furnished by examiner of local fund and panchayati raj accounts (Grants released to gram panchayats).

9.14. Of these grants, some are lapsable and some are non-lapsable. It is incumbent on the part of Panchayati Raj institutions to account for the expenditure under these grants under different heads of accounts which require maintenance of separate registers for each head of account to arrive at correct figures of unspent amount. In the present system, the Panchayati Raj institutions are not assured of a definite amount of grant during the next financial year to enable them to make their budgets realistic as the quantum of released grants is dependent on the ways and means position of the State and to the extent provisional utilisation certificates are furnished by the Panchayati Raj institutions. The existing practice of allowing the Panchayati Raj institutions to utilise the grants within a period of 12

months has further complicated the matters as it is not easy to keep a watch on the lapsing dates of different grants. So, the Panchayati Raj institutions are finding it difficult to furnish the utilisation certificates in time as required. We have considered these difficulties and possible solutions to overcome them. Pooling of resources and release of grants through one agency may remove the difficulties to a large extent. We have discussed this issue with the examiner of local fund and panchayati raj accounts and the financial adviser and chief accounts officer of the panchayati raj department. The examiner of local fund and panchayati raj accounts, was not in favour of pooling of resources and release of grants through one agency. In support of his view, he quoted the remarks of the Chairman of the Study Group which met at Jaipur in 1968 that "A single agency at State level to give grants-in-aid was neither desirable nor necessary. A single agency through Government was thought of to ensure timely sanction of funds, facility for co-ordination and convenience of panchayati raj institutions to deal with one agency. But thereby different departments tend to lose interest. It becomes unwieldy also for one agency to keep control of huge funds. Also, control of funds cannot be separated from departments as different departments headed by different officers are answerable to the Legislature and the Public Accounts Committee."

9.15. But the financial adviser and chief accounts officer of the Panchayati Raj department is in favour of pooling of resources and release of grants through one agency *viz.*, Panchayati Raj department. We consider that some of the difficulties or tendencies pointed out by the Chairman of the Study group referred to above could be got over particularly because the plan expenditure on the district sector is met from the District Development Fund maintained by the Zilla Parishad upto its availability and Government have to meet only the excess expenditure over and above the District Development Fund and Government assistance for maintenance is to be given in the form of block grants as recommended by us in chapter V. We feel that it would be unfair to expect Panchayati Raj institutions to maintain the accounts efficiently without changing the existing procedures which for some reason or other are causing many difficulties. We also feel that under the guidance of financial adviser and chief accounts officer who is a senior I.A. & A.S. Officer, it should not be impracticable to pool the resources and release them by the Panchayati Raj department. We, therefore, recommend the following arrangements in regard to release of grants by Government.

(i) that all grants must be released to the Panchayati Raj institutions through one agency *i.e.*, by the Panchayati Raj department;

(ii) that funds intended for release to Panchayati Raj institutions must be provided under one head of account in the State budget under "Panchayati Raj" changing the existing classification of "37. community development projects, etc.";

(iii) that preparation of budget estimates and revised estimates should be done by the respective heads of departments;

in respect of the grants relating to schemes of their respective departments ;

(iv) that on receipt of such budget estimates and revised estimates through the concerned secretariat departments, the finance department may consolidate and provide the amounts under one Major Head of Account, to identify a particular grant under that major head of account, detailed sub-heads can be opened ; for example, grants intended for agricultural programmes may be indicated under the detailed sub-head "agriculture";

(v) that administrative sanctions for incurring of expenditure on new schemes or to continue the existing schemes should be issued by the respective heads of departments or departments of secretariat;

(vi) that only on receipt of such administrative sanctions, the Panchayati Raj department should release the amounts under intimation to the concerned department ;

(vii) that expenditure statements under different programmes should be obtained by the Panchayati Raj department every month or quarter and for the purpose of reconciliation with Accountant Generals' figures, the reconciled figures of expenditure may be intimated to the respective departments every half year to enable them to watch the progress of expenditure; and

(viii) that the points if any raised by the Accountant General in the audit report should be examined by the respective departments and necessary notes furnished to the Secretary to Government, Panchayati Raj Department to enable him to prepare a consolidated note for the public accounts committee. At the time of Public Accounts Committee meetings, the heads of departments should invariably assist the secretary to government, Panchayati Raj department in so far as the items relating to the grants of their respective departments are concerned.

Delay in the receipt of Grants :

9.16. The Panchayati Raj institutions have represented to us that grants are received by them very late and that many months in the twelve months period for utilisation are lost due to the time lag in the director of treasuries and accounts authorising necessary adjustment of the grants by treasury officers. In respect of staff grants, the twelve months period is not of any use. Delay in adjustment causes hardship to the staff concerned as their salaries would not be paid. It would be possible for the government departments to release grants only after completing the necessary formalities after the budget is voted and so release of grants before the month of May, may not be possible. Then the director of treasuries and accounts would require time for authorising adjustment. The Panchayati Raj institution face many difficulties during this period. To obviate such difficulties the Government of Maharashtra have introduced a system of "ways and means advances" to Zilla Parishads. Under this system, the

rural development department (corresponding to our Panchayati Raj department) releases every month a ways and means advance to Zilla Parishads on the basis of probable monthly requirements of the Zilla Parishads and the cash unspent amount of previous ways and means advances and the government's grants position. These advances are adjusted every quarter against the grants sanctioned by various departments of government. The adjustment memoranda along with copies of orders issued by the various controlling officers are sent to Accountant General. The financial advisor and chief accounts officer of Panchayati Raj department is not in favour of adopting the system prevailing in Maharashtra as according to him there are difficulties. He has suggested the following new system to get over the difficulties of Panchayati Raj bodies.

9.17. The new system of releases may be started in the beginning of any financial year, say, 1973-74 keeping the twin problems of the unspent balances and short releases to Panchayati Raj bodies aside for being separately tackled. The grants due to these institutions may be released in one instalment in April, 1973 by the concerned grant releasing authority. If as we have recommended funds are pooled, Panchayati Raj department releases the grants. In order to see it has no effect on the ways and means position of the government and also to eliminate overspending in haste, government may provide a rider while releasing the grants-give the month-wise allotment for the grants released and instruct the treasury to see that the funds intended for utilisation in later months are not utilised in advance and that there is no objection to permit such utilisation if the amounts relate to previous months. That is, progressive month-wise limits of drawal can be enforced through the treasury. Further, as the funds are available in treasury only there is no effect on the ways and means position of the State. These releases in the first year should be recorded as advance releases. In the next financial year, the grant releasing authority may be asked to release or reimburse the amount to the extent of expenditure incurred by the concerned Panchayati Raj institution under the concerned head, with necessary marginal adjustments based on increase or decrease of the grants as voted by the Legislature. By this, first year's amounts will be treated as permanent advance given to the institutions under that relevant head. The institution will be submitting the utilisation certificates to the extent of funds spent under each relevant head for claiming the reimbursement during the next financial year and government will also be releasing funds to the extent of amounts utilised by these institutions and thus ensure that the amounts given in the previous years are utilised for the purpose for which they are given. The accounts of the government as well as the Panchayati Raj institutions in regard to various grants heads will be having one financial year. The grants given to Panchayati Raj institutions and not spent before 31st March, will lapse as in the case of government departments.

9.18. We recommend that either the new system suggested by the financial advisor and chief accounts officer of Panchayati Raj department or the one followed in Maharashtra be adopted by the Government with a view to overcome the financial difficulties faced by Panchayati Raj bodies.

Maintenance of Registers—Responsibility for maintenance of registers and accounts :

9.19. In respect of Gram Panchayats which all have secretaries according to our recommendations, they should be held responsible for correct and proper maintenance of prescribed registers. The extension officers for panchayats should ensure that these registers are maintained by checking them during his visits to the Gram Panchayats. The block development officer should ensure that all the registers prescribed are not only maintained properly and correctly but also checked periodically by the assistant accounts officer in the samithi. In respect of Zilla Parishads, the finance and accounts officer in respect of accounts branch and the other district officers concerned in respect of other branches should be made responsible to ensure that all the prescribed registers are correctly maintained and periodically inspected. There should also be periodical review of the recovery of advances, loans, disposal of audit objections and refund of unspent balances of Panchayat Samithis by the chief executive officer-cum-district development commissioner and by the commissioner of Panchayati Raj in respect of the Zilla Parishads.

Audit :

9.20. The study team on state administration of the Administrative Reforms Commission of Government of India has observed "Audit enables one to know how far the functionaries have observed the rules prescribed and financial discipline. Apart from being a vehicle for Government supervision, it ensures for the Legislature the means to see whether grants voted by it are applied to bona-fide and approved purposes. As most part of expenditure is audited after incurring, audit does not hamper the current work. Audit should be intensified to check wasteful and infructuous expenditure and to detect misuse and abuse of public funds for personal or unauthorised purposes. There is considerable delay in furnishing replies to audit objections. There is also tardiness on the part of the staff and officers in dealing with objections". This study team has suggested :

(1) all audit objections at different levels should be replied within 30 days from the date of receipt of the report and the report should be sent not only to the institutions concerned but also to the supervising authorities ;

(2) if replies are not sent within 30 days higher authorities should proceed with further action to treat the expenditure as irregular expenditure ; and

(3) replies to objections should be examined in the quickest time and further action taken to dispose the audit objections one way or the other.

In addition to the Accountant General test checking the accounts of the Panchayati Raj institutions so far as government grants are

concerned, under sub-section (3) of sections 32 and 56 of the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959, the examiner of local fund and Panchayati Raj accounts has been appointed as auditor of the accounts of the Panchayat Samithis and Zilla Parishads. The audit of the gram panchayats is also done by the local fund audit department. The government, we understand, are considering the question of entrusting the audit of the panchayati raj bodies to the Accountant General. This would depend on when both the State and Central governments would arrive at agreed conclusions and perhaps this may take some time.

9.21. The financial adviser and chief accounts officer of Panchayati Raj department has expressed the view that there should be pre-audit in order to ensure proper financial discipline in time. The director of treasuries and accounts and the examiner of local fund and panchayati raj accounts have also stressed the necessity for the introduction of pre-audit. They are of the view that if pre-audit is introduced in the Panchayat Samithis and Zilla Parishads, the delay in furnishing utilisation certificates will be eliminated. The financial adviser and chief accounts officer has suggested that in the event of entrusting the work relating to post-audit to Accountant General, the personnel of the local fund department now attending to audit work of Panchayati Raj bodies and the personnel to be recruited to the accounts branches under the new set up may be pooled and they may be entrusted with the pre-audit work.

9.22. We have examined the system obtaining in Maharashtra where panchayats with an income of less than Rs. 2,500 are audited only once in three years and those with income between Rs. 2,500 and Rs. 5,000 once in two years and others regularly every year. We have also examined the recommendation made by the Bongirwar Committee that panchayats with less than Rs. 2,000 need not be subjected to regular audit by audit department but such audit can be done by the block development officer himself. We have discussed this aspect in further detail with the financial adviser and chief accounts officer of the Panchayati Raj department who strongly felt that there is every need for an annual audit irrespective of the size of the panchayat or its income. As we have elsewhere recommended that even the smallest panchayat must have some secretarial assistance, it should not be difficult hereafter to maintain accounts properly and get them audited once in a year. We, therefore, agree with the view that every panchayat must be audited once a year. In the case of small panchayats, the local fund auditor whoever he may be should give advance intimation to a group of villages and stay at the group headquarters and look into the accounts on the date appointed for each such panchayat. In the case of panchayats, the final audit report must be issued within 30 days after the audit is completed. The follow-up action shall be the responsibility of the extension officer (panchayats) of the block and the divisional panchayat officer.

9.23. We recommend that the system of pre-audit should be introduced in the Panchayat Samithis and Zilla Parishads in the circumstances stated by the financial adviser and chief accounts officer. We recommend that no audit fees from these institutions should be

recovered as at present. Such fees are not recovered from the Panchayati Raj bodies in Maharashtra. Also Audit is part of Government's responsibility in respect of Panchayati Raj.

9.24. We also recommend that there should be no delay in the issue of audit reports. The audit reports should be brief and precise to the extent possible. The number of paragraphs could be reduced if only the auditors issue half margin memoranda, obtain replies and consider the replies and then include or drop the objections. We also recommend that the large number of vacancies in the audit staff should be quickly filled up and the recruits given training. The audit branches should have more number of typists and type machines. We came across instances where the issue of the audit reports was delayed very badly—more than 2 to 5 years.

In the matter of disposal of long pending audit objections, periodical joint visits to Samithis by the assistant examiner and the finance and accounts officer of the Zilla Parishad should be regularly arranged as such visits would help dispose of a good number of objections. From the State level, the financial adviser and chief accounts officer along with the examiner of local fund and panchayati raj accounts should pay joint visits to districts and ensure disposal of audit objections at Zilla Parishad level giving the required guidance and instructions to officers concerned. In respect of Gram Panchayats, the divisional panchayat officers could convene meetings of secretaries of gram panchayats at block level for reviewing disposal of audit objections by Gram Panchayats.

9.25. *Internal audit.*—At the Samithi level, the assistant accounts officer should undertake internal audit of the accounts of the Panchayat Samithi. In the Zilla Parishad, the finance and accounts officer conducts it. No payment of any kind in the Panchayat Samithi or Zilla Parishad should be made without internal audit and cheques should be issued by the finance and accounts officer in regard to expenditure in Zilla Parishad and by assistant accounts officer in regard to expenditure in Panchayat Samithis. Cheque system should be introduced both in the Zilla Parishads and Panchayat Samithis. The detailed procedure of internal audit should be indicated in the finance and accounts code for Panchayati Raj bodies we have recommended.

Preparation of Panchayati Raj Accounts Code :

9.26. It is necessary to compile a finance and accounts code which would contain rules and instructions relating to Zilla Parishad fund, the district development fund, social welfare fund, provident fund, pension and gratuity fund, the different procedures relating to sanction and execution of works, schemes, etc., under district sector ; and the rules relating to acquisition and disposal of properties, purchase and disposal of stores, equipment and machinery, etc. There are also various other matters in respect of which procedures have to be evolved and included in the finance and accounts code. We have had the benefit of studying the finance and accounts code compiled by the Government of Maharashtra. A similar code may be necessary in our State to ensure financial discipline and control in expenditure

If it brings all relevant rules in a compendium for the benefit of all Panchayati Raj institutions, their staff and officers, there will be less justification for their not following strictly the prescribed procedures or observing the required constraints.

Recovery of election expenditure from Gram Panchayats :

9.27. During our visits to districts, we were told that the process of recovery of election expenses is taking too long a time and that a large number of gram panchayats are not able to pay the amounts demanded of them towards election costs. The Zilla Parishads and Panchayat Samithis in our State are not required to pay for elections. In Maharashtra, no expenditure on elections is recovered from Gram Panchayats. We are of the firm view that it is the responsibility of the Government to conduct elections at their expense. As the process of recovery entails endless correspondence and considerable expense, we recommend that the practice of recovering election expenses from Gram Panchayats may be given up.

CHAPTER X.

SOCIAL WELFARE

The Main Problems.

10.1. Independent India had two important rural problems to tackle—improvement of the economic condition of the rural masses and the amelioration of the social conditions of the weaker sections of the community. The economic distress prevailing in these classes which include scheduled castes and adivasis was fully recognised by the makers of the Constitution. And so, they provided certain special safeguards in the Constitution of India for these weaker sections, which are still continuing. The Government of India and the State Government have undertaken various measures to improve their socio-economic conditions, to bring about a change in the social outlook of the people and to secure equal status for these sections in the society. The ameliorative schemes include free education, free boarding and lodging facilities in various types of hostels for students belonging to these sections, provision of mid-day meals to children belonging to these classes, running of training-cum-production centres for them, providing drinking water wells in their residential areas, housing facilities, grant of lands and financial aid for agriculture etc. Apart from extending similar facilities to the scheduled tribes, certain special measures were also undertaken for the scheduled tribes to protect them from exploitation by money-lenders and the people from the plains.

After 25 years of Independence :

10.2. A Survey by United News of India shows that the new hopes and aspirations of equality and justice for all, kindled by the Independence secured 25 years ago, are still a mirage for many Harijans living in rural India. The survey has revealed—

(i) that the movement against untouchability has made some progress in cities and towns but the situation in villages remains as bad as ever before ;

(ii) that even bonded labour, a kind of servitude, still persists in certain areas in Madhya Pradesh, Utter Pradesh, Gujarat and Mysore ;

(iii) that in many places harijans are denied access to wells and temples ;

(iv) that the practice of untouchability is not confined to caste Hindus alone and in rural areas even other minorities such as Muslims, Christians and Sikhs also practise it ;

(v) that though the harijans are marching forward in education, in services and other fields, Mahatma Gandhi's dream of harijan emancipation is still a far cry.

Results of a sample survey in Andhra Pradesh :

10.3. A sample survey was conducted by the department of Social Welfare of the Union Government in August-September, 1972 in three suburban areas and three villages of Hyderabad, Chittoor and Guntur districts. These three districts were chosen to assess the impact of industrialisation, religion and education on the practice of untouchability. According to press reports, the survey has revealed—

(i) that except in one suburban area near Secunderabad which has an impact of industrialisation, the harijans are subjected to social disabilities in a rigid form in all the villages studied ;

(ii) that Harijans cannot use public wells in caste Hindu localities ;

(iii) that they cannot enter any Hindu temple in the main village ; that a redeeming feature is that there is no discrimination in the famous Sri Tirumalai-Thirupathi temple and that a good number of harijans are employed even within the precincts of the temple ;

(iv) that washermen and barbers do not serve harijans ; and

(v) that there is no discrimination in schools.

Gandhiji's Approach :

10.4. "Our duty to harijans does not end with giving them good houses, separate wells, schools and so on. If we gave them all these and still kept them untouchables, it would only mean replacing iron chains by golden ones ; but the slave would still be a slave. Harijans must have all the amenities that we enjoy. But I go further and say, you must absorb them, you must bridge the gulf that lies-to-day between them and you. The purification we are striving for is not complete till we have purged our hearts of this distinction" so wrote Gandhiji in 'Harijan' on 12 th January, 1934. Appeal to the better instincts in the people, persuasion, education regarding the inevitability of change and the alternative of change of violence, non-violent, non-co-operation by the exploited with the exploiters and finally legislative action—these were the series of measures contemplated by him to bring about a change of heart and purge themselves of untouchability.

Agencies for Implementation of Programmes :

10.5. Prior to 1960, the programmes and schemes for the scheduled castes were implemented by the director of social welfare while the programmes for scheduled tribes were administered by the director of tribal welfare. The district social welfare officers and their staff were under the direct control of the district collectors. The programmes for women and children were under the director of women welfare. With the establishment of Panchayati Raj, women welfare, social welfare and tribal welfare activities were transferred to the Panchayat Samithis at block level and to the Zilla Parishads at district level. After such transfer, the district social welfare officer along with his staff was attached to the Zilla Parishad and programmes concerning scheduled castes were being implemented in accordance with the decisions of the standing committees of the Zilla Parishads and Panchayat Samithis.

In regard to tribal welfare, Panchayat Samithis implement the special tribal welfare programmes and the director of tribal welfare is empowered to have full supervision over their implementation. The assistance of the district collector and of certain special staff employed for tribal welfare at the district level is freely available in all matters concerning tribal welfare.

The views of the Director of Social Welfare :

10.6. The director of social welfare has contended that although limited functions of social welfare department had been statutorily vested in the Panchayati Raj institutions hoping that the local leaders would give great help, the programmes did not register good progress and that therefore, the Government rightly entrusted the crash programme for providing house-sites for scheduled castes, scheduled tribes and backward classes to the department withdrawing the subject "land acquisition" from the Zilla Parishad. The director also stated that there had been considerable and justifiable criticism from the leaders and the legislators about the unsatisfactory implementation of social welfare schemes by the Panchayati Raj institutions during the past 10 years. The criticism concerned the delays in sanction of non-residential scholarships and payment of boarding grants, harassment of managers of subsidised hostels by the Panchayat Samithis, by way of non-payment of boarding grants, frequent stoppages in supply of mid-day meals in social welfare schools, late payment of salaries to the teachers of social welfare schools, frequent transfers of those teachers, delays in finalising the land acquisition cases and providing house-sites, favouritism in locating drinking water wells and extending sanitary amenities and in selecting beneficiaries for scholarships, hostel seats, etc. There was also failure on the part of these institutions to earmark and spend 15%, 5% and 3% of the general funds for schemes exclusively benefitting scheduled castes, women and children and scheduled tribes. The director has also brought to our notice that—

- (i) social welfare funds were mixed up with the general funds of the Zilla Parishad and diverted for other purposes ; such mixing up of funds is responsible for the non-maintenance of proper accounts of social welfare funds, non-issue of utilisation certificates promptly and the wrong classification of items of expenditure ;
- (ii) many Zilla Parishads failed to refund unspent balances under 'social welfare' ;
- (iii) owing to the adjournment of the meetings of the standing committees for want of quorum, there were delays in social welfare schemes being sanctioned and funds being utilised by the Zilla Parishads and Panchayat Samithis ;
- (iv) for all the faults of Panchayati Raj bodies, the sufferers were the scheduled castes and scheduled tribes ;
- (v) there were defaults by presidents of Panchayat Samithis in releasing boarding grants, scholarships, etc.

10.7. Since the Panchayati Raj institutions had shown reluctance to implement the special programmes designed for the weaker sections as also in spending the 15% etc., of general funds for the scheduled castes, the director is of the view that the subject 'social welfare'

should be taken out of the purview of the Panchayati Raj institutions in the interest of the weaker sections and the programmes administered by the official functionaries.

10.8. We have considered the views expressed by legislators, collectors, district officers, chairmen of Zilla Parishads, the presidents of Panchayat Samithis, sarpanchas and certain members of the public who gave evidence before us on the problems relating to social welfare schemes. From the evidence we have gathered, it appeared to us that during the years 1961-69 spending of the general funds of the Zilla Parishads and Panchayat Samithis, earmarked for schemes exclusively benefiting the weaker sections of the community was not taken seriously at different levels although the Government orders were issued as early as 1960. It seemed that only from 1969 onwards efforts are being made to earmark funds and spend them fully. In some Zilla Parishads, and Panchayat Samithis, although funds were earmarked, they were, in fact, not available as the anticipated receipts did not materialise and so schemes could not be implemented. In some others the amounts earmarked were spent for the purpose but due to wrong classification, the accounts showed as if the earmarked funds were not fully spent. Cases of stoppage of boarding grants by presidents of Panchayat Samithis to some subsidised hostels on the basis of certain allegations or complaints against them were not many to deserve serious notice. The admission of more number of pupils belonging to backward classes in Government schools by Panchayati Raj functionaries was refuted by many of the Panchayati Raj functionaries. None of the collectors or the district social welfare officers, whom we met, brought to our notice any grave omissions or commissions by the Panchayati Raj functionaries with regard to hostel grants. It might be that local politics did play their part here and there but it is doubtful whether in a democracy the play of politics could be completely stamped out eliminated even if the functions are performed by officials. We were told that the transfers of teachers in social welfare schools were done as in the case of teachers of other schools and that there were not many genuine complaints on this score so far as social welfare schools are concerned. The Panchayati Raj functionaries categorically stated that there were delays in the payment of salaries of not only social welfare school teachers but also teachers of all other schools because of short releases of funds by the director of public instruction but there are absolutely no such delays since Government have ordered payment from the treasuries directly. Complaints relating to the delays in the supply of text books, failure to promote the sale of goods produced at training-cum-production centres, etc., are matters which could have been set right by the concerned district officers alerting these bodies from time to time. In the matter of sinking of drinking water wells and selection of beneficiaries for house-sites, etc., there might have been favouritism shown here and there but in our view these could have been checked by vigilance at appropriate levels. Further, when there were competing claims by many and a few only could be selected, it would be difficult to escape a charge of favouritism etc. We have recommended that the district should be made the unit of planning, that the Zilla Parishad should be made fully responsible for the local sector plans and that there should be a chief executive officer-cum-district development commissioner for each Zilla Parishad. With this re-organisation and with larger powers proposed for the chief executive officer-cum-district development commissioners over the block staff, the implementation of schemes for the scheduled castes and tribes and women should receive better attention.

The Director's Suggestions :

10.9. The remedy suggested by the director of social welfare, in our opinion, is completely opposed to the approach recommended by Gandhiji. The divesting of social welfare functions from Pachayati Raj bodies is a retrograde step and will not be in the interest of the weaker sections themselves. What is really necessary and important is to bring about a change in the social outlook of the people. In the difficult process of achieving this vital objective, Panchayat Raj functionaries have got to play a dominant and effective role. It is generally admitted that success in this effort depends upon three factors education of the weaker sections, awakening in the entire community through the methods suggested by the Mahatma (vide 10.4) and imaginative and bold leadership of the members of the weaker section to fight inferiority complex. These are not the areas in which a Government department can do better than the people's institutions at the lower levels who have closer contacts with the people.

10.10. The director's proposal, if accepted, will isolate the weaker sections from the community and its selected institutions. The aim is to integrate these sections in the village community. In this connection it would be relevant to recall how Gandhiji staked his precious life against separate electorates for harijans and gave up his fast-unto-death only when joint electorates were conceded. His contention was that while there must be reservation of seats for them, they must be elected by the general community as a whole so that they might all feel that they are one community without any feeling of high and low. We may not have succeeded completely in generating such a feeling but that is no reason to give up efforts at integration.

10.11. We may quote here the example of family planning. The executive committee of the central family planning council recommended recently that family planning programme should be treated as a vital part of the over-all socio-economic development and welfare activity and *not* merely as an *isolated* birth control programme and that it must be integrated with medical and public health at the peripheral level. Social welfare of the weaker sections is the concern of the entire community and must not be treated as an isolated programme for providing merely the physical needs or amenities. This is more true and necessary than in the case of birth control. Socio-economic programmes must be integrated with efforts for temple entry, inter-dining, provision of common wells, common schools, common burial and burning grounds, common village services such as those of the barbers, washerman, blacksmiths etc.

10.12. The economic development of the weaker sections depends not merely on the invested capital but more on human resources. According to prof. Colin Clark, while investment of capital is undoubtedly necessary for economic growth, it is certainly not the controlling or predominant factor. Therefore, for achieving success in our efforts for the economic growth of the weaker sections, the fuller utilisation of local manpower is absolutely necessary. This cannot be done by a few officials working at the district level. It is the people's institutions at the lower levels that must be activated and used more effectively for this purpose. Environmental impact is recognised as a very important factor in development schemes and programmes.

10.13. In our visits to the district, we specifically asked the collectors, district social welfare officers, district women welfare officers and others whether there were specific instances of out-right rejection of welfare proposals by Panchayati Raj bodies, or wanton obstruction to their execution or disinclination to take them up. They stated that there were no such instances generally but that these bodies did not show eagerness to help these communities particularly.

10.14. It is common knowledge that although the welfare of the weaker sections is a priority programme of State governments and Panchayati Raj bodies, it is only during the last two years that every body in authority is showing eagerness to take up special programmes for their benefit. The director of social welfare does not seem to have ever reviewed in the past periodically how Panchayati Raj bodies were implementing the programmes, what were their achievements and failures and what remedial measures should be taken. One of our members who for a long time was Commissioner of Panchayati Raj and Secretary to government, Panchayati Raj department, wishes to go on record that the director of social welfare did not at any time bring to the notice of the Government any of the lapses now detailed in his note.

Social welfare functions to remain with Panchayati raj bodies :

10.15. When chief executive officers-cum-district development commissioners take charge of the administration of Zilla Parishads and when the block staff comes under their control, the programming and implementation of social welfare schemes must improve. In fact, in each district there will be an officer of the rank of the director of social welfare and assisted by district social welfare officers and women welfare officers at the district level and social welfare organisers at the block level and they should be able to do much better. In fact there will be 21 senior officers whose duty would be to look after the welfare of weaker sections and seek the help of the collectors and their staff whenever necessary.

10.16. To ensure that not a pie of the social welfare fund is diverted, we recommend that both in Zilla Parishads and Panchayat Samithis, separate fund and accounts should be maintained under this head. Grants and loans received from government for this purpose and the amounts earmarked in the budgets for the welfare of weaker sections should be kept in this fund. The subject committee at the zilla parishad level of which the district social welfare officer is the convener will have full functional freedom and the latter's work will be constantly reviewed by the chief executive officer-cum-district development commissioner.

Tribal Welfare:

10.17. A sarpanch of a tribal panchayat who met us at a district headquarters said that it took him a whole day for his journey and narrated how roads and bus service are among the urgent needs of tribal areas. The director of tribal welfare has stressed that no time should be lost in connecting villages with one another by constructing feeder roads and main roads leading to the highways. Equally important is the harnessing of hill-streams to provide water for irrigation and

also for drinking. The representatives of tribals and the director of tribal welfare have pleaded for the opening of more ashram type schools, more dispensaries for medical relief etc. They have stressed the necessity of training young men from every tribal hamlet at convenient centres as drivers, electricians, fitters, mechanics, masons, carpenters, dress-makers, repairers of rickshaws, cycles, welders, cattle and sheep breeders, doll makers etc. We recommend that these should find a place in the schemes drafted for tribal welfare. We are told that all the 28 tribal blocks have been surveyed in great detail and that schemes are formulated on the basis of the survey reports. The plans for tribal welfare are first prepared by a committee consisting of the collector and the district heads concerned and are scrutinised at the State level by a committee presided over by the first member, board of revenue and consisting of all the State heads of departments, with the director of tribal welfare as member-secretary. Thus the planning procedure is both comprehensive and well conceived.

The Girijan Development Corporation:

10.18. This corporation is reported to have been doing quite well but one of its handicaps according to the director of tribal welfare is that there is no one at the block level to assist the staff of the corporation. It is suggested that the extension officer (co-operation) in the block may be placed under the corporation for better utilisation of his services and also because all funds required by the tribals are channelled only through the corporation. We recommend that his services may be placed with the corporation and the results watched for some time. It is also suggested by the director of tribal welfare that the corporation might start some small industrial schemes with the help of extension officer (industries) as the corporation would then be in a better position to befriend the tribals. We agree with this suggestion also.

Suggestions for better Administration of Blocks :

10.19. The director of tribal welfare has made the following suggestions :—

(i) the block development officer should be of the status of a revenue divisional officer ;

(ii) the transfer of block development officers of tribal blocks within a district should not be made by the collectors without consulting the director of tribal welfare ;

(iii) the block development officers must have effective control over extension officers ; and

(iv) more funds should be given to tribal blocks by earmarking a part of the forest revenue to them.

We agree with these suggestions and elsewhere we have made our recommendations on items (i), (iii) and (iv).

Performance of Samithis :

10.20. We have looked into the performance of some of the Samithis of tribal blocks. Our impression is that although the presi-

dents are tribals they are still not in a position to with-stand the pressures of the influential non-tribal members of the Samithis and do things mostly as they direct. This can be countered to a large extent if there are block development officers of higher status as recommended by us. We feel that there should be more intensive supervision of these blocks not only by the collector and the director of tribal welfare but also by the commissioner of Panchayati Raj who should be an independent State head of department as recommended by us earlier in this report.

Women and Children's welfare :

10.21. We discussed the problems of women and children's welfare with the director of women welfare and with the regional and the district officers under her. We also elicited the views of district collectors, office-bearers and members of Zilla Parishads, Panchayat Samithis and sarpanchas. We are of the view that the activities of the department lack community drive and popular support without which the impact on women and children who constitute the bulk of the population cannot be wide spread or effective. A mukhyasevika and a few gram-sevikas working at the block level cannot produce results, unless the mahila mandals in the villages become active, introduce useful activities for women and children and involve them in all programmes. They have a special responsibility in the case of women and children belonging to scheduled castes, tribes and backward classes.

10.22. The measures we propose are :

(i) the transfer of the district women welfare officer to the control of the Zilla Parishad ;

(ii) the provision of a vehicle for her ;

(iii) raising of her status as a gazetted officer ;

(iv) increasing the number of village development officers (gramasevikas) from 2 to atleast 5 in the blocks, as it has been strongly represented to us that two village development officers (gramasevikas) are too few to have any impact of the programmes for the welfare of women and children in the blocks. Some more village development officers (gramasevikas) should be appointed where special nutrition programmes are implemented ;

(v) the compulsory spending on useful programmes of earmarked funds ;

(vi) the framing of special schemes which have a particular attraction to the women-e.g., nutrition, kitchen gardens, rearing milch cattle, sewing, handicrafts, music, etc., ;

(vii) the transfer of the subject ' women and children's welfare ' to the Panchayati Raj department at the secretariat level to ensure better co-operation from Panchayati Raj bodies ;

CHAPTER XI.

TRAINING, CO-ORDINATION, EVALUATION ETC.

Training:

11.1. In his book 'Community Development A Chronicle 1954-1961', Sri S. K. Dey has expressed that we should recognise certain basic facts of situation in which we function today. Some of those basic facts are,

(1) development demands efficiency at work and initiative in planning and implementation ;

(2) efficiency at work depends on training for the job while initiative depends on inner urge ;

(3) efficiency as also initiative are conditioned by factors common to officials and non-officials alike.

11.2. Thus, for efficient planning and implementation of development programmes, the functionaries, both officials and elected representatives, need to be given sufficient orientation training so that they could think and plan on proper lines. They should also be taught what their functions are and how they could discharge them efficiently overcoming bottlenecks and securing adequate co-operation. Even in the early days of implementation of the National Extension Service Programme, the importance of giving training to officials participants and to the village leaders was fully recognised and blocks were then allotted to the States depending on the trained personnel available with each State. Later, experience has shown that initial training alone is not sufficient and that periodical refresher course should be arranged for the benefit of the functionaries whose knowledge should be upto date in concepts and techniques. The training aspects assumed greater importance with the elected functionaries sharing increasing responsibilities in the Panchayati Raj set-up as every elected functionary should have to become "selfconfident and selfreliant".

11.3. Originally when the National Extension Service scheme was introduced, the following training programmes were planned and implemented :

(1) training of higher officers in the All India Institute of Community Development at Mussorie, later transferred to Rajendranagar and renamed as National Institute of Community Development ;

(2) training of block development officers at the then Orientation and Study Training centres run by the Government of India at the rate of one centre for three or four States ;

(3) training of social education organisers and mukhyasavikas in the training centres run by the Government of India located in different parts of the country (Gandhigram, Nilokheri etc.);

(4) Gramsevaks' Training Centres for training village level workers run by the State Government ;

(5) home science wings attached to select Gramsevaks' Training Centres where gramasevikas are given training.

In the initial stages after introduction of community development blocks, the training for non-official functionaries was in the form of village leaders training camps and study tours organised for groups of villagers. With the introduction of Panchayati Raj, a fresh outlook had to be given to the various training programmes and it became necessary to introduce new training programmes to train elected functionaries in their job. The block development officers had also to be given reorientation training and special training in certain programmes like applied nutrition programme, rural housing projects, plant protection methods, soil conservation programmes etc.

11.4. The training course for village development officers also had to be reorganised in view of the fast changing agricultural methods and techniques and introduction of high yielding varieties. The initial training for village development officers was for two years and every village development officer was also required to undergo once in three years refresher training so as to make himself upto date in the further developments in agriculture and allied subjects. Higher training of one year duration in agriculture and allied matters has also been introduced for village development officers so that they could be effective in giving technical assistance to the farmers. Some village development officers are also being sent for B.Sc., (Agrl) course by giving them some stipend so as to improve their proficiency. The gramasevikas' basic training was for one year and they were required to undergo a refresher course once in three years.

11.5. As for agricultural extension officers, the director of agriculture has been arranging periodical training courses in plant protection methods, soil conservation, high yielding varieties, etc. The other extension officers in the block and also district and divisional officers working in development departments are given a fortnight's orientation training in the State Institute of Community Development and Panchayati Raj at Hyderabad.

11.6. The block development officers are given orientation and job training for six weeks in the State Institute of Community Development and Panchayati Raj while extension officers and district officers are given training in development orientation for a fortnight. Select block development officers and secretaries of zilla parishads are deputed to the National Institute of Community Development.

11.7. Prior to 1964, a good number of Panchayati Raj training centres was started in the districts for training of sarpanchas and panchas in gram panchayat administration for short periods. But it was found that the sarpanchas and panchas were not attending the training. As the response continued to be poor, these institutions were closed down. The Samithi Presidents are now deputed for a fortnight training in the State Institute of Community Development and Panchayati Raj, Rajendranagar, but the response from the Samithi Presidents is not at all satisfactory. The Charimen of Zilla Parishads are deputed to the National Institute of Community Development for one months' training but most of them do not attend the training.

11.8. It has been brought to our notice that of the 8 gramsevak's training centres and the five home science wings, 4 gramsevak's training centres and three home science wings had been closed down as the required number of village development officers and gramasevikas had already been trained and the initial training programme for those two categories had to be suspended. We are told that the remaining 4 gramasevak's training centres are utilised for higher training and refresher training of village development officers. The two home science wings—one at Rajendranagar and the other at Samalkot are also used for the refresher training and training in applied nutrition programme for gramsevikas. There are no training facilities available within the State for training of mukhyasevikas and there is quite a large number of mukhyasevikas who are yet to be trained.

11.9. The Vengal Rao Committee has recommended that all the training centres should be abolished. It has also recommended that the Panchayati Raj training programme should be wound up as the utility of Panchayati Raj training programme was precious little. Perhaps, this recommendation was made in respect of the training centres for the training of the elected functionaries of the Gram Panchayats which were under the State Chamber of Panchayati Raj and which were not functioning effectively. As training of both officials and elective functionaries is very essential, we are of the view that there should be an adequate number of training centres for the various training programmes which we have decided to recommend. The State Institute of Community Development and Panchayati Raj, Rajendranagar, should conduct training courses for the Presidents, Panchayat Samithis. Chairmen of Zilla Parishads and select Presidents of Panchayat Samithis should continue to be trained in the National Institute of Community Development.

11.10. We recommend that it should be prescribed that all the office-bearers of Panchayati Raj institutions should undergo the prescribed training courses which may be of not more than a fortnight's duration within a period of 2 years from the date of their assuming office for the first time. Failure to undergo the training within this period should be a disqualification for their continuing to hold their offices. Since the training centres are located at convenient places in the State, it should not be difficult for them to attend such training courses. For the period of training travelling allowance and suitable allowances should be paid to them.

11.11. All the chief executive officers of Zilla Parishads should be deputed to the National Institute of Community Development for training.

11.12. All the development officers who would be transferred to the Zilla Parishads. under our scheme of re-organisation and the secretaries of Zilla Parishads should participate in a three day work shop to be conducted at each district head quarters presided over by the chief executive officer. Later, they should be deputed for undergoing training for fourteen days at the State Institute of Community Development and Panchayati Raj on the various aspects of the re-organised Zilla Parishads.

11.13. The orientation and job course for block development officers should be for two months, instead of six weeks. This training for the block development officers should be made compulsory. All extension officers including engineering supervisors and assistant engineers should also be required to undergo development orientation course for one month and the Zilla Parishads concerned should ensure that the extension officers deputed for training are promptly relieved.

11.14. It is noticed that due to late communication of orders of deputation for training many officers are unable to join the courses. Orders of deputation for training should be communicated to the officers concerned sufficiently in advance so that necessary arrangements for their relief could be made in time.

11.15. The problems facing rural women and children are so varied and complex that some background is necessary for the mukhyasevikas to enable them to undertake field work successfully. While gramasevikas are given one year's training, mukhyasevikas have no training facilities at all. We recommend that the Government in the Panchayati Raj Department may arrange to train the mukhasavikas in home science wings at Rajendranagar and Samalkot. The staff of these institutes should be suitably strengthened. The director of women welfare should give all necessary assistance in this regard to the Panchayati Raj Department. The facilities available in the home science wings should also be utilised for giving training to the various functionaries working in the Women Welfare Department. It is necessary that they are all properly trained. The existing training facilities for the village development officers may be continued. They should also be given periodical refresher training in plant protection methods, high yielding varieties, panchayat work etc. More village development officers may hereafter be sent for B.Sc. (Agr) course so that they may improve their qualification, professional efficiency and prospects.

11.16. For some time the executive officers of gram panchayats were given some training but it was given up later. Since then a large number of executive officers were appointed but so far they were not given any training, we recommend that these executive officers also should be given necessary training in the district by the district panchayat officers and divisional panchayat officers.

We are given to understand that at present the principals of the Gram Sevaks' Training Centres are deputy directors of agriculture. At these training centres no basic training in agriculture for village development officers is conducted. They are utilised for other types of training programmes including those for training the elected functionaries. It no longer seems necessary that the principals of these centres should be drawn from among deputy directors of agriculture. Some of the more experienced secretaries of the Zilla Parishads who possess good educational qualifications might be considered for appointment as principals as training in administration is equally important and they can take classes on administrative matters. For the training courses in Panchayat Raj Administration, talks by the officers at state headquarters and district headquarters could be arranged. No posts of lecturers need be sanctioned for this purpose. Clerical assistance, however, may be required. One post of upper division clerk and one post of typist might be given to each of the centres to cope with the office work. We recommend that the stipend for the period of training to the various officials undergoing training may be enhanced slightly keeping in view the increased cost of living. We also recommend that village development officers who have undergone higher training may be given two advance increments and those who acquire B. Sc., degree in Agriculture be given three advance increments as incentive.

With the district becoming the unit of planning, the State Institute of Community Development and Panchayat Raj should provide for training in planning and evaluation methods in consultation with planning and cooperation department. Special training programmes for staff working in tribal areas should be conducted by the director of tribal welfare in the tribal institute, Hyderabad.

Coordination :

11.17. In chapter IV we have recommended that each district should be the unit for planning and that the zilla parishad should be made statutorily responsible for preparing plans for the district as a whole. We have said that it is very necessary that the district heads of development departments should work directly under the Zilla Parishad along with the staff in the districts working under them. We have also recommended the appointment of a chief executive officer who shall have powers of the heads of departments at the district level. We have also recommended that the confidential reports of the district heads of development departments working under him should be written by the chief executive officer of the Zilla Parishad. We have recommended elsewhere that the major district heads would be the conveners of the subject committees concerning them. These measures while giving functional freedom to the district officers would ensure, in our view, adequate coordination. In addition, the training which we have recommended to the officers and elected functionaries would enable them to understand better their own role and the need to work as a team. We, however, recommend that the powers and functions of the different functionaries should be spelled out in very clear terms so as to remove possible ambiguity about them. At the block level, the block development officer being directly subordinate

to the chief executive officer under whom also all the district development officers function, there should be no difficulty at all for the block development officer achieving sufficient cooperation from the extension personnel. Further, his hands are to be strengthened by raising his status and empowering him to impose minor punishments on non-gazetted extension officers. He will also be writing the confidential reports on the performance of these officers excepting the medical officers. These measures in our view are adequate enough to secure better co-ordination at the block level.

11.18. The functionaries of Panchayati Raj institutions have represented to us that the Government should utilise the Panchayati Raj institutions for the execution of drought, cyclone, flood or other emergent relief works as they are for the development of local areas and executed through the agency of the Panchayati Raj bodies. We agree with them that all schemes which are undertaken as part of relief measures and which fall under the local sector should be the concern of Panchayati Raj bodies and they should be made responsible for selecting the schemes or works and implementing them. We are also of the view that of centrally sponsored schemes like the crash scheme for rural employment should be executed by the Zilla Parishads. It is very important to appreciate that in all such emergencies people's cooperation is very necessary. If private land is required for constructing schools, forming roads, or digging wells or for housing or if labour has to be mobilised or if field staff has to do certain assigned tasks these bodies can play a very useful role in securing them. If the work load increases the engineering staff of Panchayati Raj should be suitably strengthened to ensure speedy and better execution of works.

Evaluation :

11.19. A periodic evaluation or qualitative analysis of the performance of Panchayati Raj institutions with a view to finding out to what extent the objectives are being achieved and whether they are commensurate with the investment made whether the benefits have reached all classes equitably etc., is very essential for assessing the real progress and for effecting improvements. At the district level the district statistical officer and his staff consisting of investigators etc., could undertake evaluation of a few schemes under each type or category implemented by the Zilla Parishad or Panchayat Samithis or Gram Panchayats and report through the chief executive officer to the director of bureau of economics and statistics. The latter should examine the reports critically and forward them on to the Commissioner of Panchayati Raj with his recommendations. We also recommend that there should be an internal evaluation cell in the office of the Commissioner of Panchayati Raj at the State level which should be suitably staffed with qualified and trained personnel. (A few years back the Panchayati Raj department had a progress and review section). This cell should work in cooperation with the evaluation cell in the planning and cooperation department and avoid any duplication or overlapping of effort. It should suggest to the district cells what particular schemes or programmes should be taken up for evaluation study. Suitable questionnaires should be prepared by the State cell for diffe-

rent schemes and programmes on the basis of which evaluation study should be undertaken at district level. It is very important that the evaluation studies are carried out expeditiously and the results made available as quickly as possible for timely correction. We also recommend the appointment of an evaluation committee one in five years to make a detailed study and investigation of the working of Panchayati Raj institutions and to make recommendations for their effective functioning keeping in view the objectives and aims of these institutions.

State Chamber of Panchayati Raj:

11.20. We have perused the constitution and the bye-laws of the Andhra Pradesh State Chamber of Panchayati Raj and we also heard the President of the State chamber. From the experience so far gained, we feel that ever since the Andhra Pradesh State Chamber of Panchayati Raj and the district associations came into being, the district associations were more or less dormant. When there are duly elected statutory bodies functioning at the village, block and the district level, we do not consider that there is any need for a district chamber. However, in order to provide an effective forum for Panchayati Raj as a whole at the state level there should be a chamber. This chamber should consist of a general body and a small executive committee. The general body may consist of 42 members at the rate of two per district elected by the Zilla Parishad of whom one must be the President of a Panchayat Samithi. The chamber at state level should have a President who should be elected by the general body. The term of the members should ordinarily be five years. However, it should be co-terminus with the membership on the Zilla Parishad. There should be an executive committee consisting of the president of the state chamber and six other members elected among themselves by the general body. The journal published by the chamber should be improved by making it more purposeful.

CHAPTER XII

CONCLUSION

12.1. Within the time available to us we have tried to study the various aspects of Panchayati Raj at its three levels and understand the problems from office bearers, officials and the public and take a balanced and fair view on all matters which have a bearing on our terms of reference. In making our recommendations we are largely guided by certain assumptions. They are :—

(1) the main spring of the whole scheme of Panchayati Raj is the common man and without his active involvement the socio-economic conditions obtaining in villages, where more than 81% of the people live, cannot be improved ;

(2) the involvement of such large masses of people in their own development is not an easy task which can be performed by government departments but must be entrusted to the peoples democratic institutions and their chosen representatives as they are the most appropriate instruments for reaching the people and activating them ;

(3) the bulk of the people are poor and they must have an effective voice in the choice of their representatives ;

(4) without adequate finances, people's institutions cannot effectively serve them ; and legislative reforms without the sinews of finance will be like dressing up a corpse ;

(5) the people in the rural sector will have to tax themselves if any worthwhile development is to take place in their areas in the coming years ;

(6) democracy at the Union and State level will be strengthened only when it has a mass base at the district and lower levels through decentralised democratic institutions ;

(7) the district is the most appropriate unit for planning and the Zilla Parishad is the proper statutory body to be entrusted with formulation and implementation of district sector plans and it cannot perform these functions without having control over the district heads of development departments and their staff ;

(8) there should be close supervision over the activities of Panchayati Raj bodies and consequently there must be a separate State head of department for Panchayati Raj with necessary regional officers and staff;

(9) non-official office bearers should not be concerned with executive functions such as elections, selection of candidates for appointment, transfers, promotions, punishments, writing of confidential reports of officials, etc.;

(10) their main concern should be the people, their problems, development activities, fixation of priorities, allocation of funds, strengthening of resources, mobilising popular support etc.;

(11) the district collector should be entrusted with the conduct of elections, selection of candidates for various posts in the district cadre and generally watching the activities of Panchayati Raj bodies and reporting to the government in Panchayati Raj department when necessary;

(12) the appropriate role of legislators is to bring about structural changes through legislation for the effective functioning of the three-tier Panchayati Raj, to participate in advisory councils set-up in each district and to be the friends and guides of Panchayati Raj;

12.2. "If way to a better there be, it demands a full look at the worst". We have endeavoured to follow this dictum of St. Jerome. We not only listened to various allegations and complaints made against Panchayati Raj bodies but also tried to prove them as far as possible. Our recommendations have taken fully into consideration all the worst aspects of Panchayati Raj brought to our notice.

12.3. In his Nehru Memorial Lectures delivered in 1971 at Delhi, Lord Hailshem observed "If power is not to be abused it must be spread as widely as possible throughout the community". We entirely agree with this statement. In our view it has greater relevance in our country where the area is vast and the villages where the masses live are several thousands in each State and are still undeveloped. The recommendations made by us deal with all important aspects of Panchayati Raj institutions and they are carefully formulated mainly with a view to strengthening these institutions and making them more effective and useful. This purpose will be served, in our view, only when these recommendations are taken as a package and implemented as a whole.

12.4. The ultimate success of Panchayati Raj depends upon creative and imaginative leadership, which we fervently wish, will be thrown up in the new scheme proposed by us for the composition of these bodies and for the election of members and office-bearers.

12.5. We have no doubt that organised political parties will be able to choose only such men and women as can be depended upon to serve Panchayati Raj institutions with a sense of dedication and zeal and ultimately deliver the goods.

C. NARASIMHAM,
Chairman.

P. L. SIVARAM,
Secretary to Government & Commissioner of Panchayati Raj (Member).

A. KRISHNASWAMY AIYANGAR
Secretary to Government & Commissioner of Panchayati Raj (Retired) (Member).

M. BHOJ REDDY,
Chairman, Zilla Parishad, Hyderabad (Member).

K. K. RAJA REDDY,
Chairman, Zilla Parishad, Nizamabad (Member).

G. KRISHNA MURTHY,
M. L. C.,
(Member).

B. NAGESWARA RAO,
Deputy Secretary to Government, Panchayati Raj Department (Member—Secretary).

G. V. CHANDRASEKHARA REDDY,
(Member).

Hyderabad,
Dated 27th October 1972.

PART—II

**SUMMARY OF THE MAIN RECOMMENDATIONS
OF THE HIGH POWER COMMITTEE
ON PANCHAYATI RAJ.**

Sl. No.	RECOMMENDATIONS	Chapter No.
1.	Panchayati Raj has come to stay and should continue. But suitable remedies should be found to eliminate certain undesirable trends and to strengthen the Panchayati Raj institutions.	3.1
2.	The three tier system of Panchayati Raj should continue and the Samithis be continued as statutory and corporate bodies.	3.3 3.4
3.	The following principles should be observed for formation of separate gram panchayats in future :—	3.5
	(1) where the population of a revenue village is about 1,000 and its income is over Rs. 1,000 per annum, it might be constituted into a separate Panchayat ;	
	(2) where the population of a revenue village or a hamlet which is distinctly away from the main village is less than 1,000 but the estimated income is about Rs. 3,000 per annum, irrespective of its population, such a village or hamlet might be constituted into an independent panchayat ; and	
	(3) townships should be constituted for health resorts, industrial townships and large educational campus and pilgrim centres away from the existing municipalities.	
4.	The strength of members of panchayats as contemplated in section 7 of the Andhra Pradesh Gram Panchayats Act, 1964 may be increased by one so that the strength would vary from 6 to 18 and with the directly elected sarpanch the strength would be between 7 to 19. The term or tenure of office may remain as now.	3.6
5.	Seats for women in gram panchayats should be reserved as follows :—	3.7
	(a) one seat when the strength of a Panchayat is seven or less ;	

- (b) two seats when the strength is between 8-12 ;
and
- (c) three seats when it is 13 or more.
6. For scheduled castes and scheduled tribes, there should be one seat reserved for either of them if there are at least ten voters among them in a gram panchayat according to the latest electoral roll. 3.8
 7. Where the percentage of the combined population of scheduled castes and scheduled tribes is less than 50% the percentage of reservation shall correspond to the percentage of their combined population. 3.8
 8. Where it is 50% or more, the reservation of seats should be limited to 50% and the reserved seats should be divided between the scheduled castes and the scheduled tribes in proportion to their population. 3.
 9. For determining the total number of seats for scheduled castes and scheduled tribes, any fraction of a seat should be counted for one. 3.8
 10. The electoral roll of each panchayat should be divided into multi member wards to elect two or even three members from each. 3.9
 11. Reservation of seats for scheduled castes and scheduled tribes could be made in wards where there is concentration of their population and in respect of seats for women, the wards be selected in rotation every five years. 3.9
 12. The sarpanch should be elected by all the voters and his term should be five years but co-terminus with that of members. 3.10
 13. The Upa-Sarpanch may continue to be elected by the panchas and the sarpanch. 3.10
 14. A person elected both as sarpanch and as member should resign one of the elective posts before the election for upa-sarpanch or within seven days from the date of his election as whichever is earlier. If he fails, he should cease to be both. The resignation should be tendered to the extension officer (panchayats) or the block development officer concerned. 3.10

15. Reservation of office of sarpanch for tribals should be made only if the tribal population of the panchayat is 25% or more, otherwise there need be only reservation of seats. 3.11
16. The election of members of gram panchayats and sarpanch should be conducted along with the election of directly elected members from Samithis and Parishads and should be held and completed on the same day. 3.11
17. There need be no provision for a motion of no-confidence against a sarpanch as he is elected to the office directly. Such a provision may however, continue to apply to the upa-sarpanch. In moving such a motion the sarpanch also should be entitled to vote. 3.12
18. The directly elected sarpanches should be given the following safeguards : 3.13
- (1) if the members are hostile and unreasonably withhold co-operation, the Government may, after due enquiry remove them from office ;
 - (2) if the budget is not passed within the time limit, the Government may supersede the panchayat for a specific period ;
 - (3) if the sarpanch himself becomes somewhat autocratic, etc., the Government may remove him from office.
19. The current Assembly rolls relating to the panchayat area should constitute the electoral roll for the panchayat and it should be republished as the final roll dividing the voters into the specified number of wards and no opportunity need be given for enrolment of new voters after it is republished. 3.14
20. The notice of elections to gram panchayats which should be published at least two months in advance of the date of elections should specifically provide an opportunity for inclusion of names in the electoral roll. 3.14
21. If the duration of a casual vacancy is over six months, a new sarpanch should be directly elected for the residuary term. Otherwise, the upa-sarpanch should perform the functions of sarpanch. 3.15

22. If both the offices of sarpanch and upa-sarpanch are vacant, even if the vacancies are for less than six months, a upa-sarpanch should be elected. If the gram panchayat fails to elect a upa-sarpanch or if a member of panchayat nominated as upa-sarpanch, declines such nomination the gram panchayat should be superseded or dissolved. 8.15
23. No sarpanch or upa-sarpanch shall be eligible to contest for the same office if he has held that office for two consecutive terms, holding a casual vacancy of less than one year duration not being counted as a term. 8.16
24. The functional committees of gram panchayats should be continued. But works committees may be abolished. 8.17
25. Gram sabha meetings should be held once in six months and all extension officers of the samithi should be present at these meetings. 8.18
26. (1) Wherever the taluks are unduly large, there should be a realignment of the taluks or a sub-division of the taluks; 8.19
- (2) wherever the blocks are small, there should be delimitation of such blocks with a view to realign them along the taluk boundaries;
- (3) a committee may be appointed for the realignment of blocks and taluks.
27. The classification of blocks as advanced, ordinary, backward and tribal may be reviewed every five years corresponding with the national five-year plans of the union Government, the first review to be undertaken in 1973-74. 8.20
28. The Panchayat Samithis must consist only of directly elected members and sarpanchas elected by an electoral college of sarpanchas and members of gram panchayats. 8.21
29. The strength of panchayat samithi shall be related to the number of members it elects to the Zilla Parishad and three-fourths of such members shall be directly elected from the electoral divisions carved out in each block and the balance of one-fourth shall be elected from among sarpanchas by all the members and sarpanchas of all panchayats within the block by simple majority, this election being conducted at the block headquarters. 8.21

80. Every samithi shall have members in the Zilla Parishad on the basis of one for every 50,000 population subject however to a minimum of two and to a maximum of four. 8.21
81. The strength of members of Panchayat Samithi shall be fixed 12 times the number of members it elects to the Zilla Parishad. If a block elects two members to the Zilla Parishad, its strength shall be 24 of which 18 will be elected directly and 6 should be sarpanchas. 8.21
82. Each block shall be delimited into as many electoral circles as there are seats in the Zilla Parishad and each Circle shall be further divided into 9 electoral divisions containing more or less equal population. 8.21
83. Each electoral division in a Panchayat Samithi should be single member constituency, seats being reserved for scheduled castes and scheduled tribes in proportion to the percentage of their combined population to the total population of the block and as between the scheduled castes and scheduled tribes the seats being so distributed according to the percentage of their population. 8.21
84. There need be no reservation of seats for women in the Panchayat Samithi and political parties may choose as many women as possible and give them proper representation. 8.21
85. Neither in the Panchayat Samithis nor in the Zilla Parishads legislators need become ex-officio members. 8.22
86. The president and the vice-president of the Panchayat Samithi should be elected by all the members of ~~the~~ the panchayat samithi from among themselves. A sarpanch elected as president of a Panchayat Samithi should cease to be sarpanch forthwith. 8.23
8.24
87. The term of office of directly elected members should be five years from the date of election and that of the president and the vice-president should ordinarily be five years but co-terminus with the term of the directly elected members. 8.25
88. The duration of any casual vacancy in the Samithi should end with the term of directly elected members and no casual vacancy of directly elected members need be filled up unless the duration is over six months, except that of the president and vice-president. 8.25

89. No president or vice-president of the Panchayat Samithi should be eligible to contest for the same office if he has held such an office for two continuous terms. 8.25
40. The existing provision with regard to motion of no-confidence should continue so far as the Panchayat Samithis are concerned. 8.26
41. The present standing committees of the Panchayat Samithis should be re-designated as subject committees but their number should be four only. 8.27
42. The vice-president of the Samithi shall be the chairman of subject committee No. 1. For subject committee No. 3 for social welfare the chairman should be a member belonging to scheduled caste or scheduled tribes. For subject committee No. 4 a women member should be elected as its chairman. For subject committee No. 2 one of the members of this committee should be elected as chairman. The chairman of subject committees No. 2, 3 and 4 shall be elected every year. 8.27
43. The strength of the subject committees should be five including the presiding member. 8.27
44. There should be a standing committee for each Panchayat Samithi consisting of the president of the Panchayat Samithi as its chairman and all the chairmen of the subject committees as members. This committee should meet once every month. 8.28
45. The general body of the Panchayat Samithi should meet once in three months. 8.27
46. The chairmen of the subject committees shall also have the right to make visits to institutions maintained by the Panchayat Samithi. 8.28
47. A honorarium of Rs. 300 per month should be allowed to the president and Rs. 150 per month to the vice-president and chairman of each subject committee. 8.29
48. The Zilla Parishad shall consist of all members directly elected from the territorial single member constituencies (electoral circles) into which the Samithi blocks are divided and the presidents of the Panchayat Samithis as ex-officio members. The number of directly elected members from the electoral circles will be atleast two and not more than four from each block. 8.30

49. The district collector who is now an ex-officio member of the Zilla Parishad and chairman of the standing committees need not be a member of the Zilla Parishad. 3.33
50. Statutory provision should be made that the collector and the chairman of the Zilla Parishad should meet regularly once a month to discuss matters of mutual interest. 3.33
51. The director of the central land mortgage bank in the district, the director representing the central bank or banks in the district on the apex co-operative bank and the president of the district co-operative marketing society should be associate members of the Zilla Parishad without the right to vote. 3.34
52. Seats in Zilla Parishad for scheduled castes and scheduled tribes should be reserved in accordance with the percentage of their population and in any case scheduled castes should get a minimum of two seats and scheduled tribes one at least, provided the population of scheduled tribes is not less than 3% in the district. The electoral circles which contain the largest population of these sections should be reserved for them. 3.35
53. There need be no reservation of seats for women in Zilla Parishads. 3.36
54. The chairman and vice-chairman of Zilla Parishads should be elected by all members of Zilla Parishad from among themselves except associate members and if a president of a Panchayat Samithi is elected as chairman of the Zilla Parishad, he shall cease to be the president forthwith. 3.37
3.38
55. The term of office of directly elected members should be five years from the date of election and the term of the chairman and vice-chairman should ordinarily be five years but co-terminus with the term of the directly elected members. 3.39
56. The duration of any casual vacancy should end with the term of the directly elected members. No casual vacancy of a directly elected member need be filled up unless the duration is over six months. This restriction will not apply to the casual vacancy for chairman or vice-chairman of Zilla Parishad. 3.39
57. The present standing committees of the Zilla Parishad may be re-designated as subject committees. 3.40

58. There shall be six subject committees and they shall consist of 9 members each including the chairman. 3.40
59. The vice-chairman of the Zilla Parishad shall be the chairman of the subject committee No. 1. 3.40
60. The chairman of each subject committee other than No. 1 shall be elected by the elected members of the subject committee, provided that in the case of subject committee for social welfare the chairman shall be a member of the scheduled caste or scheduled tribes and in the case of women welfare the chairman shall be elected from among the women members of the committee. 3.40
61. The term of office of the members of the subject committees shall be co-terminus with their membership on the Zilla Parishad. Excepting the vice-chairman, others who preside over subject committees shall have a term of one year only. 3.41
62. Cultural activities should be in the purview of the subject committee for women welfare and there is no need to constitute a separate committee for cultural affairs. 3.42
63. The convenors of the subject committees shall be as under : 3.42
- No. 1 (Agriculture, etc.)—Deputy Director of Agriculture
- No. 2 (Education)—District Educational Officer.
- No. 3 (Women Welfare)—District Women Welfare Officer.
- No. 4 (Social Welfare)—District Social Welfare Officer.
- No. 5 (Communications)—Executive Engineer (P.R.)
- No. 6 (Taxation and Finance)—Finance and Accounts Officer.
64. All the officers of the Zilla Parishad and other officers of government should attend meetings of the subject committees whenever required. 3.42
65. There should be a standing committee for each Zilla Parishad with the chairman of the Zilla Parishad as its chairman and the chairman of all the subject committees as members of the standing committee. 3.48

66. The general body of the Zilla Parishad should meet at least once in three months. 3.44
67. The chairman of Zilla Parishad be paid an honorarium of Rs. 500 per month and a free furnished accommodation or in lieu thereof Rs. 150 p.m. and the chairmen of the subject committees including the vice-chairman should be paid a monthly remuneration of Rs. 800 and free furnished accommodation or in lieu thereof Rs. 100 p.m. 3.45
68. The power to accept the most advantageous tender in each case should not vest with any individual but must be entrusted to a committee "Tender committee" which should be constituted with the chief executive officer as its chairman, the departmental head at the district level concerned with the tenders and the accounts officer as its members. 3.46
69. Political parties should be recognised for elections in Zilla Parishads and Panchayat Samithis and individuals not belonging to any political party should be treated as independents. All elections should take place on the same day as far as possible. 3.47
70. The district collector should continue to conduct elections under the general supervision of the commissioner of Panchayati Raj and the Government. 3.48
71. Elections disputes should continue to be dealt with only by courts as at present and the executive need not concern itself with such disputes. 3.49
72. No office-bearer of any of the Panchayati Raj bodies who is elected as a Legislator should continue to hold both the offices and similarly a Legislator who is elected as an office-bearer of any of these bodies should choose between the two offices and hold only one, 3.50
73. No chairman or vice-chairman of the Zilla Parishad shall be eligible to contest for the office of the chairman or vice-chairman if he has held such an office for two consecutive terms. 3.51
74. Although Members of Parliament and Legislators will not be members of the Zilla Parishad and Panchayat Samithi, they may participate in the district advisory council constituted in each district and advise on all matters coming up before it. 3.52

75. A district advisory council should be constituted for each district with a Minister nominated by the Government as president the chairman of the Zilla Parishad as vice-president and all members of parliament and legislators of the district. the district collectors, the chief executive officer, chairmen of all subject committees of the Zilla Parishad the presidents of all the Samithis in the district, the chairmen of all the municipalities in the district, the presidents of all the central co operative and land mortgage banks in the district and the district marketing society, all district heads of development departments and the divisional engineer (electricity) as members. 3.51
76. The secretary and convenor for the district advisory council should be the deputy chief executive officer, Zilla Parishad. 3.52
77. The president, Panchayat Samithi should have the power to give directions to convene the meeting of the general body of the Panchayat Samithi and its standing committee. 3.58
78. The power of sanction should be given to the committees and not to the presiding members including chairmen of subject committees. 3.58
79. The standing committee of Panchayat Samithi should be empowered to accord administrative sanction for works and schemes costing upto Rs. 10,000 non-recurring and to sanction recurring expenditure Rs. 5,000 per year. 3.54
80. The subject committees of Panchayat Samithis should be empowered to accord administrative sanction to works and schemes the cost of which does not exceed Rs. 5,000 non-recurring and to sanction recurring expenditure upto Rs. 1,000 per year. 3.54
81. The standing committee should consider the annual budget before the budget is placed before the general body of the Panchayat Samithi and also review progress of schemes. 3.54
82. The chairman of Zilla Parishad should have the power to convene the meeting of the general body and the standing committee in his capacity as their chairman. 3.55

83. The standing committee of Zilla Parishad should be empowered to accord administrative sanction for works and schemes the cost of which exceeds Rs. 50,000- but does not exceed Rs. 1,00,000 and to sanction recurring expenditure exceeding Rs. 10,000 but not exceeding Rs. 20,000 per year. . . 3.55
84. The standing committee should also discharge such functions as are assigned to it by the Government and as are delegated to it by the Zilla Parishad from time to time. 3.55
85. The subject committees should be empowered to accord administrative sanction to works and schemes the cost of which does not exceed Rs. 50,000- non-recurring and to sanction recurring expenditure not exceeding Rs. 10,000 per year. 3.55
86. The Government shall have power to transfer the functions and powers in respect of any or all Panchayat Samithis to the Zilla Parishads. The Zilla Parishads can delegate any of their functions for a specific period to any Panchayat Samithi 3.56
87. The district should be the unit of planning and the zilla Parishad should be made responsible for formulation and implementation of district or local plans and also for the implementation of central and State plan schemes within the district except those which are intended to benefit two or more districts or which involve higher technical skills. 4.8
88. There should be clear categorisation of schemes under three heads--the State sector, the Parishad sector and the Samithi sector which should comprise plans of gram panchayats also. 4.9
89. The district plan will include both the Parishad sector and the Samithi sector and the State plan will include the State sector, Parishad sector and the Samithi sector. 4.9
90. Once the schemes are categorised into sectors the State Government should allocate resources to the Zilla Parishads and Panchayat Samithis for the schemes in the respective sectors. The State Government departments should not take up identical programmes and schemes in respect of subjects categorised and allotted to the Zilla Parishads and Panchayat Samithis. 4.9

91. Resources planning should be done at the State level with the assistance of Zilla Parishads and allocations made to State and district sectors. The schemes in district sector should not be restricted to the funds allocated to the district sector but the Panchayati Raj bodies should mobilise all possible resources for taking up more schemes and programmes. 4.10
92. The plan resources for the district sector should consist of 4.11
- (1) funds from the resources of the Panchayati Raj institutions.
 - (2) State share of the plan schemes.
 - (3) Central assistance.
93. Loan component in central assistance should be treated as grant. 4.11
94. Adequate funds should be provided to Panchayati Raj bodies for normal maintenance of amenities, services, institutions. 4.11
95. The Zilla Parishads should have necessary officers and staff in a planning cell with powers of control over district officers for the preparation of 'plan'. 4.18
96. The existing land revenue in the State should be doubled and made over to the Panchayati Raj institutions. 5.17
97. The land/local cess should be raised to fifty paise per rupee throughout the State and the entire receipts should be made over to the Panchayati Raj institutions. 5.17
98. A local surcharge of 5% should be levied on sales tax collected and 80% made over to the Panchayati Raj institutions and 20% Municipalities. 5.17
99. A surcharge of 5% should be levied on the bid amounts of toddy and arrack shops and also on the licence fees collected from wine and narcotic shops and the amounts should be made over to the Panchayati Raj institutions. 5.17
100. One-third of the receipts under the Motor Vehicle Taxation Act should be passed on to the Panchayati Raj bodies for the construction and maintenance of roads. 5.17

101. The Bangla Desh surcharge now levied on entertainment tax should be converted into local surcharge and given to the local authorities concerned. 5.17
102. In the apportionment of sugarcane cess funds for roads in sugarcane areas, the Panchayati Raj institutions should receive a share in proportion to the length of roads used for transportation of cane maintained by them. 5.18
103. A higher share of assigned revenues should be given to Gram Panchayat. 5.19
104. Land revenue collections should be distributed among the districts on per capita basis and not on the basis of the amount collected in each district. 5.22
105. The total receipts under land revenue which is now about Rs. 14 crores should be made over to the Zilla Parishads on per capita basis and with this amount, each Zilla Parishad should constitute a District Development Fund which should be utilised for the purpose of financing plans in district sector. 5.22
106. The total receipts under additional land revenue through doubling the existing rates amounting to about Rs. 14 crores may be distributed as below so that each gram panchayat will get Rs. 2/- per head while the Samithis and Parishads will get Re. 1/- per head of population :— 5.23
- (a) 50% of the total amount in the State to be distributed among the panchayats on per capita basis (1971 census).
 - (b) 25% of the amount to be distributed among Panchayat Samithis on per capita basis.
 - (c) 25% of the amount to be distributed among Zilla Parishads on per capita basis.
107. The receipts under increased local/land cess will be about Rs. 14 crores and it should be distributed as below :— 5.24
- Gram Panchayats :
- 25 paise of the collection in the panchayat area.
- Panchayat Samithis :
- 15 paise of the collection in the Samithi block.
- Zilla Parishads :
- 10 paise of the collection in the district.
- Total : 50 paise.

108. The total receipts from Sales Tax (5% surcharge) in the State should be shared between municipalities and the Panchayati Raj bodies in proportion of 20% to municipalities and 80% to Panchayati Raj bodies. The amount due to Panchayati Raj bodies which would be of the order of about Rs.1.5 crores may be credited in full to the District Development Fund. 5.25
109. Part of the five per cent surcharge on bid amounts of toddy and arrack shops etc. shall be distributed to Panchayat Samithis and gram panchayats on 50:50 basis and the amount becoming available to either category should be distributed on per capita basis. 5.26
110. One third of collections under the Motor Vehicles Taxation Act should be made over to the Panchayati Raj bodies. This should be distributed to all districts on population basis. The Zilla Parishad should receive 1/3 and the balance 2/3 shall be distributed among the Panchayat Samithi on the basis of their population. 5.27
111. The District Development Fund constituted for each Zilla Parishad for the purpose of financing plans in the district sector should be administered by the Zilla Parishad concerned. 5.28
112. In giving priorities to the schemes to be selected for being financed from out of District Development Fund preference should be given to the backward areas in the district and the schemes exclusively benefitting the weaker sections. 5.28
113. Each Zilla Parishad should also credit part of its surplus funds to District Development Fund. 5.28
114. The accounts of District Development Fund should be maintained separately and the amounts should not be mixed with other funds of the Zilla Parishad. 5.28
115. The amounts of District Development fund should be lodged in Government treasury only. 5.28
116. The pilgrim tax levied by the Zilla Parishads or the Panchayat Samithis should be made over to the gram panchayats or the townships concerned for making adequate arrangements during festivals etc. 5.29
117. District Board Acts in regard to pilgrim taxes should be enforced in areas where important temples are located. 5.29

118. The District Collectors should within one year, hand over all vacant lands and porambokes to the gram panchayats concerned. 5.30
119. In accordance with the provisions in the Andhra Pradesh Gram Panchayats Act, 1964, the fishing rights in tanks should be handed over to Gram Panchayats. 5.31
120. The rights of fishing should be given to the fishermen co-operative society in the village and the lease amount should be fixed by an officer authorised by the director of fisheries. 5.31
121. In the absence of such a society, the lease should be given to a non-fishermen co-operative society and if it is not available or these societies do not take the lease, there should be public auction. 5.31
122. The seigniorage fees and cess collected in respect of minor minerals etc., should be made over to Gram Panchayats concerned. 5.32
123. The existing rates of 35 paise and 45 paise entertainment tax should be raised by 5 paise in each case. 5.33
124. The Government should retain only one per cent and not 3% of the proceeds of the collection charges for entertainment tax. 5.34
125. The licence fees now charged by Gram Panchayats for dangerous and offensive trades, etc., should be doubled. 5.35
126. 5% of the total forest revenue should be earmarked for distribution among all the tribal blocks on population basis. 5.36
127. State Government should establish a Panchayati Raj Finance Corporation in the State to provide adequate loan assistance to the Panchayati Raj bodies. 5.38
128. The State Government may also consider passing a Local Autonomy Law as done in Japan. 5.39
129. The cost of primary and secondary education should continue to be met by Government and also they should give additional amounts towards capital expenditure for school buildings, purchase of equipment, etc. 5.40
130. Instead of different departments paying grant-in-aid to Panchayati Raj bodies on various items a block grant of Rs.25.00 crores every year may be given till the end of the fifth plan period and the adequacy or otherwise of this amount should be reviewed thereafter. 5.40

131. The plan expenditure to the extent of Rs.9.45 crores per annum for the whole State should be taken care of by the District Development Fund. 5.41
132. The Government should make good the shortfall in land revenue and land cess from the consolidated fund of the State. 5.45
133. The appointment of a Local Authorities Finance Commission every five years well in advance of the appointment of the Finance Commission by the President of India is strongly recommended. 5.46
134. A memorandum should be presented to the Sixth Finance Commission taking into consideration all the recommendations of this committee. 5.47
135. Central Government properties including properties of railways and public sector undertakings should also be taxed by gram panchayats. 5.48
136. The Government may either provide ways and means advance or take steps to release the grants-in-aid funds regularly. 5.40
137. In the beginning the chief executive officer-cum-district development Commissioner should be an I. A. S. Officer in the senior time scale and later on officers belonging to superior services in the Zilla Parishad may also be considered. 6.2
138. The chief executive officer need not be a member of the Zilla Parishad or its committees, but he should be competent to attend the meetings of the Zilla Parishad and its standing committee. 6.2
139. The chief executive officer must meet the chairman and other office bearers of Zilla Parishad informally as often as possible. 6.2
140. The chief executive officer should draw up and present the budget of the Zilla Parishad and the district plan and he should report the progress of execution of plans etc., to the standing committee. He will have the ultimate responsibility for the proper implementation and execution of all resolutions of the Zilla Parishad its standing committee and the subject committees. 6.8
141. The chief executive officer should have power to remit the resolutions of the Zilla Parishad or its committees for reconsideration and if the body concerned refuse to reconsider, he may refer such resolutions to the State Government through the Commissioner of Panchayati Raj for orders and pending decision he could stay their implementation. 6.8

142. The chief executive officer should have power to direct the secretary of the Zilla Parishad to convene a special or extraordinary meeting of the Zilla Parishad. 6.8
143. All executive orders should be issued in the name of the chief executive officer and all deeds and contracts should be executed and entered by him, on behalf of the Zilla Parishad. 6.8
144. The chief executive officer can tour within the district and with the permission of the commissioner for Panchayati Raj outside the district. 6.8
145. The chief executive officer should have power and authority to co-ordinate the activities and programmes of the several development departments and the district heads of these departments should carry-out his orders. 6.4
146. The following district level officers and their subordinate officers and staff in the district should come under the control of the Zilla Parishads:— 6.5
- (1) Deputy Director of Agriculture.
 - (2) District Veterinary Officer.
 - (3) District Educational Officer.
 - (4) Deputy Director of Industries.
 - (5) Executive Engineer (Panchayati Raj).
 - (6) District Medical and Health Officer.
 - (7) District Panchayat Officer.
 - (8) Assistant Director of Fisheries.
 - (9) District Women Welfare Officer.
 - (10) District Statistical Officer.
 - (11) District Public Relations Officer.
 - (12) District Social Welfare Officer.
 - (13) Additional District Social Welfare Officer.
 - (14) Tribal Welfare Officer if there is one.
147. The suggestion that engineering services could be merged into one unified pool at the district level and below may be deferred. 6.5
148. The district officers brought under the Zilla Parishad along with their subordinate staff should function as departments under the over-all control and authority of the chief executive officer. 6.6
149. The district heads of the development departments should attend the meetings of the Zilla Parishad its standing committee and the appropriate subject committee. 6.6

150. The departments should be attached to the subject committees dealing with the subjects and the conveners of these committees are those district officers concerned with the subject allotted to the committee as tabled in para 6.6. 6.6
151. There should be a secretary of the Zilla Parishad-a class-I officer who should be under the statute responsible to attend to the business of the Zilla Parishad and its standing committee and should also be in-charge of the general administration department as deputy to the chief executive officer. He should be of the status of a selection grade deputy collector. 6.7
152. The district statistical officer should function as part of the planning department besides looking after statistical work. 6.7
153. The planning department will be in-charge of a deputy chief executive officer who would be of the status of a selection grade deputy collector. 6.7
154. The finance and accounts officer of the Zilla Parishad should, besides the duties assigned to him, function as the convener of the taxation and finance subject committee. 6.7
155. These departmental officers should be responsible to the chief executive officer the subject and standing committees and ultimately to the Zilla Parishad for implementing the resolutions and for development schemes and programmes. 6.8
156. The district officers should be also under the control of and answerable to their regional and/or State heads of departments in respect of technical aspects. 6.8
157. Except in routine and minor matters, all business of the Zilla Parishad including correspondence with the regional and State heads of technical departments should be carried on by and in the name of the chief executive officer. 6.8
158. All the powers of heads of departments now vested in the district collector besides such administrative powers of the director of medical and health services, director of animal husbandry, director of social welfare and women welfare, etc., be vested in the chief executive officer in so far as such powers are directly related to the activities at the district level. 6.8

159. It will be enough if one gazetted officer of the co-operation department with a small staff is attached to the general administration department of the Zilla Parishad to look after the promotional activities in the district through the extension officers (co-operation) and to maintain liaison with the co-operative department and the Panchayati Raj bodies. 6.9
160. The district officers should have adequate and effective control and authority over their field staff, especially, the extension officers and other subordinate staff. 6.10
161. The chief executive officer should delegate powers and functions to the district officers. 6.10
162. The district officers should, in particular be allowed freedom and initiative in decisions and action at the field level, besides, of course, technical matters. 6.10
163. The district officers may also be empowered to transfer subordinate staff below the level of extension officers and they should advise the chief executive officer on other transfers. 6.10
164. The district development commissioner should have informal staff meetings with his district officers atleast once a month. 6.10
165. In all districts where the number of gram panchayats is more than 700, there should be an additional district panchayat officer. 6.11
166. There is no need to shift the headquarters of the divisional panchayat officers to the district headquarters. 6.11
167. The status of the divisional panchayat officer should be raised to that of a tahsildar and the status of a district panchayat officer should be raised to that of a deputy collector on a corresponding scale of pay. 6.11
168. The block development officer should be of a status and stature equivalent to that of a deputy collector. 6.12
169. The block development officer should have greater control and disciplinary powers over the extension officers and other staff. 6.13
170. The block development officer should be the convener for all meetings and he should have power to remit resolutions of the Panchayat Samithi or its committees back to the body concerned for reconsideration. If such reconsideration is declined, he should refer them along with his minutes to the chief executive officer and pending a decision, he should be competent to defer their implementation. 6.14

171. The chief executive officer on receipt of such reference from the block development officer should promptly cause the same to be placed before the standing committee of the Zilla Parishad at its very next meeting and the decision of the standing committee in the matter shall be final. 6.14
172. The block development officer should frame the budget and present it to the standing committee and the Panchayat Samithi. 6.14
173. The block development officer should convene the standing committee of the Panchayat Samithi once in three months. At the end of the financial year, a statement containing the progress in the execution of block plans and other development activities along with the resolutions of the Panchayat Samithi should be sent to the chief executive officer for placing it before the standing committee of the Zilla Parishad for review. 6.14
174. The block assistant public relations officer (social education) now placed under the control of the Director of Information and Public Relations should be re-transferred to the Panchayat Samithis and re-designated as extension officer (social welfare) and placed under the control of the district social welfare officer and the block development officer to look after social welfare and cultural activities. 6.15
175. As soon as possible, each block should have two independent primary health centres with two medical officers, subordinate staff and independent sub-centres. 6.16
176. Primary education should continue to be with the Panchayat Samithis while the upper primary schools should be transferred to the control of the Zilla Parishads and secondary education should continue to be with the Zilla Parishads as at present. 6.17
177. Village development officer should continue as a multi-purpose worker and he should devote all his time only to agriculture during agricultural seasons. 6.18
178. Time is not very opportune now to bring about integration in village administration. 6.20
179. Gram Panchayats may be classified into three categories according to their average income over a period of three years or five years. Gram Panchayats with an income of more than Rs. 20,000 must have whole-time secretaries of the status of the present executive officers and Gram Panchayats with an income ranging between Rs. 5,000 and Rs. 20,000 should have group secretaries on whole-time basis while Gram Panchayats with an income of less than Rs. 5,000 should be given the assistance of the village development officers as part-time secretaries. 6.20

180. The secretary of the Gram Panchayat, (whole-time) should be vested with the day-to-day administrative control over the staff of the Gram Panchayats, the sarpanchas themselves having administrative control over the executive authorities. 6.21
181. The Zilla Parishads must provide adequate accommodation to all the transferred offices within the premises of the Zilla Parishad secretariat itself. 7.1
182. We do not recommend unification of revenue and development functions at the village and block level immediately as the land reforms work will fully engage the revenue personnel for quite some time. 7.1
183. Every Gram Panchayat should have a part-time or full-time secretary in whom will vest the executive functions of the Gram Panchayat. 7.2
184. When this arrangement is brought into force, all cheques should be signed both by the sarpanch and the secretary of the Gram Panchayat. 7.2
185. All executive officers already appointed should be designated as secretaries of Gram Panchayats. 7.2
186. Group secretaries appointed for groups of Gram Panchayats may be of the present grade II of executive officers and the required number of group secretaries should be selected from among experienced village development officers and from other categories of officials. 7.3
187. Hereafter the unit for appointments, transfers, for both the grades of secretaries of Gram Panchayats should be the 'district'. 7.3
188. The authority who is competent to transfer secretaries of Gram Panchayats may be the district panchayat officer by virtue of the powers delegated to him by the chief executive officer. 7.3
189. The posts of panchayat clerks and clerk-cum-bill collectors could be combined into one cadre of panchayat clerks and it should be included in the district cadre (ministerial service) of the Zilla Parishad as a distinct category below the category of lower division clerks. 7.5
190. The various other posts in Gram Panchayats like watchmen, sweepers, etc., need not be brought into any definite service and they may be allowed to continue as they are as part-time or whole-time servants in Gram Panchayats. 7.5

191. Certain percentage of posts of secretaries of municipalities in the third grade may be reserved for the first grade executive officers of Gram Panchayats. 7.6
192. The suggestion that the executive officers of grade I should be made inter-changeable with extension Officers (Panchayats) is not recommended. 7.6
193. Village development officers appointed as part-time group panchayat secretaries may be paid an allowance of Rs. 25 p. m. 7.7
194. There is no need to have a Samithi cadre and all posts in Samithi cadre may also be brought under the district cadre. 7.8
195. Peons should be appointed from among sevaks, sweepers, night watchers, etc., who are paid from contingencies and are already in service. 7.8
196. As regards work-charged establishment the facilities and benefits which are enjoyed by their counter-parts in the public works department should be extended to those in Panchayati Raj also in regard to regularisation of services, sanction of specific scales of pay, allowances, leave benefits, etc. 7.8
197. The chief executive officer for each Zilla Parishad should be appointed by the government themselves. 7.11
198. In selecting All India Service Officers for appointment as chief executive officers the Government as far as possible may ensure that this officer posted as the chief executive officer is slightly junior to the district collector of that district. 7.11
199. Whenever the collector of a district is transferred and a new collector is posted the Government should invariably post an officer who is senior to the chief executive officer working there. 7.11
200. The chief executive officer posted to a Zilla Parishad should not ordinarily be disturbed for three years and under no circumstances he should be retained in the same district for over five years. 7.12
201. If a Zilla Parishad by a resolution passed with atleast 8/5ths of the total number of members of the Zilla Parishad requests that the chief executive officer should be transferred, such a request should be complied with by the Government. 7.12

202. The chief executive officer should be allowed the same special pay or allowances as are given to a district collector. He should also be provided with residential accommodation by the Zilla Parishad on payment of rent and he should also be given a telephone at his residence and a car for his official use, the fuel cost and repair charges being met by the Zilla Parishad. 7.12
203. The confidential report of the chief executive officer should be written by the Commissioner of Panchayati Raj who should forward it to the secretary to Government in the Panchayati Raj department for onward transmission to the Chief Secretary. 7.12
204. The chief executive officer will be competent to address all heads of departments, the commissioner of Panchayati Raj, the accountant general and all Zilla Parishads. He should not normally correspond with government departments except in furnishing information for answering Assembly and Council questions or in reply to any communication from Government calling for direct reports. 7.12 other
205. The cost of pay and allowances of the chief executive officer should be met by the Government. 7.12
206. The chief executive officer should draw his pay and allowances from the treasury direct from the consolidated fund of the State Government. He should, however, draw his T.A. for tours from the Zilla Parishad funds only. The T. T. allowance should be borne by Government. 7.12
207. The Zilla Parishads should not be required to pay pension and leave contribution in respect of the chief executive officer. 7.12
208. Leave travel concessions, medical aid, etc., of the chief executive officer should also be the liability of the Government. 7.12
209. The district officers should continue to belong to the respective State services and all these officers should not be treated as on deputation but as officers holding posts which are additions to the State cadres. These officers should be allowed to continue to draw their salaries from the State exchequer. The expenditure on their salaries should continue to be met by the State Government till the Government evolve a suitable procedure where by these officers could draw their pay and allowances from the funds of the Zilla Parishad without any complications. 7.18

- 210 All the district officers should be subject to the same disciplinary control by the departmental superiors as now but their confidential reports should be written hereafter by the chief executive officer and forwarded to the immediate superior concerned. 7.14
- 211 The chief executive officer should be competent to issue directions to all these officers in administrative matters. If any such instructions or directions involve or contravene technical aspects or procedures, these officers should explain the position to the chief executive officer and if the chief executive officer does not agree, these officers may write to their heads of departments for instructions. Such correspondence should be through the chief executive officer. 7.14
- 212 For exercising administrative control the chief executive officer should be treated as head of department for these officers. A similar procedure may be adopted for the other gazetted officers working under these heads of departments either at head quarters or elsewhere in the district. 7.15
- 213 The confidential reports of gazetted officers under the district officers should be written by the district officers concerned and sent to the chief executive officer, after the chief executive officer adds his remarks, they should be forwarded to the regional or State head of department as the case may be. 7.15
- 214 The control which the chief executive officer will have over these gazetted officers will be that which a regional or head of department exercises in respect of administrative matters. 7.15
- 215 Any disciplinary action pursued by the chief executive officer should be intimated to the head of department. 7.15
- 216 For promotion to higher technical or executive posts at regional and State level and for special courses etc. the departmental officers should continue to be eligible. 7.15
- 217 The chief Executive officer of the Zilla Parishad can sanction leave to all the officers for a period not exceeding 60 days without consulting the head of department if no substitute is required. 7.16
- 218 Transfers of junior gazetted officers within the District should be made by the chief executive officer on the recommendation of the district officer concerned. Transfers outside the district should be made by the head of the department. 7.16

- 219 No gazetted officer should be transferred within 3 years and if a head of a department desires to transfer gazetted officers within 8 years the prior concurrence of the commissioner of Panchayat Raj should be obtained. 7.16
- 220 The chief executive officer should not delay the implementation of the transfer orders unless he obtains prior permission of the transferring authority. 7.16
- 221 For selection and appointment to the posts of district officers, the concerned gazetted or non-gazetted posts in the Zilla Parishad or Panchayat Samithi should continue to be feeder lines along with similar posts in Government departments and the selection should be finalised by the Government department concerned in consultation with the State Public Service Commission. 7.17
- 222 As the number of vacancies is not likely to be large regional recruitment boards are not necessary. 7.17
- 223 The posts of medical officers and veterinary extension officers may continue to belong to gazetted cadres of State Government. 7.18
- 224 The various non-gazetted technical posts may be brought under the following Panchayati Raj subordinate services :— 7.19
- (1) Panchayati Raj (Agriculture) Subordinate Service.
 - (2) Panchayati Raj (Veterinary) Subordinate Service.
 - (3) Panchayati Raj Engineering Subordinate Service.
 - (4) Panchayati Raj Social Welfare Subordinate Service.
 - (5) Panchayati Raj Women Welfare subordinate Service.
 - (6) Panchayati Raj Co-operative Subordinate Service.
 - (7) Panchayati Raj Statistical Subordinate Service.
 - (8) Panchayati Raj Industries Subordinate Service.
 - (9) Panchayati Raj Education Subordinate Service; and
 - (10) Panchayati Raj Executive Subordinate Service.

The requirements of urban areas in respect of the above personnel will not be much except perhaps under education. The departments may require some personnel of these categories for research stations, state-wise schemes etc.,

- 225 Recruitment to the above cadres should be made by the State Service Commission taking into Consideration the requirements of Zilla Parishads and the State departments concerned and the Commission will allot the required number to the Zilla Parishad's service. 7.19
- 226 The authority competent to allot them to each Zilla Parishad and appoint them to the Zilla Parishad service should be the head of department concerned and the posting orders should be issued by the district officers concerned after approval by the chief executive officer. 7.19
- 227 The officers should be eligible for promotion to gazetted posts and cadres along with their counter parts in Government departments. 7.19
- 228 The integration of the non-gazetted ministerial posts with those of Zilla Parishads and Panchayat Samithis has got to take place as soon as possible. 7.20
- 229 After integration the posts should be brought under the appropriate category of the district cadre of the Zilla Parishad. This district cadre may also include the posts of drivers, peons, etc., working in Panchayat Samithis. 7.20
- 230 All the village development officers and gram sevaks should belong to the district cadre service. 7.21
- 231 Wherever Government enhance the scales of pay dearness allowance house rent allowances, etc., they should automatically extend the benefits to the employees of the Panchayati Raj also without separate orders being issued by the administrative departments. 7.21
- 232 For purposes of promotion, the district should be the unit comprising all similar posts in all offices under the Zilla Parishads including Panchayat Samithis. 7.21
- 233 All persons belonging to the revenue department but working in the Panchayati Raj institutions should either opt to Panchayati Raj for permanent absorption or revert to the revenue department within a specified time. 7.21
- 234 All teaching and non-teaching posts in schools may belong to various categories in the district cadre. 7.22

- 235 The headmasters of secondary schools under the Zilla Parishads should also be made eligible for promotion as deputy secretary (education) and teachers, etc, working in the Zilla Parishads should be eligible for appointment as extension officers for education. 7.22
- 236 For recruitment to district cadres there should be a district selection committee consisting of : 7.23
- (i) District collector of the District as the Chairman;
 - (ii) The chief executive officer of the Zilla Parishad; and
 - (iii) The district officer concerned as member.
- 237 For the executive posts (non-technical) suitable personnel from the district cadres of Zilla Parishad should also be considered by the head of depart—ment concerned who should call for particulars and duly consider them before sending proposals to the service commission. 7.23
- 238 There should be a separate accounts organisation suitably linked up at all levels so that the standard of accounts maintenance will improve considerably. 7.24
- 239 Lower division clerks in accounts branch of the Panchayat Samithis and Zilla Parishads should be considered for promotion as upper divisional Accountants in Panchayat Samithis and Zilla Parishads and allied offices including secondary schools if there are separate posts of upper division clerks for accounts. 7.24
- 240 For the post of divisional Accountants in the Zilla Parishads and assistant accounts officers in Panchayat Samithis and superintendent or manager of accounts branches in Zilla Parishad, only upper division accountants should be considered. 7.24
- 241 The posts of the finance and accounts officers in Zilla Parishads should be thrown open to the managers of accounts branches in Zilla Parishads and assistant accounts officers in blocks. 7.24
- 242 The finance and accounts officers may in due course be considered for appointment as the Financial Adviser and chief accounts officers in the office of the commissioner of panchayati raj. 7.24
- 243 Contingency staff and work-charged establishment staff should be considered for posts of peons etc. instead of resorting to direct recruitment to these posts. 7.25

- 244 The existing avenues of promotions for the ministerial staff working in the Panchayati Raj institutions including clerks in gram panchayats should continue. 7.25
- 245 Gram Panchayat clerks must be considered for appointment as lower division clerks without regard to their age if they have the prescribed educational qualification. 7.25
- 246 The quota allotted to the village development officers in the cadres to which they can be promoted may be suitably raised. 7.25
- 247 More number of village development officers may be sent to B.Sc. degree course in Agriculture giving them suitable stipend and such of the village development officers who acquire the degree in agriculture should be given preference in the appointment of agriculture extension officers. Pending their promotion as agricultural extension officers they should be given three advance increments. 7.25
- 248 Hereafter the village development officers should be recruited only from among agricultural graduates with appropriate initial pay. 7.25
- 249 A percentage of the posts of mukhyasevikas should be earmarked for promotion of qualified gramsevikas after giving them sufficient training. 7.25
- 250 There should be selection grade posts for all categories of posts in panchayat raj services as in Government. 7.25
- 251 The authority to transfer district cadre staff including village development officers as also peons and drivers outside blocks should vest with the district officer or deputy chief executive officer Zilla Parishad (General) as the case may be. 7.26
- 252 The power to transfer elementary school teachers and other staff within a block should be with the block development officer. 7.26
- 253 No one except the last grade staff should be posted to a block in which his native place lies or to any place which is within 20 miles of his native place. 7.26
- 254 No person should be transferred from a place before he completes a period of 3 years and no person should be retained at a place beyond five years. 7.26

- 255 The percentage of transfers in a year within the district by a district officer or within a block by a block development officer should be limited to 10% of the total strength in the district/block as the case may be but the chief executive officer can permit transfers upto 15%. 7.26
- 256 The transfers should ordinarily be done at the commencement of the school year and transfers during the middle of the academic year should be approved by the chief executive officer, 7.26
- 257 Wife and husband should be retained at the same place or both of them should be transferred simultaneously or as soon as possible. 7.26
- 258 Transfers under some special circumstances like transfer for facility of conducting enquiries etc. should be ordered by the chief executive officer. 7.26
- 259 The confidential reports of other officers and staff should ordinarily be initiated by the immediate superior officers and it should be forwarded to the next higher officer for counter-signature, in respect of administrative personnel. 7.27
- 260 The confidential reports of technical personnel in the blocks should be initiated by the block development officer and he should send them to the concerned district officers who will send them to superiors through the chief executive officer. 7.27
- 261 Block development officers, reports should be initiated by the deputy chief executive officer (Administration) and after its counter-signature by the chief executive officer they should be forwarded to commissioner of Panchayati Raj for custody. 7.27
- 262 The elected office-bearers need not record their remarks on confidential reports. If occasionally they have something to say about any official of the Zilla Parishad or Samithi they can discuss with the chief executive officer or the Block Development officer. 7.27
- 263 Every gazetted officer should have power of imposing minor punishments on his non-gazetted subordinate, the power of imposing major punishments being in the authority which is competent to appoint the delinquent officer. The appeal should lie to the next higher authority or the chief executive officer and revision in respect of non-gazetted non-technical posts should lie to the Commissioner of Panchayati Raj or the heads of departments concerned as the case may be. 7.28

- 264 Some formula has to be worked out in regard to quantum of pension and leave charges to be collected from each gram panchayat and Panchayat Samithi and the amount so arrived at may be deducted from the per capita grant itself and credited to the pension fund and general fund to avoid lot of work and correspondence. 7.29
- 265 The Government should not collect any pension or leave salary contribution in respect of Government employees serving in the Zilla Parishads and Panchayat Samithis. 7.29
- 266 In respect of provident fund, recoveries should be effected by the institutions concerned as is being done now and credited to the funds concerned quickly. Accounts slips should be issued to the subscribers before September of the following year. 7.29
- 267 All establishment grants to Panchayat Samithis should be routed through the Zilla Parishad only. 7.29
- 268 The drivers should be sanctioned special pay as their duty hours extend through out the day as also night. They should also be provided quarters near the office. 7.30
- 269 A deputy secretary in Panchayati Raj department may be placed on special duty to study and take necessary action on the report which must necessarily precede the reorganisation envisaged by us. 7.31
- 270 Service rules should be framed as quickly as possible for all services under the Zilla Parishad. All eligible temporary posts should be made permanent. 7.32
- 271 The State Government and the higher officers concerned should have adequate powers to guide and guard the Panchayati Raj institutions and also to check and correct them in time if they go wrong. 8.2
- 272 Powers of suspension of resolutions under certain circumstances, revision of resolutions, directions to enforce the doing of certain things, cessation from office for failure to perform certain functions, removal from office, supersession and dissolution, etc., of Gram Panchayat should be retained. 8.3
- 273 Suspension of sarpanch and upa-sarpanch should be resorted to under justifying circumstances and that the Act should be amended for the purpose. 8.3

- 274 The chief executive officer of the Zilla Parishad should be the authority empowered to suspend the sarpanch or upa-sarpanch subject to confirmation by the commissioner of Panchayati Raj. 8.8
- 275 The procedure for giving sufficient opportunity to sarpanchas, etc., against penal proceedings should be clearly laid down so that it could be correctly followed. 8.8
- 276 There is no need for the budgets of the Zilla Parishads and Panchayat Samithis being approved by any outside authority, but the budget of Gram Panchayats should be approved by the Panchayat Samithi concerned. 8.8
- 277 The power of suspension of a resolution etc., of a Gram Panchayat should be with the chief executive officer of the Zilla Parishad. The authority who can annul a resolution of gram panchayat should be the head of the department, i.e., the commissioner of Panchayati Raj. The appellate authority or authority with powers of revision in this regard can be the government. 8.8
- 278 The authority to remove a sarpanch, upa-sarpanch or members of a Gram Panchayat should be the commissioner of Panchayati Raj. The appellate authority may be Government. 8.8
- 279 The power of superseding or dissolving Gram Panchayat should be with an authority who is above the district level and it may be with the Commissioner of Panchayati Raj. The appellate authority can be the Government. 8.8
- 280 It should be made clear in the Act that supersession is suspension of the elected body from performing its functions for the period of supersession and on completion of which the elected body would be restored as it was before with the same elected body, etc., without elections being held for the office-bearers and that dissolution would mean the ~~the~~ dissolution of the Gram Panchayat and fresh elections should be conducted. 8.8
- 281 The powers to direct a Gram Panchayat to perform certain duties may be vested in the chief executive officer. 8.8

- 282 The instructions issued in G.O. Ms. No. 409, Panchayati Raj, dated 15-6-1972 distributing the inspection work-load of Gram Panchayats may continue to be in force. The functions relating to panchayats now performed by the district collector other than elections may be entrusted to the chief executive officer who should, to the extent possible, visit select Gram Panchayats. 8.3
- 283 The power of sanction prosecutions for certain types of offences like failure to hand over records etc., should be vested in the chief executive officer. 8.3
- 284 The chief executive officer and the district panchayat officer should ensure that the divisional panchayat officers and the extension officers for Panchayats have a systematic programme of visiting and inspecting the Gram Panchayats. 8.3
- 285 The power to suspend resolutions or proceedings etc., of Panchayat Samithis may be given to the chief executive officer of the Zilla Parishad. The authority to annul the resolutions, proceedings etc., should vest in the commissioner of Panchayati Raj and the Government may be the appellate and revision authority. 8.4
- 286 The power to give directions to Panchayat Samithis to perform a defaulted function within a specified period should be vested in the chief executive officer at the district level. The appellate authority may be the commissioner of Panchayati Raj. 8.4
- 287 The powers of removal of members, vice-president, president of Panchayat Samithi as also according sanction for prosecuting them may be with the Government themselves. 8.4
- 288 The power of supersession and dissolution of the Panchayat Samithis should continue to be with the Government and the terms 'supersession' and 'dissolution' should be defined clearly. 8.4
- 289 The chief executive officer should inspect the Panchayat Samithis and works and schemes as frequently as possible. 8.4
- 290 Annual inspection of every Panchayat Samithi should be conducted either by the chief executive officer himself or by the deputy, the former taking at least $\frac{1}{3}$ rd of the number of Panchayat Samithis every year and the balance being done by the deputy. 8.4

- 291 The authority to suspend resolutions, etc., of the Zilla Parishad should be the Commissioner of Panchayati Raj. The final authority to annul resolution should also be the Commissioner of Panchayati Raj the appellate authority being the Government. 8.5
- 292 The authority competent to give directions to the Zilla Parishads to perform defaulted functions should be the Commissioner of Panchayati Raj and the appellate and revision authority should be the Government. 8.5
- 298 The powers of removal of members, vice-chairman and chairman of Zilla Parishad as also according sanction for prosecuting any of them may be with the Government themselves. 8.5
- 294 The powers of supersession and dissolution of Zilla parishad should continue to be with the Government. 8.5
- 295 In regard to annual inspection of Zilla Parishad, the Commissioner of Panchayati Raj and the joint or deputy commissioner, if any, should undertake inspection work. The Commissioner of Panchayati Raj himself should inspect at least $\frac{1}{3}$ rd of the Zilla Parishads (i.e.) seven in an year and the remaining number could be inspected by his deputies. 8.5
- 296 The standing committee of the Zilla Parishad should undertake, detailed reviews of the schemes and programmes, etc., periodically and place such reviews before the general body for its information. 8.6
- 297 The technical heads of departments should supervise the departments in the Zilla Parishad concerning them and also participate in the meetings of the committees and the general body of the Zilla Parishads as often as possible. 8.7
- 298 In respect of education, management and administrative control, should be with the Zilla Parishads while academic control and enforcement of government regulations and statutory rules should continue to be outside the purview of the Zilla Parishad. 8.8
- 299 The inspection staff for education for academic inspections maybe under the control of the district educational officer who may spervise the work of inspections and also scrutinise their reports and pass them on to the director of public instruction direct without routing them through the chief executive officer. 8.8

- 300 The district medical and health officer or his deputy should conduct the annual inspection of all primary health centres once in a year and the deputy district medical and health officer should visit each primary health centre once a year. The senior-most medical officer of the primary health centre should inspect every rural dispensary in his block once a year at least. There should be surprise visits also. 8.9
- 301 The district heads of departments should check rush of expenditure and ensure refund of lapsed grants and loan amounts. 8.10
- 302 There should be a separate head of department to be designated as Commissioner of Panchayati Raj on super-time scale of I.A.S. and he should be assisted by a joint commissioner in selection grade I.A.S., and two deputy commissioners on senior time-scale of I.A.S., besides junior officers and staff. 8.11
- 303 There should be a 'vigilance cell' which should be under the direct control of the Commissioner of Panchayati Raj for enquiring into complaints against elected functionaries or officers of Panchayati Raj bodies. 8.11
- 304 There should be a planning and evaluation cell in the Commissioner's office with competent officers and staff to visit the districts, scrutinise the plans and give guidance. 8.11
- 305 Tribal Samithis will also come under the Zilla Parishad and the chief executive officer will have the same control, responsibilities and powers in regard to tribal Panchayat Samithis as in respect of all other Panchayat Samithis. 8.11
- 306 The Commissioner of Panchayati Raj should continue to be the co-ordinating authority for the work in the tribal blocks also. The director of tribal welfare should continue to supervise the tribal Samithis. 8.11
- 307 The financial adviser and chief accounts officer in the Panchayati Raj Department of the Government should guide and advise the finance and accounts officers of Zilla Parishads and he should be in the Office of the Commissioner of Panchayati Raj. If a senior officer is required in the Panchayati Raj secretariat for accounts, etc., the Government could have a senior officer from the administrative service or from the Finance Department of the Secretariat. 8.12

- 808 The suggestion for constitution of a tribunal to consider penal proceedings against elected functionaries is not recommended. 8.14
- 809 For every Zilla Parishad there should be finance and accounts department, which should be headed by a finance and accounts officer of the Zilla Parishad. 9.4
- 810 The finance and accounts officer should be given adequate qualified subordinate staff consisting of managers or superintendents, U.D. and L.D. accountants. 9.4
811. A suitable yardstick also prescribed for sanctioning additional staff as and when there is increase in the workload of accounts wing of Zilla Parishad. 9.4
- 812 Every department under the Zilla Parishad should consult the finance and accounts department before sanctioning proposals involving financial implications or before placing them before the committees. 9.4
- 818 This finance and accounts department should deal with budget, compilation of accounts of all funds, exercise, financial control over the different funds and the Panchayat Samithis, issue utilisation certificates, refund unspent balances, recover advances, refund deposits, etc. 9.4
- 814 The main accounts of all departments should be transferred to the finance and accounts department with staff. Minor detailed or sub-accounts of the departments should however be maintained by the several departments for facilitating control of day-to-day expenditure. 9.4
- 815 The finance and accounts officer may be of the status of assistant examiner of local fund and panchayati raj accounts or district treasury officer and officers belonging to those cadres, could be preferred. 9.4
- 816 There is no objection to the present accounts officers of Zilla Parishads and other officers who are qualified being considered for these posts provided they undergo suitable training and pass the tests. 9.4
- 817 All future appointments to this cadre should be from the subordinate accounts service of the Panchayati Raj institutions. 9.4

318. The divisional accounts working in the engineering branches of Zilla Parishads should belong to the staff component of the accounts department of the Zilla Parishads but for the time being they should be continued to work under the control of the executive engineers. 9.4
319. The present divisional accountants in the office of Zilla Parishads be absorbed in the accounts and finance department of the Zilla Parishads and divisional accountants be given training in p. w. accounts and works audit. 9.4
320. The postings and transfers of all accounts personnel in the Zilla Parishads and Samithis should be made by the chief executive officer in consultation with finance and accounts officer. 9.5
321. Postings and transfers of the finance and accounts officers may be done by the Commissioner of Panchayati Raj. 9.5
322. The finance and accounts officer of every Zilla Parishad should every year prepare a financial statement of the Zilla Parishad and after it is approved by the Zilla Parishad, it should be sent to the financial adviser and chief accounts officer of Panchayati Raj Department for placing it before the State Legislature. 9.5
323. Any differences arising between the finance and accounts officer of the Zilla Parishads and other officer of the Zilla Parishad concerned should be resolved by the chief executive officer. 9.5
324. The chief executive officer should be competent to over rule or reject the advice of the finance and accounts officer and he should record reasons and grounds for such action. 9.5
325. There should be an assistant accounts officer for each Panchayat Samithi with a u.d. accountant and l. d. accountant in the Panchayat Samithi. Whenever the work-load is heavy, the Samithi accounts branch should be suitably strengthened. 9.6
326. All these accounts personnel should be given sufficient training at the district level and all should pass accounts tests. 9.6
327. The block development officer should accept the advice of the assistant accounts officer but in cases where he differs, he should refer the matter to the chief executive officer who in consultation with the finance and accounts officer of the Zilla Parishad would give a decision. 9.6

328. In cases of emergency the block development officer, however, could over rule the assistant accounts officer but refer the case to chief executive officer. 9.6
329. Budget should be realistic and include only schemes fully examined and approved. 9.7
330. The budgets of Gram Panchayats should continue to be approved by the Panchayat Samithis as at present. 9.9
331. The Budgets of Panchayat Samithis and Zilla Parishads should be approved by the bodies themselves and if they fail action should be taken to get them approved and certified by the higher authority. 9.9
332. There should be one composite budget for the Zilla Parishad. It should be divided into 2 parts, state sector and district or local sector receipts and expenditure being indicated in appropriate sections. 9.10
333. The chief executive officer should frame and present the budget to the standing committee of Zilla Parishad in November of every year. After approval by the standing committee in December the Zilla Parishad should pass it in January. The same procedure should be applicable to Panchayat Samithis also. 9.10
334. All funds of the Zilla Parishad should be placed at the disposal of the chief executive officer on whose behalf the finance and accounts officer of the Zilla Parishad would operate on them. All payments should be made by the latter by cheques including salaries, allowances and advances. 9.10
335. The broad procedure outlined in para 9.11 in framing the budgets and their approval by the Zilla Parishads and Panchayat Samithis is commended for adoption in our State. 9.11
336. A Small committee of officers with good experience in accounts may be constituted to evolve suitable procedures and to consider simplification of procedures and reduction of the number of registers. 9.11
337. All grants must be released to the Panchayati Raj institutions through Panchayati Raj Department. 9.15

838. Funds intended for release to Panchayati Raj must be provided under one head of account in the State budget under 'Panchayati Raj'. 9.15
839. The preparation of budget estimates revised estimates should be done by the respective heads of departments in respect of the grants relating to their departments. The finance Department may consolidate and provide the amounts under one major head of account and to identify a particular grant under that major head of account, detailed sub-heads can be opened ; for example, grants intended for agricultural programmes may be indicated under the detailed sub-head 'Agriculture' under the major head 'Panchayati Raj'. 9.15
840. Administrative sanctions for incurring of expenditure on new schemes or to continue the existing schemes should be issued by the respective heads of departments of Secretariat. 9.15
841. Only on receipt of administrative sanctions, the P. R. Department should release the amounts under intimation to the concerned department. 9.15
842. Expenditure statements under different programmes should be obtained by the P. R. Department every month or quarter and for the purpose of reconciliation with Accountant General's figures the reconciled figures of expenditure may be intimated to the respective departments every half year to enable them to watch the progress of expenditure. 9.15
843. Notes on points raised by the A. G. in the audit report should be furnished by the respective departments to the Secretary to Government in P. R. Department to enable him to prepare a consolidated note for the public accounts committee and at the time of public accounts committee meeting the heads of departments should invariably assist the Secretary to Government, Panchayati Raj Department. 9.15
844. The new system suggested by the financial adviser and chief accounts officer of P. R. Department in para 9.17 or the one followed in Maharashtra as outlined in para 9.16 be adopted by the Government. 9.18

845. The secretaries of Gram Panchayats should be held responsible for correct and proper maintenance of the prescribed registers. The Extension officers for panchayats should ensure that these registers are maintained. 9.19
846. The B. D. O. should ensure that all the registers prescribed are maintained and checked periodically by the assistant accounts officer in the Samithi. 9.19
847. The finance and accounts officer in respect of accounts branch and the other district officers concerned in respect of other branches in the Zilla Parishad should be made responsible for effective maintenance of all the prescribed registers. 9.19
848. There should be periodical review of the arrear recovery and refund of advance, loans, disposal of audit objections and refund of unspent balance of P. Ss. by the C. E. O. and by the commissioner of Panchayati Raj in respect of the Zilla Parishads. 9.19
849. The Government may take a decision as to who should be the auditor for Panchayati Raj bodies. 9.20
850. Every Panchayat must have post-audit once a year. In the case of small panchayats, the auditor can call the panchayat secretaries to the group head-quarters and look into the accounts. The follow-up action shall be the responsibility of the extension officer (Panchayats) and the divisional panchayat Officer. 9.22
851. The system of pre-audit should be introduced in the Panchayat Samithis and Zilla Parishads. 9.23
852. No audit fees from these institutions should be recovered as audit is part of Government's responsibility in respect of Panchayati Raj. 9.23
853. There should be no delay in the issue of audit reports which should be brief and precise. The number of paragraphs could be reduced if only the auditors issue half margin memoranda, obtain replies and consider the replies and then drop the objections. 9.24
854. The large number of vacancies in the audit staff should be quickly filled up and the recruits given training. The audit branches should have more number of typists and type machines. 9.24

855. Periodical joint visits to samithis by the assistant examiner and the finance and accounts officer of the Zilla Parishad should be arranged as such visits would help dispose of a good number of objections. 9.24
856. The State level, accounts officers along with the examiner of local fund and P. R. accounts should pay joint visits to districts and ensure disposal of audit objections. 9.24
857. The divisional panchayat officers could convene meetings of secretaries of Gram Panchayats at block level for reviewing disposal of audit objections by gram panchayats. 9.24
858. The assistant accounts officer should undertake internal audit of the accounts of the Panchayat Samithi. In the Zilla Parishad the finance and accounts officer should conduct it. No payment of any kind in the Panchayat Samithi or Zilla Parishad should be made without internal audit and cheques should be issued by the finance and accounts officer in regard to expenditure in Zilla Parishad and by assistant accounts officer in regard to expenditure in Panchayat Samithis. The detailed procedure of internal audit should be indicated in the finance and accounts code for Panchayati Raj bodies. 9.25
859. It is necessary to compile a finance accounts and works code which would contain rules and instructions relating to all the funds rules and procedures. Action may be taken to publish such a code as early as possible. 9.26
860. The practice of recovering election expenses from Gram Panchayats may be given up. 9.27
861. The divesting of social welfare functions from Panchayati Raj bodies suggested by the director of social welfare and certain others is a retrograde step and will not be in the interest of the weaker sections themselves. 10.9
862. When chief executive officer take charge of the administration of Zilla Parishads and when the block staff come under their control, the programming and implementation of social welfare schemes will improve. 10.15

363. A separate fund and accounts should be maintained for 'Social Welfare' in each Zilla Parishad and Panchayat Samithis. Grants and loans received from Government for this purpose and the amounts earmarked in the budgets for the welfare of weaker sections should be kept in this fund. 10.16
364. The subject committee for social welfare in the Zilla Parishad will have full functional freedom. 10.16
365. No time should be lost in connecting villages with one another by constructing feeder roads and main roads leading to the highways in tribal areas. 10.17
366. Equally important is the harnessing of hillstreams in scheduled areas to provide water for the irrigation and also for drinking. 10.17
367. The opening of more ashram type of schools, more dispensaries for medical relief, etc., in tribal development block samithis should be given priority attention. 10.17
368. Young men from every tribal hamlet should be given artisan training at convenient centres. 10.17
369. The extension officer (co-operation) in the block may be placed under the Tribal Development Corporation for better utilisation of his services. 10.18
370. The corporation also should start some small industrial schemes, with the help of extension officer (industries) 10.19
371. The transfer of block development officers of tribal blocks within a district should not be made by the chief executive officer without consulting the director of tribal welfare. 10.19
372. The block development officers of tribal blocks should be of higher status: 10.20
373. There should be more intensive supervision of these blocks not only by the chief executive officer and by the director of tribal welfare but also by the Commissioner of Panchayati Raj. 10.20
374. The following measures should also be undertaken for improving the performance under 'women and children programme'. 10.22
- (i) the district women welfare officer should be transferred to the control of the zilla parishad;
 - (ii) She should be given a vehicle;

- (iii) her status should be raised to that of gazetted officer;
 - (iv) the number of gramasevikas in the blocks where nutrition programmes are implemented should be increased.
 - (v) There should be compulsory spending on useful programmes from out of earmarked funds;
 - (vi) the subject 'women and children's welfare' should be transferred to the Panchayati Raj Department at the secretariat level to ensure better co-operation from panchayati raj bodies.
875. There should be an adequate number of training centres for the various training programmes. 11.9
876. The State Institute of Community Development and Panchayati Raj, Rajendranagar should conduct training courses for the presidents, Panchayat Samithis. 11.9
877. Chairmen of Zilla Parishads, select presidents of Panchayat Samithis should continue to be trained in the National Institute of Community Development. 11.9
878. It should be prescribed that all the office-bearers of panchayati raj institutions should undergo the prescribed training courses which may be of not more than a fortnight's duration within a period of 2 years from the date of their assuming office for the first time and failure to undergo the training within this period should be a disqualification for their continuing to hold their offices. 11.10
879. For the period of training travelling allowance and suitable allowances should be paid to them. 11.10
880. All the chief executive officers of Zilla Parishads should be deputed to the National Institute of Community Development for training. 11.11
881. All the districts officers and the secretaries of Zilla Parishads should participate in a three day workshop to be conducted at each district headquarters presided over by the chief executive officer, later they should be deputed for undergoing training for fourteen days at the State Institute of Community Development and Panchayati Raj. 11.12
882. The orientation and job course for block development officers should be for two months instead of six weeks. This training for the block development officers should be made compulsory. 11.18
883. All extension officers including engineering supervisors and assistant engineers should also undergo orientation courses for one month and the Zilla Parishads concerned should ensure that the extension officers deputed for training are promptly relieved. 11.18

384. As due to late communication of orders of deputation for training many officers are unable to join the course, orders of deputation for training should be communicated to the officers concerned sufficiently in advance. 11.14
385. The Government in Panchayati Raj Department may arrange to train the mukhyasevikas in home science wings at Rajendranagar and samalkot strengthening the staff in these institutes. The facilities available in the home science wings should also be utilised for giving training to the various functionaries working in the women welfare department. 11.15
386. The existing training facilities for the village development officers may be continued. They should also be given periodical refresher training in plant protection methods, high yielding varieties panchayat work etc. 11.15
387. The village development officers may hereafter be sent for B.Sc. (Agriculture) course so that they may improve their qualifications, professional efficiency and prospects. 11.15
388. Executive officers of Gram Panchayats should be given necessary training in district by the district panchayat officers and divisional panchayat officers. 11.16
389. It is no longer necessary to draw deputy directors of agriculture for posts of principals in village development officer's training centres. Some of the more experienced secretaries of the zilla parishads who possess good educational qualification might be appointed as principals. 11.16
390. For the training courses, no posts of lecturers need be sanctioned, clerical assistance however may be given. 11.16
391. The stipend for the period of training to the various officials undergoing training may be enhanced slightly keeping in view the increased cost of living. 11.16
392. The village development officers who have undergone higher training may be given two advance increments and those who acquire B.Sc. degree in agriculture be given three advance increments as incentive. 11.16
393. The State Institute of Community Development and Panchayati Raj should give training in planning and evaluation methods to planning staff of Zilla Parishads in consultation with Planning and Co-operation Department. 11.16
394. Special training programme for staff working in tribal areas should be conducted by the director of tribal welfare in the Tribal Institute, Hyderabad. 11.16

395. At the block level there should be no difficulty at all for the block development officer achieving sufficient coordination from the extension personnel. There will be no problem of coordination at the Zilla Parishad level as the chief executive officer can ensure sufficient coordination at district level. 11.17
- 396 All schemes which are undertaken as part of relief measures such as flood and drought relief schemes and which fall under the local sector should be the concern of Panchayati Raj bodies and they should be made responsible for selecting the schemes or works and implementing them. 11.18
- 397 Centrally sponsored schemes like the crash scheme for rural employment should be executed by the Zilla Parishads. 11.18
- 398 A periodic evaluation or qualitative analysis of the performance of Panchayati Raj institutions is very essential for assessing the real progress and for effecting improvements. 11.19
- 399 At the district level, the district statistical officer and his staff consisting of investigators etc., could undertake evaluation of a few schemes and send a report through the chief executive officer to the director of bureau of economics and statistics who can send it to the Commissioner of Panchayati Raj with his recommendations. 11.19
- 400 There should be an internal evaluation cell in the office of the commissioner of panchayati raj at the state level which should be suitably staffed. 11.19
- 401 Suitable questionnaires should be prepared by the state cell for different schemes and progress on the basis of which evaluation study should be undertaken at district level. 11.19
- 402 An evaluation committee should be appointed once in five years to make a detailed study of the working of Panchayati Raj institutions and to make recommendations for their effective functioning. 11.19
- 403 All estimates, the cost of which exceeds Rs. 5,000/- but not Rs. 10,000/- should be sanctioned by the district panchayat officer and those whose cost exceeds Rs. 10,000/- should be sanctioned by the chief executive officer. 6.22
- 404 The state chamber of panchayati raj should consist of a general body and executive committee. The general body should consist of 42 members elected at the rate of two per district by the representative Zilla Parishads. There need be no district chambers. 11.20

APPENDIX-I

(Para 1.17)

Government of Andhra Pradesh
Abstract.

Panchayati Raj Institutions - Improvement of the working of the Panchayati Raj Institutions - Constitution of High Power Committee to examine and make suitable recommendations - Orders - Issued.

Panchayati Raj (Samithi -I) Department

G.O.Ms.No.648.

Dated 22-9-1971.

ORDER :

The three-tier Panchayati Raj system of administration is in vogue in our State for over a decade by now and it has become necessary to re-examine its relevance in the back-ground of the changing needs and differing times. Certain criticisms are also levelled against the Panchayati Raj bodies and their working.

2. For some time the Government have been considering the question whether the financial resources available to the Panchayati Raj bodies are adequate for the welfare requirements of the people, and whether the resources in sight are being put to the most profitable and economic use. It is complained from many a forum that these bodies are generally handicapped for want of adequate financial resources to meet the growing expenditure on the programmes of development and welfare. These institutions are unfortunately not in a position to generate local resources and consequently have to depend on the Government grants. There is also a complaint that a large portion of the amounts released to the Panchayati Raj institutions is absorbed by the establishment, without leaving sufficient amounts for developmental activities.

3. It is also being complained that the procedures and the methods of the functioning of the Panchayati Raj bodies are complicated and cumbersome leading to delays in the matter of sanctions and consequently execution of works. The need for a realignment of relationships *inter se* and between the official and non-official components of the Panchayati Raj bodies is also being stressed. In order to examine the above points and in accordance with an assurance given by the Chief Minister on the floor of the Legislative Assembly, the Government constitute a High Power Committee for Panchayati Raj consisting of the following members to make a study of the problems and enquire into the question of financing the Panchayati Raj bodies in the State :—

1. Sri C. NARASIMHAM, M.A., B.L., I.A.S., (Retd.) .. Chairman.
2. Sri B. R. K. SASTRY, M.A., I.A.S., Commissioner of Panchayati Raj. Member.

- | | | | | | |
|----|---|----|----|----|---------------------|
| 3. | Sri K. R. RAJA REDDY, Chairman, Zilla Parishad,
Nizamabad. | .. | .. | .. | Member. |
| 4. | Sri G. V. CHANDRASEKHARA REDDY, M.L.A. | .. | .. | .. | Member. |
| 5. | Sri G. KRISHNA MURTHY, M.L.C., | .. | .. | .. | Member. |
| 6. | Sri B. NAGESWARA RAO, M.A., Deputy Secretary
(Panchayati Raj). | | | | Member - Secretary. |

4. The High Power Committee shall evaluate the existing financial position of the Panchayati Raj Institutions, *vis-a-vis* the obligations they are required to fulfil under the relevant Acts and make recommendations for improvement of their finances, keeping in view the overall financial conditions of the State and also on the following :—

- (1) Whether the existing powers under the Acts are adequate, whether they are being fully utilised in raising the financial resources and what is the impact of development programmes on the people and in particular of special programmes on Scheduled Castes, Scheduled Tribes, Women and Children.
- (2) Whether the existing resources and revenues are very properly realised and utilised and if so, whether they are adequate for the performance of the functions assigned to them and if not, what changes should be made in their finances, machinery, involvement of the people, etc.
- (3) Whether any further powers can be delegated to them to adequately raise further resources by way of taxes, levies, etc.
- (4) To study the important trends in the working of Panchayati Raj bodies and suggest measures for improving their working so as to make them really effective and efficient instruments of socio-economic development in the district.
- (5) Code of financing rural development scheme.
- (6) Power to raise loans from the public and the nationalised banks and the Life Insurance Corporation.
- (7) Permitting the Panchayati Raj Institutions to invest the loans taken by them from the Life Insurance Corporation and other sources in the nationalised and other banks instead of Government treasuries as at present.
- (8) Whether the powers entrusted to the Zilla Parishad are adequate and whether there is need for a further devolution of powers downward for improvement of developmental work.

- (9) Whether the present structures of the Gram Panchayats, Panchayat Samithis and Zilla Parishads and their *interse* relationship are conducive to the harmonious working in the developmental sphere or whether any realignment of relationships is considered necessary or whether a reshaping of the organisational structures of the Panchayati Raj bodies will achieve this objectives.
- (10) Whether the existing arrangement of a Secretary supervising the entire range of activities of Zilla Parishad is adequate or an Officer of a higher status is necessary to give a purposeful direction to the activities and maintain a liason with the senior district heads as well as problems of co-ordination of various functionaries at different levels and within the institutions themselves.
- (11) Whether any other services or subjects could be entrusted to Zilla Parishad keeping in view the present policy of Government of decentralisation of administration.
- (12) Whether any changes in the mode and system of elections to these bodies at the Gram Panchayat, Samithi and Parishad levels are necessary to eliminate the present defects.
- (13) Whether any amendments are necessary to the provisions of the relevant Acts and rules for the efficient functioning of Panchayati Raj institutions particularly with reference to their constitution, recruitment, promotion and transfer of staff of these bodies, control over staff etc., the status of Executive Officers, sanction of schemes, programmes, etc.
- (14) Whether the present supervision over the Panchayati Raj institutions is adequate and to suggest means to make such supervision more and more effective.
- (15) Whether the present system of audit is really effective and in time and if not, how it could be more and more effective.
- (16) Whether the training institutions now in existence and the training given to various functionaries are adequate and to suggest suitable measures for making the functionaries more efficient.
- (17) Measures for the drawing up of practical district plans for incorporation in the State plan and for financing them.
- (18) Any other matter of importance.

5. The Committee is requested to submit its report to Government within a period of six months.

6. The Committee shall be treated as a First Class Committee for purposes of drawal of T. A. and D. A. of the non-official members. The countersigning authority of the T. A. Bills of the non-official members shall be the Commissioner of Panchayati Raj.

7. The expenditure involved in the payment of T. A. and D. A. etc., to non-official members shall be debited to "19. General Administration-Secretariat and attached Offices-J. Civil Secretariat-G. III. Panchayati Raj Department". The T. A. and D. A. of the official members shall be debited to the same head of account to which their pay and allowances are normally debited.

8. This order issues with the concurrence of the Finance Department—*Vide* their U. O. No. 3470/FSP/71, dated 20-9-1971.

(By Order and in the Name of the Governor of Andhra Pradesh)

B. R. K. SASTRY,
Secretary to Government.

To

The Members of the Committee. (by name).

The Accountant General, Andhra Pradesh, Hyderabad.

All Departments of Secretariat.

All Heads of Departments.

The Director of Information, Public Relations and Tourism, Hyderabad.

All District Collectors.

All Secretaries of Zilla Parishads through Chairmen.

All District Panchayat Officers.

All Block Development Officers through the Presidents of Panchayat Samithis.

The President, Andhra Pradesh State Chamber of Panchayati Raj, Hyderabad.

The Examiner of Local Fund and Panchayati Raj Accounts Hyderabad.

The Additional Examiner of Local Fund and Panchayati Raj Accounts, Hyderabad.

The Principals of Training Institutes of State Government.

Copy to the Secretary to Government, Ministry of Agriculture, Community Development and Co-operation, New Delhi. (with covering letter).

Copy to the Dean, National Institute of Community Development Rajendranagar, Hyderabad. (with covering letter).

Copy to Private Secretary to Chief Minister.

Copy to the Private Secretary to Minister for Panchayati Raj.

Copy to all officers and sections in the Panchayati Raj Department.

APPENDIX—I.

MEMBERS ADDED TO THE HIGH POWER COMMITTEE.

[Copy of G. O. Ms. No. 212, Panchayati Raj (Samithi-I), 28th April 1972.]

In the G. O. Ms. No. 648, Panchayati Raj (Samithi-I), dated 22nd September 1971, the Government have constituted a High Power Committee with non-officials and officials under the Chairmanship of Sri C. Narasimham, I.A.S., (Rtd.) to study and make recommendations for the more effective functioning of Panchayati Raj institutions in the State and for improvement of their finances.

2. It has been suggested by the Chairman, High Power Committee, that Professor K. Seshadri of National Institute of Community Development, Rajendranagar, may also be included as a co-opted member of the High Power Committee.

3. The Government have considered the above suggestion and they, accordingly, order that Prof. K. Seshadri of National Institute of Community Development, Rajendranagar, be included in the High Power Committee as a co-opted member.

4. The co-opted member will be eligible to draw T. A. and D. A. as a member of the First Class Committee. The counter signing authority of the T. A. Bill of the co-opted member shall be the Commissioner of Panchayati Raj, and Secretary to Government, Panchayati Raj Department.

5. The expenditure on payment of T. A. and D. A. to the co-opted member shall be debited to "19. General Administration-Secretariat and attached offices-J. Civil Secretariat G. III. Panchayati Raj Department".

6. This order issues with the concurrence of Finance Department vide their U. O. No. 28858/448/TA/72-1, dated 25th April, 1972.

[Copy of G. O. Ms. No. 279, Panchayati Raj (Samithi-I), 27th May 1972.]

In the G.O. Ms. No. 648, Panchayati Raj (Samithi-I), dated 22nd September 1971, the Government have constituted a High Power Committee with the following as members to study and make recommendations-

for the more effective functioning of Panchayati Raj Institutions in the State and for improvement of their finances :—

1. Sri C. Narsimham, M.A., I.A.S., (Retd.) .. Chairman.
2. Sri B. R. K. Sastry, M.A., I.A.S., .. Member.
3. Sri K. R. Raja Reddi, Chairman, Zilla Parishad, Nizamabad. .. Member.
4. Sri G. V. Chandrasekhara Reddy. .. Member.
5. Sri G. Krishna Murthy. .. Member.
6. Sri B. Nageswara Rao, M.A., Deputy Secretary (Panchayat Raj) .. Member-Secretary.

2. In the G. O. Ms. No: 212, Panchayati Raj (Samithi-I), dated 28th April 1972, Professor K. Sheshadri of National Institute of Community Development has been included as a co-opted member in the said committee.

3. The Government nominate the following persons also as members of the High Power Committee :—

1. Sri M. Bhoj Reddy, Chairman, Zilla Parishad, Hyderabad.
2. Sri A. Krishnaswamy Aiyangar, I.A.S., (Retd.)

4. Sri P. L. Sivaram, I.A.S., Commissioner of Panchayati Raj and Secretary to Government shall also be a member of the High Power Committee in the place of Sri B. R. K. Sastry, I.A.S.

5. The members will be eligible to draw T. A. and D. A. as members of the first class committee. The counter signing authority of the T. A. bill of the non-official members shall be the Commissioner of Panchayati Raj and Secretary to Government, Panchayati Raj Department.

6. The expenditure on payment of T. A. and D. A. to the members shall be debited to "19. G. A. Secretariat and attached offices-J. Civil Secretariat-G. III. Panchayati Raj Department".

7. This order issues with the concurrence of Finance Department vide their U. O. No. 82852/611/TA/72-1, dated 26-5-1972.

MOHSIN BIN SHABBIR,
Joint Secretary to Government.

APPENDIX-II

Para 1.28

HIGH POWER COMMITTEE ON PANCHAYATI RAJ QUESTIONNAIRE

1. *Policy :*

Do you accept the assumptions made in establishing Panchayati Raj, namely,

- 1.1 de-centralisation of Government authority powers and functions and their transfer to Panchayati Raj Institutions ;
- 1.2 making Panchayati Raj a permanent feature of the Indian Administrative set up ; and
- 1.3 changing its scope, functions and structure in the light of experience ? If not, what are your suggestions and comments ?

2. *Objectives :*

2.1. Do you accept the broad objectives of democratic decentralisation and Panchayati Raj, namely,

(i) devolution of power ;

(ii) transfer of functions and control over the necessary resources to the Panchayati Raj Institutions for the purpose of economic development of the rural areas and for the carrying out of welfare activities for the good of the rural people with local initiative and people's participation in all aspects of Community Development ? If not what are your suggestions and comments ?

2.2 "Community Development and democracy progress through and strengthen each other" so it was observed. What are your comments in the light of the experience and working of the Panchayati Raj during the last 12 years ?

3. *Implementation :*

3.1 Have adequate powers, functions and resources been transferred to the Panchayati Raj Institutions ? If not, what more specific powers functions and resources would you recommend for transfer to these institutions ?

4. *Functions :*

- 4.1 Is the present allocation of powers, responsibilities and functions among Gram Panchayats Panchayat Samithis and Zilla Parishads proper and adequate? If not, what changes do you suggest in the existing allocation and how would you apportion between them powers and functions, if any which you recommend for additional devolution under question 3.1.
- 4.2 Have all appropriate developmental activities been entrusted to the Panchayati Raj institutions at the three levels? If not, what are the specified development activities that you recommend for further entrustment to the three-tier Panchayati Raj institutions?
- 4.3 Are the Panchayati Raj institutions fully and effectively associated at present with all developmental activities within their jurisdiction?
- 4.4 Should all developmental functions and activities at the village, block and district level be the sole responsibility of the Panchayati Raj institutions? OR, do you exclude specific development schemes, projects etc., from the purview of P. R. Bodies? If so, what are they? Should these bodies be solely responsible for formulation and implementation of village, block, and district plans and schemes?
- 4.5 Should not Research, Training and Schemes of State and National importance be directly under the State Government?
- 4.6 Do you recommend provision in the Statutes for earmarking and spending certain percentage of general funds of the Gram Panchayats, Panchayat Samithis and Zilla Parishads for the welfare of scheduled castes and tribes, women and children? If you do what is the percentage of funds you recommend for these groups of people?
- 4.7 Has Panchayati Raj, in your opinion, been able to train local leadership for higher responsibilities? If not, what, in your opinion, are the defects and draw-backs and what do you suggest to overcome them?

5. *Role of Panchayati Raj :*

- 5.1 What specific and clear-cut role would you assign to the Panchayati Raj Institutions in the district administration in general?

5.2 Do you recommend the continuance of the powers, responsibilities and functions now vested in District Collector in relation to the Panchayati Raj Institutions at all the three levels keeping in view his multifarious administrative duties? If not, what are your suggestions?

6. *Local Authorities Finance Commission :*

6.1 Do you recommend the setting up of a Local Authorities Finance Commission on the lines of the Union Finance Commission once in every five years in advance of the later to go into the financial needs and resources of Panchayati Raj Institutions and urban local bodies and to recommend the pattern and quantum of financial assistance to the Panchayati Raj Institutions and urban local bodies?

7. *Loans :*

7.1 Do you recommend the establishment of a Panchayati Raj Finance Corporation with appropriate authorised capital to be subscribed by the Central and the State Governments, the Reserve Bank of India, the Nationalised and Scheduled Banks, the Life Insurance Corporation of India, Co-operative Banks and Panchayati Raj Institutions for financing development and public utility works and remunerative enterprises of Panchayati Raj Institutions?

7.2 In the meantime, do you recommend that Panchayati Raj Institutions be authorised to borrow from the general public, nationalised banks, the Life Insurance Corporation etc.?

8. *Supervision and Control :*

8.1 Do you think that the existing statutory provisions and rules governing the following matters are adequate? If they are not, what changes do you recommend?

(a) Powers to sanction the budgets of Panchayati Raj bodies;

(b) Powers of suspension and annulment of resolutions and orders;

(c) Powers of removal of members and office-bearers;

(d) Powers of supersession and dissolution of Panchayati Raj bodies.

- 8.2 Do you think the supervision and general guidance provided by the District Collectors, the Commissioner of Panchayati Raj and the Government have been adequate, effective and purposeful? If not, do you have any suggestions to make for a better arrangement?
- 8.3 Do you think the Secretariat Departments and Heads of Departments have played a sympathetic and constructive role in promoting and strengthening the growth of Panchayati Raj Institutions? Have you any suggestions to make in this behalf?
- 8.4 How far are the district heads of development departments helpful to Zilla Parishads and Samithis by giving their guidance exercising technical supervision over the Extension Officers and arranging supplies and services?
- 8.5 Are the procedures and rules prescribed for sanction of schemes, works and programmes, acceptance of tenders etc., satisfactory and conducive to speed and economy? If not, have you any suggestions to make for improving them?

9. *Inspection :*

- 9.1 Is the present system of annual inspection of Panchayati Raj institutions adequate and effective? If not, what suggestions do you have for its improvement?
- 9.2 Should there be regional officers of Panchayati Raj bodies? If so, what should be their functions and status?
- 9.3 Do you recommend the inspection of Gram Panchayats by the Presidents of Panchayat Samithis concerned and Panchayat Samithis by the Chairman of Zilla Parishads?

10. *Training :*

- 10.1 Is the training given at present to service personnel and elected representative adequate for the functions assigned to them and to achieve the objective of Community Development and Panchayati Raj?
- 10.2 Are the existing training facilities, the methods and the techniques employed adequate and suitable? If not, what improvements do you recommend?
- 10.3 How is the training imparted to the elected representatives in camps at the block level or at the district level or in the training institutions? What incentives and penalties do you suggest to ensure that elected members undergo the training successfully?

11. *Performance :*

11.1 Have Panchayati Raj institutions succeeded in increasing production, utilising map-power, stimulating local initiative and enterprise, encouraging and developing voluntary organisations and co-operative institutions ?

What are the difficulties, if any, encountered by them in this regard and what steps do you suggest to ensure success in this direction ?

11.2 What is the impact of the Panchayati Raj institutions on the Extension Services ?

11.3 To what extent has Panchayati Raj succeeded in enlisting popular initiative and support for and people's participation

(a) productive programmes

(b) civic amenities

(c) campaigns and drives (primary and secondary education, sanitation, family planning, small savings, removal of untouchability, etc.)

(d) maintenance of institutions

(e) works

(f) raising of resources through taxation and other methods like plantations, fish culture, etc.

11.4 Have the efforts made and measures taken by the Panchayati Raj bodies for the economic upliftment of weaker sections of the community been satisfactory ? What is the impact of the development programmes on the people, particularly the scheduled castes and tribes, women and children ?

12. *Investment of funds :*

12.1 Do you recommend that Panchayati Raj institutions be authorised to invest their surplus funds in Scheduled Banks instead of Government Treasuries as at present ?

13. *Evaluation :*

13.1 Do you recommend the appointment of an Evaluation Committee once in five years to study and report on the functioning, performance and achievements of Panchayati Raj Institutions and to make appropriate recommendations so that they may become more effective as instruments of rapid economic and community development in the rural areas ?

13.2 It is said there is more of pursuit of political ends generally than development activities in the Panchayati Raj institutions. Do you agree with this assessment and, if so, have you any suggestions to make for minimising the former and maximising the latter ?

ZILLA PARISHADS AND PANCHAYAT SAMITHIS

14 *Set up of Panchayati Raj :*

- 14.1 Do you suggest any changes in the three-tier structure of the Panchayati Raj set up (Gram Panchayats, Panchayat Samithis and Zilla Parishads)? If so, why and in what manner?
- 14.2 Is the size of the blocks (area, population and topography) good and convenient from the developmental and administrative point of view? Would you suggest realignment of taluks and blocks on the basis of area, population, topography, socio-economic development and viability? Do you accept the recommendation of the Rural Urban Relationship Committee that all towns with a population of over 20,000 be constituted into urban local bodies?
- 14.3 Do you recommend the merger of the block and the taluk into one administrative unit of development and general administration? If so, what consequential administrative and organisational changes do you suggest?
- 14.4 Are the composition and strength of the Zilla Parishads and Panchayat Samithis as now constituted adequate and sufficiently representative or do you advocate any change? If so, what changes do you suggest and for what reasons?
- 14.5 Is the representation now given to scheduled castes, scheduled tribes and women in the Zilla Parishads and Panchayat Samithis fair and adequate having regard to their population, their social and economic conditions and the need for their quicker amelioration? If not what changes do you suggest? Do you recommend their co-operation or direct election from reserved territorial constituencies along with some or all the other members of the Zilla Parishads and Panchayat Samithis? If they are to be co-opted, do you suggest their co-option before or after the election of the Chairmen or Vice-Chairmen of Zilla Parishads and Presidents and Vice-Presidents of Panchayat Samithis?
- 14.6 Are there any other interests which in your opinion, should be represented on the Zilla Parishads and Panchayat Samithis as "associate" members without the right to vote?

- 14.7 Do you recommend the "associate" membership of the Chairman of the Central Co-operative Bank the Chairman of the District Land Mortgage Bank and the President of the District Co-operative Marketing Society on the Zilla Parishad and of the President of the Taluk Co-operative Marketing Society on the Panchayat Samithis concerned?
- 14.8 Do you consider that the existing number of Standing Committees, their composition, allocation of subjects and powers given to them are adequate and satisfactory? If not, what are your suggestions on these aspects?
- 14.9 Do you suggest any change in the term of office of the members of the Zilla Parishads and Panchayat Samithis and that of the Chairmen and Vice-Chairmen of Zilla Parishads and Presidents and Vice-Presidents of Panchayat Samithis? If so, what are your suggestions?
- 14.10 Do you recommend that the Chairman of a Zilla Parishad and the President of a Panchayat Samithis should be ex-officio members of every standing committee but not their chairmen? If so, please give reasons.
- 14.11 Have the Village Level Workers been effective in their role as primary agency of development in the villages and liaison between the people and developmental and Governmental machinery? How should Village Level Workers be made more useful to the people and better instruments of development at the village level?
15. *Elections:*
- 15.1 Do you recommend the continuance of the system of indirect elections to the Zilla Parishads and Panchayat Samithis and cooption or members or prefer direct elections from electoral colleges constituencies to all seats or partly ex-officio members and party elected members? If you recommend direct elections of some members, how many are to be elected to Zilla Parishads and Panchayat Samithis and how are they to be so elected?
- 15.2 Do you prefer members of the Legislative Assembly and the Council and members of Lok Sabha and Rajya Sabha to be ex-officio members of the Zilla Parishads and Panchayat Samithis as at present or as "associate" members with no right to vote? OR should they be made eligible to be elected as members either in an indirect election or direct election and to hold office as Chairmen or Vice-Chairmen of Zilla Parishads and Presidents and Vice-Presidents of Panchayat

Samithis ? Do you think that Chairmen and Vice-Chairmen of Zilla Parishads and Presidents and Vice-Presidents of Panchayat Samithis should, as at Present cease to hold office on becoming members of the Legislative Assembly, Legislative Council, Lok Sabha or Rajya Sabha ?

- 15.8 Do you recommend that the Chairmen of the Standing Committees be elected by the Zilla Parishads and Panchayat Samithis ? If so, what should be the term for them ? Should they be elected every year or stay longer ?
- 15.4 Does the present procedure for the election of Chairmen and Vice-Chairmen of the Zilla Parishads and Presidents and Vice-Presidents of Panchayat Samithis, call for any change ? If so, what are your suggestions ? Do you recommend the imposition of any restriction on the terms for which the Chairmen and Vice-Chairmen of Zilla Parishads and Presidents and Vice-Presidents of Panchayat Samithis can hold office continuously or otherwise ? If so, what are your suggestions ?
- 15.5 Do you recommend the election of the Presidents of Panchayat Samithis by all the members of the Gram Panchayats in that Block ? If so, would you recommend the simultaneous election of the Sarpanchas and Presidents of Panchayat Samithis ?
- 15.6 If the President of the Panchayati Samithi is to be elected by the members of the Panchayat Samithi what steps and measures do you suggest to minimize factions and other objectionable trends, if any, noticed at present ?

16. *Resources :-*

- 16.1 Are the financial resources of the Zilla Parishads and Panchayat Samithis sufficient to discharge adequately the obligatory functions of the Zilla Parishads and to meet administrative and establishment charges ? If not, what are your suggestions for augmenting the financial resources of the Zilla Parishads ?

(Annexure I to this Questionnaire indicates the position in Maharashtra and Gujarat States)

- 16.2 Are you satisfied with the present system of specific and purposive Government grants ? If not, do you advocate any change in the system to make Zilla Parishads financially more viable ?

- 16.3 Do you think that the existing power under the statute are fully utilised for raising the financial resources of Zilla Parishads and Panchayat Samithis? Do you recommend any further powers to levy taxes, fees etc., to Zilla Parishads and Panchayat Samithis? What other suggestions do you make to augment the financial resources of the Zilla Parishads and Panchayat Samithis?
- 16.4 Are you in favour of any upward revision of the land and education cess on land revenue to augment the financial resources of Zilla Parishads.
- 16.5 Do you recommend the allocation of the entire net land revenue to Panchayati Raj institutions? In that case should the net land revenue in each district be allotted to the Zilla Parishad and the other Panchayati Raj Institutions in each district? Or should it be divided on state-wise basis and if so how?
- 16.6 Is the release of grants and loans to Panchayati Raj bodies by the respective Secretariat Departments and Heads of Departments prompt and regular? If not, what remedies do you suggest?
- 16.7 Each successive Five-Year Plan creates durable assets like roads, minor irrigation sources, schools, dispensaries, etc. Do the Zilla Parishads and Panchayat Samithis have enough resources for their proper upkeep and maintenance? If not, what steps do you suggest for securing their proper maintenance and upkeep?
- 16.8 The C. D. Blocks in the State are at present classified into Advanced, Ordinary, Backward and Tribal Blocks on the Basis of overall development in the Blocks. Are you satisfied with this classification or would you suggest any other system of classification of the Blocks which will reflect more precisely the general economics and social conditions in the Blocks? Do you recommend the review of such classification once in five years?

17. *Accounts and Audit :*

- 17.1 Are you satisfied with the present procedure for framing of the budgets by the Zilla Parishads and Panchayat Samithis? If not what changes and improvements do you suggest?
- 17.2 Do you recommend that vesting of the powers of budget control and control of expenditure in the Accounts Officer of the Zilla Parishad who shall be responsible to the Chief Executive Officer for propriety and soundness of all expenditure incurred by the Zilla Parishad?

- 17.3 Is the existing system of audit adequate and effective ? Is there any internal pre-audit in vogue ? if not, what system do you suggest for the internal audit or pre-audit of expenditure of Zilla Parishads and Panchayat Samithis ?
- 17.4 There is a Chief Accounts Officer in the Panchayati Raj Department of the Government on deputation from the I. A., & A. S. and an Accounts Officer in each Zilla Parishad. Are you satisfied that their control is adequate and that they are helpful and useful in all matters relating to funds and their accounting ?
- 17.5 Has the system of surcharge in case of improper expenditure worked as an effective deterrent ? If not, have you any more effective measures in view ?
- 17.6 Do you recommend a performance audit of all Panchayati Raj institutions ? If so, what is the agency for conducting it at all the three levels ? How often should it be conducted ?
18. *Services :*
- 18.1 It is widely felt that the status and status of the present Secretary to the Zilla Parishad are not high enough to enable him to secure better co-ordination of the developmental activities and the effective co-operation of the district officers and to ensure proper supervision over the entire range of activities of the Zilla Parishad and Panchayat Samithi. Do you suggest the appointment of an officer in the senior time-scale of the I.A.S. as Chief Executive Officer of the Zilla Parishad keeping in view the desirability of leaving the District Collector to perform his arduous duties as the district head of administration ?
- 18.2 If you are in favour of the creation of a Chief Executive Officer in the senior I.A.S. time-scale, do you recommend that the Chief Executive Officer be statutorily empowered to execute the resolutions of the Zilla Parishad/Standing Committees, exercise the executive functions and supervise and inspect works, institutions etc. ? What exceptions do you make in the exercise of these functions by him ?
- 18.3 Do you recommend the placing of the district level officers of departments intimately connected with the development activities under the control of the Zilla Parishad so as to enable the Panchayati Raj institutions to become effective instruments for the socio-economic development of the districts ?

- 18.4 Do you recommend the creation of a separate Panchayati Raj Service ? If you do, what categories and cadres do you suggest for inclusion in this Service ? What is the mode of recruitment you suggest for the service-direct recruitment and promotion on transfer of feeder services ? And if so in what proportion ? Do you suggest any modification in the rules governing recruitment, appointment, promotion, disciplinary control etc., of the officers and staff of the Panchayati Raj institutions ?
- 18.5 Do you recommend the continuance of the existing District Selection Committees or the creation of a State-wide Service Selection Commission for Panchayati Raj institutions ?
- 18.6 Do you advocate the integration of Panchayati Raj Services with the State cadres at higher levels and if so, in what manner ?
- 18.7 If there is to be a Chief Executive Officer for the Zilla Parishad, what disciplinary powers and control should he exercise over the different classes and categories of officers and staff of Panchayati Raj Service and what powers should State Heads of Departments and district level officers exercise ? Do you recommend that any disciplinary powers and control over officers and staff be vested in the Chairman, Zilla Parishad and if so, in what manner ?
- 18.8 Have the Zilla Parishads and Panchayat Samithis been able to provide their employees Service conditions, security of service and terminal benefits like pension, gratuity, provident fund and medical assistance, house construction loans, etc. as in Government Service ? If not, what are the deficiencies ?
- 18.9 Do you consider that the transfers of secondary school teachers, Extension Officers and ministerial staff of blocks by the Chairmen of Zilla Parishads and elementary school teachers by the Presidents of Panchayat Samithis are made rather more frequently and on a larger scale than is necessary ?
- 18.10 Do you consider that the present status of the Block Development Officer and the functions assigned to and powers vested in him are adequate and effective to enable him to function as the Executive Officer of the Panchayat Samithi ?
- 18.11 Is the present disciplinary control and power of the Block Development Officer over the executive and other staff of the Samithi adequate ? If not, what more powers do you suggest for the Block Development Officer ?

- 18.12 Do you recommend the continuance of the present procedure of the Collector in the district and the Government at the State level posting and transferring the Block Development Officers to Blocks ?

If you agree to the appointment of a Chief Executive Officer for a Zilla Parishad, do you recommend these powers of posting and transfer to vest in the Chief Executive Officer of the Zilla Parishad at the district level and the Commissioner of Panchayati Raj at the State level ? Do you recommend the present practice of the Presidents of the Panchayat Samithis initiating the confidential reports of the Block Development Officers ? If not, who, in your opinion, should write his confidential reports at the district level ?

- 18.13 Do you consider that Block Development Officers have been transferred more often than it was necessary. Have such transfers, in your opinion, affected adversely the programmes and developmental activities of the Blocks ? What suggestions do you have to remedy this situation ?
- 18.14 Do you recommend any change in the recruitment and selection of the Block Development Officers and in their status and emoluments ? Do you advocate direct recruitment to these posts for a certain percentage of the cadre ?
- 18.15 Are all Extension Officers under the Control of the Panchayat Samithi ? If not, who are the Extension Officers outside the control of the Panchayat Samithi and what are the reasons for their being so ?
- 18.16 Do you recommend the creation of an Assistant Accounts Officer for every Panchayat Samithi to exercise the powers of budget control of expenditure who shall be responsible to the Accounts Officer and the Chief Executive Officer of the Zilla Parishad ?

19. *Performance :*

- 19.1 Have the Zilla Parishads and Panchayat Samithis been able to improve and maintain the quality of secondary education and primary education respectively and are they equal to this task ?
- 19.2 Are there any cases of conditional devolution of powers to the Zilla Parishads and Panchayat Samithis which fettered the implementation of schemes and programmes ? Please give details and suggestions to make the devolution of powers really effective.

- 19.3 Are developmental activities, by and large, distributed evenly in the districts and blocks or are they concentrated in some pockets? If the latter is the case, what, in your opinion, are the reasons for such concentration and what are your suggestions to remedy the defect?
- 19.4 Are the Zilla Parishads implementing effectively and whole-heartedly social welfare programmes, especially those concerning the Scheduled Castes and the Scheduled Tribes?

What are the main defects and drawbacks noticed by you in this regard and what measures do you suggest to make the Zilla Parishads effective instruments of socio-economic development of the Scheduled Castes, Scheduled Tribes and other weaker sections of the community?

- 19.5 Are there instances of diversion of funds earmarked for scheduled castes and scheduled tribes and for women and children to other schemes? If there are, what measures do you suggest to arrest this tendency?
- 19.6 In the light of the experience over the last 12 years and the performance of the Zilla Parishads and Panchayat Samithis, do you recommend that schemes and projects for the socio-economic development of the Schedule Castes and Scheduled Tribes should continue to be with the Zilla Parishads and Panchayat Samithis or that they should be taken out of the purview of the Zilla Parishads and Panchayat Samithis?
- 19.7 Has any priority been accorded to the weaker sections of the community in the matter of
- (a) distribution of grants and loans;
 - (b) selection of personnel for training programmes;
 - (c) provision of water supply drainage, roads and sanitary conveniences in their residential areas;
 - (d) appointments;
 - (e) distribution of free milk and food;
 - (f) assignment of banjar lands; and
 - (g) family planning.
- 19.8 Have the Zilla Parishads and Panchayat Samithis, been taking adequate interest in promoting activities, schemes and programmes for the benefit of women and children? If not, what measures do you suggest in this direction?

- 19.9 Are the Mahila Mandals active and serving any of useful purpose? If not, how are they to be activated?
- 19.10 Are the Panchayat Samithis able to supply the necessary drugs, equipment, etc., to the Primary Health Centres and are the people deriving the maximum possible benefit from the Primary Health Centres? If not, have you any suggestions to make with regard to their control and maintenance?

20. *Plans:*

- 20.1 What is the best and practical way of drawing up of the District Plans by the Zilla Parishads? Are the Zilla Parishads free to choose schemes and programmes to suit local conditions while drawing up their District Plans? If they are not, do you recommend that discretion be given to Zilla Parishads in the matter of selection of schemes, programmes, etc., and fixation of priorities and their targets?
- 20.2 What are the schemes and projects that should be financed jointly by the Panchayati Raj institutions and the State Government? How should the cost of inputs be shared among the Zilla Parishads and other Panchayati Raj institutions and the State Government?
- 20.3 Have the Panchayat Samithis had the final say in the drawing up of the Block Plans and in laying out their priorities and targets? If not, what were the reasons and what suggestions have you to give the Panchayat Samithis, the power to draw up the Block Plans and lay down the priorities and the targets?

21. *Co-ordination:*

- 21.1 Has there been effective co-ordination between the district heads of development departments and the Panchayat Samithis? Have the Revenue Divisional Officers been effective in their role as co-ordinating authorities for the Blocks?

22. *Evaluation:*

- 22.1 Do you think that the Zilla Parishads and Panchayat Samithis have made any positive contribution in bringing about the desired socio-economic change in the rural areas? (You may give your impressions in a brief note).

PANCHAYATS

23. *General :*

- 23.1 Do you have any suggestions for minimising party-politics, factions and strife atleast at the village level for the better working of Gram Panchayats and for their healthy growth ?
- 23.2 What are the minimum essential services which a Panchayat shall provide and what in your opinion should be the minimum annual income of a Panchayat with a population of about 1,000 to provide and maintain satisfactorily these essential services ?
- 23.3 Are you satisfied with the constitution, composition and functions of the Gram Panchayats ? If not, what are your suggestions ?
- 23.4 What should be the minimum and maximum population and income of a Gram Panchayat keeping in view the ability of the Gram Panchayat and its financial viability to perform its role and functions as a basic democratic institution and an agency for stimulating self-help, self-reliance and community effort for socio-economic development ?
- 23.5 Is the representation to scheduled castes, tribes and women on the Gram Panchayats as constituted now adequate according to their population and socio-economic conditions ? If not, what, in your opinion, should be the strength of their representation ?
- 23.6 In whom should the executive powers and functions of the Gram Panchayat be vested—A full-time officer or the Sarpanch or part-time executive officer ? Do you recommend that clerical and accounting work of the Gram Panchayat be done by the village karanam and he be given suitable remuneration or he be made a full-time Government Servant to attend to Revenue and Panchayat work ?
- 23.7 Do you suggest any change in the term of members and Sarpanchas and Upa-sarpanchas of Gram Panchayats ?
- 23.8 Do you recommend the indirect election of the Sarpanch and Upa-sarpanch or direct election by the voters in a Gram Panchayat and why ?

- 23.9 Do you suggest the removal of the Sarpanch by a two-thirds majority of the members of the Gram Panchayat ?

Has the Extension Officer (Panchayats) been able to serve the panchayats well and has he contributed to their healthy growth? Do you suggest changes in his functions, powers and duties ?

- 23.10 Do you agree that if the Zi'la Parisbads are to have Chief Executive Officers the powers now assigned to and vested in the District Collectors and the Revenue Divisional Officers under the Andhra Pradesh Gram Panchayats Act, should be discharged and exercised by the Chief Executive Officers ?
- 23.11 Do you consider that Gram Sabhas have been functioning and do you recommend their continuance ?
- 23.12 Are the functional committees and works committees functioning effectively and usefully ? Do you recommend their continuance ?

24. *Resources of Panchayats :*

- 24.1 Have you any suggestions to make for augmenting the financial resources of the Gram Panchayats under the three broad categories of—

(a) taxes, fees, levies ;

(b) assigned revenues of the State Government ; and

(c) grants-in-aid by the State Government ?

- 24.2 Do you suggest that Gram Panchayats in scheduled areas where the income by way of local cess is meagre, should receive a portion of the forest income as an assigned revenue or as a grants-in-aid ? If so, what should be the quantum of the share or per capita grant ?
- 24.3 Do you recommend the making over of a reasonable share in the levies under the Agricultural Produce Marketing Committees Act to the Gram Panchayats either as assigned revenue or grants-in-aid ? If so, what is the quantum of the share ?

25. *Evaluation :*

- 25.1 Have Gram Panchayat played their part, by and large, well in increasing agricultural production, providing civic amenities and promoting the welfare of the people within the limitations of their financial resources ?

ANNEXURE

MAHARASHTRA

Comprehensive provisions have been made for financial assistance to Zilla Parishads in Maharashtra. These are briefly summarised below :

- (i) 70% of the land revenue realised during the previous year from land within the limits of the district, is given to the Zilla Parishad as a grant. (The remaining 30% is paid to Gram Panchayats).
- (ii) If the land revenue grant is less than Rs. 2 per capita of the population of the district the Zilla Parishad is entitled to an equalisation grant to make-up for differences.
- (iii) The Zilla Parishad is paid a purposive grant for specific works and development schemes which have been transferred to it ; this grant should not be less than 75% of the expenditure which may be incurred in respect of such works or schemes.
- (iv) The State Government pays an annual establishment grant equal to 75% of the average annual cost on account of salaries and allowances in respect of government staff, which has been transferred to the Parishads for appointment in Class III and Class IV posts.
- (v) A Zilla Parishad is paid a deficit adjustment grant for execution and maintenance of specific works and development schemes so as to maintain them at the requisite level of efficiency. This grant is to be paid for an initial period of 5 years and thereafter, successively reduced so that the end of 10 years no such grant is payable.
- (vi) If the cess on land revenue is increased by the Zilla Parishad beyond the prescribed minimum of 20%, the Zilla Parishad is given a local cess matching grant.
- (vii) The State Government may give to a Zilla Parishad a grant which would act as a incentive to speedier development.
- (viii) The State Government shall pay to the Zilla Parishad a grant for works and development schemes as are included in the development plans of the State.
- (ix) The Panchayat Samithi receives through the Zilla Parishad every year a grant for carrying out works and development schemes in the block (Block Grant).

- (x) A land Revenue Recoupment Fund has been established through contributions by the State Government and Zilla Parishad in order to meet any deficit in the land revenue grant, the deficit being due to suspension or remission of land revenue. Only advances are given from this fund.

GUJARAT

In Gujarat an amount equal to the average of the land revenue collected during the three preceding revenue years is paid as a grant which is distributed in the following manner :

- (i) 25% is deducted by the State Government to meet the expenditure on salaries of Secretaries to Gram Panchayats and on their training ;
- (ii) 5% is credited to the State Equalisation Fund ;
- (iii) 35% is transferred to Gram and Nagar Panchayats ;
- (iv) 17½% is transferred to Taluka Panchayats ;
- (v) 7½% is transferred to the District Panchayats ;
- (vi) 5% is credited to the District Equalisation Fund; and
- (vii) 5% is credited to the District Gram Encouragement Fund.

The State and District Equalisation Funds have been established by law to provide money to the State Government and the District Panchayat (Zilla Parishad) respectively for giving special grants to backward areas so as to minimise social and economic inequalities. The District Gram Encouragement Fund is utilised by the District Panchayat for giving incentive grants to Gram Panchayats to encourage them to raise their income by levying fresh taxes and fees.

APPENDIX III A

(Para 1.28)

QUESTIONNAIRE FOR HEADS OF DEPARTMENTS

1. Has the release of grants been prompt and systematic?
If not, what are the reasons?

Have the Panchayati Raj institutions been able to spend the grants released in time by and large? If not, what were the reasons for such lapses?

2. Are you satisfied with the pace and progress of the developmental schemes of your department executed through the agency of the Panchayati Raj institutions?
If not, what are the reasons for the slow or poor progress?
3. Are you in favour of entrusting all the activities of your department at the district level to the Zilla Parishads?
If not, what are your views in the matter?
4. Have your district officers been able to enlist the necessary co-operation and participation of the chairman, Zilla Parishads, presidents of Panchyat Samithis and sarpanchas in executing development schemes and programmes of your department?
5. Are you in favour of placing your district officers under the control of the Zilla Parishads (chief executive Officer) to make the Zilla Parishads more effective instruments for the socio-economic development of the district?
6. If a Panchayati Raj service is to be constituted do you recommend the extension officers of your department to be included in the said service?
7. If the Zilla Parishads are to be solely responsible for all developmental activities in the districts, do you consider that the powers of the heads of departments now vested in the district collectors should continue or they should be vested in the chief executive officers if they are to be appointed for each Zilla Parishad?

- (x) A Land Revenue Recoupment Fund has been established through contributions by the State Government and Zilla Parishad in order to meet any deficit in the land revenue grant, the deficit being due to suspension or remission of land revenue. Only advances are given from this fund.

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6. If a Panchayati Raj service is to be constituted do you recommend the extension officers of your department to be included in the said service?
7. If the Zilla Parishads are to be solely responsible for all developmental activities in the districts, do you consider that the powers of the heads of departments now vested in the district collectors should continue or they should be vested in the chief executive officers if they are to be appointed for each Zilla Parishad?

APPENDIX III B

(Para 1.23)

QUESTIONNAIRE FOR COLLECTORS

1. What are your views about the Collector's role in Panchayati Raj?
2. Have you any specific suggestions to make in respect of—
 - (a) the three tier set-up;
 - (b) their functions and powers;
 - (c) their resources;
 - (d) their composition;
 - (e) the election of members and office bearers; and
 - (f) ex-officio members?
3. Is the present system of supervision and inspection of Panchayat Samithis and Zilla Parishads adequate? If not, what are your suggestions?
4. What is your opinion about the functioning of—
 - (a) Secretaries, zilla parishads;
 - (b) Block Development Officers;
 - (c) Extension Officers;
 - (d) Village Level Workers and Gram Sevikas.
5. What are your views on—
 - (a) placing district heads of development departments under the Zilla Parishad;
 - (b) appointing an I.A.S. Officer in the senior scale as chief executive officer of Zilla Parishad;
 - (c) constitution of a separate service for Panchayati Raj and a service commission for Panchayati Raj services;
 - (d) disciplinary control over the staff working in the Panchayati Raj bodies; and
 - (e) taking the services of the Village Karnam as Accountant of the Panchayat.
3. (a) Are the people generally satisfied with the functioning of Panchayati Raj bodies?
 - (b) Are the panchas enthusiastic about the development programmes?
 - (c) Are the non-official Office-bearers at the three levels able to enlist people's co-operation and participation and officials' support?

APPENDIX IV.

(Para 5.8, 5.9 & 5.10)

SOURCES OF INCOME OF PANCHAYATI RAJ INSTITUTION.

Gram Panchayats

I. GOVERNMENT SOURCES.

(a) *Assigned Statutory income :*

- (i) Land/Local cess.
- (ii) Education cess;
- (iii) Share of stamp duty surcharge;
- (iv) Share of entertainment tax;
- (v) Share of taxes and tools levied under the provisions of the A. P. Public Health Act;
- (vi) Magisterial fines;
- (vii) Seigniorage fees;

(b) *Grants-in-aid:*

25 paise per capita grant.

Incentive grants:

- (i) Matching grants for good collection work;
- (ii) Incentive grants for levy and collection of taxes.

II. OWN RESOURCES.

(a) *Mandatory taxes :*

- (i) House tax;
- (ii) Profession tax;

(b) *Discretionary taxes:*

- (i) Vehicle tax;
- (ii) Kolagaram or kata rusum;
- (iii) Tax on agricultural land;

- (iv) Surcharge on seigniorage fees;
- (v) Surcharge on land/local cess;
- (vi) Special tax on water supply, lighting and drainage.
- (vii) Land cess Sec. 69 (iv) of the A.P. G.P. Act ;
- (c) *Remunerative enterprises :*
 - (i) Weekly and daily markets;
 - (ii) Public halting places;
 - (iii) Slaughter houses;
- (d) Ferries.
- (e) Fisheries in minor irrigation sources and sources vesting in or belonging to Gram Panchayats;
- (f) Revenue on avenues;
- (g) Sale of rubbish, compost etc.
- (h) Income from cattle pounds.
- (i) Ground rent and encroachment fees.
- (j) Share of income from forests transferred to the management of Gram Panchayats.
- (k) Income from charitable Inams;
- (l) Income from immovable properties vested in or belonging to the Gram Panchayats.
- (m) Licence fees on D & O trades;
- (n) Fees for other services;

III. MISCELLANEOUS :

- (a) Donations and contributions from;
 - (i) Panchayat Samithis, Zilla Parishads and Public;
 - (ii) Contributions from trustees of pilgrimage centres;
- (b) Income from investments.
- (c) Deposits & forfeitures.
- (d) Loans and advances.

PANCHAYAT SAMITHIS.

The income of the Panchayat Samithis has been fully specified under section 29 (i) of the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act. The sources of income are:—

- (1) Funds relating to institutions and schemes transferred by Government or Heads of Departments.
- (2) Funds relating to C. D. Programme.
- (3) Central and State aid and aid received from All India bodies and institutions for the development of Cottage and village industries, khadi and silk coir handi-crafts and the like.
- (4) Donations and contributions received by the Panchayat Samithis from Gram Panchayats and from the Public in any form.
- (5) Such income of the Ex-District Boards as the Government may by order allocate.
- (6) Such share of land revenue, State taxes or fees as may be prescribed.
- (7) Proceeds from taxes surcharge or fees which the Panchayat Samithi is empowered to levy under this Act or any other Law. Such contributions as the Panchayat Samithi may levy.

ZILLA PARISHADS

The income of the Zilla Parishads is specified under Section 47 and 54 of the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959.

Section 47 of the Act relates to the power to borrow.

The other sources of income of a Zilla Parishad are :—

- (1) Central or State Government funds allotted to Zilla Parishads.
- (2) Grants from All India bodies and institutions for the development of cottage, village and small scale industries and the like.
- (3) Such share of land cess or local cess, State taxes or fees as may be prescribed.

- (4) Proceeds from taxes or fees which the Zilla Parishad may levy under any law in force.
- (5) Income from endowments or trust administered by the Zilla Parishad.
- (6) Such income of the Ex-District Boards as the Government may allocate.
- (7) Income from the superseded or dissolved Panchayat Samithis.
- (8) Donations and contributions from Samithis and the Public any form.
- (9) Contributions from the Panchayat Samithis.

Under Section 61 of the Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, Government may by notification extend the provisions of the Ex-District Board Acts including the provisions relating to the levy and collection of any tax or fees. In G.O. Ms. No. 624 Planning and Local Administration dated 27th April 1960 certain provisions of the District Board Acts have been adopted. The adopted provisions give power to Zilla Parishads and Panchayat Samithis to levy local cess, duty on transfer of property, pilgrim tax etc.

APPENDIX V.

(Para 5.8)

RECEIPTS OF GRAM PANCHAYATS

S.	Source of income	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1.	House Tax ..	68.74	80.53	84.67	99.92	117.89	136.63	198.29	212.62	220.55	234.22	244.60
2.	Profession Tax ..	7.78	9.90	11.77	10.11	11.82	14.05	14.24	22.61	17.70	23.67	20.90
3.	Vehicle Tax ..	4.57	6.03	7.15	7.86	6.87	8.98	12.64	22.88	9.98	13.20	14.27
4.	Tax on transfer of immovable property. ..	68.58	54.00	92.60	109.84	72.99	82.29	84.20	101.87	110.62	145.69	131.73
5.	Income from fees and fines. ..	18.12	15.71	17.74	21.86	21.60	28.39	29.41	84.92	29.81	30.59	35.17
6.	Other taxes and income from all other resources. ..	134.89	192.46	220.77	216.64	254.98	338.40	379.89	425.55	382.71	454.92	468.79
	Total ..	297.13	358.63	434.70	465.73	486.15	608.69	718.17	819.95	771.32	902.29	915.46

APPENDIX VI

(Para 5.8)

THE INCOME RANGE PARTICULARS OF GRAM PANCHAYATS

S. No.	Number of Gram Panchayats with an income of		1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	Rs. 1,000 and below	.. ..	3,513	3,827	3,888	2,964	2,695	30,95	2,979
2.	Rs. 1,000 and 3,000	.. ..	7,029	6,856	6,797	6,465	6,695	6,786	6,618
3.	Rs. 3,000 and 5,000	.. ..	2,469	2,707	2,597	2,981	2,964	3,087	3,191
4.	Rs. 5,000 and 10,000	.. ..	1,819	1,505	1,557	1,722	1,781	1,808	1,858
5.	Rs. 10,000 and above	.. ..	921	876	982	1,138	1,186	1,228	1,258
Total ..			15,251	15,271	15,266	15,290	15,321	15,904	15,899

APPENDIX VII

(Para 5.40)

ASSISTANCE TO PANCHAYATS, PANCHAYAT SAMITHIS AND ZILLA PARISHADS

(Rs. in lakhs)

Budget Estimates 1972-73.

Head of Account Scheme.	Budget Estimates 1972-73.		
	Plan	Non-Plan	Total
19. General Administration .. ..	..	17.28	17.28
28. Education	210.96	3,515.57	3,726.53
29. Medical .. ..	..	194.04	194.04
30. Public Health	282.79	..	282.79
31. Agriculture .. ..	..	63.98	63.98
33. Animal Husbandry .. ..	..	65.92	65.92
35. Industries .. ..	..	1.93	1.93
37. Community Development Projects	227.52	883.59	1,111.11
39. Miscellaneous	88.67	385.52	424.19
44. Irrigation	27.00	40.00	67.00
50. Public Health	96.00	272.04	368.04
71. Miscellaneous	12.20	270.26	282.46
76. Other Miscellaneous .. ..	..	93.57	93.57
Total	945.14	5,753.70	6,698.84

APPENDIX VIII.

LIST OF NON-OFFICIALS, OFFICIALS AND ASSOCIATIONS WHOSE ORAL EVIDENCE WAS RECORDED BY THE COMMITTEE.

Chairmen, Zilla Parishads :

1. Sri V. Ramaswamy Reddy, Chittoor.
2. Sri Veeramallappa, Vice-Chairman, Hyderabad.
3. Sri Rajasagi Seetharama Raju, Visakhapatnam.
4. Sri V. Srinivasa Rao, Karimnagar.
5. Sri P. Koteswara Rao, Vijayawada (Krishna).
6. Sri R. Bhuvanandara Reddy, Khammam.
7. Sri Y. C. Thimma Reddy, Anantapur.

Presidents, Panchayat Samithis :

Sarvasri

8. B. V. P. Bhaskara Reddy, Chinnagottigallu, Chittoor Dist.
9. E. C. Gangi Reddy, Chowdepalli.
10. D. Gopal Raju, Pichattur.
11. A. Krishna Murthy, Kuppam.
12. R. Obul Reddy, Punganur.
13. A. Raja Reddy, Bangarupalem.
14. V. Raja Reddy, Pulicherla
15. R. Radhakrishnan, Palamaner.
16. T. N. Raghurami Reddy, Madanapalli.
17. P. Ramalinga Reddy, Gangadharanellore.
18. P. Varada Reddy, Karvetinagar.
19. N. P. Venkateswara Chowdary, Chittoor.
20. K. Jagan Mohan Reddy, Pargi, Hyderabad District.
21. K. Veera Reddy, Medchal.
22. M. Ram Reddy, Rajendranagar.
23. K. Prabhakar Reddy, Vikarabad.
24. Sudershan Rao, Hayathnagar.
25. K. Lal Reddy, Tandur.

26. K. Venkata Rao, Narasapatnam, Visakhapatnam Dist.
27. S. China Appalanaidu, Subbavaram.
28. K. Seetharama Raju, Nakkapalli.
29. A. Satyanadinarayanamurthy, K. Kotapadu.
30. P. Appalanarasimham, Pendurthi.
31. S. Sreeramulu, Gantyada.
32. D. S. V. Rama Raju, Nellimerla.
33. R. S. Padmanabha Raju, Bheemunipatnam.
34. G. Kannammaidu, Ravikamatham.
35. L. Simhadri, S. Kota.
36. M. Audinaidu, Madugula.
37. G. Appala Naidu, Paderu.
38. L. B. Dukku, Araku.
39. B. Pothurajupadal, Chintapalli.
40. M. Narayana Raju, Madugula.
41. M. Rajayyapadal, Pedabayalu.
42. Ch. Suryanarayana, Munchangiput.
43. V. Sanyasi Naidu, Yellamanchili.
44. J. Appalaswamy, Viyyampet.
45. D. Sanyasi Dora, Ananthagiri.
46. A. Malla Reddy, Mallial, Karimnagar District.
47. V. Krishna Reddy, Gangadhara.
48. G. Ramgopal Rao, Peddapally.
49. V. V. Rao, Metpally.
50. G. Sriranga Rao, Bijnepally.
51. P. Kishan Rao, Manthani.
52. V. Venkat Reddy, Sircilla.
53. G. Ramgopal Reddy, Husnabad.
54. M. Venkateswara Rao, Nandigama, Krishna. District.
55. T. Radhakrishna Murthy, Chillakallu.
56. N. K. S. Prakasa Rao, Bantumilli.
57. Ch. Venkateswara Rao, Kanchikacherla.
58. G. Satyanarayana Reddy, Vissannapeta.
59. K. Bhaskara Rao, Mylavaram.
60. A. V. Subrahmanyam, Gudivada.
61. M. B. V. Raghavulu, Tiruvur.
62. B. Ramaiah, Tirumalayapalem, Khammam District.
63. B. Madhusudhana Rao, Madhira.
64. P. Ramachandraiah, Sudimalla.
65. G. Krishna Rao, Vice-President, Khammam.
66. J. Seetharamaiah, Burgampahad.
67. G. Rajulu, Vararamachandrapuram.

68. D. Pullaiah, Uravakonda, Anantapur District.
69. P. Ramappa, Kanekal.
70. D. Subbanna Chowdary, KLG.
71. P. Mallanna Gowd, Kambadur.
72. T. Krishna Reddy, Singanamala.
73. U. Linga Reddy, Rayadurg.
74. K. Nagabhushana Reddy, Kodiganahally.
75. P. Venkatarreddy, Kadiri (East).
76. A. Appi Reddy, Dharamavaram.

Sarpanchas, Gram Panchayats :

Sarvasri

77. K. Sudhakar, Basenikonda, Chittoor District.
78. R. Ranga Reddy, Madanapalli, Rural.
79. K. V. Pathi, Chowdepalle.
80. A. V. Srinivasacharyulu, Beerangi.
81. G. N. Pattabhi Reddy, G. Nellore.
82. A. Varada Reddy, Periambody.
83. V. R. Thulasiramakrishna Reddy, Venkatagiri.
84. V. Venkatarama Chowdary, Kolroadpalle.
85. N. V. Krishnaswamy, Tiruchanur.
86. V. Srinivasulu Reddy, Reddivaripalle.
87. D. Chenchu Krishna Reddy, Vedullacheruvu.
88. D. Kesavamurthy, Damalacheruvu.
89. S. Madhusudhan Reddy, Malkajigiri, Hyderabad District.
90. K. M. Pandu, Khutbullapur.
91. Yadgiri Reddy, Ibrahimpatnam.
92. N. Dayananda Reddy, Shamshabad.
93. S. Devadanam, Narsingi.
94. G. Narayan Reddy, Shakerpalli.
95. S. Sidhantha Chari, Pargi.
96. G. Viswanadham, Vikarabad.
97. S. Gundaiah, Narpally.
98. Srinivasa Paranthi, Basheerabad.
99. D. Satyanarayana, Chinamushidivada, Visakhapatnam Dist.
100. D. Dalayya, Tatituru.
101. G. Suryanarayana Raju, Podatadivada.
102. Pyda Appala Naidu, Paravada.
103. Y. Simhachalam, Govada.
104. Bh. Venkataramana, Madusala.
105. K. Narayana Dora, Venkataramanapeta

106. S. Sreeramulu, Guntyada.
107. T. Nageswara Rao, Kothavalasa.
108. R. Latchapatruđu, Narisipatnam.
109. B. Chinnaiah, Hukupeta.
110. M. Ramamurthy Raju, Gamadugula.
111. D. Srinivasa Rao, Regulapalli, Karimnagar District.
112. G. Jēnardhan Reddy, Janagam.
113. M. Prabhakar Reddy, Manthani.
114. M. Narsimha Reddy, Odipulavancha.
115. Narasimha Rao, Kamenapur.
116. S. Bhasker Rao, Nookalamarri.
117. N. Venkat Reddy, Yellareddipet.
118. N. Kishan Rao, Karkial.
119. Y. Veeramalliah, Kothapalli.
120. G. Ramakrishna Reddy, Chinthakunta.
121. G.V. Rajeswar Rao, Ibrahimpatan.
122. G. Dharama Rao, Venkalapuram.
123. V.V. Narasimha Rao, Mcodepalli.
124. M. Prabhakar Rao, Thakkallapalli.
125. P.V. Pratap Reddy, Dabba.
126. T. Gopal Reddy, Yenadapalli.
127. A. Agaiah, Kothapet.
128. T. Linga Reddy, Thangallapalli.
129. D. Mallaiah, Gommepalli.
130. S. Rajeswara Rao, Kunmarapalli.
131. V. Gangadhar Rao, Kaniparthi.
132. T. Narayana, Hanmejiepet.
133. P.V. Krishna Reddy, Molugpalem.
134. J.N. Krishna Rao, Maddunoor.
135. R. Shankaraiah, Sircilla.
136. Mohan Reddy, Thakkalapalli.
137. K. Narayana, Mallial.
138. N. Raja Reddy, Nookapalli.
139. Hanmantha Reddy, Myadampall.
140. V. Hanmanthu, Yelgedu.
141. P. Seetharam Rao, Dandepalli.
142. B. Venkat Rao, Gopalpur.
143. Sreepathi Rao, Gangadhara.
144. G. Mukunda Reddy, Koonaram.
145. B. Krishnan Reddy, Kannala.
146. S. Viswanadham, Jaggayyapet, Krishna District.
147. A. Aswathanarayana Murthy, Gudlavalleru.

148. G. Venkateswara Rao, Gurajada.
149. U. Venkateswara Rao, Vuyyuru.
150. P. Subbanna, Vadlamanna.
151. B. Jagannadham, Kaikalur.
152. V. Sanyasi Raju, Vunduru.
153. G. V. Satyanarayana, Avanigadda.
154. K. Nageswara Rao, Rayanapad.
155. A. Kantarayudu, Nuzvid.
156. M. Venkateswara Rao, Chakkapalli.
157. M. Sreeramulu, Nadakuduru.
158. K. V. Subba Rao, Ganginenipalem.
159. V. Narasimha Rao, Kanchikacherla.
160. Markandeyulu, Kona.
161. K. V. Raghava Rao, Ex-Sarpanch, Ramannapeta, Movva Samithi.
162. S. Bakkulu, Mulakalapally, Khammam District.
163. S. Purushotham, Allapally.
164. M. Pothayya, Gundala.
165. Venkateswara Rao, Palwancha.
166. K. Muyanna, Cherukuru.
167. B. Buchayya, Kongala.
168. Musala Reddy, Rekapally.
169. P. Dora, Chetti.
170. K. Ramachander, Rebbaram.
171. Ch. Venkateswara Rao, Madhira.
172. B. Narasimhayya, Pinapaka.
173. K. Jaganmohan Rao, Paladugu.
174. Ch. Narsayya, Wyr.
175. M. Narasimha Rao, Siripuram (Kg.
176. P. Satyanarayana, Kamanchikal.
177. M. Ranganayakulu, Gubbagurthi.
178. S. Chakradhar Rao, Chinamanduva.
179. S. Nagaiah, Budharam.
180. L. Ramaiah, Kallur.
181. D. Satyanarayana, Anantharam.
182. G. Satyanarayana, Cherla.
183. Muralidhar Reddy, Beerolu.
184. G. Narsaiah, Tellampadu.
185. P. Narasimhaiah, Burgampad.
186. V. Ramachandraiah, Gattusingaram.
187. T. Venkataramana Reddy, Nagasamudra, Anantapur District.

188. Smt. T. Suseela Reddy, Anantapur Rural.
189. B. Ranga Reddy, Chigicherla.
190. Nagabhushanam, Kanaganipalli.
191. T. Rangacharlu, Gariselapalli.
192. K. Ganganna Chowdary, Ramagiri.
193. C. Pullanna Naidu, Dampetla.
194. P. Virupaksha Gowd, Malyam.
195. Subrahmanyam Sastry, Vepalaparthy.
196. G. K. Krishna Murthy, Honnur.
197. J. Jayaramappa, Beluguppa.
198. A. T. Puttalingappa, Amarapuram.
199. K. Satyanarayana Rao, K. B. Palli.
200. P. Lakshmi Ram Naik, Naginayana.
201. D. Reddeppa Reddy, Tanakallu.
202. K. V. Krishna Murthy, T. Sadam.
203. G. L. Reddy, Vapakarur.
204. Raja Reddy, P. Yaleru.
205. B. Venugopala Rao, Kudair.
206. L. Venkataramana, Lepakshi.
207. N. C. Seshadri, B. N. Halli.
208. N. Padmanabha Reddy, Havalegi.
209. H. Revana Gowd, Konakondla.
210. M. Satyanarayana Setty, Roddam.
211. M. Ranga Reddy, Kuntimaddi.
212. G. Venkatanarayana, Thutralapalli.
213. L. C. Naik, Bondanakal.
214. R. T. Kesava Reddy, Belodi.
215. K. Chinnappa Reddy, Gandlapenta.
216. K. Ramanjaneyulu, Udinipikonda.
217. B. Ayyappa Reddy, Lakshmanapalli.
218. A. Jayalakshmi Reddy, Tarimela.
219. K. Balachinna Reddy, Peddavedugur.
220. Mahaboob Peeran, Gooty.

Members of Legislative Assembly:

Sarvasri

221. P. Munuswamappa, Chittoor.
222. A. Narasinga Rao, Gattu P.O., Madanapalli.
223. D. Venkatesam, Kuppam.
224. C. Doss, Satyavedu.
225. E. V. Govil D... Karvetinagar.

226. M. M. Rathnam, Palamaner.
227. M. Saifulla Baig, Rompicherla.
228. Shafiur Rahman, Hyderabad district.
229. Smt. Mankamma.
230. A. Appannadora, Vizianagaram, Visakhapatnam district.
231. M. R. Doon, Visakhapatnam.
232. P. Sanyasi Rao, Visakhapatnam.
233. K. V. S. Padmanabha Raju, S. Kota.
234. G. Krishnamnaidu, Gompa.
235. V. Palavilli, Chodavaram.
236. P. V. Ramana, Anakapalli.
237. K. K. V. Satyanarayana Raju, Ellamanchili.
238. G. Saryanarayana, Payakaraopet.
239. I. Ramannapadal, Chintapalli.
240. T. Ranga Reddy, Anantapur district.

Members of Legislative Council :

Sarvasri

241. P. Rajagopal Naidu, Daguamagham, Chittoor district.
242. Smt. Roda Mistry, Hyderabad district.
243. Y. V. Kishan Rao.
244. M. R. Shyam Rao.
245. S. Venkatram Reddy.
246. Hafez Abu Yousuf.
247. T. Govind Singh.
248. K. L. Mahendra.
249. I. Satyanarayana, Chodavaram, Visakhapatnam
250. K. Suryaprakasa Rao, Krishna district.
251. G. Brahmayya, Ghantasala.
252. T. Venkatappaiah, Khammam district.
253. A. Chidambara Reddy, Anantapur district.
254. I. Obayya.

Heads of Departments :

Sarvasri

255. K.M. Ahmed, Registrar of Co-operative Societies.
256. V. Ramachander, Director of Public Instructions.
257. P. Vaman Rao, Director of Information and Public Relations and Tourism.

258. Khader Ali Khan, Director of Industries and Commerce.
 259. P. Kamala Manohar Rao, Director of Tribal Welfare.
 260. Kumari B. Shakuntala, Director of Women Welfare.
 261. B. Jayasena, Director of Treasuries and Accounts.
 262. K. Gopal Rao, Examiner of Local Fund and Panchayati Raj Accounts.
 263. T.S. Swamy, Chief Engineer, Panchayati Raj.
 264. B.A. Shirazi, Director of Animal Husbandry.

District Collectors :

Sarvasri

- | | |
|--------------------------------|-------------------|
| 265. B.V. Rama Rao, I.A.S. | .. Chittoor. |
| 266. T. Lakshma Reddy, I.A.S. | .. Hyderabad. |
| 267. S.N. Achanta, I.A.S. | .. Visakhapatnam. |
| 268. S.V. Subrahmanyam, I.A.S. | .. Karimnagar. |
| 269. S.V. Giri, I.A.S. .. | .. Krishna. |
| 270. R. Parthasarathy, I.A.S. | .. Khammam. |
| 271. R.S. Krishnan, I.A.S. | .. Anantapur. |

District Officers :

Sarvasri

272. C. Rajagopala Rao, Superintending Engineer, (Panchayati Raj), Cuddapah.
 273. B.R. Venkatraman, Headquarters, Deputy Director of Agriculture, Hyderabad.
 274. K. Rammohan Rao, Deputy Director of Agriculture, Chittoor.
 275. R. Subrahmanyam Chetty, District Agricultural Officer, Tirupathi.
 276. M. Sankaraiah, District Agricultural Officer, Chittoor.
 277. V. Nageswara Rao, District Statistical Officer, Chittoor.
 278. Assistant Examiner of Local Fund and Panchayati Ra Accounts.
 279. S. Bhaskara Rao, District Panchayat Officer, Chittoor.
 280. P. Venkateswara Rao, District Social Welfare Officer, Chittoor.
 281. C. Ramulu, Evaluation Officer, Director of Social Welfare Office, Hyderabad.
 282. J. Satyanarayana Murthy, Assistant Director (Industries), Chittoor.
 283. C. Lakshmana Rao, Assistant Director (Fisheries).
 284. V. Kameswarasarma, Sugarcane Inspector, Chittoor.

285. K. Mal Reddy, District Veterinary Officer, Chittoor.
286. J.V. Rama Rao, Assistant Engineer, (Electrical).
287. B. Sriramulu, Assistant Engineer, (Electrical).
288. B.K. Sarma, District Manager, Agro Industries Corporation, Chittoor.
289. A. Venkateswarlu, Executive Engineer, Zilla Parishad, Chittoor.
290. N.N. Mohan Misra, District Inspector of Local Fund Accounts, Zilla Parishad, Chittoor.
291. T. Veerabhadraiah, Divisional Co-operative Officer, Madanapalli.
292. Anjaneyulu, Deputy Registrar of Co-operative Societies.
293. K.M. Qureshi, Assistant Director of Fisheries.
294. M.A. Salam Khan, Divisional Co-operative Officer, Hyderabad (East).
295. Syed Zowar Hussain, Divisional Co-operative Officer, Hyderabad (West).
296. Dr. M. Fareeduddin, District Veterinary Officer.
297. Dr. M.A. Ansari, District Medical and Health Officer.
298. Dr. B.L. Sanghi, Deputy District Medical and Health Officer.
299. Syed Amir Hussan Jaffry, Divisional Panchayat Officer.
300. M. Basith Ali Baig, District Agricultural Officer.
301. Smt. P. Jhansi Lakshmi, District Women Welfare Officer.
302. Smt. A. Krishna Kumari N. Rao, Special Officer, (Nutrition).
303. M. Radhakrishna Murthy, District Agricultural Officer.
304. Bhoj Raj, District Co-operative Officer.
305. G.M. Shariff, Deputy Director of Agriculture.
306. A.V.V. Satyanarayana, Executive Engineer, Zilla Parishad, No. 2.
307. C. Sambasiva Raju, Executive Engineer, Zilla Parishad.
308. R. Sudarsan Reddy, District Statistical Officer.
309. M. Krishna Rao, District Social Welfare Officer.
310. M. Laxminarayan, District Social Welfare Officer.
311. Khaja Abdul Majeed, District Education Officer.
312. M.A. Rauf, Deputy Secretary (Education), Zilla Parishad.
313. M.N. Bhargava, Secretary, Zilla Parishad.
314. M.A. Rahman, Accounts Officer, Zilla Parishad.
315. K.V. Ranga Reddy, Assistant Engineer, (Zilla Parishad).
316. Ahmed Abdur Rahman, Assistant Director Industries (Rural).
317. K. Subba Rao, District Agricultural Officer, Vikarabad.

318. C. Satyanarayana, Assistant Engineer No. 8, Zilla Parishad.
319. P. Ramakrishna Rao, District Public Relation Officer.
320. P. Ramakrishnamma, District Women Welfare Officer.
321. Dr. L. Chandrasekhara Rao, District Medical and Health Officer.
322. P. Venkateswara Rao, District Social Welfare Officer.
323. Y. Pema Reddy, Secretary, Zilla Parishad.
324. K. Venkataratnam, Accounts Officer, Zilla Parishad.
325. Ch. Kesava Rao, Executive Engineer, Zilla Parishad.
326. N. Ramachandra Rao, Superintending Engineer (P.R.)
327. K. Thirupathaiah, Assistant Engineer, (Z.P.)
328. M. Subba Rao, Assistant Engineer, Zilla Parishad, Gudivada.
329. M. Ratneswara Rao, Assistant Engineer (Zilla Parishad), Vijayawada.
330. G. Siva Ramaiah, Assistant Engineer, (Z.P.), Nuzvid.
331. S.V. Narayana Rao, District Statistical Officer.
332. M.L. Narayanappa, Deputy Secretary (Education), Z.P.
333. N. Malakondaiah, Divisional Co-operative Officer, Nuzvid.
334. P. Balaksrihana Murthy, Divisional Co-operative Officer, Vijayawada.
335. S.S. Rao, A.D.I.C., M.T.M.
336. M. Radhakrishna Murthy, Assistant Director of Industries.
337. B.A.R. Somayajulu, Deputy Director of Industries.
338. L.N. Reddy, District Co-operative Officer, P.A. to Collector (Co-operation).
339. K. Nagabhushanam, Divisional Co-operative Officer, Gudivada.
340. K. Chennaiah, Divisional Co-operative Officer, Machilipatnam.
341. Diskhitulu, Divisional Engineer (Elec.), Machilipatnam.
342. G.V.G. Krishana Murthy, District Veterinary Officer, Vijayawada.
343. M. Bhaskara Rao, Executive Engineer, Z.P., Khammam.
344. A. Venkateswarlu, Deputy Director of Agriculture.
345. S.A. Sastry, Secretary, Zilla Parishad.
346. P.V.G. Krishna Murthy, Assistant Examiner of Local Fund Accounts.
347. C.S. Ananthasayanam, Accounts Officer, Zilla Parishad
348. M. Narayana Rao, Block Development Officer, Madhira.
349. Smt. Shajahn Begum, District Educational Officer, Khammam.
350. K. Narayana Reddy, D.E.E.

351. B.V.L. Narasimha Rao, Block Development Officer, P.S., Khammam.
352. Dr. P. Krishnaiah, District Medical and Health Officer.
358. D. Krishna Murthy, Block Development Officer, Aswarao-peta.
354. R. Samuel Devadas, Co-operative Sub-Registrar/Secretary, L.M.B., Khammam.
355. A.M. Anjaneyulu, Block Development Officer.
356. K.V. Kishan Rao, Block Development Officer.
357. P. Narayana Murthy, Assistant Director of Fisheries.
358. T.V.H. Someswara Sarma, Divisional Co-operative Officer, Khammam.
359. A. Mohan Rao, District Social Welfare Officer.
360. A. Venkata Rao, Assistant Director of Industries.
361. G. Krishnaswamy, District Social Welfare Officer.
362. N. Nagabhushanam, Assistant Engineer, (O.P.).
363. K.N. Swamy, District Co-operative Officer.
364. M.N. Reddy, Special Deputy Collector.
365. G. Satyanarayana Rao, Tahsildar, Khammam.
366. P. Radhakrishna Rao, Extension Officer (Pts.), Madhira.
367. M. Mallikharjuna Rao, Extension Officer (Pts.), Kothagudem.
368. S. Venkateswara Rao, Extension Officer (Pts.), Tirumalayapalem.
369. Y. Vishwanadham, Divisional Panchayat Officer, Bhadrachalam.
370. K. Satyanarayana, Extension Officer (Pts.), Bhadrachalam.
371. N. Amrit Rao, Divisional Panchayat Officer.
372. K. Bapanaiah, Extension Officer (Pts.) Khammam.,
373. K. Ananda Rao, Divisional Panchayat Officer, Khammam.
374. Smt. T. Leela, District Women Welfare Officer, Khammam.
375. A. Raghupathi Rao, District Agricultural Officer.
376. J. Prabhakaram, Assistant Examiner of Local Fund Accounts.
377. A. Ramachandra Reddy, Subject Matter Specialist (Agronomy).
378. G. Ahmed, Deputy Director of Agriculture.
379. Mir Mohd. Ali Nazir, District Social Welfare Officer.
380. Kazi Mohinuddin, Accounts Officer.
381. Trilok Raj, Divisional Electrical Engineer.
382. K. Rajanarasimlu, Divisional Co-operative Officer.
383. Sudhakar Reddy, District Agricultural Officer, Jagtial.

384. N. Machander Das, Senior Investigator.
385. M. Sitaram Rao, District Forest Officer.
386. M. Nanchariaiah, Assistant Soil Conservation Officer.
387. M. Sitaram Rao, District Forest Officer.
388. M. Nanchariaiah, Assistant Soil Conservation Officer.
389. B. Papa Rao, District Panchayat Officer.
390. N. Bhimsen Rao, Assistant Director of Fisheries.
391. Syed Ibraheem, Divisional Engineer (Electrical) Operation North.
392. V.V. Raghava Rao, District Co-operative Officer.
393. C. Satyanarayana Rao, District Educational Officer.
394. Gurjej Singh, Assistant Collector.
395. Hanumanth Reddy, District Revenue Officer.
396. M. Agi Reddy, Executive Engineer, (Irrigation).
397. K. Venkateswara Rao, District Co-operative Officer, Jagtial.
398. Dr. P. Prabhakar Rao, Deputy Director of Medical and Health Services.
399. D. Bhim Rao Secretary, Zilla Parishad.
400. K. Rama Rao, Executive Engineer, Zilla Parishad.
401. T.D. Sridhara Rao, District Panchayat Officer.
402. D.V. Satyanarayana, District Statistical Officer.
403. G.G. Khan, Assistant Examiner of Local Fund Accounts.
404. G.C.V. Narayana Rao, District Inspector of P.Ss.
405. Y. Sreeramulu Reddy, District Co-operative Officer.
406. V. Ramaswamy, Divisional Co-operative Officer.
407. S. Ramaswamy Reddi, Development Officer.
408. G.V. Ramana Reddy, Accounts Officer, Zilla Parishad.
409. G. Seetaramamurthy, Executive Engineer (Z.P.).
410. M.P. Prakasam, Executive Engineer, (Z.P.).
411. C. Lakshmana Rao, Assistant Director of Fisheries.
412. D. Venkatapathi, Soil Chemist, Soil Testing Laboratory.
413. R.O. Sundaram Sarma, A.E., G.M. Divin. Office, A.P.S. E.B.
414. A. Verupakshi, District Educational Officer, Anantapur.
415. Abbanna, Revenue Divisional Officer, Anantapur.
416. Deputy Secretary (Education.), Zilla Parishad, Anantapur.
417. A. Madanmohan Rao, District Inspector of Local Fund Accounts.
418. M. Narasingh, Assistant Engineer, (P.W.D.)
419. B. Balarangaiah, Assistant Engineer, (P.W.D.)
420. Deputy Director of Agriculture, (Soil Conservation),

421. Dr. J.P. Misra, District Medical and Health Officer.
422. District Veterinary Officer, Anantapur.
423. B. Suryanarayana, District Social Welfare Officer.
424. B. Papa Rao, Secretary, Zilla Parishad.
425. Paidi Venkateswarlu, District Public Relation Officer.
426. K. Sitaramaiah, District Agricultural Officer.
427. M. Hanumantha Rao, Plant Protection Officer.
428. K. Viswanadhamurthy, District Agricultural Officer.
429. Divisional Engineer Operation, Anantapur, A.P.S.E.B.
430. District Social Welfare Officer, Anantapur (L.A.)
431. District Employment Officer.
432. Smt. S. Vasanta Devi, Superintendent Service Home, Anantapur.
433. District Women Welfare Officer, I/C.
434. District Agricultural Officer, Visakhapatnam.
435. District Agricultural Officer, Anakapalli.
436. Deputy Director of Industries and Commerce, Visakhapatnam.
437. District Veterinary Officer, Visakhapatnam.
438. Special Category Deputy Registrar of Co-operative Societies and P.A. to Collector, Co-operation, Visakhapatnam.
439. Divisional Co-operative Officer, Ellamanchili.
440. Divisional Co-operative Officer, Vizianagaram.
441. District Forest Officer, Visakhapatnam.
442. Executive Engineer. . P.W.D., Visakhapatnam.
443. Executive Engineer, P.W.D., Vizianagaram.
444. Executive Engineer, Zilla Parishad, Visakhapatnam.
445. Assistant Engineer, P.W.D., Zilla Parishad, Visakhapatnam.
446. Assistant Engineer, Zilla Parishad, Visakhapatnam.
447. District Social Welfare Officer, Land Acquisition, Zilla Parishad, Visakhapatnam.
448. District Women Welfare Officer, Visakhapatnam.
449. District Medical and Health Officer, Visakhapatnam.
450. Assistant Radio Engineer, Visakhapatnam.
451. Accounts Officer, Zilla Parishad, Visakhapatnam.
452. District Educational Officer, Visakhapatnam.
453. District Statistical Officer, Visakhapatnam.
454. Tahsildar, Small Savings, Visakhapatnam.
455. Agency Silks Officer, Visakhapatnam.
456. Divisional Engineer (Electrical), Visakhapatnam.
457. Divisional Engineer, (Electrical), Vizianagaram.

458. District Panchayat Officer, Visakhapatnam.
459. District Organiser (N.S.), Visakhapatnam.
460. Special Tahsildar, Civil Supplies, Collector's Office, Visakhapatnam.
461. Revenue Divisional Officer, Visakhapatnam.
462. Assistant Examiner of Local Fund Accounts, Visakhapatnam.
463. District Inspector of Local Fund Accounts, Visakhapatnam.
464. Deputy Registrar for Land Mortgage Bank, Vizianagaram.
465. Superintending Engineer (Panchayati Raj), Kakinada.
466. Deputy Secretary (Education), Zilla Parishad, Visakhapatnam.
467. The Government Ministerial Employee's Association of Panchayati Raj Department, Chittoor District.
468. The Panchayati Raj Ministerial Employees Association
469. The Andhra Pradesh Panchayati Raj Ministerial Employees Association, District Unit, Karimnagar.
470. The Andhra Pradesh Panchayati Raj N.G.Os. Association, Machilipatnam.
471. The Gram Panchayat Ministerial Employees Association District Unit, Visakhapatnam.
472. Andhra Pradesh Village Level Workers and Grama Sevika's Association, Bhadrachalam, Khammam District.
473. Andhra Pradesh Village Level Workers and Grama Sevika's Association, District Unit, Visakhapatnam.
474. Andhra Pradesh Village Level Workers and Grama Sevika's Association, District Unit, Karimnagar.
475. The Telangana Non-Gazetted Officer's Union, Hyderabad.
476. The State Teacher's Union, District Branch, Khammam.
477. Chittoor District Elementary Teacher's Union, Chittoor.
478. State Agricultural Assistants Association (A.P.) District Unit, Karimnagar.
479. Andhra Pradesh Civil Assistant Surgeon's Association, Hyderabad.
480. Andhra Rashtra Village Headmen's Association, Vijayawada, Krishna District.
481. State Block Assistant Public Relation Officer's Association Khammam.
482. Andhra Pradesh Engineering Employees Union, (Wor charged and Contingencies) Hyderabad.
483. Andhra Pradesh Panchayati Raj Engineering Association District Unit, Khammam.

484. The Anantapur District Panchayati Raj Engineering Association, Anantapur.
485. Andhra Pradesh Government Driver's Association Visakhapatnam District.
486. Andhra Pradesh Technical Drivers Central Association, Khammam Branch.
487. Andhra Pradesh Panchayati Raj Class IV Employee's Association, Khammam Branch.
488. Andhra Pradesh Non-Gazetted Women's Welfare Executive Officers Association, Hyderabad.
489. Andhra Panchayati Raj Maistries and Gang Mazdoors Union, Chittoor.
490. Andhra Pradesh Class IV Government Employees Association, Anantapur.
491. Andhra Pradesh Panchayati Raj Officers Association, District Unit, Anantapur.
492. The Khammam District Panchayati Raj (Executive) Officers Association, Khammam.
493. Andhra Pradesh Gram Panchayat Executive Officer's Association, Pamarru, Krishna District.
494. Visakhapatnam District Gram Panchayats Executive Officer's Association, Visakhapatnam.
495. Chittoor District Gram Panchayats Executive Officer's Association, Chittoor.

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