"PART IX * THE PANCHAYATS 243. Definition - In this Part, unless the context otherwise requires:

a) "District" means a district in a State;

b) "Gram Sabha" means a body consisting of persons registered in the electoral rolls relating to a village comprised within the area of Panchayat at the village level;

c) "Intermediate level" means a level between the village and district levels specified by the Governor of a State by public notification to be the intermediate level for the purposes of this Part;

d) "Panchayat" means an institution (by whatever name called) of self-governance constituted under article 243B, for the rural areas;

e) "Panchayat area" means the territorial area of a Panchayat;

f) "population" means the population as ascertained at the last preceding census of which the relevant figures have been published;

g) "Village" means a village specified by the Governor by public notification to be a village for the purposes of this Part and includes a group of villages so specified.
243-A. Grama Sabha - A Gram Sabha may exercise such powers and perform such functions at the village level as the Legislature of a State may, by law, provide.

243-B. Constitution of Panchayats -(1) There shall be constituted in every State, Panchayats at the village, intermediate and district levels in accordance with the provisions of this Part.

^Notwithstanding anything in clause (1), Panchayats at the intermediate level may not be constituted in a State having a population not exceeding twenty lakhs.

243-C. Composition of Panchayats -(1) Subject to the provisions of this Part, the Legislature of a State may, by law, making provisions with respect to the composition of Panchayats:


Provided that the ratio between the population of the territorial area of a Panchayat at any level and the number of seats in such Panchayat to be filled by election shall, so far as practicable, be the same throughout the State.

(2) All the seats in a Panchayat shall be filled by persons chosen by direct election from territorial constituencies in the Panchayat area and, for this purpose, each Panchayat area shall be divided into territorial constituencies in such manner that the ratio between the population of each constituency and the number of seats allotted to it shall, so far as practicable, be the same throughout the Panchayat area.

(3) The Legislature of a State may, by law, provide for the representation -
a) of the Chairpersons of the Panchayats at the village level, in the Panchayats at the intermediate level or, in the case of a state not having Panchayats at the intermediate level, in the Panchayats at the district level;
b) of the Chairpersons of the Panchayats at the intermediate level, in the Panchayats at the district level;
c) of the members of the House of the People and the members of the Legislative Assembly of the State representing constituencies which comprise wholly or partly a Panchayat area at a level other than the village level, in such Panchayat;
d) of the members of the Council of States and the members of the Legislative Council of the State, where they are registered as electors within -
   (i) a Panchayat area at the intermediate level, in Panchayat at the intermediate level;
   (ii) a Panchayat area at the district level, in Panchayat at the district level.

(4) The Chairperson of a Panchayat and other members of a Panchayat whether or not chosen by direct election from territorial constituencies in the Panchayat area shall have the right to vote in the meetings of the Panchayats.

(5) The Chairperson of -
a) a Panchayat at the village level shall be elected in such manner as the Legislature of a State may, by law, provide; and
b) a Panchayat at the intermediate level or district level shall be elected by, and from amongst, the elected members thereof.

243-D. Reservation of seats - (1) Seats shall be reserved for a) the Scheduled Castes; and
b) The Scheduled Tribes, in every Panchayat and the number of seats so
reserved shall bear, as nearly as may be, the same proportion to the total
number of seats to be filled by direct election in that Panchayat as the
population of the Scheduled Castes in that Panchayat area or of the Scheduled
Tribes in that Panchayat are a bears to the total population of that area and
such seats may be allotted by rotation to different constituencies in a
Panchayat.

(2) Not less than one-third of the total number of seats reserved under clause
(1) shall be
reserved for women belonging to the Scheduled castes or, as the case may be,
the Scheduled Tribes.

(3) Not less than one-third (including the number of seats reserved for women
belonging to the Scheduled Castes and the Scheduled Tribes ) of the total
number of seats to be filled by direct election in every Panchayat shall be
reserved for women and such seats may be allotted by rotation to different
constituencies in a Panchayat.

(4) The offices of the Chairpersons in the Panchayats at the village or any
other level shall be reserved for the Scheduled Castes, the Scheduled Tribes
and women in such manner as the Legislature of a State may, by law, provide:
Provided that the number of offices of Chairpersons reserved for the
Scheduled Castes and Scheduled Tribes in the Panchayats at each level in any
State shall bear, as nearly as may be, the same proportion to the total number
of such offices in the Panchayats at each level as the population of the
Scheduled Castes in the State or of the Scheduled Tribes in the State bears to
the total population of the State 'Provided further that not less than one-third
of the total number offices of Chairpersons in the Panchayats at each level shall be reserved for women. Provided also that the number of offices reserved under this clause shall be allotted by rotation to different Panchayats at each level.

(5) The reservation of seats under clauses (1) and (2) and the reservation of offices of Chairpersons (other than the reservation for women) under clause (4) shall cease to have Effect on the expiration of the period specified in Article 334.

(6) Nothing in this Part shall prevent the Legislature of a State from making any provision for reservation of seats in any Panchayat or offices of Chairpersons in the Panchayats at any level in favour of backward class of citizens.

243-E.Duration of Panchayats etc. - (1) Every Panchayat, unless sooner dissolved under any law for the time being in force, shall continue for five years from the date appointed for its first meeting and no longer.

(2) No amendment of any law for the time being in force shall have the effect of causing dissolution of a Panchayat at any level, which is functioning immediately before such amendment, till the expiration of its duration specified in clause (1).

(3) An election to constitute a Panchayat shall be completed -

a) Before the expiry of its duration specified in clause (1):

b) Before the expiration of a period of six months from the date of its dissolution:
Provided that where the remainder of the period for which the dissolved Panchayat would have continued is less than six months, it shall not be necessary to hold any election under this clause for constituting the Panchayat.

(4) A Panchayat constituted upon the dissolution of a Panchayat before the expiration of its duration shall continue only for the remainder of the period for which the dissolved Panchayat would have continued under clause (1) had it not been so dissolved.

243-F. Disqualifications for membership - (1) A person shall be disqualified for being chosen as, and for being, a member of a Panchayat -

a) if he is so disqualified by or under any law for the time being in force for the purposes of elections to the Legislature of the State concerned: Provided that no person shall be disqualified on the ground that he is less than twenty-five years of age, if he has attained the age of twenty-one years;

b) if he is so disqualified by or under any law made by the Legislature of the State.

(2) If any question arises as to whether a member of a Panchayat has become subject to any of the disqualification mentioned in clause (1), the question shall be referred for the decision of such authority and in such manner as the Legislature of a State may, by law, provide.

243-G. Powers, authority and responsibilities of Panchayats - Subject to the provisions of the Constitution, the Legislature of a State may, by law, endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain
provisions for the devolution of powers and responsibilities upon Panchayats at the appropriate level, subject to such conditions as may be specified therein, with respect to:

a) The preparation of plans for economic development and social justice;

b) The implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule.

243-H-Powers to impose taxes by and Funds of the Panchayats-

The Legislature of a State may, by law, -

a) Authorize a Panchayat to levy, collect and appropriate such taxes, duties, tolls and fees in accordance with such procedure and subject to such limits;

b) Assign to a Panchayat such taxes, duties, tolls and fees levied and collected by the State Government for such purposes and subject to such conditions and limits;

c) Provide for making such grants-in-aid to the Panchayats from the Consolidated Fund of the State; and

d) Provide for constitution of such funds for crediting all moneys received, respectively, by or on behalf of the Panchayats and also for the withdrawal of such moneys there from as may be specified in the law.

243-1-Constitution of Finance Commission to review financial position.(1)

The Governor of a State shall, as soon as may be within one year from the commencement of the Constitution (Seventy-third Amendment) Act, 1992, and thereafter at the expiration of every fifth year, constitute a Finance Commission to review the financial position of the Panchayats and to make recommendations to the Governor as to -
(a) The principles which should govern -

(i) The distribution between the State and the Panchayats of the net proceeds of the taxes,

duties, tolls and fees leviable by the State, which may be divided between them under this

Part and the allocation between the Panchayats at all levels of their respective shares of such proceeds;

(ii) The determination of the taxes, duties, tolls and fees which may be assigned to, or appropriated by, the Panchayats;
THE CONSTITUTION (SEVENTY-FOURTH AMENDMENT) ACT, 1992

Statement of Objects and Reasons appended to the Constitution seventy third Amendment) Bill, 1991 which was enacted at the Constitution (Seventy-fourth Amendment) Act, 992

STATEMENT OF OBJECTS AND REASONS

In many States local bodies have become weak and ineffective on account of a variety of reasons, including the failure to hold regular elections, prolonged suppressions and inadequate devolution of powers and functions. As a result, Urban Local Bodies are not able to perform effectively as vibrant democratic units of self-government.

2. Having regard to these inadequacies, it is considered necessary that provisions relating to Urban Local Bodies are incorporated in the Constitution particularly for-

(i) Putting on a firmer footing the relationship between the State Government and the Urban Local Bodies with respect to-

(a) the functions and taxation powers; and

(b) arrangements for revenue sharing;

(ii) Ensuring regular conduct of elections;

(iii) ensuring timely elections in the case of supersession; and

(iv) providing adequate representation for the weaker sections like Scheduled Castes, Scheduled Tribes and women.

3. Accordingly, it is proposed to add a new part relating to the Urban Local Bodies in the Constitution to provide for-

(a) constitution of three types of Municipalities:
(i) Nagar Panchayats for areas in transition from a rural area to urban area;
(ii) Municipal Councils for smaller urban areas;
(iii) Municipal Corporations for larger urban areas.

The broad criteria for specifying the said areas is being provided in the proposed article 243-0;

(b) composition of Municipalities, which will be decided by the Legislature of a State, having the following features:

(i) persons to be chosen by direct election;
(ii) representation of Chairpersons of Committees, if any, at ward or other levels in the Municipalities;
(iii) representation of persons having special knowledge or experience of Municipal Administration in Municipalities (without voting rights);
(c) election of Chairpersons of a Municipality in the manner specified in the State law;
(d) constitution of Committees at ward level or other level or levels within the territorial area of a Municipality as may be provided in the State law;
(e) reservation of seats in every Municipality-
   (i) for Scheduled Castes and Scheduled Tribes in proportion to their population of which not less than one-third shall be for women;
   (ii) for women which shall not less than one-third of the total number of seats;
   (iii) in favour of backward class of citizens if so provided by the Legislature of the State;
(iv) for Scheduled Castes, Scheduled Tribes and women in the office of Chairpersons as may be specified in the State law;
(f) fixed tenure of 5 years for the Municipality and re-election within six months of end of tenure. If a Municipality is dissolved before expiration of its duration, elections to be held within a period of six months of its dissolution;

(g) devolution by the State Legislature of powers and responsibilities upon the Municipalities with respect to preparation of plans for economic development and social justice, and for the implementation of development schemes as may be required to enable them to function as institutions of self-government;

(h) levy of taxes and duties by Municipalities, assigning of such taxes and duties to Municipalities by State Governments and for making grants-in-aid by the State to the Municipalities as may be provided in the State law;

(i) a Finance Commission to review the finances of the Municipalities and to recommend principles for-

(1) determining the taxes which may be assigned to the Municipalities;

(2) Sharing of taxes between the State and Municipalities;

(3) grants-in-aid to the Municipalities from the Consolidated Fund of the State;

(j) audit of accounts of the Municipal Corporations by the Comptroller and Auditor-General of India and laying of reports before the Legislature of the State and the Municipal Corporation concerned;

(k) making of law by a State Legislature with respect to elections to the Municipalities to be conducted under the superintendence, direction and control of the chief electoral officer of the State;
(l) application of the provisions of the Bill to any Union territory or part thereof with such modifications as may be specified by the President;

(m) exempting Scheduled areas referred to in clause (1), and tribal areas referred to in clause (2), of article 244, from the application of the provisions of the Bill. Extension of provisions of the Bill to such areas may be done by Parliament by law;

(n) disqualifications for membership of a Municipality;

(o) bar of jurisdiction of Courts in matters relating to elections to the Municipalities.

4. The Bill seeks to achieve the aforesaid objectives.
ELEVENTH SCHEDULE

(Article 243G)

1. Agriculture, including agricultural extension.

2. Land improvement, implementation of land reforms, land consolidation and soil conservation.

3. Minor irrigation, water management and watershed development.

4. Animal husbandry, dairying and poultry.

5. Fisheries.

6. Social forestry and farm forestry.

7. Minor forest produce.

8. Small scale industries, including food processing industries.


10. Rural housing.

11. Drinking water.

12. Fuel and fodder.

13. Roads, culverts, bridges, ferries, waterways and other means of communication.

14. Rural electrification, including distribution of electricity.

15. Non-conventional energy sources.


17. Education, including primary and secondary schools.

18. Technical training and vocational education.
19. Adult and non-formal education.
21. Cultural activities.
22. Markets and fairs.
23. Health and sanitation, including hospitals, primary health centres and dispensaries.
24. Family welfare.
25. Women and child development.
26. Social welfare, including welfare of the handicapped and mentally retarded.
27. Welfare of the weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.
28. Public distribution system.
29. Maintenance of community assets.
TWELFTH SCHEDULE

(Article 243W)

1. Urban planning including town planning.
2. Regulation of land-use and construction of buildings.
3. Planning for economic and social development.
4. Roads and bridges.
5. Water supply for domestic, industrial and commercial purposes.
6. Public health, sanitation conservancy and solid waste management.
7. Fire services.
8. Urban forestry, protection of the environment and promotion of ecological aspects.
9. Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded.
10. Slum improvement and upgradation.
11. Urban poverty alleviation.
12. Provision of urban amenities and facilities such as parks, gardens, playgrounds.
13. Promotion of cultural, educational and aesthetic aspects.
14. Burials and burial grounds; cremations, cremation grounds; and electric crematoriums.
15. Cattle pounds; prevention of cruelty to animals.
16. Vital statistics including registration of births and deaths.
17. Public amenities including street lighting, parking lots, bus stops and public conveniences.

18. Regulation of slaughter houses and tanneries.