Chapter IX

Summary and Conclusions
In recent times, there is an increasing realisation that genuine decentralisation leads to development. It is also felt that decentralisation of power to the local units of government and management is one of the best ways of empowering people, promoting public participation and increasing efficiency. According to Human Development Report (1993) where decentralisation has taken place, it has often been fairly successful in encouraging local participation, increasing accountability of local officials, reducing the costs and increasing efficiency. Decentralisation can help to mobilise resources, introduce locally and regionally diverse solutions and promote equitable growth by bringing the poor into mainstream development.

When the authority and power in respect of certain activity is transferred from the state to the panchayats, the latter should have the prerogative of making decisions, in respect of planning and implementation of such activity. In the sphere of devolution of responsibilities to lower levels of governance, some important principles should be kept in view. In the first place, the principle of 'subsidiarity' needs to be given adequate attention. Second, the state government should not unilaterally withdraw responsibilities and powers already granted to the panchayat without adequate justification and prior consultation with the latter. Third, responsibilities, authorities and powers granted to the panchayats should be extremely specific, clear and simple in order to be comprehended by the panchayats. Lastly, whenever, functions and responsibilities are transferred to the panchayats, it should be ensured that the necessary funds, functionaries and freedom in decision-making also accompany such transfer.

The democratic system of government in a country can be ensured only if there is people's participation in the governance. Therefore, the system of democratic decentralization, popularly known as Panchayati Raj, has been considered as an instrument to ensure democracy in India. Panchayati Raj initially evolved out of
Community Development Programme. The CDP could not succeed for want of requisite people's participation. Balwantrai Mehta Committee (1957) stressed the need of democratic decentralization and suggested a three-tier system of Panchayati Raj in India. The recommendations of the Committee were accepted and various states adopted the Mehta model as per local requirements. However, after mid-sixties, Panchayati Raj lost its glamour and the maladies such as inefficiency, corruption, favouritism, uncertainty, irregularity, indifferent attitude of state governments, lack of people's initiative, etc., crept in to Panchayati Raj. Besides, establishment of parallel administrative agencies, inadequacy of funds, dominance of bureaucracy, etc., have made these institutions subordinate units of government. All these weaknesses led to the appointment of Ashok Mehta Committee (1977), which recommended two-tier structure of PR, i.e., Zilla Parishad and Mandal Parishad along with other reformatory measures. However, Government of India did not accept these recommendations.

The need to revamp PR remained alive and became an important issue of debate and discussion during the eighties. Working Group on District planning (1983), GVK Rao Committee (1985), L M Singhvi Committee (1986), Thungan Committee (1988) and Panchayati Raj Sammelans (1989) discussed and debated the problem in depth.

Regarding the financial position of Panchayats, Balwantrai G. Mehta Committee (1957) recommended that adequate resources should be transferred to the Panchayati Raj Institutions to enable them to discharge their duties and there should be genuine transfer of powers and duties; and all development programmes at these levels should be implemented through these bodies, and the system should ultimately be able to facilitate further devolution of powers.

The following committees were appointed by Government of Andhra Pradesh to improve the financial position of the Panchayats. In 1964 a high power committee was appointed by Government of Andhra Pradesh. It was known as Block Reorganisation Committee or popularly known as M.A. Pai Committee. One of its main recommendations was creation of financially stronger larger blocks. M.T. Raju
Committee (1967) recommended the creation of District Development Boards which reduced the importance of elected members in Panchayati Raj set up and developmental activities. This led to a severe criticism from the dissatisfied non-officials. This was considered as retrogressive step in encouraging democratic decentralization.

Vengala Rao Committee (1968) said that “the Panchayati Raj Bodies had not received sympathetic understanding of their problems, ‘let alone helpful guidance and that this is particularly reflected in the masterly inaction displayed by the Government in regard to the problem of paucity of funds”. The main recommendations of the Narasimham Committee (1971 and 1979) included setting up the District Development Fund and appointment of a Local Authority Finance Commission for every five years on the lines of the Central Finance Commission.

According to Andhra Pradesh Mandala Praja Parishads, Zilla Praja Parishads and Zilla Abhivruddhi Sameeksha Mandals Act 1986, Mandal Praja Parishads are empowered to: levy taxes, surcharge of fees; levy contribution from the gram panchayats; get annual grant of Rs.5 per cent from the state government, and funds relating to schemes transferred by the government; and share in the income of the former District Boards.

Rami Reddy. G (1997: 39) also pointed out that “the resources of PRIs are not commensurate with the functions entrusted to them”. Narasimham Committee felt that “the cost of services has grown enormously because of increase in salaries and allowances and wages and the cost of materials; there has been a steep decline in the purchasing power of the rupee... and the Government has not given additional assistance to these institutions to make up for the erosion in the rupee value...”.

The recommendations of various committees, as mentioned above show that the different bodies of rural local governments are suffering from inadequate financial resources. As Gopinath Reddy (2003:605) rightly said, “the inadequate and unsound financial base has impaired the working of the local bodies. It is realised that any talk
of the effectiveness of the local bodies in the absence of a strong financial base is no use”. The financial position of the Panchayati Raj bodies was so alarming that, income from their “own source is only about 10 percent of their total receipts. For gram panchayats it is about 15 percent, for mandals it is about 0.5 percent and for zilla parishads it is about 5 percent”.

Although, there had been several attempts to improve the financial position of Panchayati Raj in the period of pre 73rd Constitutional Amendment, they have failed not only in Andhra Pradesh but also allover India, because of their half-hearted nature. In spite of the recommendations of several committees there was no improvement in the financial status of Panchayati Raj bodies. The bureaucracy on the one side and the politicians on the other also shared a common fear of losing power if Panchayati Raj was to become a strong and vibrant institutional structure

Consequently, the Congress government introduced The Constitutional (Sixty – Fourth Amendment) Bill in 1989. However, it could not get the requisite political support in parliament. National Front government also made an attempt by introducing The Constitution (Seventy Fourth Amendment) Bill (1990), which lapsed due to dissolution of ninth Lok Sabha. It was Congress government again introduced a fresh bill in September 1991 with some modifications and got it passed in December 1992 as The Constitution (Seventy-Third Amendment) Act and later on it was ratified by the state legislatures.

The state governments were asked to prepare new Panchayati Raj legislations or to amend their existing laws absorbing the provisions of the Central Act. As a result, the Andhra Pradesh Panchayati Raj Act, 1994 was enacted on 25-4-1994 as comprehensive single Act in accordance with the principles of the 73rd Constitutional Amendment, replacing the earlier Acts. It witnessed the existing the three – tier structure, viz., Zilla Parishad, Mandal Parishad and Gram Panchayats.
The Andhra Pradesh Panchayati Raj Act, 1994, specifies that the zilla parishads (the highest tier located at district level) have been given powers of supervision and control of the mandal parishads including collection of data, consolidation of plans of the mandal parishads, distribution of funds allotted to the district further down to the mandal parishads, examining and appraising the budgets of the mandals.

The Act (Section 45) also specifies that gram panchayats (GPs) perform the duty of providing civic amenities, maintenance of GP roads, construction and maintenance of drains, cleaning streets, etc. Besides usual functions, the act specifies a long list of development functions. The development activities that GPs are supposed to perform are minor irrigation, watershed management, land reform measures including consolidation of holdings and cooperative management of community lands.

In order to perform the numerous functions enlisted in the act, the extent of devolution required should be adequate. Coming to the actual devolution that has taken place, it needs to be stated that the ground reality in A P is not satisfactory. Most of the provisions of Andhra Pradesh Panchayati Raj Act, 1994 have not been implemented even today i.e., after more than decade and half. The functional devolution state of Andhra Pradesh as compared to some of the well performing states make it clear that AP has not done well in devolving functions, finances and functionaries envisaged in the XIth Schedule of the Constitution.

Studies of decentralisation in AP have shown that the process so far has not included such characteristics as would enable the system to work effectively. Although there has been significant progress in political decentralisation, administrative and fiscal decentralisation remains weak. Pritchett and Pande’s (2006) analysis of different types of decentralisation in Indian states shows that while states do well in an international index of political decentralisation, they lag behind in fiscal and administrative decentralisation. In practice, this means that while the implementation of many functions has been devolved to PRIs, there has not been the
corresponding devolution of funds and decision – making power to functionaries necessary for a real impact on service delivery. The reality in A.P. is that decisions regarding the provision of services delivery and corresponding funding are still by and large made by the non-elected administrative apparatus, which is still highly centralized at the state level. Local – level government officials are only in charge of implementing decisions handed down from the Centre. As Gopinath Reddy .M and Ram Chandra Reddy. S, 2010: 936: pointed out key importance to a working decentralised system is that all the tiers of government have clearly allocated functions so that citizens know who is responsible for what; allocated funds should be commensurate with these functions so that governments can properly carry out their tasks; and functionaries need to be accountable to the body responsible for the service so that there is a continuous line of accountability from citizen to government to provider.


An Overview of Decentralisation in Andhra Pradesh:

The representatives cutting across party line who met in a convention were convinced that in the state of Andhra Pradesh, the 73rd Constitutional Amendment was not implemented in letter spirit. The newly elected members have no clue as to what to do or where to go. They felt that other states, Andhra Pradesh is nowhere in terms of making the panchayats ‘institution of self government’ while several southern states are way ahead and even too on the list. They demanded that all the 29 subjects along with funds and functionaries must be transferred to the panchayati raj institutions. For demarcating powers between different tires of PRIs in Andhra Pradesh, the State Government should take necessary administrative steps for making of “activity mapping” exercise into concrete reality based on the Principle of subsidiarity.
Hundreds of Sarpanches were arrested when they tried to go in a rally to the assembly on to bring pressure on the Government to transfer of powers to local bodies as per 73rd and 74th Constitutional Amendments.

Powers and responsibilities go together. Powers with one and responsibilities with the other do not yield results. They are even conflicting. In Andhra Pradesh, the nodal system is provided to be a retrograde measure. Funds are routed through the nodal-officers neglecting the elected bodies. The several nominated bodies are serving parallel to the elected representatives and weakening the Panchayat System. The Sarpanches are so humiliated that they are demanding the abolition of nominated bodies. Nodal officials who are least acquainted with the villages, enjoy more powers compared to the Sarpanches who stay in their villages and fully acquainted with the problems in their area.

Many of the sarpanches said that they had lost their powers with the creation of various committees out side the panchayat system at the village level. Some of these are watershed committee, water user associations, vidya committee, anganwadi committee etc. All these committees function independently of the gram panchayats and their budgets are generally much larger than that of the gram panchayats. The critics argue that many of the committees are parallel power centres and thus, weaken the panchayats.

Gram Sabha as defined in the Constitution is a “body” of persons. But it can also be seen as “Process or a “mode” of ensuring people’s participation. In Andhra Pradesh, a similar provision does exist but the ground reality is different. It is found that the Gram Sabha meetings are not convened regularly in majority of the cases. The meetings are manipulated in the villages where group politics are active. Resolutions of such unheld meetings are passed by getting the signatures of the members of the Sarpanch’s group.
As per the Andhra Pradesh Panchayati Raj Act, 1994, in every village, the meetings of Gram Sabha should be held twice a year (October 3 and April 14). But after the commencement of Praja Padham Programme by Government of Andhra Pradesh, it completely neglected to held Gram Sabhas in all villages in the state. The Praja Padham meetings which are being hold in the April month among all over the state, it self has been recording as Gram Sabha meetings which is against to the spirit of democracy.

The key objective of Article 243G is to ensure that panchayats at all levels function as institutions of self - government. To this end, an essential step is to undertake activity mapping relating to devolved functions. However, it is found that there is no activity mapping.

Out of the 29 subjects, the Government of Andhra Pradesh transferred only 9 subjects (agriculture, fisheries, animal husbandry, education, medical & family welfare, rural water supply, rural development, back ward classes welfare, social welfare & women and child welfare) mentioned in the 11th Schedule of the Constitution to PRIs with out giving substantial powers even on the transferred subjects. The MLAs MPs are controlling the PRIs through their Constituency Development Funds. The wide spread feeling is that they are granting development fund based on political personal considerations.

During the one and half decades (since the commencement of A.P.P.R Act, 1994) there has been no marked difference in the status and working of PRIs in the state, except conducting of elections regularly to these bodies till 2007. The state government under the pretext of non - finalization of voter roles, it did not conduct elections, which were due in March 2012. The state government is scuttling the powers of these institutions covertly and overtly. While the Karnataka, Kerala, West Bengal and Madhya Pradesh State governments are giving priority to decentralize the powers to the PRIs, the Government of Andhra Pradesh has been curtailing or curbing powers already given to them. The TDP Government assigned 64 items to the Panchayat Secretary but according to Sarpanches / MPTC members, the present government withdrew 54 items from the purview of the Panchayat Secretary.
In the three tiers of Panchayati Raj System, only Gram Panchayats are empowered to levy taxes while the other two tiers are permitted to impose surcharge on the taxes levied by the Gram Panchayats. Mandals and Zilla Parishads have not utilized the said facility. By and large in AP the income of ZPs and MPs originate mainly from the grants. The contribution of non-tax revenue sources is negligible. In AP these two tiers do get some resources from assigned tax revenues such as land cess, surcharge on stamp duty, mineral cess etc., MPs depend predominantly on grants from the state government, which are mostly tied in nature. Another feature observed with mandal level finances is that MPs have to deposit 15 per cent of their grant exclusively for the purpose of housing programmes implemented by state housing corporations.

The financial position of the panchayats was so poor that during 1998-1999, the total income of nearly 20,000 panchayats was only 687.8 millions. This meagre income comprised of 200.8 millions of government grants, 71.5 million of state taxes share, 269.3 million of own income from taxes and fees and 25.0 millions of receipts from enterprises.

There are fluctuations in the income of the Gram Panchayats. The total income of the Gram Panchayats during 1996-1997 is 39652.89 lakhs. It came down to Rs.32988.02 lakhs in the next year i.e., 1997-1998. There is however, a significant increase in their income i.e., from 32988.02 lakhs to Rs.45346.12 lakhs in 1998-1999. The income of Gram Panchayats during 1999-2000 is Rs.50646.77 lakhs which came down to Rs.48017.51 in 2000-2001.

The financial position of Gram Panchayats was so pathetic that of the 21,943 Gram Panchayats, the annual income of 390 small Gram Panchayats was only 1000 or less. The annual income of 1350 Gram Panchayats was from Rs. 2001 to 3000. 3,608 Gram Panchayats annual income was in the range of Rs. 3001 to 5000, and 5348 Gram Panchayats rupees earn an annual income of Rs. 5000 or less. The income of these Panchayats was so small that it would not be sufficient even to meet the honorarium to the Sarpanches. They were not in a position to provide even basic
minimum facilities leave alone taking up developmental works. The total financial
devolution to PRIs is low. A paltry sum of 126 crores was transferred to Gram
Panchayats in 2002-2003 out of a total fund of Rs. 284 crores for PRIs. The
proportion of funds transferred to Gram Panchayats out of the total funds for PRIs has
decreased from nearly 60 per cent in 1999-2000 to less than 45 per cent in 2002-2003.
In relative terms, grants to Gram Panchayats as proportion of total funds transferred to
PRIs have declined from 37 per cent in 1999-2000 to 30 per cent in 2002-2003.

Regarding the recommendations of the SFCs, A total amount of Rs.979.16
crores (i.e., 814.84 crores for panchayati raj and Rs.160.32 crores for urban bodies)
per annum was recommended by the First State Finance Commission, as additional
devolutions to the Rural and Urban Bodies. But the state government accepted the
devolution to the extent of Rs.434.42 crores only. Thus, the percentage of devolution
accepted worked out to 44.37 per cent only. The amount of devolution accepted by
the Government is Rs.363.95 crores per annum for Rural Bodies and Rs.70.47 crores
per annum for Urban Bodies. This does not conform to the Seventy - Thirty ratio
which the Cabinet Sub - Committee recommended.

The Second State Finance Commission a total additional devolution was
1793.94 Crores (Rs.1167.73 Crores for PRIs and Rs.621.61 Crores for Municipalities)
and the amount accepted for devolution was Rs.300 Crores, (Rs.200 Crores for PRIs
and Rs.100 Crores) to Municipalities and corporations accounting to an ignorable 17
per cent.

In Andhra Pradesh during the post 73rd Constitutional Amendment Phase two
SFCs were appointed and they recommended measures to devolve funds to the PRIs.
But the state government has not paid any attention to implement the
recommendations of the commissions.

In the Action Taken Report on the recommendations of the Second State
Finance Commission, the Government has stated that, based on the review of the
cabinet sub-committee the Government agree for devolutions to the extent of Rs.200
Crores to Panchayati Raj Institutions and Rs.100 Crores for Municipalities and Municipal Corporations towards Second State Finance Commission grants and that there is provision in the budget for 2003-2004 for the above purpose. Even the amounts accepted for devolution have not been released to the Panchayati Raj Institutions during the years 2003-04 and 2004-05 and an amount of Rs.100 Crores was short released. During the year 2005-06 also out of the amount of Rs.200 Crores released, Rs.100 Crores was diverted and paid to the A.P.Transco towards current consumption charges. In the year 2006-07, out of Rs.169.45 Crores released, an amount of Rs.91 Crores was diverted for individual sanitary latrines.

Having accepted the devolution it does not appear proper to short release and divert the funds for other purposes. So, the Third State Finance Commission (2008: 31) felt that “the grants to the extent of short release may be released to the Panchayati Raj Institutions and not to divert the State Finance Commission grants for other purposes”.

Instead of giving more financial powers and autonomy in spending the budget, the government has been diverting the funds allotted to PRIs under National Rural Employment Guarantee Programme, (a centrally sponsored scheme) to the INDIRAMMA Programme a state sponsored scheme. The allegation of opposition parties has been that the sum of Rs. 1400 crores allotted to the PRIs to the INDIRAMMA Programme during the last three years.

The Government of Andhra Pradesh earmarked Rs. 90 lakh for each Mandal for creating basic infrastructural facilities in the villages in 2009. But through the G.O. No. 13, it made the Minister in-charge of the district as in-charge of distribution/allocation of funds for construction works which are to be executed on nomination basis. The PRIs have no role to play in this regard, though the GP has the power to collect and impose taxes for the development of the village. In practice, the sarpanches do not exercise this power, as it would make them unpopular. The GP has the power to allocate and reallocate the finances generated through taxes but subject to the approval of the higher level bodies/officers. Further, the funds that are allotted
under centrally sponsored programmes are being tied to the norms and the local line
departments control the schemes. The involvement of the PRIs, in this regard, is
confined to either in identifying the beneficiaries or attesting the list by the line
departments.

One of the important aspects of the devolution package is the transfer of
general as well as technical staff by the State Government to the PRIs. Most of the
State Governments have, as can be noticed, from the following illustrations,
maintained status quo as far as transfer to the staff to the PRIs or creation of separate
Panchayati Raj cadre is concerned.

In Andhra Pradesh, almost all the subjects of 11th schedule are dealt by various
departmental heads at the district level. However, except a few officials who have
been traditionally under the control of the Chief Executive Officer, zilla parishad, all
other district level officials function under the district control of the District Collector.

With regard to the functionaries, in Andhra Pradesh majority of the line
departments have not been brought under the control of PR bodies. A separate
'Panchayati Raj Cadre' has not been created there is a skeletal staff and they are over
burdened. In this context the present study was conducted in Krishna District of
Andhra Pradesh.

Findings:

Findings on the Understanding of Panchayati Raj Act of 1993:

Majority of the respondents i.e., 38.8 per cent of the Sarpanches, 30.1 per cent of the
M.P.T.C members and 60.0 per cent of the Z.P.T.C members said that they had
noticed significant changes. 17.3 per cent of the Sarpanches, 37.3 per cent of the
M.P.T.C members and 40.0 per cent of the Z.P.T.C members said they did not notice
any significant changes. 43.9 per cent of the Sarpanches and 32.5 per cent of the
M.P.T.C members said that they do not know any thing about changes.
Majority of the respondents i.e., more than 55.5 per cent of the Sarpanches (belonging to SC category), 43.7 per cent of the M.P.T.C. members (belonging to General Category) and of the total 2 of the Z.P.T.C. members (belonging to General Category) said that they had noticed significant changes. 28.9 per cent of the Sarpanches (belonging to General category), more than 40.0 per cent of the M.P.T.C. members (belonging to BC and General categories) and of the total 1 of the Z.P.T.C. members (belonging SC category) said that there were no significant changes. 75.0 per cent of the Sarpanches (belonging to ST category), nearly 60.0 per cent of the M.P.T.C. members (belonging to SC and ST categories) said that they do not know anything about changes (Table – 6.7 and Table – 7.1).

Findings on the understanding of Significant Changes of Panchayati Raj System after 73rd Amendment Act in Andhra Pradesh:

Most of the respondents i.e., 31.6 per cent of the Sarpanches, 60.0 of the M.P.T.C. members and 33.3 per cent of the Z.P.T.C. members said that Reservation and Three-tier System were the significant changes. 34.2 per cent of the Sarpanches and 4.0 per cent of the M.P.T.C. members said that Term wise Elections and Finance Commissions were the significant changes. 26.3 percent of the Sarpanches and 12.0 per cent of the M.P.T.C. members said that Finances Commissions were the significant change. Only 8.0 per cent of the M.P.T.C. members and 33.3 per cent of the Z.P.T.C members said that three – tier system was the significant change. 7.9 per cent of the Sarpanches, 16.0 per cent of the M.P.T.C. members and 33.3 per cent of the Z.P.T.C members said that Direct Elections to Sarpanches, M.P.T.Cs and Z.P.T.Cs were the significant change.

Most of the respondents i.e., of the total 1 of the Sarpanch (belonging to ST category), of the total 2 of the M.P.T.C. members (belonging to ST category) and of the total 1 of the Z.P.T.C. member (belonging to BC category) said that Reservation and Three-tier System were the significant changes. Half of the Sarpanches (belonging to BC category) and 16.7 per cent of the M.P.T.C. members (belonging to BC category) said that Term wise Elections and Finance Commissions were the
significant changes. Nearly 30.0 per cent of Sarpanches (belonging to SC, BC and General categories) and 16.7 per cent of the M.P.T.C. members (belonging to BC category) said that Finances Commissions were the significant change. Only 33.3 per cent of the M.P.T.C. members (belonging to SC category) and half of the Z.P.T.C. members (belonging to General category) said that three-tier system was the significant change. 16.7 per cent of the Sarpanches (belonging to BC category), 33.3 per cent of the M.P.T.C. members (belonging to BC category) and half of the Z.P.T.C. members (belonging to General category) said that Direct Elections to Sarpanches, M.P.T.Cs and Z.P.T.Cs were the significant change (Table – 6.8 and Table – 7.2).

Findings on the understanding of effectiveness of Three-tier Structure of PRIs:

Majority of the respondents, i.e., 81.6 per cent of the Sarpanches, 39.8 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that the present three tier structure was effective. 18.4 per cent of the Sarpanches, 60.2 per cent of the M.P.T.C. members and 60.0 per cent of the Z.P.T.C. members said that the present three tier structure was not effective.

More than 80.0 per cent of the Sarpanches (belonging to BC and General Categories), half of the M.P.T.C. members (belonging to General category) and of the total 2 of the Z.P.T.C. members (belonging to General category) said that present three tier structure was effective. Nearly 40.0 per cent of the Sarpanches (belonging to ST category), nearly 70.0 per cent of the M.P.T.C. members (belonging to SC and BC categories) and of the total Z.P.T.C. members (belonging to SC (1) and BC (2) categories) said that the present three tier structure was not effective (Table – 6.9 and Table – 7.3).

Findings on Meetings of Gram Sabha, Mandal Parishad and Zilla Parishad:

Majority of the respondents, i.e., 78.6 per cent of the Sarpanches, 69.9 per cent of the M.P.T.C. members and 60.0 per cent of the Z.P.T.C. members said that the meetings of PRIs (Gram Sabha and other meetings) were being held regularly. 21.4 per cent of the Sarpanches, 30.1 per cent of the M.P.T.C. members and 40.0 per cent
of the Z.P.T.C. members said that the meetings of PRIs were not held regularly (Table – 6.10 and Table -7.4).

Findings on Average percentage of Attendance in the Meetings of Gram Sabha, Mandal Parishad and Zilla Parishad:

Majority of the respondents, i.e., 50.6 per cent of the Sarpanches and 46.6 per cent of the M.P.T.C. members said that the average percentage of attendance in meetings of PRIs (Gram Sabha and other meetings) was between 26-50 per cent. 27.3 per cent of the Sarpanches, 24.1 per cent of the M.P.T.C. members and 66.7 per cent of the Z.P.T.C. members said that the average percentage of attendance in meetings of PRIs was between 51-75 per cent. 18.2 per cent of the Sarpanches and 20.7 per cent of the M.P.T.C. members stated that the average percentage of attendance in meetings of PRIs was below 25 per cent. Only 3.9 per cent of the Sarpanches, 8.6 per cent of the M.P.T.C. members and 33.3 per cent of the Z.P.T.C. members said that the average percentage of attendance in meetings of PRIs was between 76-100 per cent (Table – 6.11 and Table-7.5).

Findings on Staff Strength of PRIs after 73rd Amendment Act:

Majority of the respondents, i.e., 70.4 per cent of the Sarpanches, 68.7 per cent of the M.P.T.C. members and 60.0 per cent of the Z.P.T.C. members stated that the staff strength was in shortage. 22.4 per cent of the Sarpanches, 30.1 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that the staff strength was adequate. 5.1 per cent of the Sarpanches and 1.2 per cent of the M.P.T.C. members stated that the staff strength was surplus. Only 2.0 per cent of the Sarpanches said that there is no staff.

A small per cent i.e., 5.0 of Sarpanches (in all social categories) and 6.7 per cent of the M.P.T.C. members (belonging to SC category) said that the staff strength was surplus. 37.5 per cent of the Sarpanches (belonging to ST category), nearly 30.0 per cent of the M.P.T.C. members (in all social categories) and of the total 1 of the
Z.P.T.C. members (belonging to SC category) said that the staff strength was adequate. Nearly 70 per cent of the Sarpanches, M.P.T.C. members (in all social categories) and of the total 2 of the Z.P.T.C. members (belonging to General category) said that the staff strength was in shortage. Only 5.5 per cent of the Sarpanches (belonging to SC category) stated that there is no staff (Table – 6.14 and Table-7.7).

Findings on Adequacy of Powers:

Most of the respondents i.e., 41.8 per cent of the Sarpanches, 38.5 of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that Panchayati Raj Institutions had been given adequate powers. 43.9 per cent of the Sarpanches, 41.0 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that PRIs had not been given adequate powers. 14.3 per cent of the Sarpanches, 20.5 per cent of the M.P.T.C. members and 20.0 per cent of the Z.P.T.C. members said that they do not know.

Majority of the respondents i.e., 72.2 per cent of the Sarpanches (belonging to SC category), half of the M.P.T.C. members (belonging to General category) and of the total 1 of the Z.P.T.C. members (belonging to SC category) said that Panchayati Raj Institutions had been given adequate powers. Nearly half of the Sarpanches (belonging to General and BC categories), nearly 60.0 per cent of the M.P.T.C. members (belonging to BC category) and half of the Z.P.T.C. members (belonging to BC and General categories) said that PRIs had not been given adequate powers after 73rd Amendment Act. 25.0 per cent of the Sarpanches (belonging to ST category), nearly 40.0 per cent of the M.P.T.C. members (belonging to SC and ST categories) and half of the Z.P.T.C. members (belonging to BC category) said that they do not know (Table – 6.16 and Table-7.9).

Findings on Number of subjects Transferred to the Panchayati Raj Institutions:

A significant per cent i.e., 12.2 of the Sarpanches, 16.9 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that the number of
subjects transferred to the PRIs was between 1-9. 22.4 per cent of the Sarpanches, 27.7 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members stated that the number of subjects transferred to the PRIs was between 10-15. 65.3 per cent of the Sarpanches, 55.4 per cent of the M.P.T.C. members and 20.0 per cent of the Z.P.T.C. members said that they do not know.

A significant per cent i.e., 15.8 of the Sarpanches (belonging to General category), 28.1 per cent of the M.P.T.C. members (belonging to General category) and of the total 2 of the Z.P.T.C. members (belonging to BC category) said that the number of subjects transferred to the PRIs was between 1-9. 36.8 per cent of the Sarpanches (belonging to General category), 37.5 per cent of the M.P.T.C. members (belonging to General category) and of the total 2 of the Z.P.T.C. members (belonging to General category) said that the number of subjects transferred to the PRIs was between 10-15. 82.3 per cent of the Sarpanches (belonging to BC category), nearly 70.0 per cent of the M.P.T.C. members belonging to ST and BC categories) and of the total 1 of the Z.P.T.C. member (belonging to SC category) said that they do not know (Table – 6.17 and Table-7.10).

Findings on Sarpanches satisfaction with the financial sources of PR Institutions:

Majority of the respondents i.e., 73.5 per cent of the Sarpanches, 83.1 per cent of the M.P.T.C. members and 60.0 per cent of the Z.P.T.C. members said that they were not satisfied with the financial resources. 26.5 per cent of the Sarpanches, 16.9 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that they were satisfied with the financial resources of the PRIs.

Majority of the respondents i.e., nearly 30.0 per cent of the Sarpanches (in all social categories), nearly 30.0 per cent of the M.P.T.C. members (belonging to ST category) and of the total 2 of the Z.P.T.C. members (belonging to General category) said that they were satisfied with the financial resources. More than 70.0 per cent of the Sarpanches (in all social categories), nearly 80.0 per cent of the M.P.T.C. members (in all social categories) and all of the Z.P.T.C. members (belonging to SC...
Findings on Barriers faced by the People's Representatives in functioning of the PRIs:

Most of the respondents i.e., 29.6 per cent of the Sarpanches, 34.9 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that lack of funds was the significant barrier. 24.5 per cent of the Sarpanches, 20.5 per cent of the M.P.T.C. members and 20.0 per cent of the Z.P.T.C. members stated that inability of the government to transfer the powers and functions as per 73rd Amendment Act, which was the significant barrier. 24.5 per cent of the Sarpanches and 15.7 per cent of the M.P.T.C. members stated that lack powers and bureaucracy dominance were the major barriers. 11.2 per cent of the Sarpanches, 21.7 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that interference of M.L.As and M.Ps was the significant barrier. 10.2 per cent of the Sarpanches and 7.2 per cent of the M.P.T.C. members said that dominance of bureaucracy, political pressures and corruption were the significant barriers of elected representatives in the PRIs.

A significant per cent i.e., nearly 30.0 of the Sarpanches (belonging to SC, ST and BC categories), nearly 20 per cent of the M.P.T.C. members (in all social categories) and half of the Z.P.T.C. members (belonging to General category) said that inability of the government to transfer the powers and functions as per 73rd Amendment Act was the significant barrier. 35.3 per cent of the Sarpanches (belonging to BC category), 71.4 per cent of the M.P.T.C. members (belonging to ST category) and of the total 1 of the Z.P.T.C. member (belonging to SC category) said that lack of funds was the significant barrier. More than 30.0 per cent of the Sarpanches (belonging to SC and ST categories) and 28.6 per cent of the M.P.T.C. members (belonging to ST category) said that lack of powers and bureaucracy dominance were the major barriers. Nearly 10.0 per cent of the Sarpanches (in all social categories) and 15.6 per cent of the M.P.T.C. members (belonging to General category) said that dominance of bureaucracy, political pressures and corruption were the significant barriers. 15.8 per cent of the Sarpanches (belonging to General
Suggestions to improve the working of Panchayati Raj Institutions in Andhra Pradesh

Majority of the respondents i.e., 28.6 per cent of the Sarpanches, 20.5 per cent of the M.P.T.C. members and 60.0 per cent Z.P.T.C. members said that there should be timely release of the funds. 20.4 per cent of the Sarpanches and 8.4 per cent of the M.P.T.C. members said that they have no idea. 18.4 per cent of the Sarpanches and 14.5 per cent of the M.P.T.C. members said that funds had to be given directly to the panchayats, 17.3 per cent of the Sarpanches, 31.3 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that powers and functions shall to be transferred as per 73rd Constitutional Amendment Act. 8.1 per cent of the Sarpanches and 8.4 per cent of the M.P.T.C. members said about maintaining of transparency and accountability, 5.1 per cent of the Sarpanches and 8.4 per cent of the M.P.T.C. members stated the need for prevention of the interference of M.L.As and M.Ps. and a negligible per cent i.e., 2.0 of the Sarpanches and 3.6 per cent of the M.P.T.C. members stated the need to avoid intervention of bureaucrats. 3.6 per cent of the M.P.T.C. members suggested the reintroduction of the S.G.R.Y. Only 1.2 per cent of the M.P.T.C. members said that recommendations of the S.F.Cs and N.F.Cs should be implemented with out any delay.

A significant per cent i.e., more than 30.0 per cent of the Sarpanches (belonging to ST and SC categories) and 20 per cent of the M.P.T.C. members (belonging to SC category) said that they have no idea. More than 20.0 per cent of the Sarpanches (in all social categories, except BC category), more than 30.0 per cent of the M.P.T.C. members (in all social categories, except ST category) and of the total 2 of the Z.P.T.C. members (belonging to General category) said that powers and functions shall to be transferred as per 73rd Constitutional Amendment Act. 10.5 per
cent of the Sarpanches (belonging to General category) and 16.7 per cent of the M.P.T.C. members (belonging to SC category) said about the need for prevention of the interference of M.L.As and M.Ps. Nearly 10.0 per cent of the Sarpanches (in all social categories, except S.Ts) and 16.7 per cent of the M.P.T.C. members (belonging to SC category) said about maintaining of transparency and accountability. Nearly 3.0 per cent of the Sarpanches (belonging to BC and General categories) and 14.3 per cent of the M.P.T.C. members (belonging to ST category) stated the need to avoid intervention of bureaucrats. 41.2 per cent of the Sarpanches (belonging to BC category), nearly 30.0 per cent of the M.P.T.C. members (belonging to SC and BC categories) and of the total Z.P.T.C. members (belonging to SC (1) and BC (2) categories) said that there should be timely release of the funds. 37.5 per cent of the Sarpanches (belonging to ST category) and 28.5 per cent of the M.P.T.C. members (belonging to ST category) said that funds had to be given directly to the panchayats. Only 3.1 per cent of the M.P.T.C. members (belonging to General category) said that recommendations of the S.F.Cs and N.F.Cs should be implemented with out any delay. 14.3 per cent of the M.P.T.C. members (belonging to ST category) suggested the reintroduction of the S.G.R.Y (Table – 6.22 and Table – 7.15).
Conclusions

- Majority of the respondents i.e., 43.9 per cent of the Sarpanches and 32.5 per cent of the M.P.T.C members were ignorant of the significant changes of 73rd Amendment. It is observed that even after nearly two decades after 73rd Amendment Act the elected representatives of the PRIs are unaware (Table – 6.7 and Table -7.1).

- Most of the respondents i.e., 31.6 per cent of the Sarpanches, 60.0 of the M.P.T.C. members and 33.3 per cent of the Z.P.T.C. members said that Reservation and Three-tier System were the significant changes (Table – 6.8 and Table -7.2).

- Majority of the respondents i.e., 18.4 per cent of the Sarpanches, 60.2 per cent of the M.P.T.C. members and 60.0 per cent of the Z.P.T.C. members said that the present three tier structure was not effective. 60.0 per cent of the M.P.T.C. and Z.P.T.C. members were not satisfied with the present three – tier system (Table – 6.9 and Table -7.3).

- Majority of the respondents, i.e., 78.6 per cent of the Sarpanches, 69.9 per cent of the M.P.T.C. members and 60.0 per cent of the Z.P.T.C. members said that the meetings of PRIs (Gram Sabha and other meetings) were being held regularly. But the extensive field observation showed that the Gram Sabha meetings were conducted in a formal manner. Neither people’s problems nor selection of beneficiaries were done in the meetings. Getting signatures from the sarpanches group and manipulating the records was found (Table – 6.10 and Table -7.4).
Majority of the respondents, i.e., 50.6 per cent of the Sarpanches and 46.6 per cent of the M.P.T.C. members said that the average percentage of attendance in meetings of PRIs was between 26-50 per cent. It is observed that people's participation is very low. No quorum is required in conducting the meetings as per A.P.P.R Act, 1994, so the meetings were conducted without any consideration to the requirement of the quorum. The absence of women folk in the meetings of the Gram Sabha was a common feature. The participation of the people belonging to the weaker sections was also minimal (Table-6.11 and Table-7.5).

Majority of the respondents, i.e., 70.4 per cent of the Sarpanches, 68.7 per cent of the M.P.T.C. members and 60.0 per cent of the Z.P.T.C. members stated that the staff strength was in shortage. It is observed that there is a skeletal staff and they are overburdened. The Government is appointing unemployed persons as Adarsha Rythu / Rythu Mithra (agriculture) Arogaya Mithra (health), Anganwadi Workers (child and women), Gram Deepikas (self-help groups), Vidya volunteers (educational) Udyoga Mitrulu (employment) for attending various activities at the village level. But most of these functionaries are appointed on the political and personal considerations of local MLAs and MPs and the supporters of ruling party in the state. It is apt to note here that the GPs or higher levels of PRIs have no control whatsoever on these functionaries. The type of arrangement is serving the purpose of the ruling party to consolidate its base at the grass-root level, more than involvement of people and their representatives in the development process. In essence it has undermined the PRIs (Table 6.14 and Table-7.7)

Majority of the respondents i.e., 43.9 per cent of the Sarpanches, 41.0 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that PRIs had not been given adequate powers. It is observed that elected representatives are not satisfied with present powers and functions of PRIs (Table – 6.16 and Table-7.9).
Majority of the respondents i.e., 65.3 per cent of the Sarpanches, 55.4 per cent of the M.P.T.C. members and 20.0 per cent of the Z.P.T.C. members were ignore of number of the subjects transferred to the PRIs. It is observed that after two decades after 73rd Amendment Act, nearly 60.0 per cent of the Sarpanches and M.P.T.C. members were not aware of number of the subjects transferred to the PRIs (Table – 6.17 and Table-7.10).

Majority of the respondents i.e., 73.5 per cent of the Sarpanches, 83.1 per cent of the M.P.T.C. members and 60.0 per cent of the Z.P.T.C. members said that they were not satisfied with the financial resources. It is observed that State Government has not devolved the funds to improve the financial position of the PRIs as per 73rd Amendment Act (Table – 6.18) and (Table -7.11).

Most of the respondents i.e., 29.6 per cent of the Sarpanches, 34.9 per cent of the M.P.T.C. members and 40.0 per cent of the Z.P.T.C. members said that lack of funds was the significant barrier. It is observed that the income of these Panchayats was so small that it would not be sufficient even to meet the honorarium to the Sarpanches. They were not in a position to provide even basic minimum facilities leave alone taking up developmental works (Table – 6.21 and Table – 7.14).

Majority of the respondents i.e., 28.6 per cent of the Sarpanches, 20.5 per cent of the M.P.T.C. members and 60.0 per cent Z.P.T.C. members said that there should be timely release of the funds. It is observed that having accepted the devolution it does not appear proper to short release and divert the funds for other purposes (Table – 6.22 and Table – 7.15). So, the Third State Finance Commission (2008: 31) felt that “the grants to the extent of short release may be released to the Panchayati Raj Institutions and not to divert the State Finance Commission grants for other purposes”.

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As far as the Financial Position of the Panchayats in Krishna District is concerned, of the total 98 selected villages 80 villages are major Panchayats with an average income of Rs. 11,84,000 and 18 villages are minor Panchayats with an average income of Rs. 80,124 (Table - 8.1).

Little money is left to development works. Of the total income, 39.4 per cent (on average) from all resources was spent on establishment, 39.6 per cent (on average) of income was spent on Core / Basic Services and 17.7 per cent (on average) of income was spent on development or new works and 3.3 per cent of the income was spent on contingencies (Table - 8.8). It is seen that administrative costs are nearly 40.0 per cent of all the expenses. The GO Ms No. 69 dated 29-02-2000 clearly states that 65 per cent of total expenditure shall be spent on the obligatory functions of a Gram Panchayat. But the data reveals that nearly 40.0 per cent is spent on sanitation, street lighting, water supply, roads and drains.

The total financial devolution to Gram Panchayats is alarming. The total grants transferred to Gram Panchayats have declined from 2.7 per cent in 2006-2007 to 0.8 per cent in 2008-2009 when compared to the previous years. However, 2009-2010 suddenly registered a negative growth to the tune of -20.3 per cent when compared to the previous year. The growth of assigned revenues has dropped from 5.6 per cent in 2005-2006 to 5.1 per cent in 2009-2010 when compared to the previous years (Table - 8.3).

In Krishna District, house tax continues to be a main source of income for Gram Panchayats. The Government framed the rules governing the assessment and collection of the house tax. Panchayats are at liberty to levy the tax either on the capital value or on the annual rental value of the property. But in practice the elected representatives are reluctant to levy tax on maximum rates for fear of antagonizing the electorate. The kolagaram tax is levied on various items of village produce lime paddy, groundnut etc. and collected in few Panchayats only.
The total income (own revenues and grants) of Mandal Parishads has declined from 8.3 per cent in 2005-2006 to 6.59 per cent in 2009-2010 when compared to the previous years. However, the growth was to the tune of 10.96 per cent in 2007-2008 when compared to previous year (Table- 8.4). The value of grants transferred to Mandal Parishads has declined from 9.03 per cent in 2006-2007 to 6.90 per cent in 2009-2010 when compared to the previous years. However, the growth was to the tune of 11.91 per cent in 2007-2008 when compared to the previous years (Table-8.5). In case of Mandal Parishads, of the total income, 25.8 per cent (on average) of income from all resources was spent on Administration, 38.8 per cent (on average) was spent on Development Works, 34.1 per cent (on average) was spent on Social Welfare and a negligible per cent i.e., 1.3 (on average) was spent on Contingencies (Table - 8.9).

The total income for Zilla Parishads (own revenues and grants) has increased from of 26.43 per cent in 2006-2007 to 49.10 in 2009-2010 when compared to the previous years (Table- 8.6). The value of grants transferred to Zilla Parishads has increased from 28.40 per cent in 2006-2007 to 51.55 per cent in 2009-2010 (Table- 8.7). Of this income, 6.3 per cent (on average) was spent on Administration (Salaries of staff and contingencies), 75.1 per cent (on average) was spent on Development Works (SGRY, NREGS and other Development Works), 7.8 per cent (on average) was spent on Mandal Parishad Grants for Distribution and 10.8 per cent (on average) was spent on Secondary Education and Welfare Services (Secondary Education, Welfare of SCs and STs and other social services) (Table - 8.10).
Two State Finance Commissions were appointed and they recommended measures to devolve funds to the Panchayati Raj Institutions. But the state government has not paid any attention to implement the recommendations of the commissions. The Third State Finance Commission submitted its report in 2008, but until now the State Government of Andhra Pradesh not taken any action. So, except the grants from Central Government; the PRIs did not receive any grant as prescribed by the Andhra Pradesh Panchayati Raj Act, 1994 since 2008. During the pre and post 73rd Amendment Act more or less there has been no marked difference in the status and working of PRIs in the Andhra Pradesh. Though the state government conducted elections regularly to these bodies till 2007, on the pretext of non-finalization of voter roles, it did not conduct elections, which were due in March 2012.
Suggestions:

From the analysis of the present study, the following suggestions are made in order to strengthen the process of democratic decentralization in the state of Andhra Pradesh.

Majority of the representatives are ignorance of 73rd Amendment Act, The present Training system and facilities for more than one lakh elected members is totally inadequate. Therefore the State Government must immediately allocate adequate resources for conducting training programmes for the elected representatives of the PRIs.

The state government conducted elections regularly to these bodies till 2007, on the pretext of non-finalization of voter roles, it did not conduct elections, which were due in March 2012. So, the government should take suitable measures for conducting elections to the PR bodies before the completion of the term, as it is mandated by 73rd Amendment.

At present there is no provision for quorum in Gram Sabha. Immediate measures should be taken to provide quorum for Gram Sabha meetings. In the Gram Sabha meetings there must be sub-quorum for women and weaker sections.

Many of the sarpanches in the mandals said that they had lost their powers with the creation of various committees (water user associations, vidya committee, anganwadi committee). These committees work parallel to the elected representatives and weaken the Panchayat System. Therefore, it is suggested that all parallel bodies functioning in the Panchayats must cease to exist and work carried out them should be brought under the umbrella of Panchayats.

The recommendations of State Finance Commissions should be implemented as in the case of Central Finance commission. Non-implementation of the State Finance Commission’s recommendations is a grave lapse on the part of the State Government.
It is found that the Panchayati Raj Institutions are not able to collect the taxes due to them. This is the one of the reason for inadequate financial position. So it is suggested that these local institutions will have to generate their own resources to emerge as financially viable institutions.

The amount that is not released as per the recommendations of SFCs may be sanctioned to Panchayati Raj Institutions. As the third SFC of Andhra Pradesh recommended, the Finance Commission grants should not be diverted for other purposes. In some other cases, the Government has been diverted the funds allocated to PRIs under Centre and State Government Schemes, therefore it is suggested to funds given directly to the Panchayats to prevent the diversion of funds.

For demarcating powers between different tiers of PRIs in Andhra Pradesh, there is a need to give clear-cut powers to the Panchayats in order to enable them to impose taxes and fees at their level besides restructuring the administrative set-up of the Panchayati Raj System and proper maintenance of the common property resources.

At present PRIs have suffering with inadequate Staff and a separate Panchayati Raj cadre has not been created. Therefore, it is suggested that a separate panchayat cadre must be created to work under the democratically elected Panchayats.

Further, the provision to provide honorarium to Sarpanch should also be made so that he may not get involved in manipulation of funds.

Lastly, the powers and functions assigned to PR institutions under the 73rd Constitutional Amendment Act must be devolved to them in letter and spirit of the 73rd Amendment Act. There are three pre requisites to strengthen these institutions, viz., positive and healthy social environment, political will of state and administrative readiness to share powers and purse.