CHAPTER V
PANCHAYATI RAJ AND MUNICIPAL CORPORATION ACTS

As is the fact that small committees have better co­ordination, higher efficiency and proper distribution of work. Further the small number of workers in a particular organisation, helps to increase their remuneration, enhancing the relations between officers and staff. The scheme of Rahbari-i-Taleem in Jammu and Kashmir, acts as an example of decentralization scheme. Moreover, the internal small problems can be tackled within the locality unit for implementing a plan. Hence, special project organisations have been established like DPAP, SFDA, ITDP and CAD for executing such plans. However, experiments have lack of planning skill in the implementation machinery. These organisations exist for the funding purposes mainly and often find it hard to get their work done through the regular line departments who do not like to submit themselves to the discipline of project organisation, resulting in the benefit of such projects/schemes to non-deserving persons.

Land being the basic productive asset in the rural areas, continues to be under an influential minority of the landed elite. Small scale farmers have inaccessibility to the governmental favours, due to the lack of access to the organized marketing where they get a reasonable price for their product.

All India Panchayat Parishad (AIPP) thus acts as a watch­dog of the interests of the Panchayati Raj Institutions (PRI’s). Various package plans are being undertaken as, Intensive Agriculture District Programme (IADP), Co-operatives, Intensive
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Maneuvering Scheme, Special Purpose Organisations (SPOs), Small Farmers Development Agencies (SFDA). The problem of leakages, in the sense of spill-over of benefits from target groups to non-target groups has thus, come down.

Panchayti Raj Bodies

Panchayati Raj is an all-India phenomenon, having constitutional unity with socio-economic and cultural differences in the lower levels of society. It relates the central values of society to the remotest geographical units as Haryana, U.P., Punjab, Rajasthan and Jammu and Kashmir. However, since the inception of Panchayats throughout India it has not been changed on a large scale, although amendments regarding Panchayati Raj Acts were done from time to time, but their implementation on the practical grounds became a mere story. Thus, it needed highly activated programmes. Objectives could be achieved by using various innovative techniques like TQM, MBO. Further, the feedback should be made the criteria for observing the operationalisation of these amendments and objectives.

World Bank Sector Policy on ‘Rural Development’ (1975) stressed on local bodies of governance as, “Local control provides the flexibility for the proper integration and timing of activities and for the modification of programmes in response to changing conditions. Community Development, which is essential to a sustained development process, is generally facilitated by local rather than centralized control. One particular advantage is that the problems of the community, as perceived by it’s residents and those imputed by local officials, tend to be more easily reconciled.”¹
Local-Self government was introduced by Britishers to suppress the local upsurgings of the Indian people. As a result of which, enactments were introduced as:

- Bengal Local Self-government Act, 1885.
- Village Self-government Act, 1919.
- Bengal Municipal Act, 1884.

In the later periods of Indian constitution (independent), changes were made in the Directive Principles and included in the constitution of 1949, Art.40 as: ‘The state shall take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government’.

The ideas so evolved, culminated in the passing of constitutional 73rd and 74th Amendments Acts, in 1992, which inserted parts IX and IX-A in the constitution, while part – IX relates to panchayats containing Articles 243 to 243 – O, Part-IX-A relates to the Municipalities, containing Articles 243P to 243Z. The provisions in Part IX and IX-A are more or less analogues.

Further, the introduction of community development programmes led to the establishment of Panchayati Raj Institutions (PRIs) in 1957. Also the rural development in India has a vast size and diversity in order to make administration effective and responsive and to improve the standard of living in the rural areas. The mobilization resources is an important factor to enhance development in rural areas. Uma lela has suggested three main developmental efforts for resource mobilization in the African
context which can be implemented in the Indian context also. These efforts are categorized as:

- Mobilization and allocation of resources so as to reach desirable balance over time between the welfare and productive services available to the subsistence rural sector;
- Mass participation to make sure that resources are allocated to the target groups and that the productive and social services actually reach the group; and
- Making the development process self-sustaining in terms of development of appropriate skills and implementing capacity and of institutions at different levels to ensure effective use of existing resources and foster mobilization of additional financial and human resources.

The Panchayats can thus be given some responsibilities to be fulfilled in order to operationalise schemes and projects at lower levels. Hence 11th schedule distributes powers, authority and responsibility between the state legislatures and the panchayats in the order the 7th schedule does with union and state legislature.

**Panchayati Raj Committees and Schemes**

India, being mainly a rural country, as per census of 1971, 79.8% live in rural areas which increased in figures as 1991 census showed 80% live in rural dominated areas. Panchayats thus truly form the backbone of Indian democracy. Panchayats were established in 1959 under Balwant Rai Mehta Study Team starting from Rajasthan, thus making it the first state to implement the Panchayati Raj System.

Several committees were appointed by state and central governments like Balwant Rai Mehta Study Team (BRMST) and
almost two dozen and odd study teams in order to fit them into over-arching (village-to-district) structure of Panchayat Raj, which was institutionaised in the wake of proposals by BRMST. Hence, need arises to see how far these projects have been deployed for useful purposes.

Similar, committee known as Ashok Menon Committee gave it’s report in 1977 by giving 100 recommendations. These aimed at lending the executive support to the executive, action at field level, innovative suggestions to reform techniques of administration could be setup from the field administration itself. Hence main aim of this committee was Panchayat’s struggle against feudal and capitalist modes of appression and exploitation.

Similar other committees were setup as, Dantwala working group report on Block Level Planning, which recommended for the upliftment of rural areas. Hence, the system of Panchayati Raj Institution was setup in the Indian Federal System.

In 1964, Santhanam Committee recommended on the participation of political parties in Panchayati Raj election. Another committee under D.S. Bhuria, as chairman was setup to extend 73rd Constitution/Amendment to Scheduled Areas (resulting in Panchayati Raj Bill, 1996).

In the initial stages of Panchayat Raj Institutions (PRI), there was a shift from this aspect of community development to target groups. Programmes and projects were established to define rural development in developing infrastructure, civic development, unemployment, social services, etc. Then the structure of PRI was setup with three-tier body in the Indian federal system.
Panchayats and Municipalities are three-tier system having the constitutional sanctions to these building blocks with the operationalisation at the grass-root levels. The three-tiers of panchayats and Municipalities can be categorized as shown in Fig.4.

**Implications of Panchayats/Municipalities as the third Tier of Governance on India's Federal Structure.**

Thus, distinction between PRI's from other local bodies is being depicted. This enables the involvement of all governmental functions at lower levels of villages also, enabling all classes of society to participate in the working of the government.
Neutralization of the PRI's is to be highly maintained in Panchayati Raj Elections so that politics could not mix-up with village administration. These bodies also fulfill the main aim of democratic governance to serve the people, as it brings awareness among the government servants that their accountability to the public is among the basic pillars of democracy. Hence decentralized government brings in it accountability and responsiveness at all levels of society.

Thus, democratic decentralization paves the way for making effective the administrative plans and projects in such a way that implementation at grass-root levels is taken by PRIs. New techniques in various fields should be made accessible to the remotest areas for utilizing these technologies by all levels of government and enhance development in all levels.

It was thus given importance along with decentralization throughout the history. The 1st plan incorporated the village panchayat and district development council. In 2nd plan, Panchayati Raj Institution was introduced in 1957. The 3rd plan stressed on decentralized planning and 4th plan initiated various schemes for development of agricultural agencies. In 5th plan, Ashok Mehta Committee was setup in 1977. In 6th, 7th and 8th plans district level planning was given importance. In 9th plan, 73rd and 74th Constitutional Amendments have been given a boost. Thus, throughout the Indian constitution, Panchayats and Decentralization was given the importance. Many schemes were established for rural upliftment. However, their implementation or authenticity could be setup by the Panchayats under the village Panchayat or Gram Sabahs.
Some schemes undertaken were as:

- **National Social Assistance Programme (NSAP)**; a social service scheme which came into effect on August, 15\(^{th}\) 1995. In 2001-02, NSAP was estimated at the cost of Rs. 635 crore. It assisted many other schemes like National Old Age Pension Scheme (NOAPS) to assist the old age persons. National Family Benefit Scheme (NFBS), and National Maternity Benefit Scheme (NMBS).

- **Pradhan Mantri Rozgar Yojna**; launched on 2\(^{nd}\) October 1993 for the permanent residents of rural areas for at least three years. Desert Development Programme (DDP) and Drought Prone Areas Programme (DPAP). These two schemes undertake the hot and cold zones of the country. These schemes have been introduced in the states of Jammu and Kashmir and in Himachal Pradesh, as cold zones of the country.

- **Integrated Rural Development Project (IRDP)**; was conceived on March 1976, while initiated in 1978-79 with effect from 2\(^{nd}\) October 1980. It came into existence to undertake the work of smaller schemes like SFDA, MFAL, DPAP as their working was hindering the progress of the funds given by the centre.

- **Training of Rural Youth for Self Employment (TRYSEM)**; was launched by the central government on 15\(^{th}\) August, 1979 to give training to youth for raising employmental schemes for their own benefit.

- **Jawahar Rozgar Yojna (JRY)**; was implemented through village panchayats. In April 1989, the ongoing National Rural Employment Project (NREP) and Rural Landless Employment Guarantee Project (RLEGP) merged into a
single rural employment project/programme as JRY i.e. Jawahar Rozgar Yojna. Since 1993-94, the JRY was being implemented under as Million Wells Scheme (MWS) and Indira Awas Yojna (IAY); allocation of funds and work to 120 identified backward districts and other innovative projects.

Swarnjayanti Gram Swarozgar Yojna (SGSY); took its effect from April 1999 by merging IRDP and allied programmes such as TRYSEM, DWCRA, SITRA, MWS and GKY. This aims at covering all aspects of self-employment namely organisation of rural poor, training, participatory approach to planning of self-employment ventures and provision of infra-structure facilities, technology, credit and marketing arrangements. However, the schemes is yet to be grounded firmly.

Basic Minimum Service (BMS); has been introduced as a centrally sponsored scheme for States/UTs. In 1996, conference of Chief Minister's reviewed the availability of BMS to the people and introduced in 1996-97 the separate budget head for BMS. Since then, each year. Central Assistance (CA) has been provided for BMS in the central budget.

Pradhan Mantri Gramodaya Yojna (PMGY); has been established in 2000-01 to achieve objectives of sustainable development (human) at lower level. It has been initially provided Rs. 5000 Crore under the Planning Commission's co-ordination and the assistance of the centre.

Mid-day Meal Scheme, Insurance Scheme, Small Farmers Development Agencies (SFDA), Community Development Project (CDP) and Integrated Rural Development Project (IRDP) are some of the schemes which are being finally
selected to benefit the affected and deserving classes of society through village Panchayats or Gram Sabahas. But due to lack in proper implementation such schemes appear to have flaws.

Many such schemes have been launched for rural upliftment. But these schemes can be implemented only when there is decentralization of power in the local level of administration. This can be done by bringing Panchayati Raj bodies into enforcement. The amendments from time-to-time are affected in order to make more accessibility to the grass-root level by bridging the gap between the bureaucrats and the down-trodden levels of society. The whole concept of Panchayati Raj system evolved on the Gandhian principle of ‘Gramswaraj’. The village level of society was given importance according to the Ancient Indian concept of five-tier system of Panchayati Raj body depicted in the form of pyramid where the lower broad level constituted the community of villages with the increase towards the top.
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Reform Initiatives

Amendments were made like the 73rd Amendment Act, 1992 enforced on 24th April 1993. After the constitution 73rd and 74th Amendment Acts, almost all the states have enacted laws vesting various degrees of powers of self-government in the hands of panchayats. Main features of 73rd Constitutional Amendment Act, 1992 can be summarised as:

- Provision for establishment of mandatory three or two tiers of PRIs.
- Regular elections to panchayats.
- Legal status to gram sabhas.
- Reservation of seats for SC/ST and women.
- Setting-up of Independent State Finance Commissions for strengthening of finance of local bodies at all levels.
- Constitution of Independent State Election Commissions.

Panchayati Raj Act 1996, is the extension of Scheduled Areas which extends the role of Panchayats to Tribal Areas. This is framed in accordance with the recommendations of the Bhuria Committee under the chairmanship of D.S Bhuria set-up by the union government on July 1994 to suggest proposals to extend the 73rd Constitutional Amendment, to the Scheduled Areas. However, it was enforced with the conference of Ministers of Panchayati Raj of the states held on 11th July 2001 in New Delhi. The conference pointed out some conclusions, stressing on the on-time and regular elections by completing the process of devolution of power with regard to all the subjects (29) listed in the 11th schedule. The District Planning Committee till December 2001 was established.
Further, the representation of women in Panchayats and municipalities in India is $\frac{1}{3}$ of the offices of chairpersons at all levels in rural and urban bodies for them. This leads to 7,16,234 women representatives holding the elected positions in the country, except Manipur (data not available); Bihar and Jammu and Kashmir where the elections are not yet held.\(^8\) These reform committees also gave suggestions to these Acts or Amendments. In 1996 chief secretaries conference while dealing with devolution of power to panchayats, suggested:

'for better employment of elected local bodies, decentralization to the village panchayats should be given much improvements.'\(^9\)

Chief Ministers Conference 1997, also stressed on people's participation, decentralization and devolution of powers to strengthen people's participation and dedicated voluntary agencies by initiating steps by state governments.

The state of Jammu and Kashmir was among the six states to introduce legislations to establish village panchayats on a statutory basis. Further village Panchayati Raj Act was introduced in 1958 with amendments in 1973 by adding Schedules I and II. In Jammu and Kashmir, number of Panchayats in 2000-01 were 1462, and number of delimited Panchayats 2700.\(^10\)

The administrative reforms report by Department of Administrative Reforms and Public Grievances and Lal Bahadur Shastri National Academy of Administration, Massorie on May 2002 in New Delhi, has promulgated the power of panchayats as institution of self-governance through Panchayats Act, 1996, extension to the scheduled V areas. Further the constitutional status is given to local bodies through 73rd and 74th Amendment Act, which will be initially the process of elections after every
five years to the three tiers of Panchayats and Municipalities. States having population above two million have three-tiers of panchayats and municipalities.

In Jammu and Kashmir, a bill was introduced to provide constitutional status to the Halqa Panchyats, Block Development Councils and the District Planning and Development Boards. It also promotes and develops Panchayati Raj in the state as a body of level staff government to bridge the gap between people and the administration. Thus enhancing effectiveness and implementing the development programmes. It was enacted by the state of Jammu and Kashmir, as Jammu and Kashmir Panchayati Raj Bill 1988. It has given the rules and regulations for all the three levels of Panchayati Raj.

Thus, the main aim and objective of the Panchayats in the three-tier system can be summarised as:

a) Preparation of a plan for economic development and social justice.

b) Implementation of a plan for economic development and social justice.

c) To levy, collect and appropriate taxes, duties, tolls and fees.

Role of Municipal Corporations

‘Municipality’ as a term was first used in 1970 as a primary urban political unit having corporate status and usually powers of the self-government.

Urbanization is one of the facets which lead to the downfall of rural upliftment. The sudden increase in the administrative bureaucracy has led to the maladministration. To reach the people
of all sections, the major step of decentralization at all levels of society needs to be taken.

Panchayats at the village level and Municipalities in the big cities, as the state government cannot undertake both works at the state level as well as in cities. Hence lower tier units have been setup. These act as a link between the villages, cities and states.

Thus, decentralization brings the administration in friendly relations with the citizens as administrators remain client-oriented and development-oriented. Hence the officers in-charge come to the ground reality of the problem.

The municipality is the main factor responsible for the proper functioning of the state government as these bodies assist the state government to undertake certain public services. Some private agencies assist the municipality in collecting waste and transportation.

Municipality in terms of corporation can be described.

*in elemental sense as:*¹⁴ local public corporation whose main purpose is to govern the affairs of area under it’s jurisdiction.

*in corporate term as:* A body created by incorporation of people of a prescribed locality and invested with sub-ordinate power of legislation, for the purpose of assisting in the civil government of the state and of regulating and administering it’s local internal affairs.

Municipality is governed by it’s own elected council. It has to be regularly controlled, supervised and guided occasionally by the state government to act as a bridle to curb its malpractices, so that there is a balance between the administrators and the citizens.
Thus, state administration has to look up for the proper functioning of the municipal corporations.

In the Indian context, municipal administration has got a history dating back to Harrappan and Mohenjodaro era of 3rd millennium B.C. The reconstruction from archeological evidence shows the social organization with political and administrative control having cultural uniformity. The well-established Municipal government was first introduced in India in 7th century in Madras, with the establishment of a Mayor's court in the three presidency towns in Bombay, Madras and Calcutta in 1726.\(^1\) The authority to these officials by Governor-general was undertaken by the Regulatory Act of 1773.\(^2\) Later, in mid 19th century, the work of public local services was also undertaken by these local bodies.

In 1870, local self-governing bodies where strengthened through municipal bodies by Resolution of Lord Mayo.\(^3\) Thus, autonomy of provinces with regard to local bodies was established through municipal bodies and other local bodies resulting in the provincial autonomy. Hence, District Planning Committee (DPC) and Metropolitan Planning Committee (MPC) were established at institutional level and metropolitan areas, respectively. DPC, was established to make a draft of developmental schemes, prepared by Panchayats and Municipalities.\(^4\)

The number of these corporations increased with time, for example, in 1947, there were only three corporations and in 1969 it arose to 30.\(^5\)

The excavational evidences of the planned manner of cities and towns unearthed from the modern day China, India, Egypt, Asia, America, et-al show the different ways of establishing these cities but the main concept of developmental techniques is there.
In Canada, the techniques of Municipal Bond Bank (MBB) in 1956 and American Municipal Bond Banks in 1970,\textsuperscript{20} were adopted. The municipal benefits of these Bond depend on the rating and size, inversely. So, there is no need to worry about the red-tapism. But in turn it increase the marketing of municipal bonds by having bond insurance, reducing investor risk. Main aim of these municipal bodies should be well-being and protection of common citizens, through the local bodies like the educational facilities via libraries and other local services. The reference of the technical usage of information system to execute the proper functioning of government is shown in figure below. This can be utilized in our system of administration:\textsuperscript{21}

**Executive works station: Structure of a Typical executive information system**

On the similar grounds the state of Jammu and Kashmir has created municipal body in the summer capital, Srinagar as Srinagar Municipal Corporation Act, 2000. Various rules and regulations
have been described as Jammu and Kashmir government under XVII chapters, each describing various aspects of municipal corporation. Chapter I, briefs of preliminary contents about the definition regarding title, extent and commencement and other definitions regarding municipal corporation.22

Similar such functions, laws, regulations, et-al are being described in this Act, which has been provided as 74th constitutional Amendment Act to provide constitutional structure and mandate to the local bodies.23

In the state of Jammu and Kashmir, two municipalities under the Srinagar Municipality and Jammu Municipality consisted of 18 members of whom, 11 elected and 7 nominated without having any change in the constitution of the committee.24 While the Jammu Municipality, consisted of 16 members, out of whom 10 were elected members and 6 nominated.25

However, the Srinagar Municipality Corporation Act, 2000, has been incorporated in it’s fuller term, due to the lack of timely implementation process and the lack of well-arranged articles therein.

**Decentralized Planning in Jammu and Kashmir**

In the past, administrative functions were intermixed with military command. Government had the function in the political community as for tax collection, raising of armies, maintainance of law and order and to make contact with the people of the nation. The concept of ‘Prefectoral system’26 adopted by Napolean is one of the earliest forms of decentralization. In this system, the national government divides the country into areas and places, a
perfect incharge of each. As the perfect represents the whole government, specialized fields are under his supervision.

Colonialism by the Britishers is also a part of decentralization, as each colony was headed by its own system of administration, and each being linked to the Queen at the Centre.

In French usage, decentralization is a term reserved for the transfer of power from a central government to an aerially or functionally specialized authority of distinct legal personality. Democracy can be carried to the remotest villages by way of decentralization process.

Decentralization was initiated in India by Richard Southwell Bourke Mayo, in 1869 in the Finance sector to promote development of public works, railways, irrigation schemes and other developmental functions. Concepts of centralization and decentralization are not confined within boundaries, as the problem of decentralization is confronted the world all over. The formation of local self-government is the alternative to decentralization, as the former is the outcome of the latter. Delegation of power is also an alternate to administrative decentralization, in a geographical setting.

The concept of decentralization of power, as given by Mr. M. Ananthasayanam, the speaker of the Lok Sabha in his parliamentary documentary, while addressing 25th conference of presiding officers of legislative bodies in India, which opened in Hyderabad on January 21st said, ‘Decentralisation of power down to the village level was necessary to give content and meaning to democracy and to avoid any possible lapse into a dictatorial form of government’ and further added, ‘In our federal structure power has been distributed between the centre and the states. Like-wise,
power in the states must also be distributed among the districts and villages. There must be a popular government in the different units clothed with autonomous power over the particular subjects assigned to them. That is the only guarantee against any arbitrary power being exercised by any individual or group in any part of the administration.

Dynamic nature is thus the main aim of the democratic nation, hence distribution of power should be such that a link is created between centre and state so also at district and village levels. It helps in democratizing the nation at the grass-root levels also. Thus, decentralization involves the transfer of power from a national level to a sub-national or to lower levels.

Decentralization can be understood by various terminologies. In political terminology, it provides the structure for delivery of the fundamental objective of providing services to the common masses. In economic sense, financial assistance and marketing the products at lower level to the common people.

Institutional decentralization provides the framework for increasing the efficiency with proper initiatives to the performance of the services.

In Jammu and Kashmir, the process of decentralized planning was initiated in early 60's under the "Single-Line Administration" scheme in Ladakh division on the basis of experimentation due to its isolation from the rest of the state. Power was delegated to the Deputy Commissioner (Collector) with a view to have smooth functioning in the administration. Then in 1976, Badrud-din Tayabji, under Sadiq's tenure introduced this system in the whole state. But it was implemented when Shiekh
Abdullah came into power. The main objectives of the 'single-line administration' are:

1. Making planning more effective of the hopes and aspirations of the common man.

2. Ensuring speedy implementation of the development programmes.

Thus, it was based on District collector Model, that chairs the District Development Board. There was de-concentration of administration into districts with the unique feature of the annual review by the cabinet of district development plans. To make decentralization more effective on the grass-root level, state plan was broken into three tiers i.e.

- Block level
- District level
- State level

However, with the increase in the levels of decentralization, the expectations of the people rose from these boards and resulted in the thinner spread of the resources to various developmental schemes with the result of which, there is a lack of transparency in the operationalisation of these schemes. Hence, hindering the progress of other scheme initiatives. To operationalise this scheme under the government order many initiatives were taken. In a report of the Administrative Reform Commission (ARC) on centre-state relations decentralization of power should be applied to the states according to the work on the projects whether having central interference or acting as an agent of centre. However its final order was drafted by the then chief secretary, Shiekh G. Rasool, in
1993, as "Decentralised Planning System" under the government order dated 3rd September 1993.30

The results were gained from the loophole experiences during these years of "Single-line Administration" in Ladakh division. The main objectives of the system, remained the same but it stressed on decision making process. The two main objectives were:31

I. Decentralization of the authority primarily to lend speed to the developmental programmes,

II. Involvement of the people with the process of development.

District Development Board (DDB) setup was functioning under the same head. However, council of Ministers headed by the chief Minister and accompanied by the chief secretary and heads of the departments undertake the work of the DDB and review the implementation of the developments of the district. Thus, decentralized planning in the states has gone through the checks and balances of the times to emerge as a well-knit result oriented limit and responsible to the needs and aspirations of the common people. Thus, institutional model of decentralization, helps a lot in revolutionizing the administrative ‘Bureumania’, resulting from the red tapism, as devolution of power to district authorities curbs the circumlocution in the process of administration.

To bring such schemes under implementation, the state government established certain units like Project Implementation Unit (PIU), District Rural Development Agencies (DRDA), National Agricultural Banking and Rural Development (NABARD), et al to co-ordinate and supervise the work through
the staff already posted in administration, otherwise it would lead to increase in the bureaucracy thus overshadowing the main aim of such units.

In another committee recommendations, decentralization was to be applied in the central level of secretariat services, by decreasing the number of posts upto section officer.\textsuperscript{32}

Thus, decentralization in Jammu and Kashmir, has crossed all the borders of experimentation and has now evolved in state governmental order, which needs implementation on a large scale by the officials at all levels so that the main purpose to serve the public cannot be formulated on papers only. This reform is of great importance in the administrative development of the state.
References


8. op. cit., No.4, p-21.


15. Ibid, p-37.


17. Ibid, p-38.


23. Ibid.


27. Ibid, volume 3-4, p-370.


32. Ibid, p-73.