CHAPTER - III

Evolution of Panchayati Raj Institutions
Evolution of Panchayati Raj Institutions in India

This chapter mainly deals with the evolution of the Panchayati Raj Institution and have a general view on the entire organisation or machinery of Local Self Government in India. Fairly complex and elaborate administrative machinery was developed gradually to deal with manifold types of local conditions and requirements. The system of local self-government administration: means the efficiency of local bodies, with differentiated spheres, structures and functions. The few observations which were made on the system in the remote past, as some of the legislation enacted in the recent years, especially in the sphere of Panchayati Raj Institutions, were inspired by the ideas which the leaders of free India borrowed from the ideas that existed in early times.

According to Sills et al., (1968), "Local Government may loosely be defined as a public organisation authorised to decide and administer a limited range of public policies within a relatively small territory which is a subdivision of regional or national government. Local Self Government is at the bottom of the pyramid of governmental institutions, with the national government at the top and intermediate governments (states, regions, provinces) occupying the middle range. Normally, Local Government has general jurisdiction and it is not confined to the performance of one specific function or service. This simple definition obscures wide variations in Local Self Governmental systems and operational patterns, and it should be supplemented by a system of classification for both description and analysis. In the past, Local Self Governments have been classified largely in terms of their formal structures".
Sir Charles Metcalfe (1832) defined, "The village committees are little republics, having nearly everything they can want with in themselves and almost independent of any foreign relations. They seem to last where nothing else lasts. Dynasty after dynasty tumble down; revolutions succeed revolutions. Each one forms a separate little state among the union of village communities".

According to Pavgeet (1912), "The Political Institutions in India or local self-government in India and all that sort of thing in the widest sense of the term is as old as the East. It was once remarked even by Mr. Chisolm, that The East is the parent of municipalities. There is not a portion of the country from West to East, from North to South, which is not swarming with municipalities; and not only so, but like our municipalities of old, they are all bound together as in a species of network, ... the frame work of great system of representation".

The definition of local self-government asserted by Venkatarangaiya and Pattabiram, (1969), "The term is ordinarily understood as the administration of locality - a village, a town, a city or any other area smaller than the state - by a body representing the local inhabitants, possessing a fairly large amount of autonomy,..." Its revenue raised through local taxation and income on services which are regarded as local and distinct from state and central services. This concept of Local Self Government in ancient period was far more successful than it was in the days of British or even today. The foundation of Local Self Government in India is classified into two major parts:
A. The Foundation of the Classical Age of Local Self-Government explains Vedic Period and Cholas Period (B.C. 3000 to A.D. 1200).


A. The Foundation of the Classical age of Local Self Government

I. Vedic Period

During the Vedic period, there were three public bodies or assemblies, which were the real origin of Local Self Government. The apparently representative characters, of these were (a) Sacrificial and Religious Congress (Vidatha), (b) Village Council of Elders (Samiti) and finally (c) Popular Assembly of Representatives of Village Council of Elders (Sabha). The first and the last two assemblies were respectively called as "Religious Congress" and "Republican Assemblies".

Sacrificial and Religious Assemblies (Vidatha)

In the Vedic period (Aryavarta the venerable hoary past) assembly meant 'a place of conversation'. This assembly was important in the Rig Veda period. It was more mysterious and religious. In the Vedic period, Indo - Aryans or the Aryans of the Aryavarta showed more concern religion than society or politics. It gave consent to topics on religious and universal matters according to the necessity, and also gave consent to local communal concerns, general, national interests, literacy and scientific questions, or quasi-religious, social and political subjects, which were gradually introduced into that assembly of representatives.
Republican Assemblies

Samiti

Village elders formed the ‘Village Councils’ or ‘Samiti’ for the welfare of the village. The chief of republican assembly met in the capital and acted on matters of interest to the whole state. Village Council of Elders was generally an aristocratic body, and the smooth exercise of the sovereign’s power depended on its acquiescence. The Samiti mainly concentrated on rural development and social matters. It was the duty of the sovereign of the nation, to guide and make important decisions.

Sabha

This assembly functioned for general or national interest, which concerned the welfare of the country at large. It was reserved for consideration of the representatives chosen from amongst the elders of village council. The sabha was perhaps a group of distinguished persons called together to advise the Samiti and the sovereign. It had been appeared a much more exclusive body than the samiti, composed of men of high birth and competence. This assembly was functioning under the guidance of Purohita, and a semi-religious atmosphere seems to have prevailed at its meetings.

II. Local Self-Government in Chola Period

The system of village government was in full swing under the Chola than in the earlier age. In the Chola period, the life and functioning of rural institutions, the ultimate cells that sustained national existence, were clearly little affected by dynastic wars and the shifting of political power at the top. In this time, village
assemblies were very popular, and had large level of pure autonomy. Emperor Parantaka I promulgated some of the rules. In view of making his administration more efficient, and with a real desire to allow his own people to have a share in the government, he gradually initiated them in the arduous responsibilities and cares thereof, as they were enormous, not to say multifarious, ceaseless, and exhausting

The famous inscriptions in the Vaikuntha Perumal Temple at Uttaramerur, assigned to the 10th century A.D. throws sufficient light on the system of rural administration in ancient times. In the Chola period, village assemblies were of two types distinguished by the names 'Uru' and 'Sabha'. The other kind of local assemblies were the 'Nagaram' confined to mercantile towns, and 'Natu'.

Uru

The 'Uru' was the simplest type of these assemblies. This word means 'Village or town'; it is also employed in the sense of the assembly of the Uru. The Uru functioned in several places alongside of the sabha acting by itself or jointly with the sabha according as the business on hand required.

Sabha

In the period, sabha was a more complex machinery of local administration. It was also generally found in Brahmedya villages (that is Brahman villages), which was almost entirely constituted by Brahmins. The famous Uttaramerur inscriptions were written in the time of Parantaka I. This inscription was frequently mentioning the village assembly of sabha. These inscriptions talked about the various committees instituted by the general assembly of the village to govern the manifold interests of communal life, and the qualifications laid down for the membership of such committees.
Sabha seemed to have been the governing body of a single village or the smallest group of villages. It largely functioned through its committee called the 'variyams'. The members of the executive committees of the sabhas were generally called 'variyapperumakkal'. The names of the various committees are thus given; (I) Annual Committee, (II) Garden Committee, (III) Tank Committee, (IV) Gold Committee, and (V) Pancavara Committee.

Other Assemblies

Nagaram (Town Assembly)

Nagaram was another type of local assembly, but there is not much evidence to establish its presence as of the Ur and the Sabha. It was in all probability a primary assembly of merchants. It was a sort of sectional assembly or guild of merchants and professionals, or perhaps a municipality or town corporation. Sabha and Ur were village assemblies, and nagaram was a city municipal assembly. Some of the inscriptions speak of an assembly of the chief town of a group of villages. Its status and functions was much in common with the sabha and the Ur. It was organised as one of the local assemblies in important trade centres and was the only assembly in places where the mercantile interests overshadowed all the rest.

Nadu

Territorial assemblies represented the Nadu. It was also in existence and discharged important duties, particularly with regard to land revenue administration. Nadu like Ur generally is near a territorial division. This assembly endows charities in its own name, and takes charge of charitable endowments.
Election System

This part briefly discusses the method of selection of members for the various village assemblies and committees. In the Chola period, the election system was called as in Tamil Version, 'Kudavolai Mura'. The meeting for the annual election of these committees was convened by the committee for the supervision of justice with the help of the arbitrator. Annual election was held in the month of Tula when the official year of the village was supposed to end.

Local Finance

The Chola period was far more copious and detailed on local finance. Most of the revenue no doubt went to the central government. The assembly acted as mere agents of the royal revenue in collecting it, or tapping its sources. Due to the sovereign the assembly had independent sources of revenue apart from the regular income. It imposed a special tax for the maintenance of tank upon the lands irrigated by tank committee of the assembly. The sources of village revenue, whether earmarked for the central government, or local, were variously described in different inscriptions. The charges on land were of two kinds. They were dues of money (Kadamai) and dues of labour (kudimai). The list of immunities or exemptions (parihara) sanctioned in favour of lands consecrated to public or holy purposes indirectly indicating the possible sources of local taxation.

B. The Foundation of the Modern Local Self-Government

Introduction

This part is mainly to explain and bring together the chief facts about the modern Local Self-Government in India. At the end of the eighteenth century, British administration was established in India. Modern Local Self Government
system, which was an important historic step, had been taken in the same period. With the advent of this government the self-contained village communities and their panchayats ceased to be self-sufficient. During this period, formally constituted institutions of the administration replaced them.

Its first and important aim in rural area was to break the sovereignty of village system along with its traditional characteristics of self-sufficiency, village Self Government and the entire agrarian structure.

Malaviya, (1956) remarked that, “It was most desirable, alike in the interests of decentralisation and in order to associate the people with the local tasks of administration, that an attempt should be made to constitute and develop village panchayats for the administration of local village affairs ... and these village republics had been the ruination of India, the author surprised that those who condemn, provincialism and communalism should come forward as champions of the village”.

Panchanadikar, and Panchanadikar, (1978) stated, “By contrast, the Local Self Government was intended to handle all the civic needs of smaller and compact territorial units facilitating direct communication between residents and their representatives and also the local bureaucracy. They also told that the modern Local Self Government in this sense was similar to the ancient direct democratic governce as in Greece”. Lockward classified Local Self-Government into five categories; they are “Federal-Decentralised, Unitary-Decentralised, Napoleonic-Perfect, Communist and Post-Colonial. The British Local Self-Government, which was the Unitary Decentralised type, was also prevalent in Scandinavian Countries. The British administration with its Roman system of justice replacing the traditional powers of the panchayats in the more serious judicial cases, and its system in tax
athering and administration, made such a violent impact that the corporate life of the villages were weakened and in most cases died. Rather it was the result of those who say the advantages of a centralized, uniform system and applied it without regard to this effect upon indigenous social structures in this vast area. The administrator, as always succumbed to the attraction for creating homogeneous units.

I. Pre-independence Period

Nageshwar Prasad (1984) explained the British Local Finance in India that "...the policy of British was to introduce absolute private ownership in land in the first phase of their rule. In pursuit of this policy, the British embarked upon the course which ultimately had broken the village system, thus after a series of experiments in land revenue settlement on temporary and short term basis, a system was evolved during the time of Lord Cornwallis, whereby, land was settled with the Zamindars who were originally agents of the government. These Zamindars were declared as full proprietors of the areas over which their revenue collection extended". This system covered most of the East states of India (Bengal, Bihar, Orissa, Benares, and some parts of Madras. But it was discovered later that the policy of permanent settlement did not swell the British coffers as described. The result that was given up in favour of the Ryotwari and Mahalwari system, implicated in Ryotwari settlement that the state owns the land and the farmer derives his legal title to it from the state. This system principally covered Bombay and Madras as rest. The Mahal and co-sharer of standing were generally selected to undertake the primary responsibility of paying the land revenue. This system extended up to Agra and Oudh and covered central provinces.
Lord Mayo's Resolution

In 1870, Lord Mayo introduced this resolution. Its aim was financial decentralisation for local self-government.

Ripon Reform

Lord Ripon resolution council set dated on 30th September 1881. This Local Self Government reform in India was published on 18th may 1882. Lord Ripon is rightly regarded as the father of modern Local Self Government in India. The resolution aimed at introducing far-reaching municipal reforms and made self-government something real. According to Panikar (1936), "his (Lord Ripon’s) reform of Local Self Government laid the basis of local municipal self government, which soon took firm root in India and became the ground work of democratic institutions in higher spheres".

Lord Ripon resolution (1882) said that, "Local Self government would be hopeless to expect any real development of Self-Government, if the local bodies were subjected to check and interfere in matters of detail. And the respective powers of the government and the various local bodies should be clearly and distinctly defined by the statute, so that there might be as little risk of friction and misunderstanding as possible".

Ripon resolution embodied the ideas and also answered all the objections that were raised by the bureaucracy of those days against any extension of the powers of local bodies and giving them democratic character. It was a comprehensive resolution and dealt with administrative areas, the constitutions of
local bodies, their functions, finances and powers. It was laid down that local bodies be entrusted with adequate financial resources and frame their budget.

It was thus the most important landmark in the evolution of Local Self Government in modern India. It created remarkable changes in Local Self Government in India.

Recommendations of the Royal Commission

In the beginning of the twentieth century the British government recommended a commission to India that was called 'Royal Commission on Decentralisation' in year 1909. Venkatarangaiya and Pattabiram, (1969) discussed in their book Local Self-Government in India Select Readings about the Royal commission "...It was the Royal commission on Decentralisation (1909) that first put forward a powerful plea for the resuscitation of the village. The Royal commission also recommended the devolution of more powers on Taluk or Sub-districts Boards. There was then a controversy whether there was need for District Boards when local bodies were set up in villages and Taluks, but the commission recommended their retention. It also suggested a few administrative changes with a view to conferring more powers on municipal bodies. On the whole, however, its outlook was conservative and even the few changes it recommended were not given effect to as the Government of India took a long time (1915) to express its views on the commission's recommendations”.

This commission was desired to constitute and develop village panchayats for the administration of certain local affairs within the villages. This commission suggested that this system must, however, be gradually and cautiously worked. The headman of the village, where one was recognised, should be ex-officio chairman of
panchayat; other members should be obtained by a system of informal election by the villagers. The panchayat should be a small body of about five members, and only in exceptional circumstances different villages can be brought under the same panchayat. The functions of panchayats must be largely determined by local circumstances and experience.

Montagu - Chelmsford Report

This report contained a section which recommended the liberalisation of Local Self Government in accordance with a number of general principles it enunciated. This report based its recommendation mainly on the proposals made by the Royal Commission of 1909 and the lines of advance indicated by the resolution adopted by Lord Hardinge’s government in 1915. This report was issued in July 1918 and was followed by the Government of India act of 1919. This commission introduced the Dyarachy system in the provinces with transferred subjects under popular control, including education and the Local Self Government. These subjects were to be managed by elected ministers who were responsible to the legislature. Elected ministers took up their assignments by late 1920 or early 1921.

This report proposed to Government of India, its direct attention to the development of the panchayat system in villages. The commission recognised that the prospect of successfully developing panchayats depended very largely on local conditions, and that the functions and powers to be allotted to them must vary accordingly; but where the system proved a success it was contemplated that they might be endowed with civil and criminal jurisdiction in petty cases, some administrative powers as regards to sanitation and education, and permissive powers of imposing a local rate.
The report replaced local bodies with electoral colleges for election to legislatures, and introduced direct general election on an enlarged franchise. The other significant effect was the emergence of communal, religious and caste interests in opposition to the erstwhile liberal elite politics. The report extended the power of the rural boards to levy taxes. It endorsed the policy laid down by the Royal Commission that the boards should have free hand in regard to their budgets, subject to the maintenance of a minimum standing balance, with the necessary reservations in the case of indebtedness or against gross default.

The major changes in Local Self Government were made during the British period in India (major changes like election system, administration system (three tier system), and local finance are applicable even today). This local self-government concluded that when all real power is taken away form old institutions, forms or authority will not keep them alive. Among the many changes which India has witnessed with the advent of British rule the saddest change is the virtual extinction of the old forms of self-government and the disappearance of those ancient village committee of which India was the first home among all the countries of the earth.

II. Post-independence Period
(a) Balwantry Metha Committee

Balwantry Metha study team was appointed in January 1957 to study and report on Community Development projects and National Extension Service. Late Mr. Balwantry Metha established this committee. This committee was mainly set up for securing the maximum possible economy and avoiding wastage owing to delays and inefficiency. According to Ventarangiya, and Pattabhiram (1969), "The changes in the structure of rural local government and in the functions made over to rural
local bodies in the year 1958 were based on the main recommendations of the Balwantry Metha committee on plan projects”.

According to Henry Maddick (1970), “The team’s report is an outstanding document and a model of the way in which such an enquiry should be carried out...For community development this report was most valuable study and for the growth of democratic institutions in the country. Here the committees are mainly concerned with part of the report which deals with the problem of reorganising the existing administration from the district to the village, so that democratic bodies would take over the bulk of the general administration and development functions”.

This committee clearly explained about the ‘Community Development’. The term ‘Community Development’ was of recent origin. The word ‘Community’ had, for the past many decades, denoted religious or caste group or, in some instances, economic groups not necessarily living in one locality, but with the inauguration of the Community Development Programme in this country, it was intended to apply in to the concept of the village community as a whole, cutting across caste, religious and economic differences. It was a programme which emphasises that the interest in the development of the locality was necessarily and unavoidably common to all people living there ... this method is to process the development of area through people’s own democratic and co-operative organisations, the government helping only with technical advice, supplies and credit ...while operating through the people’s local organisation, the programme simultaneously strengthens the foundations of democracy on which our constitution stands, by making the villager understand the significance of development, and it makes him realise his position in this vast democracy progress through and strengthen each other.
Balwantry Metha committee mainly recommended to give all the aspects of rural development work charges to democratic institutions or Local Self Government in rural areas. This committee’s term of rural development work covered, agriculture and allied activities, cooperation, minor irrigation works, village industries, primary education, local communications, sanitation, health and medical relief, local amenities and similar subjects. This committee recommended Central and State governments provided the sole authority for all those development programmes through the local self-government.

This committee suggested a free and fair election to help for the local self-government throughout the country to elect the representatives and that there should be a provision for co-option of two women members, one member from the SC/ST. This committee had been asked to examine the rural development programme with special reference given to coordination between the central and the state governments.

(B) Ashok Metha Committee

In 1977, Government of India formed a committee for excellent and efficient function of Panchayati Raj Institution. Mr. Ashok Metha was appointed as the authority of this committee. It was primarily formed for following purposes:

(a) to find out the different level (Central, State, Union Territories and Local self-government) drawbacks and defects

(b) to mobilise the local resources

(c) to rectify the rural weaker section’s problems

(d) to prepare a constitution for the mandatory election of Panchayati Raj Institutions
(e) improve the rapport between Panchayati Raj Institutions personnel and the voluntary organisations

(f) decentralise the powers and responsibilities from central and state governments, and finally,

(g) these governments (central and state government) should provide the adequate financial supports for Panchayati Raj Institutions.

Ashok Committee's final draft was submitted to the Prime Minister of India on 21st August 1978. The major recommendations were suggested by this committee as follows:

(a) It recommended the two-tier Panchayati Raj system (District Panchayat and Mandal Panchayat)

(b) Decentralisation was firstly implemented through the district level for state development activities. State government monitored this developmental process. Its main function was to give the guidance to the lower level Panchayati Raj Institutions, to improve the technological skill in the rural area, and people effectively participate in Panchayati Raj Institutions and rural development activities.

(c) Clustering number of villages constituted Mandal panchayats. It covered 15,000 to 20,000 populations and it made necessary linkages between urban and rural areas.

(d) In this period, Composition of Panchayati Raj Institutions varied all over the country. But this committee suggested uniform Panchayati Raj Institutions in all over the country. It would help to focus various subjects and take immediate actions in rural developments.
(e) Central and State governments, District Panchayats, Banking institutions should essentially function to co-ordinate the welfare and techno-economic planning, estimate the local resources, provide adequate financial supports for rural people, prepare and design feasible production and employment based programmes.

(f) Rural people must understand their powers and responsibilities in Panchayati Raj Institutions. It helps for better functioning of these institutions.

(g) This committee suggested that panchayat bodies should be protect and improve the education, social justice, and economic status of weaker section in rural areas.

(h) This committee suggested the strengthening and giving equal status for all over Indian states for increasing the financial resources in rural areas i.e., some selected taxation powers should be given to the Panchayati Raj Institutions.

(i) It suggested the state government that, the budget of Panchayati Raj Institution should be mainly based on local infrastructural developmental activities. District Panchayats are monitored the Panchayat Samiti, Mandal Panchayt and Gram Panchayat gave the suggestions for better utilisation of financial resources of after the budgetary approvals.

(j) Human Resource Development was improved only through the personnel training and it was helped to improve the manpower potential and skill up gradation of financial and non-financial members in Panchayati Raj Institutions. It should play a major role in electoral bodies, rural development schemes and administrative bodies.

(k) Voluntary organisations should be motivated in the various fields like self-help activity and improve the people’s administrative skills. It helped
to identify the sensitive problems in this area and the planning process, formation and implementation of rural development schemes.

(I) This committee has favoured open participation of political parities in Panchayati Raj affairs as this may ultimately convert their mutual competition into constructive co-operation for rural development.

(C) G.V.K. Rao Committee

In 1985, Central government appointed Dr. G.V.K. Rao for the rearrangement of rural administrative set up and rural area developments. This committee reaffirmed the principle of decentralisation and devolution of powers and responsibilities for local social development to the Panchayati Raj Institutions. It recommended some important points for Panchayati Raj Institutions and rural development and they are as follows:

(a) District Panchayat or Zilla Parishad should be the unit of local social development and planning, monitoring and execution of these rural developmental plans

(b) In district level, state government should create the post of District Development Commissioner. He should invariably be superior to the Collector. He should be the authority of rural welfare and development programmes as well as Chief Executive Officer of the District Panchayats.

(c) The idea of district budget was enunciated. The underlying idea being that plan and non-plan budget for development programmes and their functionaries in the District Panchayat should form a separate head in the state budget. District Panchayat will have the authority to prioritise this head-wise budget for implementation of development schemes relevant to
the district. It will be also open to the authority to fix the priority of development and to modify the schemes to suit the local conditions.

(d) This committee suggested that women should form a sub-committee in the panchayats to consider and implement women and child welfare programmes including adult education.

(e) Elections of Panchayati Raj bodies should be conducted regularly and care should be taken not to substitute the staff for trivial reasons.

In 1987, these recommendations were implemented in Karnataka State. The state government appointed District Chief Secretary in every district. Development programme functionaries from the district level were placed under its control and the idea of district budget was begun. District Chief or Collector was in charge of regulatory functions.

(D) L.M. Singhvi Committee

In 1986, Singhvi Committee was made for Panchayati Raj Institution closely involved in planning and implementation of rural development programmes at lower level or village level. This committee pointed out some basic ideas and they are as follows: Panchayati Raj Institution was basic a unit of local self-government. It recommended three-tier system (Village Panchayats, Panchayat Union, and District Panchayat) for functioning of Panchayati Raj Institutions. Mandatory elections should be conducted through Election Commissioner / State Election Commissioner, to protect the state government from the controversies relating to election, suspension, suppressions, dissolution and other matters relating to the working of Panchayati Raj Institutions and its elected personnel.
Panchayati Raj Judicial Tribunal should be set up. All the controversial matters relating to the working of the Panchayati Raj Institutions should be referred to this tribunal. Another important point of the committee was evolving the correct role of the political parties in Panchayati Raj Institutions.

(D) Sixty-fourth Amendment

Late Prime Minister Rajiv Gandhi introduced this amendment in 1989. This main objective was the bill (a) to provide constitutional status to Panchayati Raj Institutions and (b) Mandatory election for these institutions. Dandavate (1985) opined about this bill: “The Central government is trying to encroach upon the powers and responsibilities of the states and skipping the states and this government is trying to jump on the villages. There should be decentralisation of powers and responsibilities from the Central government to State government and from the State government to the Villages”. Some important points of the constitutional amendment are as follows:

(a) All states will have uniform three-tier Panchayati Raj system, which are Village Panchayat, Panchayat Union and District Panchayat.

(b) Reservation of seats for the Scheduled Caste / Scheduled Tribe has made in every panchayat in proportion to their population.

(c) This amendment provided almost 30 per cent of seats to women candidate (including seats reserved for Scheduled Caste / Scheduled Tribe Women).

(d) Regular mandatory election would be held every five years under the supervision of Chief Election Commissioner. In case Panchayati Raj Institutions are dissolved earlier than their tenure (before five years period), then fresh elections are to be held within six months from the
date of dissolution. The reconstituted panchayat shall continue only for the remainder of the period of dissolved panchayat would have continued.

(e) State government provides the Panchayati Raj Institutions with such rights and authority as may be necessary to enable them to function as institutions of self-government. This act contains provisions for the devolution of powers and responsibilities upon Panchayati Raj Institutions at the appropriate level and responsibilities to function as institutions of self-government to prepare plans for economic development, social justice, and social welfare of rural population.

(f) The constitutional amendment provided that comptroller and Auditor General shall determine the system of auditing of the Panchayati Raj Institution accounts and this reports shall be submitted to the Governor of the State, who shall ensure that they are laid before the legislative assembly.

(E) Seventy-third Constitutional Amendment

In 1992, this constitutional amendment was introduced and enforced with effect from April 24, 1993. It has revolutionised and transformed, to a larger extent, the representative democracy into a participatory one. One of the greatest deficiencies of our parliamentary system is poor representation - just about 750 people representing nearly 100cr. The amendment will bring broad-based representation - 30lakhs elected members all over the country in Panchayati Raj Institutions, Municipal Corporations and Municipalities. (Gangrade, 1997).
This amendment came not as a surprise but as a deliberate plan and attempt on the part of the governing elite at the centre. The question starts here whether the basic objective is known all from the federal government to the local government including the people (Palanidurai, 1999). It reveals that Panchayati Raj Institutions are to act as a welfare government, which implies that they have to initiate, plan and execute the developmental activities and bring about social justice (Rajiv Gandhi Foundation, 1997). It has given structural stability and continuity to Panchayati Raj Institutions, as it has been assumed as an essential condition for local governance (Choudhury and Raja Kutty et.al, 1998).

Some of the salient features of this constitutional act are:

(a) The constitution of Gram Sabha combined of all adult members or eligible voters of the village. It will help to assure face to face interaction and provide the chance to give voice to those living in about half a million villages in India.

(b) This bill was also significant in the democratic process, because it provided legal status to the three-tier structure of Panchayati Raj Institutions and this structure was uniform in all over India. The lower level Panchayati Raj Institution called as ‘Village Panchayat’ (Gram Panchayat), intermediary level Panchayati Raj Institution called as ‘Block’ (Panchayat Union / Taluk), and higher level Panchayati Raj Institution called as ‘District Panchayat’ (Zilla Parishad).

(c) About 33 per cent of seats engaged for women candidates. Seats reserved for Scheduled Castes / Scheduled Tribes on the basis of the population in their villages.
(d) State government should compulsorily conduct elections for these Institutions in every five years and it is uniform for all these institutions. State government should necessarily conduct elections within six months from the period of termination.

(e) This bill provided some important powers and responsibilities to these institutions i.e., to prepare plans for economic development and social justice in respect of matters listed in XI\(^{th}\) schedule.

(f) It suggested that Central and State government should provide sufficient financial sources for the overall rural development activities and these governments should give the permission to collect some taxes through Panchayati Raj Institutions.

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