CHAPTER - I
INTRODUCTION

Rural communities have been in existence in India since time immemorial. These rural communities used to be administered by the village panchayats i.e. a local body consisting of elderly persons of the concerned village at local level. It represented a system by which the innumerable village republics of India were governed/administered. The system survived in spite of turmoil’s and changes because the village folk were fully confident of their own capabilities of sound thinking and right approach to problems. These village panchayats functioned as little republics (Maddick, 1970 cited from Gupta, 2004) mainly concerned with adjusting civil disputes besides a wide spectrum of activities covering administrative, developmental and executive. The advantages are derived from its ability to involve people in decision-making, bring in awareness and motivate people, build up development psyche, discover dormant resources and skills and endeavor to activate them. It has also the advantage of realistic appreciation of local needs and participation of people in planning (Desai, 1980).

In the analysis of the functioning of the village panchayats of pre-British period, H. Tinker (cited from Gupta, 2004) has commented, “The panchayats in the past were rarely representative of the village as a whole: they might be drawn from the members of the founding families or from the Brahmins and the superior cultivators. The menials and the landless had almost no say in its affairs, except perhaps in South India”. But the political development in the present century is inextricably linked with Gandhian leadership that brought the village into sharper focus. To Gandhi, the idea of an independent India was synonymous with the betterment of life in Indian villages. His concept of rural development was not mere economic prosperity for a few at the cost of many; it was the participation of the entire population in production as well as consumption “unto the least of all”. He was always obsessed with the concepts of ‘Gram Swarajya’ and ‘Gram Vikas’. Gandhi wrote in the Harijan: “My idea of village Swaraj is complete republic, independent of its neighbours for its own vital wants, and yet interdependent for many others in which dependence is a necessity. The government of village will be conducted by the panchayat. Here, there is a perfect democracy based upon individual freedom.”(Gandhi, 1942).
According to Mahatma Gandhi the greatest obstacle in the way of swaraj was British officer’s unwillingness to part with power and the same answer would remain valid if one substituted ‘British’, with ‘Indian’ in respect of non-empowerment and sometimes disempowerment of constitutionally mandated Panchayats which are institutions of self government (Bandyopadhyay, 2002). This is why present study is necessary. Constitution has given many powers to Panchayati Raj Institutions (PRIs) to make them institutes of self government and a big instrument for social change both at structural and functional level.

Structural and functional changes in the instruments of society are either brought about in planned or unplanned manner. With planned social change desired goals can be achieved in shorter span. Some people consider only structural change should be there and then in various forms inputs should be given to accelerate the pace and this may be achieved through proper planning. But others think that structural change automatically leads to functional change. Keeping this in mind PRIs were enacted. In other words, PRI is an attempt to bring planned social change in rural society in particular. Planned social change tries to satisfy the masses so that they do not resort to revolution. But is this a reality or myth, can be clarified only if we study various aspects of PRIs.

**HISTORY OF PANCHAYATS**

Villages have been the basic unit of administration in India since ancient times. In India, most indigenous local consultative bodies seem to have had a caste origin. With in most castes, there were panchayats meeting to hear cases and arbitrate between fellow caste members involved in disputes, and punish offenders against rules and customs. Inter caste panchayats were also formed to hear disputes between members of different castes (Gray, 1969). These Panchayats also carried out the functions related to social customs, marriage and rituals (Altekar, 1958). The importance that was attached to the village organization (panchayats) in pre-historic India is evident from Vedic and post Vedic literature. Vedic hymns frequently prayed for the prosperity of the villages. Kings like Bimbisara used to convene a meeting of village headman to discuss important questions of administrative policy (Altekar, 1958).

The village administration in ancient times was carried on under the supervision and direction of the village headman called gramani, gramika or
gramnayaka in northern India, mununda in eastern Deccan, gramukuta or pattakila in Maharashtra, gavunda in Karnataka and mahattaka in U.P. His post was hereditary. He performed functions like defence of village, watch and ward, collection of government revenue etc. He also acted as ex-officio president of village council.

Inscriptions of Chola dynasty (900-1300 A.D.) enable us to present a more detailed picture of constitution and functions of village assemblies and their executive committees in Tamil country. An inscription of King Rajaraja Chola I (A.D. 985-1013) in the Tanjore district mentions forty villages “where the villages as a body, seem to have managed their affairs” (Archeological survey of India, 1904-5). Numerous inscriptions from Karnataka show that the great men of the village used to manage schools, construct tanks, build rest houses, raise subscriptions for public purposes etc. (Altekar, 1958). The functions of the village panchayats in that period were summarized as: collection of land revenue, ownership of village waste land, resettlement of village disputes, to maintain village roads, to get wells dig, to promote cultural and intellectual progress.

During Gupta period (300-500 A.D.) the village councils were known as janapadas. The village council looked after the village defense, settled village disputes, organized works of public utility, acted as trustee for minors, collected government revenue and paid them into treasury.

The history of panchayats indicates that there are more ups and much more downs. During Pre British period panchayats received periodic jolts because in actual practice many kings failed to live up to the ideal. The tyrannical kings demolished the local institutions to achieve their selfish goals. Altekar (1958) refers to the administrative breakdown as a cause of failure. Further with the expansion of the kingdoms, the functioning of panchayats was not regulated. In later years, government imposed heavy taxes and village panchayats refused to collect it. In the ultimate, power prevailed and panchayats collapsed.

During British period the village institutions in reality break up. The most important reason was a change in the structure of administration attuned to the requirements of the rulers. Under the highly centralized system of British administration, all the activities were controlled and governed by directions from the head quarters, and village assemblies not established by state had no place (Mookerji cited from Desai 1980). For the state to gain power, establish law and order, the
judicial role of panchayats in administering criminal and civil justice was usurped by district courts (Desai, 1980).

It did not however take long for the British rulers themselves to realize the utility and importance of village organization, and soon, one after the other, they began to shower fulsome praise on these organizations referring to them as “the soul of corporate life in the rural areas.” In the words of Elphinstone “these communities contain in miniature all the materials of a state within themselves and are almost sufficient to protect their members (Desai, 1980). Elphinstone laid down in Bombay Presidency in 1821: “Our principal instrument must continue to be the panchayat, and must continue to be exempt from all new forms, interference, and regulations on our part (Matthai, 1915). In the rules and regulations of panchayats in Southern Maratha (as by a Minute by Sir John Malcolm in 1829), all causes relating to the internal regulations of the particular castes were to be exclusively settled by panchayats composed of members of castes concerned (Minute on the Revenue and judicial administration of the Southern Maratha country, April 23, 1829).

The British imperial government wanted the speedy development of infrastructure from the standpoint of its commercial and administrative interests. The central British government could not bear this heavy burden. In these circumstances, raising resources by levying local taxes for local objects was considered a financially wise proposition (Venkatarangaiya cited from Desai, 1980). The need to relieve the burden on imperial finances by levying local rates and taxes prompted Lord Mayo to move a resolution culminating in Local Funds Act, 1871. It envisaged that local interests and supervision be brought to bear on the management of funds devoted to sanitation, public works and education for the masses. The government would provide only grant-in-aid. Lord Ripon’s resolution of 1882 increased the scope of revenues and functions of these bodies. In 1909, Royal commission on decentralization recommended local self-body at district level and sub district boards in each taluka and tehsil and village panchayat at village level. The government of India Act 1919 provided for the least possible outside control over the local bodies. Local self government became a provincial and transferred subject under an Indian minister In this way, origin of local self government institution, in modern sense, can be traced to the efforts made by the Britishers. However, the village panchayat system was left alone to meet its demise under the heavy burden of poverty and ignorance (Desai, 1980).
While discussing the initiatives taken by British government, Maddick (1970, cited from Gupta 2004) mentioned, ‘From 1887 to 1900 district boards and taluk boards were set up all over India, at least all over British India. They consisted mainly of nominated members and almost as many officials; and mainly their functions were roads, health and primary education.’(Gupta, 2004). In this way, Panchayats used to act as an agent of social transformation of rural society but the role was limited to providing infra-structure and justice to some extent.

The idea of Swaraj is linked with Gandhi. As described by Lionel Curtis, a village of Gandhi’s dream is not a collection of unsanitary dwellings constructed on a dunghill. He prescribed certain conditions for the ideal Indian village (Gandhi, 1936 and Tendulkar, 1951). In his words, an ideal village will be constructed so as to lend itself to perfect sanitation. It will have cottages with sufficient light and ventilation. Village lanes will be free of avoidable dust. It will have panchayat for setting disputes.

Mahatma Gandhi started his constructive programme of rural development at Champaran and Wardha in different fashion. His action plan involved the rebuilding of every aspect of human life (economical, educational, social, and political) and envisaged a society based on self-supporting and self-governing villages. According to Gandhi, the rural and urban areas have complementary relationship. They are not two sectors representing two groups or classes of people pitted against each other (Ganguli, 1973). Centralization is ruled out as it cannot be sustained without adequate force and is inconsistent with the non-violent structure of the society. Gandhi’s experiment was as radical as it was constructive. An entirely new and balanced concept of integrated rural development, encompassing economic as well as spiritual aspects, was born, and experimented upon in the country side (Padhy, 1986).

At the time of formation of Constitution, the inclusion of Panchayats was not considered. After discussions in constituent assembly a provision was included in part IV of the Constitution (in the Directive Principles of State Policy) but under Art 40 local bodies and panchayati raj as a subject was vested with the states. In the Constitution panchayati raj was not made mandatory and operational but accommodated only as a policy directive, because Ambedkar condemned these feudal, feud-stricken, localists, communalist sinks of medieval vintage where the weaker sections were the victims (Krishna Iyer, 1989).
In pursuance of the development ideology to which the country is irrecoverably committed, the Government of India initiated a bold and systematic programme of rural development known as community development project on 2\textsuperscript{nd} Oct, 1952. It was to cover whole India by the end of third 5-year plan. This programme introduced a new unit of development administration namely the block that comprises about 100 villages and was administrated by state government functionaries who were enjoined to enlist the people’s participation in its execution. Community development was defined in different ways but it was to assist each village first in having effective panchayat cooperatives and schools and then through these village institutions plan and carry out integrated, multiphase family, village, block, district plans for increasing agricultural production, improving existing village crafts and industries and organizing new ones, providing health services, educational facilities for children, adult education programmes, and programmes for village women and youth. The programme has not succeeded to the extent it was expected to succeed. It enlarged social services more rapidly than the production of rural incomes. It did not sufficiently improve the economic condition of the distressed poor, the sharecroppers and labourers (Padhy, 1986). No doubt, the community development programme has been able to initiate the process of social change in rural India but it could not auger the structure and functioning of panchayati raj as it was expected.

Still process of rural development continued with launching of special programmes of rural development like Intensive Agricultural Development Programme (IADP); Employment Guarantee Scheme, Backward Area Development Programme; Drought Prone Area Programme (DPAP), Tribal Area Development Programme (TADP), Hill Area Development Agency, District Rural Development Agency (DRDA), Minimum Needs Programme, Antyodaya Programme, Integrated Rural Development Programme (IRDP), Training Of Rural Youth For Self Employment (TRYSEM), Rural Landless Employment Guarantee Programme (RLEGP) etc. in these Rural Development Programmes offer low wages and are grant based rather than self-financed. Integrated Rural Development Programme incorporates rural construction, target sector, community development, between area development and growth center approaches and transcends them all. It is a multidisciplinary programme, which makes in depth survey of areas and draws up a time bound schedule.
Later on in 1953, another programme the National Extension Service Programme (NES) was put into operation for the upliftment of rural masses through employment etc. But these programmes could not enthuse masses as these became government programmes with less degree of people’s participation instead of people’s programmes with government assistance (Dyal, 1970). The fundamental error due to which National Extension Plan failed was the failure to realize the importance of village initiative, village democracy, village economics, village government without bureaucratic incubus, beyond simple, being tools of developmental projects dictated by technological bosses and planning experts. The structural weakness of panchayats reduced them to only a structure overpowered by castes and political leaders (Krishna Iyer, 1989). From this, it seem that local needs and local participation of the people in development activities are very important and hence, the role of panchayats in development and initiating people’s participation in development process become vital to study.

It was in such circumstances that the committee on plans projects appointed a study team in 1957 for special investigation into reorganization of district administration. The committee is known as Balwant Rai Mehta Committee. This committee cognized the fatal flaw in the system and found that: Development cannot progress without responsibility and power. Community Development can be real only when the community understands its problems; realizes its responsibilities; exercise the necessary powers through its chosen representatives and maintains a constant and intelligent vigilance on local administration. It was with this objective that the team recommended an early establishment of statutory elective local bodies and devolution to them of the necessary resources, powers and authority (Krishna Iyer, 1989).

Balwant Rai Mehta Committee commended the forum of a three tier hierarchical system of rural government to be called Panchayati Raj (Rule by local councils). The three tiers are the Village panchayat (Village level), Panchayat Samiti (Intermediate level) and Zila Parishad (District level). The principal thrust of this report was towards the decentralization of democratic institutions in an effort to shift decision making centers closer to the people, encourage their participation in development and power and put the bureaucracy under local popular control. The main executive powers were given to Panchayat Samiti and role of Zila Parishad was only advisory. It should coordinate between the Panchayat Samitis within the district. Nearly all the state governments accepted the principle of transfer of authority to
various levels below the district, as outlined by Mehta team. Rajasthan and Andhra Pradesh were the first states to implement this scheme in 1959 (Grover, 1973). While inaugurating Panchayati Raj at Nagour, Rajasthan on October 2, 1959, Nehru said with understandable enthusiasm, “we are going to lay the foundation of democracy or panchayati raj in India.” The focus was still on community projects and N.E.S. and he thought that the reason for slow progress in rural areas was dependence on official machinery, which would be remedied, by panchayati raj (Janjua, 1999). Rajasthan and Andhra Pradesh were joined by other states in due course and by the end of the succeeding decade Panchayati Raj covered nearly 90 percent of the rural population. Maharashtra and Gujarat deviated from the Balwant Rai’s prescription since each adopted a three-tier structure that made the district level Zila Parishad the effective point of decentralization. In Tamil Nadu and Karnataka, the Zila Parishads do not have executive functions. Andhra Pradesh has conferred limited executive functions upon the Zila Parishad (Maheshwari, 1985).

The newly formed act did not meet the requisite democratic development. The prominent reasons were political resistance, control of rural elites on local institutions, lack of capabilities for planning and implementation of programmes, lack of accountability of elected representatives and absence of political will of leaders at grass root level (Gupta, 2004).

Dube (1958, cited from Gupta, 2004) concluded that,’ if we closely examine the circumstances leading to the inclusion of panchayati raj system in the Constitution, it is based on the concept of giving ‘Voice to people’, ‘ taking democracy to villages’, and ‘ giving powers’ to villages for their self-government. From the conceptual point of view, these were desirable, but what actually a person in a village needs is: whether he has access to basic services like education, health; whether he has access to the economic opportunities; and whether he can get justice near to his village and in time. These are the issues and concerns not duly recognized in the panchayati raj system.

The working of Panchayati Raj Institutions since 1959 has been argued as successful in a few states and a failure in most of the states. It means system has been experiencing ups and downs. Although the concept of panchayati raj is a state subject but basically each state is free to evolve it’s own system depending upon local needs, circumstances, administrative conveniences and experiences. With the result, we have a variety of PRIs with all kinds of combinations and permutations (Janjua, 1999).
Since 1957, the functioning of panchayati raj institutions was marked with various shortcomings and desired results could not be achieved. People’s participation in the activities of PRIs was limited, they did not identify themselves with these institutions, and even the panchayats did not make attempts to ensure their involvement in decision-making process. Many panchayats were superseded and elections were not held for many years. Rather the whole process of development through panchayats gave an opportunity to the rural elites to emerge as center of power, and there usually was an alliance between local representatives and government functionaries at local levels. It further discouraged the rural poor and disadvantaged groups for meaningful participation in the decision-making and implementation process. Even state government and local political elites did not make positive steps to strengthen the local institutions. Apart from this, the funding for community development projects reduced considerably by the mid-1960s. Panchayats did not get enough funds for local development. They remained financially weak without funds and there was no representation of women, Scheduled Castes & Scheduled Tribes (Gupta, 2004). To examine the issues of PRIs finance, Government of India appointed K. Santhanam Committee in 1963. Its recommendations covered a wide range of issues. The prominent were: the panchayats should have more items that can be brought under tax net, the grants from the state level should be in the nature of untied, a panchayati raj finance corporation should be set up to look into the financial resources of panchayati raj institutions at all three levels, provide loans and financial assistance to these local institutions.

The flush of great expectations faded when the momentum was lost and long procrastination of elections, frequent suppressions, flourishing political intrigues, slow decadence and disarray, with no devolution of powers coupled with financial starvation, functional ennui made these gram raj organs ceremonial ciphers, feudal pools of communal feuds and happy hunting ground of power-brokers. A review of these pathological creatures by the Ashok Mehta Committee (1977) revealed a shocking picture. They found that the performance of the PRIs has been vitiated by political factionalism rendering developmental thrusts either wrapped or diluted, corruption, inefficiency, scant regard for procedures, political interference in day to day administration, parochial loyalties, motivated acts, power concentration instead of service consciousness have seriously limited the utility of panchayati raj for the average villager. The committee however, was not prepared to view panchayati raj as
'a God that failed'. It noted some merits also like panchayati raj made average citizen more conscious of his rights than before, bridged the gulf between the bureaucratic elite and the people, generated young leadership and helped rural people cultivate a developmental psyche (Krishna Iyer, 1989).

In the light of above findings, the committee made the following recommendations to strengthen the PRIs:

1. PRIs should be empowered with powers to make their own decisions and prepare plans according to local needs.
2. The SC/ST should get representation on basis of their population in the elections.
3. To constitute mandal panchayats for keeping the balance between technological requirements and possibilities for meaningful participation by the people.
4. The block level panchayat samitis would become non-statutory committees of Zila Parishads, and the mandal panchayats would carry out the development programmes.
5. There should be a team with experts at the district level for preparation of district plans.

In a few states, efforts were made to revive them after submission of this report in 1978, and Andhra Pradesh and Karnataka tried out this system of mandal panchayats (Gupta, 2004). With all such efforts, 1970s and early 1980s were not encouraging for panchayati raj system. In view of this, G.V.K. Rao Committee (1985) was constituted to examine the existing administrative arrangements for rural development. It strongly recommended for the revival of PRIs all over the country and highlights the need to transfer powers of state to democratic bodies at the local level (Janjua, 1999). After evaluating the functioning of local bodies, the committee made the following observations:

It suggested for integrated rural development.
1. Activation and necessary support to PRIs.
2. Regular elections for local bodies.
3. Restructuring of planning and implementation machinery at district level.
4. Pivotal role of block development officer in the rural development process (Rao Committee, 1985).
L.M. Singhvi Committee followed the Rao Committee. It was constituted by the Government of India, Department of Rural Development in 1986 and made the following recommendations:

1. It considered the constitution of gram sabha for encouraging democracy at the grass-root level.
2. PRIs have to be viewed as institutions of self-government.
3. Panchayati raj bodies should be constitutionally recognized.
4. Panchayati raj should be directed to achieve community and social mobilization, transcending the barriers of caste, religion, sex and disparities of wealth and surmounting social disabilities and disadvantages (Gupta, 2004).

Accepting the recommendations of the Singhvi Committee the Central Government headed by late Rajiv Gandhi brought in the Constitution 64th Amendment bill which was passed by the Lok Sabha on the 16th August 1989. It was an initiative not only to decentralize power, but to politically enfranchise the poorer sections of society, such as the Schedule Castes, Schedule Tribes and women, who form a large part of the landless labourer and artisan populations (Alagh, 2000). This was comprehensive Bill covering all vital aspects of PRI’s. Unfortunately, this Bill could not be enacted, as it was not approved in Rajya Sabha due to lack of required majority. In the year 1990, the issue relating to strengthening to PRI’s was considered afresh and based on detailed discussions in the Cabinet committee set up for this purpose. It was considered that a Constitution Amendment Bill might be drawn up afresh. The matter was brought up before a conference of Chief Ministers held in June 1990 presided over by the then Prime Minister. The conference endorsed the proposals for the introduction of Constitution Amendment Bill and also the model guidelines with the modification that number of tiers in the Panchayati Raj structure, may be left to be decided by the state governments and the arrangements for conduct of elections for PRIs may also be left to the states themselves. The cabinet approved the Constitution Amendment Bill and model guidelines in July 1990 and it was decided that there should be a common Constitution Amendment Bill both for PRIs and Urban Local bodies. Further modifications were made in the Bill on the basis of the discussions with the leaders of various political parties. The Constitution 74th Amendment Bill introduced in the Lok Sabha on September 7, 1990 could not however, be taken up in view of the political changes. A comprehensive amendment
was introduced in the form of Constitution 72nd Bill 1991 by the then government (Janjua, 1999).

Panchayats fall within item 5 of list 2 (State list) everything to renovate, revamp and restructure panchayats is even now with in the legislative powers of the State. The Sarkaria Commission has not suggested any Constitutional amendment for strengthening local bodies. Therefore there was dire need for Constitutional amendment on Panchayats. The Bill presented in Lok Sabha in 1989 make it mandatory for all Panchayats to be reconstituted through democratic elections (Krishna Iyer, 1989).

The Panchayati Raj Institutions have not been able to acquire the status and dignity of viable and responsive people’s bodies due to a number of reasons including absence of regular elections, prolonged suppressions, insufficient representation of weaker sections like Scheduled Castes, Scheduled Tribes and women, inadequate devolution of powers and lack of financial resources. In view of the shortcomings that have been observed by various committees, it was considered that there is an imperative need to enshrine in the Constitution certain basic and essential features of PRIs to impart certainty, continuity and strength to them.

The new bill has been passed by the Lok Sabha and the Rajya Sabha on December 22 and 23, 1992, as the 73rd Constitution Amendment Act and with in a few months, the basic and essential features of panchayats were enshrined in the Constitution (Mathew, 2002). The Constitution (73rd amendment) Act of 1992 (Later on known as Central Act) is a watershed event for achieving rural development through democratic decentralization. Rural Development implies both the economic betterment of people as well as greater social transformation. In order to provide the rural people with better prospects for economic development, increased participation of people in the rural development programmes, decentralization of planning, better enforcement of land reforms and greater access to credit are envisaged. Initially main thrust for development was laid on agriculture, industry, communication, education, health and allied sectors but later on it was realized that accelerated development can be provided only if governmental efforts are adequately supplemented by direct and indirect involvement of people at the grass root level.

Keeping in view the needs and aspirations of the local people, PRIs have been involved in the programme implementation and these institutions constitute the core of decentralized development of planning and its implementation.
The 73rd Amendment Act has made reasonable substance and contents in terms of powers and authority as well as creating adequate space for women and marginalized groups in the federal set up (Pal, 2004). It has introduced a three tier system of Panchayati Raj Institutions. The lowest level is the Gram Panchayat at the village level, Block Panchayat at the intermediate (block) level and Zila Parishad at the district level. The names of the intermediate and upper levels are to be decided by the States. The different names for intermediate level are Panchayat Samiti, Taluk Panchayat etc. and for district level the different names are Zila Parishad, Zila Panchayat etc. The salient features of this act are:

**Gram Sabha:** The article 243 A envisages for the constitution of gram sabha with the objective of providing participation to the people in the decision making process. The gram sabha may exercise such powers and perform such functions at the village level as the legislature of a State may by law provide.

**Constitution of panchayats:** For having uniformity in the pattern of panchayat structure, the Article 243 B provides that there shall be constituted, in every State, panchayats at the village level, intermediate and district levels in accordance with the provisions of this part.

**Composition of panchayats:** As per the article 243 C, the legislature of a State may, by law, make provisions with respect to the composition of panchayats. The Act provides that the chair person of a panchayat at the village level shall be elected in such a manner as the legislature of a State may provide; and a panchayat at the intermediate level or district level shall be elected by, and from amongst, the elected members thereof.

**Reservation of seats for weaker sections:** Article 243 D prescribes that the seats shall be reserved for the Schedule Castes and Schedule Tribes in every panchayat and the number of seats so reserved shall bear, as nearly as may be, the same proportion to the total number of seats to be filled by direct election in that panchayat as the population of the Schedule Tribes in that panchayat area bears to the total population of that area and such seats may be allotted by rotation to different constituencies in a panchayat. Not less than one-third of the total number of seats reserved under Clause (1) shall be reserved for women belonging to the Schedule Castes or the Schedule Tribes as the case may be.

Not less than one-third (including the number of seats reserved for belonging to Schedule Castes and the Schedule Tribes) of the total number of seats to be filled
by direct election in every panchayat shall be reserved for women and such seats may be allotted by rotation to different constituencies in a panchayat. The offices of the chairpersons in the panchayat at the village level or any other shall be reserved for the Schedule Castes/ Schedule Tribes and women in such a manner as the legislature of the State may provide by the law.

**Duration of panchayats:** The Article 243E stipulates that every panchayat, unless sooner dissolved under any law for the time being in force, shall continue for five years from the date appointed for its first meeting and no longer. No amendment of any law for the time being in force shall have the effect of causing dissolution of panchayat at any level.

**Powers authority and responsibilities of panchayats:** In order to enable the panchayats to take up the task of preparation of plans for economic development and social justice; and implementation of schemes for economic development and social justice, the legislature of a State as per Article 243 G may, by law, endow the panchayats with such powers and authority as may be necessary to enable them to function as institution of self-government.

**Powers to impose taxes by and funds of the panchayats:** Enhancing the own income of panchayats have been duly recognized by the Act, and so the Article 243 H envisages that State may authorize a panchayat to levy, collect and appropriate such taxes, duties, tolls and fees in accordance with such procedures and subject to such limits. It may also make provisions for making such grants-in-aid to the panchayats from the consolidated fund of the State.

**Constitution of Finance Commission:** The article 243 I envisages the constitution of State Finance Commission (SFC) to review the financial position of panchayats and to make recommendations as to principles which should govern: (1) the distribution between the State and panchayats of the net proceeds of the taxes, duties, tolls and fees leviable by the State; (2) the determination of taxes, duties, tolls and fees which may be assigned to, or appropriated by the panchayats; and (3) the grants-in-aid to the panchayats from the consolidated fund of the State, the measures needed to improve the financial position of the panchayats.

**Constitution of Election Commission:** For ensuring the fairness of election process, as per Article 243K, State Election Commission will look after the superintendence, direction and control of the preparation of electoral rolls for, and the conduct of, all elections to the panchayats. It also envisages that the legislature of a
State may by law make provision with respect to all matters relating to, or in connection with, elections to the panchayats.

**Audit of Accounts of panchayats:** As contained in the Article 243 J, the legislature of a State may, by law, make provisions with respect to maintenance of accounts by the panchayats and the auditing of such accounts.

**Part not to apply to certain areas:** The Article 243 M stipulates that nothing in this part shall apply to the Scheduled areas and the tribal areas, the State of Nagaland, Meghalaya and Mizoram, the hill areas in the State of Manipur for which District Councils exist under any law for the time being in force.

In Punjab, the Village Panchayats were first set up formally after the passage of the Punjab Village Panchayat Act, 1912 under the Montague-Chelmsford Scheme. It was replaced by the Punjab Village Panchayat Act, 1921. It was further followed by the Punjab Village Panchayat Act, 1939. At the same time, the other rural level institution operating was the district board. There were functional links between the panchayats and district boards but these were limited to the improvement and expansion of rural works and some civic works.

After independence, a new Act, the Punjab Gram Panchayat Act, 1952 came into force. It provided for the constitution of village panchayats on a mandatory basis through universal adult franchise. In 1961, the State Government decided to reorganize its panchayati raj system on the basis of the Panchayat Samitis and Zila Parishads Act, 1961. The new three tier system, comprising Gram Panchayat at the village level, Panchayat Samiti at the block level and Zila Parishad at the district level, became operative from 1962-63. With the passing of the 73rd Constitutional Amendment Act, 1992 the State Government enacted a new Panchayat Act, the Punjab Panchayati Raj Act, 1994 on 21 April, 1994 constituting the three tier system. The three tiers of PRIs are Gram Panchayat (the first tier), Panchayat Samiti (the second tier) and Zila Parishad (the third tier) at the District Level.

The subjects/departments devolved to the panchayat bodies are:

1. Social security, women and child development
2. Scheduled Castes and backward classes
3. Water supply and sanitation
4. Rural development and panchayats
5. Health and family welfare
6. School education
7. Veterinary services

From the features of the Panchayati Raj it seems that the rural society may experience a revolutionary structural transformation. In addition, democratic values will take the rural society towards modernization and betterment of life chances. The underprivileged downtrodden sections will be empowered and social justice will be meted out to all. This study attempts to see thread barely the implementation of all provisions of PRI in letter and spirit besides the changes that rural society experiences with implementation of these.

REVIEW OF LITERATURE

A number of studies have been conducted on various aspects of Panchayati Raj Institutions and its role in rural development. The election aspect of PRIs has been taken up by Mathew (2001); National Commission (2001); Sharma (2001); Chopra (2003) and Mathew (2002). According to these studies the election of panchayat bodies are not conducted according to the Constitution. In the studies by Mathew (2001) and National Commission (2001) it has been observed that all the States are guilty in holding the elections. States have tried to delay the elections by one reason or another. Despite directions from High Court and Supreme Court elections have not been held. Sometimes State Election Commissions have to fight lone battles against the State Governments in order to fulfill the Constitutional duty to hold elections timely and as per provisions of law. Chopra (2003) observes that Panchayat elections in Bihar have been held without providing reservation for the Schedule Castes/Schedule Tribes/Women to the offices of chairpersons at all levels of panchayats. According to Sharma (2001), the State Government has done little to facilitate broader democratic goals through the Panchayat elections in the Bihar. The political parties are equally apathetic towards promoting the objective. Upper Castes dominate the panchayat elections. Lower Castes are humiliated, beaten up and not allowed to contest and cast their vote. The Government officials claim elections to be very smooth but violence has new faces; peace is somewhat illusionary. Mathew (2002) finds that it has become routine to postpone the elections under one pretext or the other. Even some States such as Kerala and Karnataka, which have earlier taken long strides towards decentralizing the powers making the panchayats the third tier of governance, are now faltering.
Regarding the institutions of self-government the studies are taken up by Mukarji (1993); Mukarji and Bandopadhyay (1993); National Commission (2001); Singh (1998); Upadhyay (2002); and Brara (2003). Mukarji (1993); Mukarji and Bandopadhyay (1993) observes that it is entirely within the competence of the State legislature to decide what powers and authority the panchayats should have in order that they function as credible institutions of self-government. How far a particular State may entrust power to these self governing institutes go is a question of policy of that State. It has been observed that most States have shown lack of political will to decentralize. Due to non-mandatory nature of Article 243G, States have chosen to keep the functional domain of panchayats unaltered. Even in the States, which have shown political will to decentralize, devolution has not gone beyond the implementation responsibility of the schemes/projects conceived by the State or Centre Government. As a result panchayats have not blossomed into institution of self-government. Instead they have become one of the implementing arms of the State Government (National Commission, 2001). Singh (1998) feels that MLAs and MPs do not want to transfer powers to PRIs. Brara (2003) finds in Manipur that PRIs are still left alone in its fight for demanding which has been already guaranteed to them by our Constitution. Upadhyay (2002) observes in Rajasthan and Himachal Pradesh various powers and functions have been legally assigned to Gram Sabha. But after many years of passing the law the powers have not been transferred to these bodies.

Regarding powers of Gram Sabha it has been found by Upadhyay (2002); National Commission (2001); Mathew (2002) and Bandopadhyay (2002) that these institutions are not granted their due status. Many States have constituted committees equivalent to Gram Sabha and these committees are given a range of functions and powers. Gram Sabha is treated as a recommendatory body it is yet to emerge as a forum where common people can participate in the process of collective decision-making.

Some studies have taken up financial aspect of PRIs. These include National Commission (2001); Oommen (2000); GOI (2000); Special correspondent (2004) and Chaudhari (1969). Regarding the collection of taxes these studies indicate that in most of the States these institutions are not only reluctant to impose taxes, but when taxes are imposed there is a tendency to put off collection (Chaudhari, 1969). It has also been studied that States are not ready to give powers to PRIs to raise their own funds. They depend on other agencies, bureaucrats, or political leaders for their finance. The
States also do not provide adequate funds. For example in Punjab, it is “to the extent its funds allow to perform”, in Himachal Pradesh and Madhya Pradesh, it is “as far as the Gram Panchayats funds at its disposal”. This presents a hazy picture about the finances of panchayats (GOI, 2000). According to Singh (1998) in some areas villagers feel that administrative officials (like BDO) are a major hurdle for use of sanctioned funds. As per the report of National Commission (2001) there is considerable lack of accountability because of inadequate provisions in law relating to audit of accounts of public bodies. Delay in audit provides opportunity for misuse of fund, tardy implementation of projects and over-all weakening of the system. It is, therefore, necessary that the provisions be made in this respect to ensure that all works related to audit (conduct of audit, submission of audit report and compliance with audit objections if any) are completed within a year of the close of a financial year. Oommen (2000) has made an exercise with regard to the financial position of Panchayats in terms of taxes to measure tax-revenue decentralization ratio, indicating percentage of local government tax revenue to total State Government tax revenue. It is found that local bodies have not been given sufficient tax assignments to raise revenue locally.

Various studies have taken up role of women in PRIs. Some say women should play active role in PRIs while others say they should play passive role. Most of the studies indicate that these women are not aware of problems of rural women, where as these have been elected to put forward problems of women in front of decision-making body. These studies are by Lieten (1988); D.N. (1989); Salgoankar (2000); Chopra (2003); Newsletter (2000); Singh (1988); Singh et al (1995) and Pai (2000). Study by Lieten (1988) in West Bengal confirms that women have not increased their visibility in the Panchayat leadership because there is low participation of women in public life. Many political leaders and candidates do not seem to be aware of the necessity to induce women into all spheres of public life as one way of eliminating gender discrimination. They also claim that women know nothing, do not have social contacts and therefore cannot do anything useful in the panchayat. D.N. (1989) claims that reservation for women and that too only in very minor political bodies touches merely the surface of the problem of women. But this surface too is determined by the basic structures. An analysis of this basic structure of women’s exploitation and oppression is essential for taking a historically progressive stand even on issues that are manifested on the surface. According to Singh et al (1995) and
Singh (1988) women have negligible role in PRIs. They only know that they have to sign register of resolution. Pai (2000) in his study of Meerut district has revealed that reservation has not brought much change in societies where participation of women in public affairs is low. The provision of reservation has not led to women participating in decision-making process in local bodies. According to Salgoankar (2000) in a study made in Goa to see whether women’s increased presence in local politics will lead to their greater power and influence in policymaking revealed that male members of the family forced most of the women into politics and they also took decisions on their behalf. According to John Holmes in Newsletter (2000) the transfer of power to one million women elected local representatives many of whom are malnourished and illiterate is the greatest social experiment of our time. These women are struggling against enormous odds to improve the lives of their families, their villages and their nation. They are the key change agents for a new future for India.

Reservation of women and the Scheduled Castes/Scheduled Tribes has also brought change in rural structure up to some extent. Lieten (1988) has found that high number of the Scheduled Castes/Scheduled Tribes and marginal farmers are benefiting from bank loans. Poor peasants/ Scheduled Castes and Scheduled Tribes have very much come to the forefront. There is new type of leadership that has come to dominate at the lower levels in the system of political devolution in West Bengal.

The study conducted by CRIDD on PRIs in Punjab 2007 submitted to the Ministry of Panchayati Raj, New Delhi( Balan et al, 2009) reveals that the funds that the panchayats has full discretion over are limited, reflecting primarily income from shamlat land. Panchayats have no choice over the type of investments they can finance out of centrally and from other Central Government comes tied, in that the funding is made available for a pre-specified statement. It also finds that the members of the Panchayat Samitis are not happy with its present status. The reasons for dissatisfaction are interference of politicians and bureaucrats, resource crunch, devolution of powers only on papers, women and the Scheduled Caste members are generally neglected, Samiti members having no powers to distribute funds, Block Development and Panchayat officers are taken into confidence while preparing planning strategies, no control over technical wing, non accountability of staff to elected members of the Samitis etc. The members of Zila Parishads are also critique about the role of machinery and political pressures in implementation process. They are facing many problems/constraints as the parallel structures like ADC, DDPO,
District Planning Boards, MLAs and MPs always try to work parallel to Zila Parishads and sometimes, they change the decisions of apex body i.e. Zila Parishad without taking this institution into confidence. Also most of the Scheduled Castes and Women members of the Zila Parishad have little knowledge about the functioning.

As Panchayati Raj Institutions have been introduced to develop rural people, what these have done so far in rural development; have also been studied by various scholars.

Khanna (1972) has attempted to deal with Panchayati Raj as a development of Community Development movement. He suggests a revolutionary change in the administrative structure of the districts in the pattern of rural development of rural local government and its institutions designed as patterns of the Centre and States in the task of national development.

Rao (1980) concludes that success of rural development through democratic decentralization largely depends upon two basic factors (a) the emergence and growth of egalitarian power structure in democratic institutions at the grass root and (b) economically viable size of these institutions. Therefore, the author concludes that larger panchayats having a population of 4000 will be economically viable to implement rural development programmes.

Sammiuddin (1982) in her study examines the growth of Community Development Programmes in their broad perspective and has highlighted their relevance to rural economy and democratic institutions of Panchayati Raj. The researcher emphasizes on proper training on rural services and has stressed the need for providing job oriented education and training in social skills to the personnel working in Community Development Programmes and PRIs.

Mishra (1986) in his book on Panchayati Raj, Bureaucracy and Rural Development, is of view that in nut shell the three primary goals of rural development are raising agricultural and rural institutionalization of equality. The author visualizes that these goals of rural development can be achieved only through the dedicated service on the part of local bureaucracy and Panchayati Raj representatives. He further adds that the targets of rural development programmes are not achieved due to the apathy on the part of local level bureaucracy and Panchayati Raj representatives. Author also finds that for accelerating the pace of development in rural areas some structural changes in, local level bureaucracy and PRIs required.
Avasthi (1990) in his paper concludes that the success of decentralized planning largely depends upon the implementation of various programmes which require people’s participation at each and every level. The local level planning has an advantage that it provides an adequate degree of participation of people in formulation and implementation process. The participation of local level people assures better implementation at all levels because they have an intimate knowledge of the local conditions.

Kashyap, (1993) observes that organizational structure for rural development is highly centralized which causes delay and red tapism in the implementation of rural development programmes, there is inadequate delegation of powers from top to bottom, which makes organizational structure non performance oriented. He further added that policy formulation for rural development takes place at national level without the proper involvement of local level needs. There is need for multi level planning. He is of the view that lack of trained and competent staff is hampering the implementation process of rural development programmes.

Kunwar at el. (2003) are of the view that without active participation of women in Panchayati Raj Institutions, rural development is not possible. Though Act of 1992 has reserved 33 per cent of seats for women, but the real participation cannot be ensured unless these women are educated and aware of the rights and duties. They have suggested various training programmes exclusively for women leaders.

Renu (2005) in her study finds that emerging leadership among the weaker sections of the society particularly the Scheduled Castes in the PRIs reflects the potential of tremendous impact on them as well as on the rural Punjab. It will go a long way in revolutionizing the rural scene and securing a rightful place for the Scheduled Castes in the rural development process at the grass root level. She further emphasizes that it will take time before the newly emerged Scheduled Castes leaders in PRIs of Punjab make their presence felt, for a change of this nature and magnitude needs time to materialize.

Desai (2005) in his study emphasizes the importance of Panchayati Raj in the implementation of multi directional programmes in rural development. He analyzes the relevant problems of functions, finances, management and the organization of programmes, initiated to improve the living conditions of the rural people. He provides relevant suggestions for the proper management and speedy rural development.
Reddy (2005) in his study, states that different countries use different approaches to achieve the target of rural development. In the Indian context he has examined the three tier system and stresses the need of people participation in policy formulation and implementation. He has also made an assessment of five year plans and women empowerment. He suggests that it is necessary to increase awareness among the women regarding available opportunities, their rights and responsibilities through education.

Khera (2006) in his study stresses that role of Panchayati Raj Institutions in the implementation of rural development programmes has been found minimal because the whole scene is dominated by officials specially district rural development agencies at the district levels. Additionally he finds out that bureaucracy exercises a great deal of control in the functioning of provision of suspension of Panchayati Raj leaders at various levels.

Jain (2007) in his study on role of Panchayati Raj Institutions in mobilizing people’s participation in rural development programmes stresses that PRIs now are a part of the Constitutional framework. It will be impossible for the State Government to take liberty with these institutions anymore and these will have to be run on the prescribed lines. He finds that Panchayati Raj bodies had a wider participation of people particularly those belonging to the Scheduled Castes and the Scheduled Tribe category and women members.

From the above studies it is seen that there are certain issues which need an elaboration. Studies reveal the domination of Upper Castes despite reservation for the Scheduled Castes and the women but what factors that lead to their dominance have not been elaborated. The devolution of the powers to the PRIs has not gone beyond the implementation of schemes/projects of State and Centre Government and as such States are reluctant to delegate powers. The impact of such action on the functioning of PRIs has not been elaborated by many scholars. Further Gram Sabha is treated just as a recommendatory body. PRIs have no power to raise their own funds. Not only this, women leadership is missing in PRIs. Participation of women in policy making and formulation is almost negligible. Red tapism and centralization of rural development programmes delay their implementation. Over the above, studies relating to PRIs in Punjab, especially after the Act is limited to certain aspects. So keeping all this in view, the present study attempts to have a holistic view of the PRIs.
taking the people and the electorates into consideration to achieve the objectives of planned rural development.

OBJECTIVES OF THE STUDY

The present study has been taken with following objectives. To study
1. the structure and organization of Panchayati Raj Institutions.
2. the role of Panchayati Raj Institutions for the economic and social development at the grass root level.
3. the effectiveness of 73rd Amendment for social upliftment of weaker sections of the society.
4. the factors having positive and negative impact on effectiveness of Panchayati Raj Institutions.
5. the power struggle within the village as a result of Panchayati Raj Institutions.

RESEARCH QUESTIONS

1. Do the electorates aware of the duties/rights/functions as specified under PRIs Act?
2. Do the women get empowered and play active role in decision making with implementation of reservation for them?
3. Do the Gram Panchayats plan for economic and social development with local resources?
4. Do the needs and aspirations of local people are taken care of while planning?
5. Is the Gram Panchayat has power to generate revenue to meet its financial requirements?
6. Are the PRIs fulfilling the intended purpose for which these has been enacted?

SIGNIFICANCE OF THE STUDY

73rd Amendment has given Constitutional recognition to the Panchayati Raj Institutions for maximizing social upliftment of the rural population. An intricate analysis is imperative to augment our understanding of the role of Panchayati Raj Institutions as a whole. It is required to find out various factors having positive impact on the development of rural society as well as factors negating the effectiveness of such institutions to fulfill its root objectives. The study is expected to highlight various factors for augmenting effectiveness of Panchayati Raj Institutions for economic and social development of rural India. It will be useful for the policy makers and planners in addition to those interested in rural development.