

STUDY TO ASSESS THE ACTUAL STATUS OF DEVOLUTION IN THE STATE OF KARNATAKA

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EXECUTIVE SUMMARY

The study tries to assess the Actual Status of Devolution in the State of Karnataka. The primary objectives of the study are as follows:

1. To assess the status of devolution in the State through analyzing the working of the selected PRIs and to highlight and assess the Panchayati Raj System in the State
2. To highlight the Acts/Rules governing Panchayats in the State along with key amendments/modifications in the State.
3. To bring out the salient features and institutional structure of decentralized planning in the State.
4. To assess the status of devolution of functions, finances and functionaries
5. To highlight the accounting, audit and budget rules in the State for Panchayats and to comment on the basis of situation in sample Panchayats
6. To highlight the functioning, performance and effectiveness of Gram Sabhas
7. To give an overall assessment of Panchayats in planning, economic development and social justice and to bring out the best and bad practices

The main methodology for the study was both quantitative qualitative in nature. State level and PRI level reporting formats were used for collecting both quantitative and qualitative data. Two Districts are selected for the case study purpose. Two Taluk Panchayats and four Gram Panchayats from each district was selected for the study. Based on the objectives of the programme, the major findings are given in the following sections:

History of Panchayat System in the State

The onset of British rule led to diversified changes and advancements of local government in the State .Since independence the Panchayats in Karnataka were

structured and made functional. The legislation of 1983 is remarkable. The Karnataka Panchayati Raj Act, 1993 came into force in conformity with the 73rd Amendment. Karnataka had a vision for decentralization which is clearly manifested in the structure and design of the Panchayat system in the State. The record of decentralization in the State even before the Constitutional amendments had been commendable.

Decentralized Planning

Karnataka has been a forerunner in the decentralized planning exercise in the country. Almost every district in the State has a fairly reliable database and has prepared district perspective plans. The State government is recognized as proactive which takes positive steps for decentralized planning which is reflected in issuing guidelines, and planning calendar for decentralized planning. There is a well designed step for decentralized planning starting from the Gram Sabha meeting to the integration of the district plan to the State plan. The introduction of 'Link Document' is another major contribution. However, the ground reality reveal that in the two districts surveyed there are institutional deficit in the functioning of the District Planning Committee (DPC) and both the DPCs have constraint to mobilize the assigned for the effective governance of the decentralized planning institutions in the State. There is a proper formula for allocation of funds for decentralized planning in the State of Karnataka. In order to assist the district planning machinery, the Ministry of Panchayati Raj has released an amount of Rs. 10 lakhs to BRGF district for transfer to Zilla Parishad as advance on account of development grant for being utilized to meet the expenses on the process of preparation of the District Plan. Both the DPCs could not mobilize the assigned resources from the Panchayati Raj Institutions and Municipalities for the effective governance of the decentralized planning in the selected districts. The hallmark of decentralization in Karnataka has been the transfer of various schemes under both plan and non plan heads and a significant proportion of the outlay is concentrated on a handful of schemes at all the Panchayat levels. Lack of clarity in basic concepts of decentralized planning is noticed in all the Panchayats from both the districts.. It is also noticed that the real

involvement of the elected representative is very limited in the decentralized planning. However, it is revealed that the structure, assigned responsibilities, technical expertise and functional domain of the Chef Planning Offices are not strong enough to provide the assigned planning role to the Zilla Panchayats.

Devolution of Functions

The table No. E-1: Indicates the Functional Assignment to Panchayats at Three Tiers.

| State | By Legislation | | | By Activity Mapping | | | Activities Devolved | | |
|--------------|-----------------------|-----------|-----------|----------------------------|-----------|-----------|----------------------------|-----------|-----------|
| | ZP | TP | GP | ZP | TP | GP | DP | ZP | GP |
| Karnataka | 26 | 27 | 25 | 29 | 29 | 29 | 19 | 7 | 10 |

It is argued that by and large, while making the division and distribution of functions from State to PRIs and between the three tiers of PRIs the principle of subsidiarity was followed. Since line departments do not have any field agencies at the villages, no department has been transferred to Gram Panchayats. There are certain functions/ activities /schemes / subjects having village orientation and that have been vested with GPs. However, due to the presence of MGNREGA and BRGF the Gram Panchayats are expected to handle multiplicity of functions which is handled by the traditional line departments and it is not handled by the Gram Panchayats earlier. The actual functions of the each tier of Panchayats are presented in detail and made a comparison between functions envisaged in the Act and the actually performed functions. It is also reported that even after the ‘rationalization of schemes’, there are problems of overlap, ambiguities and lack of clarity.

Panchayat Finances

As in the case of other domains the, State of Karnataka has been a forerunner in fiscal decentralization initiatives since in the late 80’. It is noticed that all the financial transactions are based on the, rules, orders, guidelines and procedures related to the Act.

Nearly 77 per cent of the funds had been utilized by the Zilla Panchayats in the year 2012-13. Nearly 86 per cent of the funds had been utilized by Taluk Panchayats for various purposes. Gram Panchayats has utilized nearly 76 per cent of the funds available for various developmental activities. In Karnataka, taxation power is vested only with the Gram Panchayats and according to the Section 199 of Karnataka Panchayati raj Act, 1993 the tax base is also very wide. The transfer of various schemes and a confused flow of funds determine the pattern of decentralization in Karnataka. The State Government designs the schemes and fractionalized allotments are made which hinder the flexibility of the PRIs in setting priorities. It is also observed that the contribution of own revenue to total expenditure, varies across districts in Karnataka. So far three SFCs have been constituted and they all submitted detailed reports to the government. Though the second and third SFCs have been recommended a higher share to PRIs from the State revenue, the successive governments have failed to act on these recommendations. As a result, PRIs have lost their legitimate share from State resources, both in terms of aggregate transfer to local governments or its various components.

Accounting and Audit

Panchayats in Karnataka have a well developed accounting and audit system with online support. The major portion of the accounting and audit procedures and practices are incorporated in the Karnataka Panchayat raj Act, 1993. Both the selected ZPs have accounts section which is the powerful division in the Zilla Panchayat office and is headed by the Chief Account Officer (CEO) and other technical staff including two accountants. This section acts as the finance and audit department to the Panchayati Raj system in the district. The role and involvement of the Finance, Audit and Planning Committee is negligible in both the selected Zilla Panchayats. The preparation of annual statements and budget of the ZP is fully a technical exercise without any amount of political ramifications. The same formats are also followed in the Taluk Panchayats and it is seen all the four selected Taluk Panchayats from Bidar and Dakshina Kannada districts. In addition to this as in the case of ZP, all the selected Taluk Panchayats have

action plans, annual accounts, accounts statement and link document . However, the officials are not very clear about the budget, annual plan and annual accounts of the Taluk Panchayats . The budget document is not available in the Taluk Panchayats. The case is more multifarious when we approach the Grama Panchayats. Out of the selected four GPs in the Bidar district only one GP has prepared the budget whereas all other three GPs have openly admits that the budget document has not been prepared, so far. In the case of the Gram Panchayats, for the year 2011-2012, audits of the CA (locally it is known as CA Audit) and social audit completed whereas Local Audit from the District Level (Assistant Controller, Local Audit Circle process is under progress. All the processes relating to audit is under progress in all the selected Grama Panchayats for the last financial year (2012-2013).

Panchayat Functionaries

In Karnataka as part of administrative devolution, adequate personnel are deployed in the Panchayats. But, however the devolution of functionaries is only partial and is limited to only 16 subjects in Zilla Panchayats and 10 subjects in Taluk Panchayats. It should be noted that no departmental functionaries had been transferred to the Gram Panchayats. The Gram Panchayats have the power to appoint temporary staff on *ad hoc* basis. Except Panchayat Development Officer (PDO) and Secretary, all the other staff are being appointed by Panchayat and paid from the Gram Panchayat fund. Due to the existence of dual control of bureaucracy one cannot assume that the staff is under the direct control of Panchayats. The staff are recruited and controlled by the State Government even though they are expected to function under the Panchayat. Another factor is that the major size of the personnel serving the Panchayats is on deputation from various line departments. These personnel in general owe allegiance to the heads of their parent departments rather than to the Panchayats. In this situation, the potential possibility of creating uneasy relationship between officials and elected representatives may not be ignored. However, no such area of apprehension is observed during the field work in any of the selected Panchayats. The legacy of mutual respect among the officials and elected representatives

with the political legitimacy and supremacy of the elected representatives is visible while observing the official non official relationship in the selected Panchayats.

Panchayat Administration

The working of the Panchayat Standing Committees at different levels is taken in to consideration and their relation with the respective Panchayat Committee and parallel committees is also looked into. The Standing Committees are seen quite active in the two selected Zilla Panchayats, from the BRGF and Non BRGF Districts, as evidences suggest. The Standing Committees of the Taluk Panchayats and Grama Panchayats are not functional in Bidar district whereas these committees are functional in Dakshina Kannada district. The overall observation on the working of the Standing Committees in the all selected Panchayats of the three tiers clearly shows that the institution has not yet structurally formulized and operationally functionalized. The issue of parallel bodies /committees is not a major one at the district level in the State of Karnataka. It is reported that there are total 93 committees at the district level and Deputy Commissioner (DC) was the ex –officio chairperson of all these committees. It is noticed that functioning of these committees do not cross the threshold of the Zilla Panchayats . In both the BRGF and non BRGF districts, at the Taluk Panchayat level no parallel bodies could be traced out. These committees / bodies are available at the Grama Panchayat level in both the selected districts in general.

Gram Sabhas

It is noted from the field visits that a majority of the Gram Panchayats holds regular meetings of Gram Sabha for planning, budget preparation, social audit, preparation of BPL list and beneficiary lists. The case of all the eight selected Gram Panchayats of Bidar and Dakshina Kannada districts are such examples. It could be noted that the major activities conducted in the Gram Sabhas are MGNREGA, BRGF, beneficiary selection, planning and social audit. All the Gram Panchayats had reported that they could conduct Children's (*Makkala*) Gram Sabha. The concept of ward is non-existent and there are

practical difficulties in conducting Ward Sabha and which needs collective responsibility, team spirit and social capital. The public perception about the role of Panchayats and Gram Sabha in Karnataka is quite encouraging. The above field observation reveals that Gram Sabha is basic support structure of the Gram Panchayats and it has become an operational entity in the selected Gram Panchayats, particularly in the Panchayats from the BRGF district. Increased awareness among the local people about the various development schemes available to them could be seen. The villagers are knowledgeable about the primacy of Gram Sabha and its impact on the Panchayat. The public are informed that functions relating to agricultural production, animal husbandry and rural industries and poverty alleviation programmes are the duties of the Gram Panchayats.

Overall Assessment of Panchayats

In Karnataka, the PRIs maintain a positive trend in their record maintenance and in majority cases it is very prompt. Under RTI Act, Panchayats provide information to the public. Only MGNREGA is being audited under the social audit procedure. The report is available at all the eight the Grama Panchayats and it is put under public domain, notice board of the Grama Panchayat. The consolidated report is available at the Zilla Panchayat level. During the field work, it was available in both the Zilla Panchayats. It is stated that officially the performance of the Panchayats are not assessed based on any well developed criteria at the district level. No official and formal policy has been formulated to address the problems of the poor performing Panchayats in the district. The functionaries of the Panchayats strongly argue for a system to assess the performance.

Best Practices

The State of Karnataka is renowned for the best practices and success stories in the field of Local Governance for rural development, societal transformation and local economic development. During the field work and the discussion with the officials and elected representatives we could identify a few best practices.

1. Effective Capacity Building Initiatives in the State: Experiences from Bidar District
2. Childrens Panchayats in Karnataka
3. *Nirashitara Pariyara Kendra*(Relief Centre for Shelterless People),Zilla Panchayat, Dakshina Kannada
4. Sakala of Services
5. State Panchayat Council
6. The Institution of ‘Link Document’

Bad Practices

In real sense it is difficult to document bad practices mainly because of the absence of such practices in the selected Panchayats from both the districts of Bidar and Dakshina Kannada. However, during the field work two major issues have been noticed. The Panchayat Development officers (PDOs) in the Selected Gram Panchayats feel there has to be a fundamental change in the way the Gram Panchayats function if they have to work without being harassed. They reveal that whenever fund misuse is reported, senior officials take action only against PDOs and demand that the elected representatives may also be made accountable. The Karnataka Panchayat Raj Act, 1993 has a chapter under the title Miscellaneous and few points on the above Section can be cited as a bad practice in the history of legislative frame work on local Governments and Devolution. It is against the basic spirit of the Constitution of the country in general and 73rd amendment in particular.

Issues and Lessons

Following issues may be lessons for other states

- State Panchayat Council (Details are furnished in Chapter 10 on Good Practices)
- Introduction of link document Details are furnished in Chapter 10 on Good Practices)
- Children’s Gram Sabha Details are furnished in Chapter 10 on Good Practices)

- Karnataka State Prohibition of Beggary Act 1975 and Beggary Cess in the Gram Panchayats Details are furnished in Chapter 10 on Good Practices)
- Sakkala of Services Details are furnished in Chapter 10 on Good Practices)
- Satellite based and decentralized, capacity building initiatives by the Abdul Nazir Sab State Institute Of Rural Developme (ANSSIRD), Mysore

ABOUT THE STUDY

AIM of the Study

The study tries to assess the actual status of devolution in the State of Karnataka.

Objectives of the Study

The primary objectives of the study are as follows:

8. To assess the status of devolution in the State through analyzing the working of the selected PRIs
9. To highlight and assess the Panchayati Raj System in the State
10. To highlight the Acts/Rules governing Panchayats in the State along with key amendments/modifications in the State.
11. To bring out the salient features and institutional structure of decentralized planning in the State.
12. To assess the status of devolution of functions, finances and functionaries
13. To highlight the accounting, audit and budget rules in the State for Panchayats and to comment on the basis of situation in sample Panchayats
14. To highlight the functioning, performance and effectiveness of Gram Sabhas
15. To give an overall assessment of Panchayats in planning, economic development and social justice
16. To bring out the best and bad practices

APPROACH AND METHODOLOGY

The main methodology for the study was both quantitative qualitative in nature. This was in the form of focus groups discussions (FGDs) for stakeholders and interviews with the PRI officials. The qualitative tools enabled the research team to gather in depth knowledge of the situation. State level and PRI level reporting formats were used for collecting both quantitative and qualitative data. Two Districts are selected for the case study purpose. Technical reports, information available from existing literature, and websites were referred for designing various tools for the work. Gram Panchayats, Taluk Panchayats and Zilla Panchayats offices were contacted for information and focus group discussions (FGDs) among local citizens were conducted. Discussions were held with various committees. A three member team who are well acquainted with the theory and practice of local governance has spent number of days for the assignment of data collection and interaction with the functionaries. And in some cases the team has made a second visit also. The MoPR has developed a detailed questionnaire / marking sheet for assessing the different tiers of Panchayati Raj Institutions based on certain crucial indicators .Since each tier has different sphere of functions, deployment of functionaries and flow of finance, separate questionnaire were ensured. By keeping the objective of the study in mind a few direct questions were posed to the direct stakeholders at the State level for assessing the impact of the scheme on different tiers.

TOOLS USED

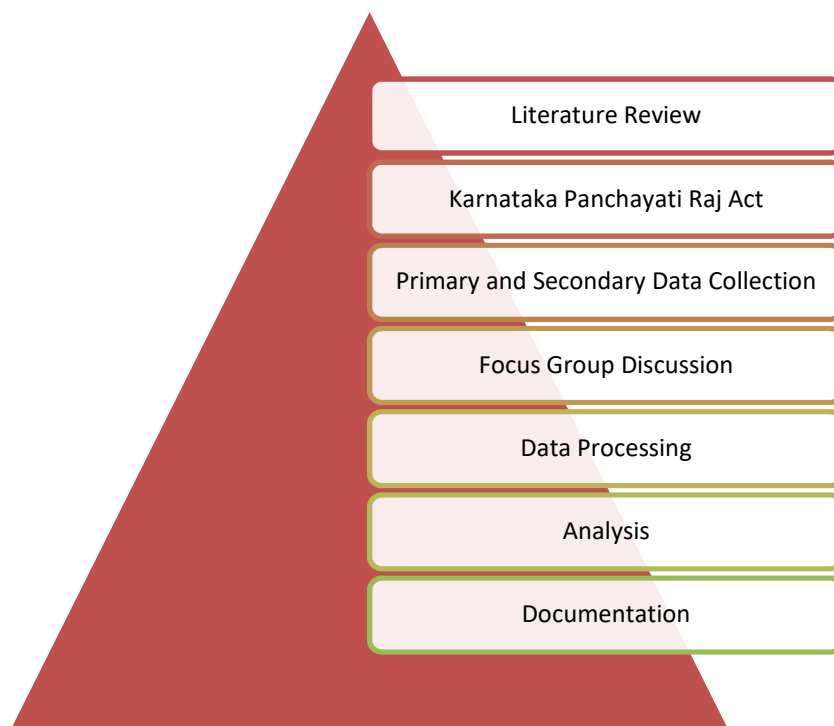
State Level Questionnaire

District Level Questionnaire

Taluk Level Questionnaire

Village Level Questionnaire

METHODOLOGY FLOWCHART

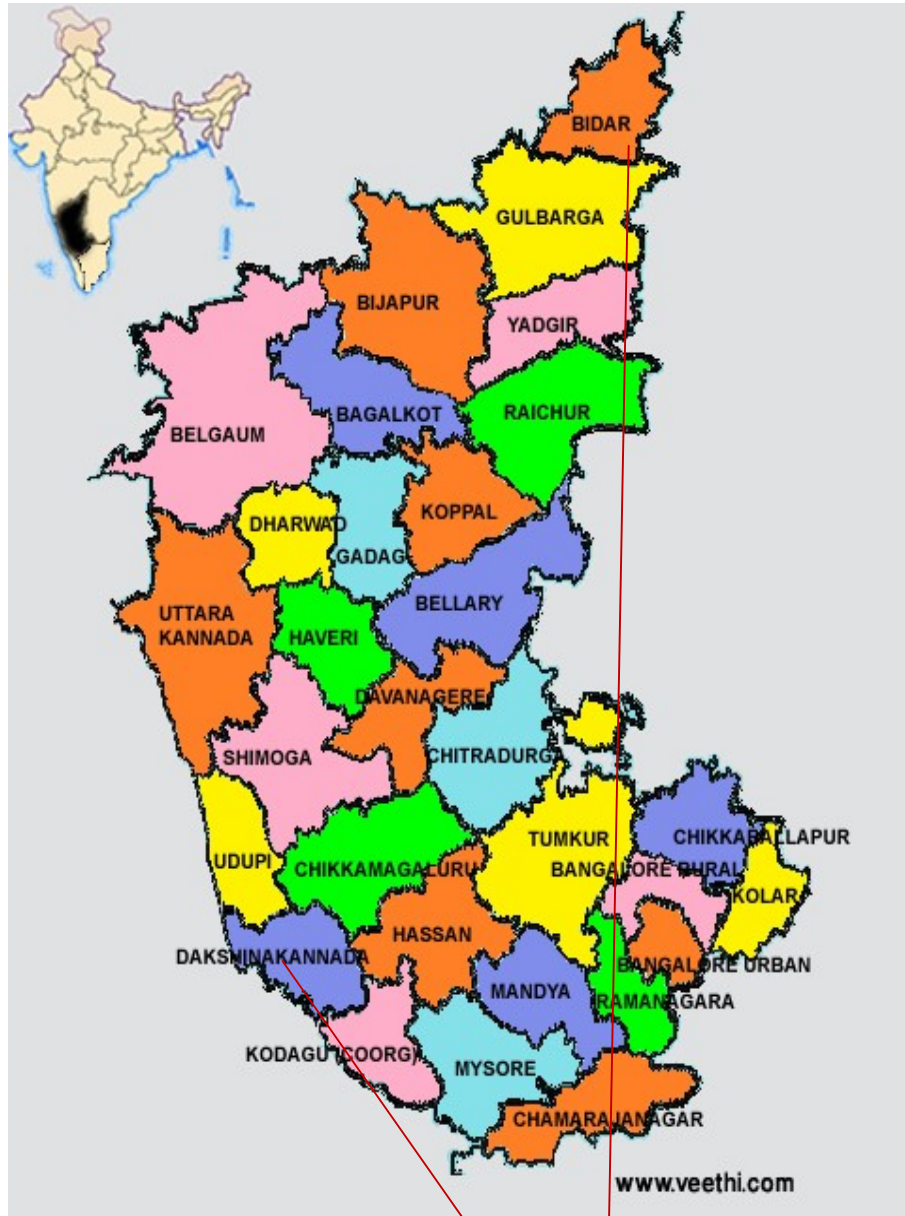


List of PRI's selected for the study .

| DISTRICT | BLOCK | GRAM PANCHAYATS |
|---------------------------|--------------------------------|--------------------|
| BIDAR ZP | BHALKI Taluk Panchayat | MORAMBI |
| | BIDAR Taluk Panchayat | WANJARAKADA |
| | | ANDOOR |
| | | YEDALAPOOR |
| DAKSHIN KANNADA ZP | PUTHUR Taluk Panchayat | BANNUR |
| | BANDWAL Taluk Panchayat | PUDU |
| | | KABAKKA |
| | | THUMBAY |

Annex 1.1 gives detailed information on these PRIs

Diagram No.1. Shows the Selected Districts of the Study



Selected Districts

CHAPTER 1:

INTRODUCTION

History of Panchayat System in the State

The State of Karnataka has assimilated a well heeled legacy of local government institutions. The bygone history of Karnataka reveals that the, rural political regime were very strong and vigorous throughout the region. The onset of British rule led to diversified changes and advancements. The local government bodies created under the Village Sanitation Act, 1863 came to power in several provinces. ‘Local Fund’ was established in 1862 by the British rulers for the administration of rural areas. Mysore Local Boards and Village Panchayats Regulation IV of 1918 came into force in 1919. Under which a new three tier local government structure with District Boards, Taluk Boards and Village Panchayats was constituted. A three-tier system of Union Panchayats, Taluk Boards and District Boards were established under Mysore Local Board Act, 1902, in the princely State of Mysore.

The Act of 1926 was in strength in most of the areas in Karnataka. The Mysore Village Panchayats and District Boards Act, 1952 was passed based on the recommendations of Venkatappa Committee. Immediately after the reorganization of the State, the old Act was replaced by the Mysore Village Panchayats and Local Boards Act, 1959, in which a new local self government structure was introduced. Thus since independence the Panchayats in Karnataka were structured and made functional. In 1985, the State brought out a path-breaking legislation for devolution of powers to the Panchayati Raj. Certain of features brought out by the 73rd constitutional amendment appeared much earlier in the State of Karnataka under the legislation of 1983 (*The Karnataka Zilla Parishads, Taluk Panchayat Samitis ,Mandal Panchayats and Nyaya Panchayat Act,1993*). The Zilla Parishad is constituted at the district level, Taluk Panchayat Samiti at taluk level, Mandal Panchayat at a level below the taluk but above that of the village, and the Gram Sabha at

the level of a revenue village. The Zilla Parishad and Mandal Panchayat were really democratic bodies and were also the institutions that had executive functions. In conformity with the 73rd Amendment of the Constitution, new Panchayati Raj Act came in to force in 1993 (*The Karnataka Panchayati Raj Act, 1993*). In the domain of new local governance paradigm, the institution of Panchayat is re carved so as to fit into the modern political structure and also to meet the principles of social justice and local economic development as enshrined in the Constitution of India. As a result, the devolution efforts and policies initiated by the State in the 80s had continued without any major break. Karnataka was the first State in country to enact a new comprehensive Panchayat Raj Act, to incorporate all the mandatory provisions of the 73rd Amendment. The same three tier structure of PRIs was adopted with minor changes with the *Gram Panchayat* (GP) at the village level, the *Taluk Panchayat* (TP) at the intermediate level and the *Zilla Panchayat* (ZP) at the District level. There are at present, 5653 GPs, 176 TPs and 30 ZPs in the State. In, 2002, a high power committee had been constituted to study the status of devolution and suggest reforms for strengthening the devolution process in the State (*Report of the Working Group on Decentralization, Government of Karnataka, 2002*).

Karnataka Panchayat Raj Act, 1993

Within a week of the coming into force of the Constitution Amendment, the State of Karnataka passed *the Karnataka Panchayat Raj Act 1993*. This however was brought into force with effect from 10 May 1993 and was first published in the Karnataka State Gazette Extra-Ordinary, on 30th April 1993. The Act has incorporated all the mandatory provisions of the 73rd Constitution Amendment. The following are the important salient features of the Act.

1. **Three-tier Structure:** The Act has provided for establishment of Panchayats at Village, Taluk and District levels. All the three are elected bodies, with executive functions and organic linkages between and among them.

2. **Gram Sabha:** Gram Sabha consisting of the all the voters of village is the foundation of Panchayat Raj structure of the State.
3. **Direct elections to all the three tiers:** The members of all the three Panchayat Raj Institutions are directly elected by the voters from the demarcated territorial constituencies. To ensure organic linkages, adequate representation has been provided in each 'higher tier' to the chairpersons of immediate 'lower ones'.
4. **Indirect elections of Chairpersons and Vice- Chairpersons:** The President and Vice-President of the Panchayats at all the levels are indirectly elected by the directly elected members of the respective bodies from amongst them.
5. **Five Years Term:** The duration of Panchayats, all the levels, has been fixed as five years, unless dissolved earlier as per the provisions of the Act, in which case the elections should be completed within six months of the date of dissolution.
6. **State Election Commission:** All the elections to all the three tiers of Panchayats, are to be conducted by an autonomous the State Election Commission constituted by the State. The period, qualifications, terms of office of the State Election Commission have been laid down.
7. **State Finance Commission:** The Law provides for constitution of the State Finance Commission, once in every five years. The State Finance Commission determines the principles governing the sharing of funds between State Government and Panchayat Raj Institutions and also recommended the measures for improving the finances of the Panchayats.
8. **Maintenance of Accounts and Conduct of Audit:** Elaborate rules and procedures have been framed and enforced by the Government regarding the maintenance of books of accounts by all the three tier of Panchayats. The accounts of every Gram Panchayat are to be audited, every year, by such officer, as may be authorized by the authority of State Accounts.
9. **Reservation of Seats and Officers of Chairpersons and Vice Chairpersons:** Seats and offices of Chair persons and Vice Chairpersons of Panchayats, at every

level, have been reserved for Scheduled Castes, Scheduled Tribes, Women and Other Backward Classes (OBCs).

Tenure of the Positions in the Panchayats

The reservation pattern prescribed by the 73rd Amendment Act has been very well incorporated in the provisions of the Karnataka Act. In addition to the constitutional requirements, there are provisions of reservation for backward class (one –third of the total seats), 50 percent seats are reserved for women and the reservation pattern adopted for seats (membership) is also applied to authority positions including vice president post

In 1997, on the recommendation of an official committee constituted by the Government of Karnataka (popularly known as PR Nayak Committee) the State Government reduced the tenure of *Adhyaksha and Upadhyaksha* of the ZP and TP to 20 months .In the case of *Adhyaksha and Upadhyaksha* of the GP the term became 30 months. In other words, according to law, a ZP and TP would see three sets of office bearers (*Adhyaksha and Upadhyaksha*) whereas the GP would see two sets. This is the normal situation. The evidence suggests that in many cases, the occupancy of the leaderships / posts again cut short to smaller terms by local political and other pressures. It is argued that the velocity of turn by turn occupancy of key posts in the Panchayats have eroded the professionalism, continuity and experience of the leadership in the Panchayats. On the other side, it has accelerated the process of ‘sharing power’ among the larger groups of marginalized in the context of rural Karnataka.

A recent amendment has stipulated that a minimum of two Gram Sabhas should be held at Panchayat level and two meetings (ward sabha) at ward level (constituency of an elected member). The amendment also incorporated the holding of a Gram Sabha exclusively for children.

State Profile

According to 2011 Census, the State's population is 6.25 crore. The population growth in Karnataka has been close to the national average. However, there has been a decline in the population growth rate in the last two decades. The decennial population growth rate in the last decade was 18 per cent. The State, with its urban population at 34 per cent of total population, is currently ranked as the fifth most urbanized among all States. The urban and rural population decadal growth rates are 29 per cent and 12 per cent respectively. Women comprise 49 per cent of the population. Karnataka has a total literacy rate of 67 per cent compared to the rate of 65 per cent among Indian States. The service sectors along with the agricultural sector dominate the State's economy. The State has 114 backward taluks out of which 39 taluks are most backward and spread over 14 districts.

Panchayat Units in the State

The Table No. I.1. Give a picture of the total number of Panchayati Raj Institutions at various tiers and the respective number of elected representatives.

Table No. I.1: List of PRIs and Elected Representatives

| PRIs | NUMBER |
|--------------------------------|---------------|
| Gram Panchayats | 5627 |
| Taluk Panchayats | 176 |
| Zilla Panchayats | 30 |
| Total | 5833 |
| ELECTED REPRESENTATIVES | NUMBER |
| Gram Panchayats | 91402 |
| Taluk Panchayats | 3708 |
| Zilla Panchayats | 1005 |
| Total | 96090 |

Source: State Election Commission, State of Karnataka

There are in all 5,627 Gram Panchayats, 176 Taluk Panchayat and 30 Zilla Panchayats, a total of 5,833 Panchayati Raj Institutions. In them, in position, are 96,090 elected members in the three different tiers: 91,402 in Gram Panchayats (GP), 3,708 in Taluk Panchayat (TP), and 1,005 in Zilla Panchayats (ZP). Out of 91,402 GP members 16,999 belong to Scheduled Caste (18.61 per cent) 9,880 Scheduled Tribe (10.80 per cent), 29,944 members belong to other backward community (32.76 per cent) and 34,581 belong to other communities (37.83 per cent). Women elected members to the GPs number 39,318, (43 per cent) of the total elected members in the State. A total of 1,005 elected ZP members are in position, with women representation of 373. Out 1,005 ZP members, 184 members belong to scheduled caste (18.30 per cent), 84 members belong to scheduled tribes (8.35 per cent), 245 members from other backward communities (24.37 per cent) and 492 members (48.95 per cent) belong to other communities. *(Please refer annex 1 for detailed information on the State level details. Annex 1.1 gives detailed information on the selected PRIs.)*

Powers of Panchayats

Zilla Panchayat

1. The Zilla Panchayat shall have powers to do all acts necessary for or incidental to, the carrying out of the functions entrusted or delegated to it and, in particular, and without prejudice to the foregoing powers to exercise all powers specified under this Act.
2. Subject to the general or special orders of the Government, a Zilla Panchayat may,- (a) incur expenditure on education or medical relief outside its jurisdiction; (b) provide for carrying out any work or measure likely to promote the health, safety, education, comfort, convenience or social or economic or cultural well-being of the inhabitants of the district; (c) Contribute to associations of all India, State or Inter-State level, concerned with the promotion of local Government and

to exhibition, seminars and conferences within the district related to the activities of Grama Panchayat, Taluk Panchayat and Zilla Panchayat; and (d) render financial or other assistance to any person for carrying on in the district any such activity which is related to any of the functions of the said bodies.

3. Power to divert, discontinue or close any road which is under the control and administration of , or is vested in, the Zilla Panchayat
4. Power to control unwieldy traffic any road vested in the ZP
5. Power of inspection and supervision of in respect the officers or premises of all works taken up by the Taluk Panchayat
6. Power to write of irrecoverable sums not exceeding Rs. 1000/-
7. Power to make regulations
8. Power over decisions of committees
9. Punishment for disobediences of orders and notices

Taluk Panchayat

1. General Powers: the taluk panchayat shall have powers to do all acts necessary for or incidental to the carrying out of the functions entrusted or delegated to it and , in particular and without prejudice to the foregoing powers to exercise all powers specified under this Act.
2. Power of inspection and supervision of in respect the officers or premises of all works taken up by the Gram Panchayat
3. Power to write of irrecoverable sums not exceeding Rs. 1000/-
4. Power to make regulations
5. Power over decisions of committees
6. Punishment for disobediences of orders and notices not punishable under any other section

Gram Panchayat

1. Grama Panchayat shall have powers to do all acts necessary for or incidental to the carrying out of the functions entrusted, assigned or delegated to it and in particular and without prejudice to the forgoing powers, to exercise all powers specified under this Act.
2. Power of Grama Panchayat as to roads, bridges thereon, cart tracks, drains, wells and other public places in the panchayat area not being private property and not being under the control or management of Zilla Panchayat, Taluk Panchayat, Municipal Council, Town Panchayat, Industrial Township, or the Government shall vest in the Grama Panchayat and the Grama Panchayat may do all things necessary for the maintenance and repair thereof, and may,-
 - (a) Lay-out and make new roads;
 - (b) Construct new bridges;
 - (c) Widen, open, enlarge or otherwise improve any such roads or bridges;
 - (d) Divert, discontinue or close any road or bridge; and
 - (e) Deepen or otherwise improve any water way;
3. Power of regulation of the erection of buildings
4. Permission for the construction of factories and the installation of machinery
5. Power to issue license of offensive or dangerous trades
6. Control of hotels
7. Licensing of shops
8. Power to remove Obstructions and encroachments upon public streets and open sites
9. Power to name streets and number buildings
10. Power for Removal of structures, trees etc., which are in ruins or likely to fall
11. Power as to sanitation, conservancy and drainage
12. Power for collecting Contribution from persons having control over places of pilgrimage, etc
13. Power for providing adequate water supply

Karnataka has a vision for decentralization. The vision is clearly manifested in the structure and design of the Panchayat system in the State. The record of decentralization in the State even before the Constitutional amendments has been better than any other State

CHAPTER 2:

DECENTRALIZED PLANNING

Since the eighties, Karnataka State has been a forebear in the decentralized planning exercise in the country. As in the case of other domains, the state's experience on decentralized planning has influenced national level thinking on building convergence between Panchayats and decentralized planning for achieving social justice and local economic development. Karnataka has continued to take a proactive stance on decentralized planning in recent years. This chapter presents the specific provisions related decentralized planning in the Karnataka Panchaya Raj Act, 1993, rules, orders, guidelines and notifications .The composition and structure of institutions and procedures developed for the decentralized planning is analyzed .In this context the special attention has been to find out the operational issues of the DPC in the State. A major attempt has been made to capture the practices and culture of preparation decentralized plans at different tiers of Panchayats in the State. With this premise, the present chapter has analyzed the decentralized planning exercise in two Zilla Panchayas, four Taluk Panchayats and eight Gram Panchayts. It also ventures to make critical comments on quality of the plan documents prepared by the Panchayats .Of course, this chapter tries to list out the major strengths and weakness of the decentralized planning which may lead to policy initiatives in the State.

Salient Features for Decentralized Planning in the State

Karnataka has a good record in decentralized planning in its history. Almost every district in the State has a fairly reliable database and has prepared district perspective plans. Most of the district has a team of personnel with formal training in decentralized planning and governance. The State is known for the following salient features for the decentralized planning and each one needs separate attention to understand the process and linkages of the decentralized planning

- i. Well defined and specific provisions towards decentralized planning in the Karnataka Panchayat Raj Act, 1993.
- ii. Gram Sabha for supporting decentralized planning
- iii. A separate Standing Committee for dealing with Planning at three tiers of Panchayats
- iv. Constitution of District Planning Committees
- v. Proactive State Government for issuing guidelines for decentralized planning, and ,planning calendar
- vi. The institution of 'Link Document'
- vii. Support of Specialized institute for decentralized planning
- viii. Preparation of plan documents by the Panchayats .

Legal frame work for Decentralized Planning

The Karnataka Panchayat Raj Act 1993 has well defined and specific provisions on enabling decentralized planning. The following institutions are constituted, designed and empowered with functions in such away to provide an enabling environment for decentralized planning.

Ward Sabha and Gram Sabha : The Karnataka Panchayat Raj Act 1993 has well defined and specific provisions on enabling decentralized planning .It is argued that a separate provision had been incorporated in the Act on 'Ward Sabha' is to strength the decentralized planning from the below (grassroots) by an amending the Act on first October,2003. The Chapter II of the Karnataka Panchayat Raj Act, 1993 deals with Ward Sabha and Gram Sabha. The very first item listed both in the Ward Sabha and Grama Sabha deal with Planning .The Section 3 of the Act says the powers and functions of the Ward Sabha and section 3(a) says "to generate proposals and determine the priority of schemes and development programmes to be implemented in the area of the Ward Sabha and forward the same to place it before the Gram Sabha for inclusion in Gram Panchayat development plan. Again, the Section 4 is on Gram Sabha and Section 4(a)

says “to consider and approve the annual plan prepared by the Gram Panchayat”. Two more institutions such as Mahila Sabha and Children’s Gram Sabha made provisions to associate with grassroots level planning. Gram Sabha and Ward Sabha are the institutions to identify felt needs of the individuals/communities and spatial needs at the grass roots. Mahila Sabha and Children’s Gram Sabha are expected to identify women (strategic and practical gender needs) and child specific needs. These peoples’ institutions have defined and constituted such way to generate basic information and data for decentralized planning.

Gram Panchayat : The Section 58 of the Chapter IV deals the functions of the Gram Panchayat with a long list of 31 activities (Schedule I) and it gives an impression that a decentralization planning approach is very much needed for fulfilling the tasks assigned to the Gram Panchayat .Specifically ,it is mentioned “The Gram Panchayat may also make provision for carrying out within the Panchayat area any other work or measure which is likely to promote the health, safety, education, comfort, convenience or social or economic well being of the inhabitants of the Panchayat area”. In other words, the inference is that the Panchayat can achieve the ‘social and economic well being of the inhabitants’ only by applying decentralized planning.

Taluk Panchayat : The Section 145 of the Chapter VIII deals the functions of the Taluk Panchayat with a list of 28 activities (Schedule II) and the first two are directly related with planning and the third is on budget. They are : (i) preparation of the annual plans in respect of the schemes entrusted to it by virtue of the Act and those assigned to it by the Government or the Zilla Panchayat and submission thereof to the Zilla Panchayat within the prescribed time for interaction with the district plan, (ii)consideration and consolidation of the annual plans of all Gram Panchayats in the taluk and submission of the consolidated plan to the Zilla Panchayat, and (iii) preparation of annual budget of the taluk and its submission within the prescribed time to the Zilla Panchayat .

Zilla Panchayat : The Section 184 of the Chapter XI deals the functions of the Zilla Panchayat with a long list of 29 activities (Schedule III) and it gives an impression that a decentralization planning approach is very much needed for fulfilling the tasks assigned to the Zilla Panchayat . The first item which is appeared in the list is on planning and it says, “Overall supervision, coordination and integration of development schemes at Taluk and District levels and preparing the plan for the development of the district” It also made it clear that planning and implementation of land improvement and soil conservation programmes is entrusted with the Zilla Panchayat. Under poverty alleviation programmes planning is exclusively entrusted with Zilla Panchayat. It is interested to know that more than five places the word ‘planning’ has been repeated and it may show the importance of decentralized planning in the Zilla panchayat.

Standing Committees: There are standing committees at all levels of the Panchayats to deal with decentralized planning .Take the case of Gram Panchayat, there are three major committees and production committee is being engaging with the issue of grassroots level planning .Though the word the ‘planning’ is not explicitly manifested while explaining the functions of the Production Standing Committee the message of planning is clear and it can be understood from the concerned provision. It says, “Production Committee for performing functions relating to agricultural production, animal husbandry and rural industries and poverty alleviation programmes”, which indicate grassroots level planning. In both the Taluk and Zilla Panchayats there are separate standing committees on planning. The Section 149 of the Act provides the functions of the Finance, Audit and Planning Committee of the Taluk Panchayat. As per the provisions in the Act, the committee has to perform the functions relating to the finance of the Taluk Panchayat, framing of budgets, scrutinizing proposals for increase of revenue, examinations of receipts and expenditure statement, consideration of all proposals affecting the finances of the Taluk Panchayat and general supervision of the revenue and expenditure of the Taluk Panchayat and co-operation, small savings scheme and any other function relating to the development plan of the Taluk. More elaborate provisions are incorporated in the

Finance, Audit and Planning Committee of the Zilla Panchayat (Section 187.2 of the Act). It may be interested to know what the standing committee stands for and its relations with the decentralized planning. It shall perform the functions relating to (a) the finances of the Zilla Panchayat framing of budgets, scrutinizing proposals for increase of revenue, examination of receipts and expenditure statements, consideration of all proposals affecting the finances of the Zilla Panchayat and general supervision of the revenue and expenditure of the Zilla Panchayat; (b) the plan priorities, allocation of outlays to developments, horizontal and vertical linkages, implementation of guidelines issued by the Government, regular review of planned programmes, evaluation of important programmes and small savings schemes.

District Planning Committee (DPC): As per Section 310 of the Karnataka Panchayat Raj Act, 1993 the responsibility for formulating the District Plan lies with the District Planning Committees (DPCs). The Government of Karnataka amended the Karnataka Panchayat Raj Act to incorporate the provisions of District Planning Committees (DPCs) as provided in the 74th Constitutional Amendment Act (CAA). Provisions were made to establish DPCs in all the districts of the State as per Section 310 of the Karnataka Panchayat Raj Act. The composition of DPC consists of members of the house of the people and members of the council of states representing the district, chairperson of Zilla Panchayat and mayor or president of the district head quarter municipal body, together forming 20 per cent of the size of the DPC, and the remaining 80 per cent to be elected from among the members of the Zilla Panchayat and Municipal Bodies in proportion of rural and urban areas of the district. The Zilla Panchayat *Adhyaksha* is the Chairperson of the DPC and Mayor/President of the head quarter municipality is its Vice-chairperson. The CEO of the Zilla Panchayat is the Secretary of DPC. As a usual practice the Secretary convenes the DPC meeting on the advice of the *Adhyaksha*. The periodicity of the DPC meetings as per the Act/Guidelines/Rules is once in three months. DPC has a major role in preparing, scrutinizing and scanning of various plans of the rural and urban areas. As per circular No RDP 229 ZPS, 2000, Karnataka Government Secretariat,

Bangalore Dated 12 April, 2001) a “DPC Cell” under the Chief Planning Officer (CPO), Zilla Panchayat shall be constituted to assist the Secretary of the DPC in implementing the decision of the DPC.

As per Section 310(6) the DPC shall consolidate the plan prepared by the Zilla Panchayats, Taluk Panchayats, Gram Panchayats and Municipal Corporations and prepare a draft district plan. The draft DPC plan is forwarded to the State Planning, Programme Monitoring and Statistics Department.

In Section 310(7) it is stipulated that every District Planning Committee shall in preparing the draft development plan, have regard to,- (i) the matters of common interest between the Zilla Panchayats, Taluk Panchayats, Gram Panchayats, (Town Panchayats), Municipal Corporations and Municipal Councils in the district, including spatial planning, sharing of water and other physical and natural resource, the integrated development of infrastructures and environmental conservation, (ii) the extent and type of available resources whether financial or otherwise and consult such institutions and organizations as the Governor may, by order, specify. Regarding the various aspects while preparing the draft district plan, no alterations are allowed in the plans prepared by the local bodies, but the recommendations of the DPC may be considered by the local bodies before finalizing the plan. The DPC has all the powers for monitoring, reviewing and evaluating the plans of the Panchayats. It is found necessary to clearly stipulate the role and functions of the DPCs, in respect of the preparation of development plans, conducting evaluation of plan programmes and related activities in order to avoid overlap between the role and functions of the local bodies and the District Planning Committee.

The functions of DPC as specified in the Act are given below:

1. Prepare and update at least one in five years, a perspective plan for the development of the district. It is also mentioned that perspective plans may be prepared with taluk as a unit for the rural and town as a unit for the urban areas.

Perspective plans for the development of selected key sectors may also be prepared by the committee.

2. Guide the local bodies to ensure that the widest possible consultations and discussions precede the preparation of the annual and five year plans of the local bodies.
3. Annual and Five Year Plans prepared by the local bodies shall be discussed in the DPC and adopted for inclusion in the District Development Plan with or without modifications. In case of modifications, the DPC may send the suggested modifications to the concerned local body i.e., Taluk Panchayat/CMC/TMC etc., for its consideration and concurrence. The modifications shall be incorporated only after obtaining the concurrence of the local body concerned.
4. Commission studies and organize seminars, workshops etc on matters like enrollment and drop-out rates in primary schools, extent and quality of road length, availability of safe drinking water, health indicators like infant mortality rate ,maternal mortality rate ,incidence of AIDS, malaria etc. The results of such evaluation studies will help the DPC to formulate guidelines that could be of assistance to the local bodies in the formulation of the plans, and strategies for implementation of their programmes.
5. The DPC may also send its recommendations or suggestions to the concerned departments of the Government at the state level for consideration.
6. Evaluation of progress in various sectors and schemes from time to time.
7. Physical integration of the plan of rural and urban local bodies with the elements of the State plan that are physically implemented within the geographical confines of the district. The DPC shall bring about co-ordination between the ULBs and the Panchayat Raj Institutions in the planning of common and overlapping services provided by the urban and rural local bodies (Example, primary schools run by Panchayats in urban areas, urban water supply schemes providing water to rural areas etc.). The Panchayat Raj Institutions or the ULBs may request the DPC to take up discussion of issues/subjects that require co-ordination between different agencies.

8. The DPC may fund innovative development programmes formulated by various departments or the NGOs on a pilot basis.

Proactive State Government

Generally, the State government is recognized as a proactive one which takes positive steps for decentralized planning it is reflected in issuing guidelines, and planning calendar for decentralized planning. The State Government issued guidelines on the role and functions of the DPC. (Circular No. RDP 229 ZPS 2000 dated 12.4.2001) It gives the following details.

1. The DPC has to conduct meetings regularly once in every three months.
2. To implement the resolutions of the DPC, a separate subcommittee is required to be formed under the supervision of the Chief Planning Officer (CPO). This committee would work under the Chief Executive Officer (CEO) of the Zilla Panchayat.
3. A separate urban unit has to be formed to prepare and implement plans for all the 18 functions given to ULBs under 74th CAA.
4. To seek the professional support of experts and agencies, and also conduct special studies and research for not only to prepare the plans but also to assess the impact of plan implementation.
5. Expert Committee for each core area such as health and sanitation, water supply, poverty alleviation, infrastructure services, etc., need to be set up.
6. The members of the expert committees shall be drawn from town planning department, all the district level officers, NGOs, private firms and the elected members.

As per circular No RDP 229 ZPS, 2000, Karnataka Government Secretariat, Bangalore Dated 12 April, 2001) a “DPC Cell” under the Chief Planning Officer (CPO), Zilla Panchayat was be constituted to assist the Secretary of the DPC in implementing the decision of the DPC. However, there is no specific mandate for the DPC to provide technical support to Panchayats for preparation of plan documents.

Financial Support available for DPC

1. The DPC fund will be constituted with contributions of the local bodies and grants-in aid provided by Government. The DPC fund may be used for payment of sitting fee to members, commissioning of studies etc. and for meeting any other expenditure as approved by the DPC in connection with the performance of its functions.
2. Each local body shall make annual contributions to the DPC Fund as follows. (Rs. Per Annum)

| | |
|------------------|-------------|
| Gram Panchayats | Rs.5,000 |
| Taluk Panchayats | Rs.25,000 |
| Zilla Panchayats | Rs.2,00,000 |
| Town Panchayats | Rs.7,500 |
| TMC | Rs.25,000 |
| CMC | Rs.1,00,000 |
| Corporation | Rs.2,00,000 |

Source: Circular No RDP 229 ZPS 2000: Guidelines on the role and functions of the District Planning Committee, dated 12 April 2001, Govt of Karnataka

3. The State Government shall provide such grants as deemed necessary to the District Planning Committee for effectively discharging its functions.
4. The grant in aid from the State Government is under major head 3451 for the executive establishment of District Planning Committees and amount given is Rs. 192.90 lakhs in 2011-12 and Rs. 200.50 lakhs in 2012-13.

Calendar for Decentralized Planning

The Principle Secretary to Government Planning, Programme Monitoring & Statistics Department, Government of Karnataka issued guidelines to the CEOs of Zilla Panchayats for the preparation of Annual Plan 2012-13 with instruction to prepare the plan at the previous years (2011-12) outlay. A time table has been followed by the State starting from 2006-07 to prepare the decentralized plan.

The following schedule is suggested for completing various phases in the decentralized planning process.

| Sl.No | Activity | Activity to be completed (period or by the Date) |
|-------|--|---|
| 1. | State Level Workshop for all Chairpersons, vice chairpersons and member convenors of all DPCs. | May 2012 |
| 2. | First meetings of DPC to discuss the guidelines and constitution Sectoral Sub Committees for preparation of District Vision and perspective plan | June 2012 |
| 3. | Formulation of District Vision | July 2012 |
| 4. | Approval of District Vision by DPC and Sending the same to all LB's | July 2012 |
| 5. | District Level Workshops | August 2012 |
| 6. | Block Level Workshops | August 2012 |
| 7. | Meeting of Local Bodies to discuss the guidelines and Constituting Working Groups | September 2012 |
| 8. | Formulation of Local Bodies Vision | September 2012 |
| 9. | Approval in the General Body Meetings of LBs | October 2012 |
| 10. | Conducting Gram Sabha/ Ward Sabha | October/November 2012 |
| 11. | Development Seminars | November December 2012 |
| 12. | Preparation of Final Local Bodies Five year Plans by Working Groups | January 2013 |
| 13. | Consolidation of Final Local Bodies' Five year Plans | January 2013 |
| 14. | Submission of Local Bodies Five Year Plans to DPC | January 2013 |
| 15. | Discussion with representatives of Local Bodies | February 2013 |

| | | |
|------------|---|------------|
| | and approval by DPCs | |
| 16. | Approval by DPCs | March 2013 |
| 17. | Bringing out Development perspective of the District and Local Bodies Five year Plans and Annual Plan 2014-15 | March 2013 |

The Institution of ‘Link Document’

The introduction of ‘Link Document’ is another contribution and strength of the decentralized planning in general and planning at the district and Zilla Panchayat levels is in specific. One can say that the very foundation of decentralized planning in the State is based on the ‘Link Document’. The ‘link document’ is one which gives a clear picture on what is to receive for different purposes /schemes under each district once the state budget is passed. As it is called, the document has a strong link with the State budget. In other words, the link document is the budget allotment of the State to Zilla Panchayat under plan and non plan schemes for a particular year and it is presented in the Assembly by the Finance Minister .It serves two purposes in the decentralized planning process. First, it gives a clear picture on resource envelop and on which the Zilla Panchayat can prepare the plan document. Second, it works really as a bridge between District Planning and State Planning. Moreover, the ‘link document’ may integrate the Budget of the State Government and decentralized planning, to certain extent. It may be a generic contribution of the State to the decentralized planning literature and practice.

The amount allocated and actually transferred for decentralized planning for the entire State in 2011-2012 & 2012-2013, is provided below. The amount allocated, sanctioned and released for the Panchayats is same (Ref Table No.2.1) The same is shown for the two selected districts of Bidar and Dakshina Kannada (Ref. Table Nos.2.2.&2.3). It is as per the Link document

Table No.2.1: Amount Allocated, Sanctioned and Released for the Panchayats in the State

(2011- 2012 & 2012-13)

| | 2011-2012 | 2012-2013 |
|-------------------|-----------------|-----------------|
| Amount allocated | 604165.63 lakhs | 780893.00 lakhs |
| Amount Sanctioned | 604165.63 lakhs | 780893.00 lakhs |
| Amount released | 604165.63 lakhs | 780893.00 lakhs |

Source: Data furnished by the RDPR, Govt of Karnataka.

Table No.2.2: Amount Allocated, Sanctioned and Released for the Bidar District
(2011- 2012 & 2012-13).

| | 2011-2012 | 2012-2013 |
|-------------------|----------------|----------------|
| Amount allocated | 12996.74 lakhs | 15557.42 lakhs |
| Amount Sanctioned | 12996.74 lakhs | 15557.42 lakhs |
| Amount released | 12996.74 lakhs | 15557.42 lakhs |

Source: Data furnished from the Link Document

Table No.2.3: (2011-2012 & 2012-13) Amount Allocated, Sanctioned and Released
for the Dakshina Kannada District.

| | 2011-2012 | 2012-2013 |
|-------------------|----------------|----------------|
| Amount allocated | 11066.83 lakhs | 15062.47 lakhs |
| Amount Sanctioned | 11066.83 lakhs | 15062.47 lakhs |
| Amount released | 11066.83 lakhs | 15062.47 lakhs |

Source: Data furnished from the Link Document

Steps for the Preparation of the Decentralized Planning

The preparation of 'link document' and appendix-B may be considered as a first step for the decentralized planning process in the State. Detailed guidelines have been issued by the State for decentralized planning at the district level. A detailed format has been issued to the Zilla Panchayats to suggest the felt needs of the district. The format is a very detailed one and all the requirements of the district can be listed in it. The format will be circulated to all the Panchayats at all levels and concerned line departments. Since the

district wise allocation will be indicated from the State by the month of September – October and the resource envelop is also known at the district level, the requirements can be worked at a realistic range. The requirements will be consolidated and integrated at the district level .Every year, say in the month of December- January, before the formulation of the link document, there will be a meeting at the State headquarters. The planning /finance department of the State used to schedule a particular date for each district for discussion and finalization of the ‘draft link document’. Generally, the Chief Executive Officer (CEO), Deputy Secretary (DS), Chief Planning Officer (CPO), Chief Accountant Officer (CAO) and the heads of all line departments will represent from the concerned district for the discussion and finalization of the ‘draft link document’. The Director of Planning, the Secretary of Planning and the person who is in charge of district planning at the State level will represent the State. In the discussion meet, district wise, scheme wise, department wise and head wise allocation of the ‘link document’ of the particular district will be finalized. In general, the decisions of the State level officials dominate while finalizing the link document and over the years the same types of proposals reflect in the link document. As far as the non plan sector is concerned, a separate document known as ‘Appendix –B’ will be prepared by getting the proposals from each line department and at the district level it will be scrutinized by the CEO and finally, it will be submitted to the Government.

Preparation of Annual Action Plan

Immediately after the approval of the ‘link document’ and ‘Appendix –B ‘, the copy of these documents will be sent to the concerned districts .An annual action plan will be prepared by all the planning wing under the CPO of the Zilla Panchayat as per the allocations in the ‘link document’ and it will be first placed before the Finance, Audit and Planning Standing Committee for scrutiny and then to the general body of the Zilla Panchayat. Every year the Zilla Panchayat issues guidelines to Taluk Panchayats and Gram Panchayats for the preparation of annual action plans. The action plan which is

prepared by the Gram Panchayat has to submit to the Taluk Panchayat and finally to the Zilla Panchayat for approval. The action plan of the Taluk Panchayat will directly submit to the Zilla Panchayat for approval.

At the Block level (i) Govt. of Karnataka issues the guidelines and indicates the amount for respective programmes of the concerned line department to the taluk Panchayat. As such, the Taluk Panchayat prepares annual action plan for different schemes. As per the guidelines, the TP has prepared the perspective plan for five year period (2012-2013 to 2016-2017). There are separate guidelines for the preparation of each scheme from the Zilla Panchayat and it is available in the Gram Panchayat. Another guideline has also issued by the, State (Planning Department) to prepare a perspective plan for a period of five years (2012-2013 to 2016-2017). The technical support is provided to the district by the Abdul Nazir Sab State Institute of Rural Development (ANSSIRD), Mysore. As a result, the Zilla Panchayat has prepared the five year perspective plan and it is approved by the District Planning Committee (DPC)

The State of Karnataka has adopted a decentralized planning model. In an open meeting the Gram Sabha prepares and promotes the felt needs of the community. There is a provision to list and document all the 'wishing list' of the villages in the Gram Sabha. As per the records, the major demands seems to be school building, drinking water supply schemes, primary health centre, veterinary dispensary and rural connectivity. Based on the demands, a draft sub plan is being prepared and submitted to the Panchayat for consideration. After the preparation and approval of the plan by the Gram Panchayat, it is submitted to the Taluka Panchayat (TP) and it will consider and incorporate it into the Taluk Panchayat plan and again sends it to the Zilla Panchayat for similar action. Finally, all the plan documents will be integrated at the district level by the District Planning Committee (DPC). The DPC will consolidate the plan of the Zilla Panchayat, Taluk Panchayats, Gram Panchayats, Municipal Councils and Municipal Corporations and prepare a draft district plan. Finally, the district plans are forwarded to the Planning

Programme Monitoring and Statistics Department Government of Karnataka in the prescribed formats duly recommended by the chairpersons of the DPCs concerned. The District annual plans will be finalized by the consultative committee at the State level and integrated into the State Plan.

Source of support provided by the State for decentralized planning for BRGF districts

Under D.O letter of MoPR No. N-11019/504/07-Pol.I dated 1-11-2007, the districts which have been included under BRGF programme, have been given financial assistance to prepare the district plans with the assistance of national level institutions also referred as Technical Support Institutions (TSIs). In order to assist the district planning machinery, the Ministry of Panchayati Raj has released an amount of Rs. 10 lakhs to each district for transfer to Zilla Panchayat as advance on account of development grant for being utilized to meet the expenses on the process of preparation of the District Plan. The non BRGF district can avail of technical support for preparation of District plans either from the same panel of institutions or utilize expertise of local universities or accredited institutions involved in development/regional planning. A circular No GPA 50/2PS/2013 dated 18/4/2013 issued by the Director, Panchayat as a separate guideline for BRGF and as per the circular the financial assistance for the same, of up to Rs. 10 Lakhs , may be provided for this purpose by the Zilla Panchayats. Training programme are provided for officials and elected representatives at ANSSIRD, Mysore on plan formulation, separately for BRGF & Non BRGF districts.

Bangalore (urban) being a metropolitan city, the metropolitan committee has to be constituted by the Urban Development department. Hence Bangalore urban district does not have DPC. No separate notifications/orders are issued by the State Government on aspects such as compositions, functions etc. All the 29 DPCs have submitted draft plans to State Government in 2012-2013. No separate infrastructure is available for DPC.

Ground Reality: Functioning District Planning Committee

The District Planning Committee (DPC) is the official and constitutional structure for planning at the districts. Since there is no separate building for DPC, the two offices (from Bidar and Dakshina Kannada districts) are functioning at the office of the concerned Zilla Panchayats. Both the Zilla Panchayats have planning wing headed by the Chief Planning Officer (CPO) and he/she is assisted by subordinate technical staff. The Chief Planning Office is the technical support structure at the district to provide assistance in the preparation of annual action plans at the sub district levels (taluk and village). However, it is revealed that the structure, assigned responsibilities, technical expertise and functional domain of the Chef Planning Offices are not strong enough to provide the assigned planning role to the Zilla Panchayats. In both the districts the CPOs were given additional responsibilities which had little relevance on decentralized planning.

Ground Reality: Financial Support to the DPCs.

Under the 'Link Document' (No. 3451 for the executive establishment of District Planning Committee), the DPC, Bidar had received Rs.5.00 lakhs each from this head for 2011-2012 and 2012-2013. Though there was a separate circular for mobilizing resources for the working of DPC from all the PRIs and Municipalities in the district, the DPC Bidar had not collected any amount as per the above mentioned circular. The records show that only an amount of Rs.7500 .00 was collected in 2007-2007. It is reported that the earlier staff of the Planning Unit of the ZP, Bidar was not aware of the above circular. The DPC, Dakshina Kannada had also received an allocation of Rs.5.00 lakhs each from the Link Document for the years 2011-2012 and 2012-2013. As per the above circular only one institution (ZP Dakshina Kannada) had contributed an amount of Rs. 2.00 lakhs to DPC. Both the DPCs have failed to mobilize the assigned resources from the Panchayati Raj Institutions and Municipalities for the effective governance of the decentralized planning in the State.

Allocation of funds for Decentralized Planning

There is a proper formula for allocation of funds for decentralized planning in the State of Karnataka. The plan allocation to different districts is done on the basis of a formula in which population and backwardness are given equal weights. To compute backwardness, 10 different indicators are taken into account with different weights. The total amount allocated, sanctioned and released for the districts in 2011-2012 was Rs.604165.63 lakhs under the decentralized planning, as per the link document. In 2012-2013 amount became Rs. 780893.00 lakhs with an increase of 22.63 per cent over a period of one year (Ref. Table No.2.1) .The share of Bidar district has increased to Rs.15557.42 lakhs from Rs. 12996.74 lakhs during the same period and has registered an increase of 16.46 per cent (Ref. Table No.2.2). Dhakshina Kannada's share was Rs.11066.83 lakhs in 2011-2012 and it has increased into Rs.15062.47 lakhs in 2012-2013. There was an increase of 26.53 per cent for the district of Dhakshina Kannada (Ref. Table No2.3).

In the prescribed system of revenue assignments, only Gram Panchayats have taxing powers. Section 199 of the Karnataka Panchayat Act, 1993 empowers only the GPs to levy taxes on specified bases subject to the maximum rate specified. Taluk and Zilla Panchayats do not have any taxation powers. Both ZPs and TPs depend upon transfers from the Central and State Governments for carrying out their expenditure functions. However, TPs, particularly nearer important towns get some revenues from renting shops and other establishments owned by them as in the case of two Taluk Panchayats in Dakshina Kannada district.

Under Section 267 of the Karnataka Panchayats Act, the State Government is required to constitute the State Finance Commission (SFC) once in every five years to review the financial position of the ZPs, TPs and GPs and make recommendations on the principles of sharing the proceeds from State taxes between the State Government and the

Panchayats, the assignment of revenues to Panchayats, and grants to be paid to them from the consolidated fund of the State Government. The State Government also gets transfers from the Central Government on the recommendation of the Central Finance Commission for strengthening the local bodies. The State government gives a lump sum grant to the GPs to meet general expenditures including spending on electricity charges, water charges, sanitation and other welfare schemes. The grants are passed through the Zilla Panchayat to the Gram Panchayats. The second source of transfer to GPs is the grants given to the State on the recommendation of the Central Finance Commission. The grants are given to the State Government and the latter passes it on to the Gram Panchayats based on their population. In addition to these, GPs also receive specific purpose transfers. The plan allocation to different districts is done on the basis of a formula. The lump sum allocation made to ZPs is distributed between ZP schemes and TP schemes on the basis of the plans prepared by them and approved by the Finance, Audit and Planning Committee of the ZP. However, in practice no such formula is followed for distribution and devolution is made essentially to meet expenditures on salaries and other committed liabilities. Thus, financial resources to both TPs and ZPs consist of (i) general purpose (lump sum and development) grants (ii) any transfer recommended by the Central Finance Commission; (iii) proceeds from additional stamp duty devolved by the State Government in the case of TPs; (iv) transfers for the implementation of various plan and non-plan schemes under the district sector; (v) transfers from the central government to finance central sector and centrally sponsored schemes. Decentralized planning in Karnataka is designed on the edifice of the plethora of schemes and personnel transferred in 1986. Thus, the expenditure allocations of the local governments are pre-determined by the transfer of schemes and any change to reflect their own priorities can only be marginal. The discretionary resources at their disposal are quite limited. Moreover, the process of first providing finances for continuing (spillover) schemes, limited the scope for discontinuing unproductive schemes. There is a well structured system in the form of 'Link Document' to indicate the available resources to the Zilla Panchayat. The resource envelopes and resource

entitlements are known to the Zilla Panchayat which enables them to prepare the plan. As per the allocation in the link document the Zilla Panchayat has prepared the action plan for the year 2012-2013. There is a note from the Zilla Panchayat to all the Taluk Panchayats which indicate the proposed allocation of different schemes under each line department. In addition to this, the proposed amount under 13 Finance Commission, Chief Minister Fund (CM Fund) /Untied Fund are also indicated to the Taluk. It is reported and seen that the resource envelopes and resource entitlements indicated to the Taluk Panchayat much in advance. Resource envelopes are not very clearly indicated to the Panchayat whereas resource entitlements are indicated. There is an information flow regarding the schemes available and the amount of fiscal transfer under the schemes from the Zilla Panchayat to the Gram Panchayats. Since it is indicated much in advance, the Gram Panchayat could prepare the action plan within the prescribed time limit. However, there are incidences to mention that the Panchayat had prepared more than one action plan for a single scheme as per the changes in the resource allocation of the schemes. Moreover ,it is reported that there are wide differences in the allocation of resources over the years as in the case of the MGNREGA , it was Rs.44.82 lakhs in 2011-2012 and it has come down to Rs.5.06 lakhs in 2012-2013. (An example from Andoor Gram Panchayat from Bidar district. As per the scheme norm, it is demand driven but in practice targets are fixed at the district level.)

Various Sectors and Schemes included in the Plans

The hallmark of decentralization in Karnataka has been the transfer of various schemes under both plan and non plan heads and a significant proportion of the outlay is concentrated on a handful of schemes at all the Panchayat levels. The Major sectors and schemes included in the plans at the various levels are listed as under:

At the Zilla Panchayat level

Sectors: Public Works, Fisheries, Animal Husbandry, Cooperation, Minor Irrigation, Non Conventional Sources of Energy, Village and Small Industries, Roads and Bridges, Public Works, Educations, Sports, Art & Culture, Medical & Public Health, Family Welfare, Welfare of Scheduled Caste, Schedules Tribes and Other Backward Classes, Social Security and Welfare, Crop Husbandry, Soil and Water Conservation, Roads and Bridges, Secretariat Economic Services etc.

Schemes: PMGSY, SGSY, IAY, IWDP, DPAP, HARIYALI, RSVY, MGNREGS, IWMP, *Akshanra Dasoha Yojana*, Other Rural Development Programs, Other Special Area Programmes, Other Scientific Research, Other General Economic Services, *Karanja Puervasti Yojana*, *Swachya Gram Yojana* etc. The Diagram No.2.1. gives an indication of the average budgeted amount of a Zilla Panchayat for financial year 2012-2013. The average figure is worked out from the data of the two selected Zilla Panchayats of Bidar and Dakshina Kannada.

At the Taluk Panchayat level

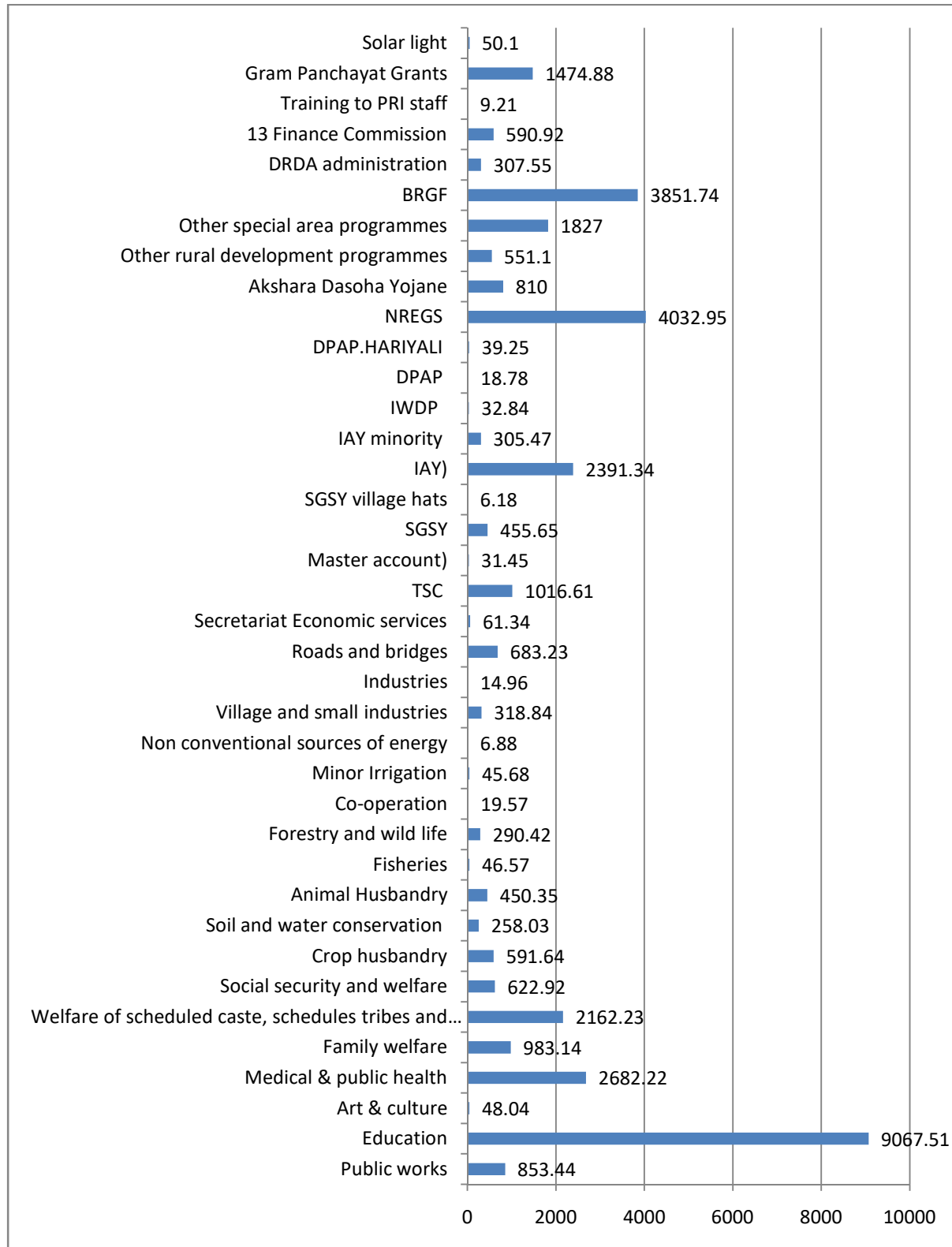
Sectors: Elementary Education, Secretary Education, Medical and Public Health , Welfare Supply & Sanitation , Child Welfare, Welfare of SC, Backward Class and Minorities, SCP, Social Security and Welfare, Nutrition, Crop Husbandry , Animal Husbandry , Other Agriculture Programmes , Special Programme for Rural Development, Sericulture, Roads and Bridges etc.

Schemes: TSC/ NBA, PYKA, MGNREGA and Other Rural Development Programmes. The Diagram No.2.2 indicates the average budgeted amount for a Taluk Panchayat in a financial year 2012-2013. The average figure is worked out from the data of the four selected Taluk Panchayats of Bidar & Bhaliki from the Bidar district and Pudur & Bentwal from Dakshina Kannada District.

At the Gram Panchayat level

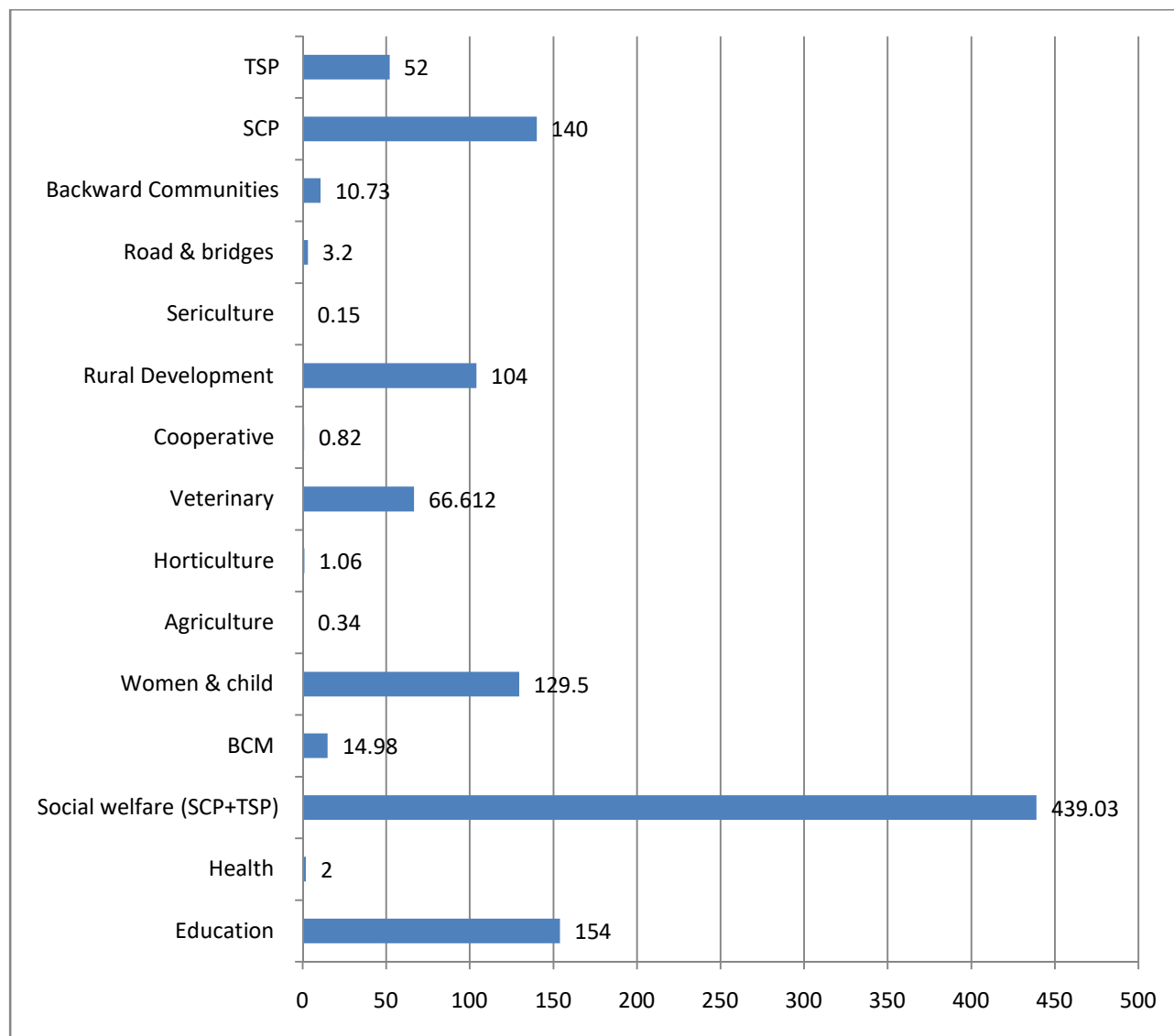
Sectors: Minor Irrigation, Water Management and Watershed Development, Social Forestry and Farm Forestry, Animal Husbandry, Rural Housing, Drinking Water, Roads, Rural Electrification, Poverty Alleviation, Cultural Activities, Health and Sanitation, Welfare of the Weaker Sections, and in particular, of the Scheduled Castes & the Scheduled Tribes, Cremation and Burial etc Schemes: MGNREGA, IAY, TSC/NBA, PYKA, *Ashraya* etc. The Diagram No.2.3 indicates the average budgeted amount for a Gram Panchayat in a financial year 2012-2013. The average figure is worked out from the data of the eight selected Gram Panchayats of Morambi, Vangarakada, Andoor, Edalapur, Bannur, Pudur, Kabakka, Thumpe from the districts of Bidar and Dakshina Kannada.

Diagram No.2.1 Average Budgeted Amount for a Zilla Panchayat (Rs.in Lakhs)



Source: Computed Data (Average) from the Zilla Panchayats of Bidar & Dakhina Kannada

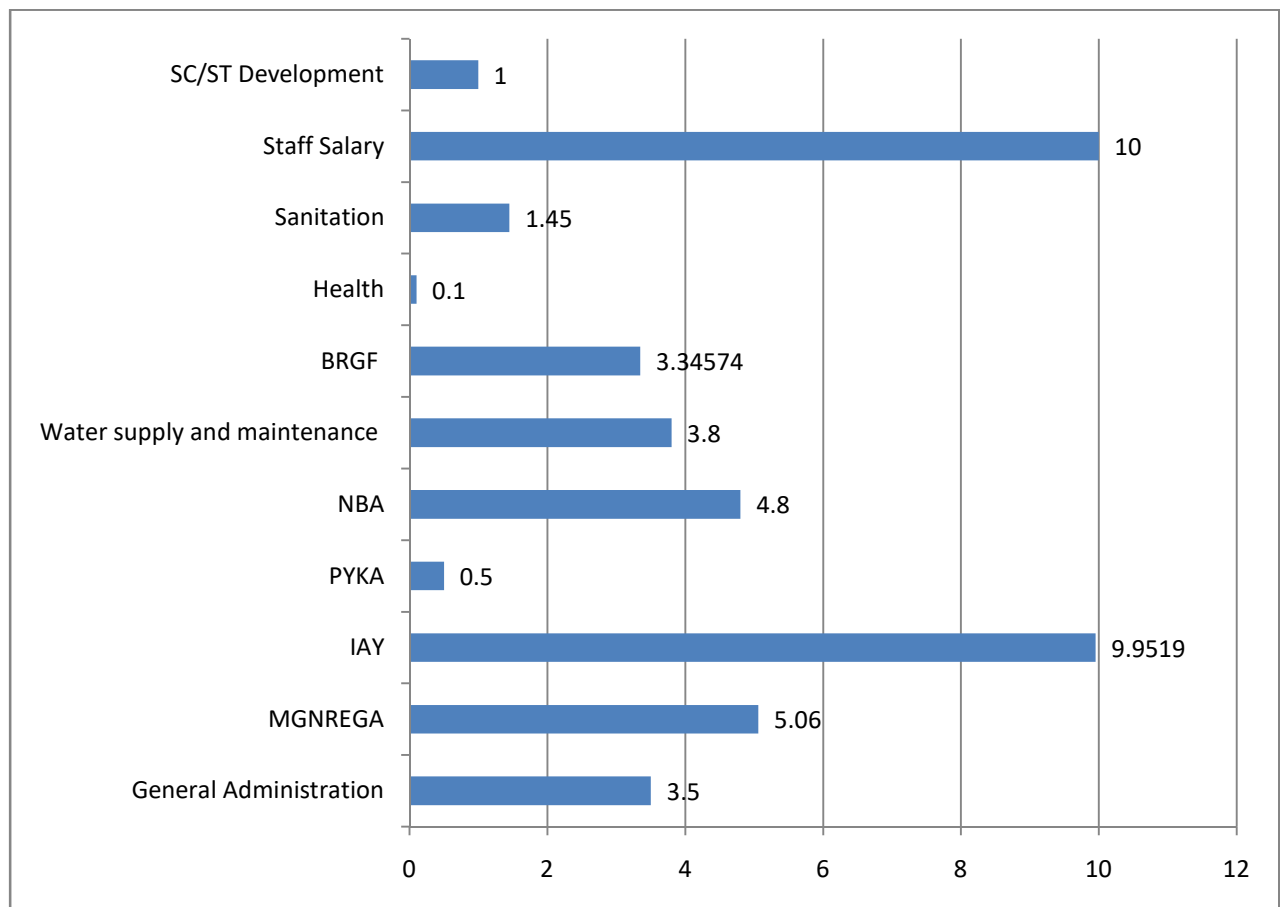
Diagram No 2.2. Average Budgeted Amount for a Taluk Panchayat (Rs in Lakhs)



Source: Computed Data (Average) from the Taluk Panchayats of Bidar, Bhalki, Pudur and Bentwal.

Diagram No.2.3 indicates the average budgeted amount for Gram Panchayats in a financial year

Diagram No.2.3: Average Budgeted Amount for a Gram Panchayat (in lakhs)



Source: Computed Data (Average) from Gram Panchayats of Morambi, Vangarakada, Andoor, Edalapur, Bannur, Pudur, Kabakka, Thumpe.

Features of the plan for 2012-2013 from the sample Panchayats

Table No 2.4: Gives a clear picture of the features of the plan 2012-2013 for the selected sample Panchayats from Bidar District.

| BIDAR ZILLA PANCHAYAT(Bidar District) | |
|---|------------------------------|
| FEATURES | Amount (in Lakhs) |
| Public works, Educations, sports, art & culture, Art & culture, Medical & public health, Family welfare of scheduled caste, schedules tribes and other backward classes, Social security and welfare Crop husbandry, Soil and water conservation , Animal Husbandry, Fisheries, Forestry and wild life Co-operation, Minor Irrigation, Non conventional sources of energy, Village and small industries Industries, Roads and bridges, Secretariat Economic services, Other rural development programmes, Other special area programmes, Other scientific research , Other general economic services (Govt. Grants as per the link document) TSC, Master account), PMGY GAY SGSY, SGSY village hats, IAY, IAY minority , IWDP , DPAP , DPAP.HARIYALI , RSVY, NREGS, IWMP , DRDA administration, (Central and State Fund) Akshara Dasoha Yojane, BRGF, (Central Fund) 13 th Finance Commission (Grant from Finance Commission) Training to PRI staff, Swachya Gram Yojana, Preparation District Human Development Report , Karanja Puervasti Yojane, Gram Panchayat Grants, Kuvempu Model School, Solar light (State Grants) | 37044.58 |
| BIDAR TALUK PANCHAYAT(Bidar District) | |
| FEATURES | Amount (in Lakhs) |
| Education, Health , Social welfare (SCP+TSP), BCM , Women & Child , Agriculture , Horticulture , Veterinary , Cooperative , Rural Development , Sericulture , Road & bridges (Govt. Grants) | 819.86 |
| BHALKI TALUK PANCHAYAT(Bidar district) | |
| FEATURES | Amount (in Lakhs) |
| Education, Health , Women & Child development, Agriculture, Horticulture ,Veterinary Cooperation, Other Rural Development, Sericulture ,Roads and bridges , Backward community minorities ,SCP, TSP (Govt.Grants) | 633.63 |
| ANDOOR GRAM PANCHAYAT(Bidar District) | |

| FEATURES | Amount (in Lakhs) |
|---|----------------------|
| MGNREGA (4 works on Agriculture), BRGF (Total 10 works ,out of 3 are on drinking water 7 works are for SC/ST development),I NBA (67 individual house hold toilets), IAY(19 houses), PYKA (Play ground construction) (Central Govt.) Water supply (assistance have been proposed to 32 individual house hold connections) (State Govt.) 13 Finance Commission (total there are 10 works ,out of it 6 works are related to drinking water ,two for computer repair, and 2 for administrative expenditure) | 55.19 |

| MORAMBI GRAM PANCHAYAT(<i>Bidar District</i>) | |
|---|----------------------|
| FEATURES | Amount (in Lakhs) |
| IAY, PYKA (play ground construction), Gramswaraj (women community hall, CC road and water supply), NBA (IHHL & public toilet), 13th Finance Commission (bore well repair water supply ,street light ,painting of Panchayat building ,motor repairing, hand pump, staff uniform drainage maintence citizens plat form for citizens and supply of medicine) Water Supply and Maintenance (bore well material purchase), BRGF (pipe line repair, bore well repair, motor repair, water tank, platform for statue, GP platform, subsidy for SC/ST, material purchase, open well repair) | 39.81 |

Source: Data from the Bidar Zilla Panchayat , Bidar & Bhalki Taluk Panchayats and Andoor & Morambi Gram Panchayats

Ground Reality: Related to the Preparation of Plans

As we have already mentioned and based on the strong legal frame work, Karnataka has been a pioneer in decentralized planning in many ways and it has many achievements and its performance also can be seen in favourable terms in comparison with many other States. Since decentralized planning per se is multilevel planning, different spatial levels of democratic political units demand planning. Therefore, planning may take place at all the levels corresponding to the three tiers of governance. One could identify total seven decentralized planning exercises/locations are being in operation at three sub state spatial domains in the State .During the field work the some attention has been made to capture

the ground realities which may have wider implications in the decentralization planning process.

(1) Process of the Preparation ‘Link Document’ by the Zilla Panchayats of Bidar and Dakshina Kannada.

As part of decentralized planning, the Government of Karnataka issued detailed guidelines to the Zilla Panchayats for the preparation of ‘link document’. A set of formats were also provided to the ZPs to suggest the needs of the district. The format was a very detailed one and all the requirements of the district could be listed in it. During the field work the above said guidelines and formats were available at both the two selected Zilla Panchayats of Bidar and Dakshina Kannada. The concerned officials of both the Zilla Panchayats reported that they are quite comfortable on the guidelines and the formats. It is observed that the copy of the same guidelines and formats had been circulated to all the Taluk Panchayats, Gram Panchayats and concerned line departments at the district. The Chief Planning Officers (CPOs) of both the ZPs expressed their satisfaction mainly on two grounds (i) the district wise tentative allocation had been indicated much earlier by the State, say by the month of September and (ii) the resource envelop was also known at the district level. Both the Chief Planning Officers opined that the district requirements could be worked at a realistic range. They could integrate the requirements at the district level with the support of all the Taluk Panchayats, Gram Panchayats and Heads of the line departments and submit a draft to be included in the ‘link document’ to the CEO of the Zilla Panchayat. The CEO in turn submitted the document to the planning/finance department, Government of Karnataka. The records revealed that both the DPCs were held in connection with the preparation of link document. As per the records, the DPC of Dakshina Kannada was held on 12 September, 2012 to discuss the guidelines, formats and scheme wise allocation for the preparation of decentralization planning whereas DPC of Bidar held on 22 October 2012 to approve the draft document. As it is mentioned earlier, every year, say in the month of December-January, before the formulation of the ‘link document’, a formal meeting used to hold at

the State headquarters for finalizing the draft document. The planning /finance department, Government of Karnataka also used to fix a date in the month of December/January for each district for discussion and finalization of the draft 'link document'. As per the requirement, the Chief Executive Officer (CEO), Deputy Secretary (DS), Chief Planning Officer (CPO), Chief Accountant Officer (CAO) and the heads of all line departments had represented from the two districts for the discussion and finalization of the draft 'link document'. It is reported that the Director, the Secretary of Planning and other senior officials from the planning and finance department including the Director of the District Planning Cell which is attached to Planning /Finance department had represented the State. District wise, scheme wise, department wise and head wise allocation of the 'link document' could finalize in the discussion meet. In addition to the 'link document' there is another separate non plan sector, known as 'Appendix –B' which is prepared by getting the proposals from each line department. It is scrutinized by the CEO and finally submitted to the Government. The officials of both the districts (Bidar and Dakshina Kannada) who had participated the state level discussions for the finalization of the 'link document' had expressed the following responses

- (i) It is only formal procedure where no space for a real discussion on specific requirements and priorities of the district.
- (ii) Since there are hierarchically placed officials of the state and district, everyone is aware of their own space. Generally, a calculated silence from the district level officials was observed.
- (iii) 'Link document' is a customized protocol checklist imposed from the top which lacks any amount of adaptability to accommodate pressure from below.
- (iv) The level of satisfaction over the discussion meet was average.

(2) Process of the Preparation of Action Plan by the Zilla Panchayats of Bidar and Dakshina Kannada.

It is noticed that annual action plan had been prepared by the planning wing under the CPOs of the two Zilla Panchayats as per the respective allocation in the 'link documents.

These action plans were first placed before the Finance, Audit and Planning Standing Committee for scrutiny and then to the general body of the Zilla Panchayat, A careful reading of the two annual action plans prepared by the ZPs of Bidar and Dakshina Kannada indicate that they are really the verbatim of what is reflected in the 'link document' of the respective districts. The only difference is that in action plans the programmes /schemes are converted in to project mode with time frame and tentative engineering estimate. Moreover, the action plans would be in uncomplicated terms which are familiar to non technical persons whereas the 'link document' appears to be a budget compendium, as it is reported. The discussion with the elected members of the ZPs revealed that when the programmes and schemes were listed in the 'link document' it was not considered as something for the ZPs whereas when it was listed in the action plan a feeling of ownership was visible among them.

(3) Process of the Preparation of Perspective Plan 2012-2017 by the Zilla Panchayats of Bidar and Dakshina Kannada

A remarkable attempt had been made in the State to prepare five year perspective plan, 2012-2017. A detailed guideline was issued by the, State (Finance /Planning Department) to prepare a perspective plan for a period of five years (2012-2013to 2016-2017). The Abdual Nazir Sab State Institute of Rural Development (ANSSIRD), Mysore had provided the technical support to the districts. As a result, both the Zilla Panchayats prepared the five year perspective plan and was approved by the respective District Planning Committees (DPCs) of Bidar and Dakshina Kannada. The Five Year Perspective Plan (2012-2013to 2016-2017) prepared by both the Zilla Panchayats had a detail analysis on different sectors with the support of statistical evidence. The documents were available with both the Zilla Panchayats during the time of the visit of the team .The report presents the overall goals and the strategies to be followed for achieving the said goals.

Taluk Panchayat

(4) Process of the Preparation of Action Plan by the Taluk Panchayats from Bidar and Dakshina Kannada districts.

In this part, the process of the preparation of action plan by the Taluk Panchayats is explained and it is based on the findings of the data on four selected Taluk Panchayats from Bidar and Dakshina Kannada. The two Zilla Panchayats of Bidar and Dakshina Kannada had issued guidelines to concerned Taluk Panchayats for the preparation of annual action plan. A separate note which indicated the proposed allocation of different schemes under each line department and the proposed amount under 13 Finance Commission, Chief Minister Fund (CM Fund) /Untied Fund were also sent to the Taluk Panchayats. It is reported that the resource envelopes and resource entitlements were indicated to the TP much in advance. The guidelines and other communications related to decentralized planning were seen in all the four selected Taluk Panchayats, during the field work. The minutes book of the Taluk Panchayats were the evidence to understand the nature of issues discussed in the committee meetings. Issues on planning were widely discussed in all the four cases. While discussing the issues on schemes /programmes which was listed as an item in the agenda note of the Taluk Panchayat meeting, generally members had to narrate the socio economic problems and felt needs of their own constituencies. The general trend was that all the elected members would like to have maximum schemes /programmes to be implemented in their own constituencies as it is reported by the officials of the planning offices of both the Zilla Panchayats. It is observed that the discussions, contestations and resolutions in the meetings of the Taluk Panchayat were in a way a kind of situational analysis which in many cases provided basic information for project /location identification. Finally, it is seen that all the Taluk Panchayats had prepared a document for the year 2012-2013 which is known as Annual Action Plan/ 'Link Document'. (The action plan is also known as link document at the taluk level and it is a generic term which has no connection with the actual link document prepared by the State Government in consultation with Zilla Panchayats) Finally, the action plan of the Taluk Panchayat was directly submitted to the concerned Zilla

Panchayats for approval, as per the evidence shown in the record. At the Taluk Panchayat level two sanctioned posts (one Planning Officer and one Programme Assistant) are available exclusively for planning exercises. However, both the posts are vacant during the time of field work. This is a cited example from Bhalki Taluk Panchayat of Bidar district. In the preparation of the action plan and other planning activities, a separate planning unit was established under the special support from the Govt., as per the recommendations of the Prof. Nanjudappa Committee Report. (This support is available only in the most backward blocks in the State. Being one of the most backward blocks Bhalki was included whereas the other three selected Taluk Panchayats were not covered). In addition to this, a local NGO is also involved in the preparation of the annual plans in Bhalki Taluk Panchayat. All the Taluk Panchayats had received partial support from the concerned Zilla Panchayats and the Chief Planning Offices for the preparation of action plan.

(5) Process of the Preparation of Perspective Plan 2012-2017 by the Taluk Panchayats of Bidar and Dakshina Kannada

As in the case of Zilla Panchayats an attempt had been made in the State to prepare Five Year Perspective Plan by the Taluk Panchayats for a period of 2012-2017. A detailed guideline was issued by the State (Planning/Finance Department) to prepare a perspective plan for a period of five years (2012-2013to 2016-2017). It is seen that all the four selected Taluk Panchayats had prepared the five year perspective plan and was approved by the concerned District Planning Committees (DPCs) of Bidar and Dakshina Kannada. The Five year Perspective Plan (2012-2013to 2016-2017) prepared by the TPs had a detail situational analysis on different sectors with the support of secondary statistical evidence. The report presented the overall goals and the strategies to be followed for achieving the said goals. The perspective plan documents of all the four TPs were prepared with the support of the academic inputs from the Abdul Nazir Sab State Institute of Rural Development (ANSSDIRD), Mysore. Some amount of dissatisfaction was visible among the officials on the ground that no follow-up action was taken on the plan

document. During the field work, plan documents were available only in three Taluk Panchayats and it was misplaced in one case.

(6) Process of the Preparation of Action Plan by the Gram Panchayats from Bidar and Dakshina Kannada

This part is written based on the analysis of the action plans prepared by the eight selected Gram Panchayats from the two districts of Bidar and Dakshina Kannada. After the approval of the concerned Panchayat Committees, the action plans were sent to the Taluk Panchayat (TP) for serenity. It is scrutinized by the Executive Officers (EOs) of the concerned TP and after the scrutiny, the plan documents were submitted to the Chief Executive Officer (CEO) of the Zilla Parishads (ZP) for the final approval. The action plans were really prepared by the concerned Panchayat Development Officers (PDOs) of the Gram Panchayats within the guidelines issued by the CEOs of the two ZPs. As per the record and the field evidence, it is revealed while preparing the action plans, the concerned Gram Sabhas were held and felt needs (both individual and community needs) were identified. It is also important to note that there was no integrated document of action plans. The action plans of the IAY and TSC/NBA contained only the name of the beneficiaries whereas the other action plans dealt with the name of the proposed villages, name of the activities, estimated cost and measurement details. Once the action plans were approved, these documents were submitted to the Engineering Wing of the Panchayat Raj and Rural Development for detailed technical appraisal with the support of Geographical Positioning System (GPS). The same procedure and process was followed in all the eight selected Gram Panchayats of both the BRGF (Bidar) and Non- BRGF (Dakshina Kannada) districts in the State while preparing the annual action plans. However, some degree of qualitative difference was seen among the annual action plans and it cut across the distinction between BRGF and Non BRGF districts. The can be persuasively explained in terms ability, experience and training of the official functionaries and leadership profiles of the elected functionaries. In terms of quality, the

action plans of Andoor Gram Panchayat from Bidar district and Thumpe Gram Panchayat from Dakshina Kannada district occupies the top position.

(7) Process of the Preparation of perspective plan 2012-2017 by the Gram Panchayats from Bidar and Dakshina Kannada

All the selected eight Gram Panchayats had prepared a Five Year Perspective Plan (2012-2013 to 2016-2017) and the process was as follows. It is reported that first Ward Sabhas were conducted to identify the felt needs of the locality in the Panchayats. After the Ward Sabhas, again Gram Sabhas were held for the identification of felt needs. The needs identified by both the Ward Sabhas and Gram Sabha were analysed, prioritized and incorporated in the prospective plan document and it was approved by the concerned Panchayat Committees. After the approval it was submitted to the Taluk Panchayat and Zilla Panchayat. However, a detailed look in to the perspective plans of the Panchayats gives an impression that most of the critical data such as source of resource envelop, estimated cost, measurement details for planning are missing in all the documents. It was noticed that so far no follow up action had taken towards the perspective plans. Any comments on the document from Taluk Panchayat, Zilla Panchayat and DPC had not received by the concerned Gram Panchayats. Moreover, the perspective plans had not been referred while preparing the annual action plans for the year 2012-2013 of different schemes in the concerned Gram Panchayats. The decision with the *Adhyakshas*, other members and PDOs of the eight Gram Panchayats revealed that the planning process had many deficits (lack of required knowledge, capacities and resources etc). As a result it became a ritualistic and mechanical exercise. One Panchayat Development Officer (PDO), who is academically qualified and professionally experienced, made the following comment, “*we ourselves failed to understand the relevance of the exercises*”. Resource envelopes were not very clearly indicated to the Panchayats whereas only resource entitlements were indicated. There is an information flow regarding the schemes available and the amount of fiscal transfer under the schemes from the ZP to the Gram Panchayat. Since it is indicated much in advance, the Gram Panchayat could prepare the action plan within the prescribed time limit. However, there were incidences

to mention that the Panchayat had prepared more than one action plan for a single scheme as per the changes in the resource allocation of the schemes. Moreover, it is reported that there were wide differences in the allocation of resources over the years as in the case of the MGNREGA, it was Rs.44.82 lakhs in 2011-2012 and it had come down to Rs.5.06 lakhs in 2012-2013, as cited by the PDO of Andoor Gram Panchayat and similar example also could be placed from one of the selected GPs in Dakshina Kannada.

Ground Reality: Integration of Plans

At the Zilla Panchayat level, as in the case of Gram Panchayats and Taluk Panchayats, there is no one 'single and integrated' plan document whereas it has separate plan documents for different schemes. For example, it has an action plan on schemes related to (i) Link Document (ii) action plan on 13 Finance Commission, (iii) action plan on BRGF, (iv) action plan on MGNREGA, (v) action plan on IAY, and (vi) action plan on NBA and etc. The process of approval of different action plans is also different. The action plan of the schemes related to the Link Document is presented in the general body of the Zilla Panchayat for approval whereas the action plan of BRGF is approved by the District Planning Committee (DPC). However, the information on all the action plans is being communicated to all the institutions (Zilla Panchayat, different Standing Committees of the ZP and DPC).

In the case of BRGF, all the Gram Panchayat plans and Taluk Panchayat plans are integrated in the district plan. This process was seen in Bidar district. The action plans of the Gram Panchayats and Taluk Panchayats for the year 2012-2013 had submitted to the Zilla Panchayat. The Chief Planning Office (CPO) had integrated these plans in to one document along with the plan of the Zilla Panchayat. The same is the case with other action plans also. However, the State guideline and direction is for the preparation one single integrated plan document which could not be achieved so far, as it is reported by the CPOs of the two Zilla Panchayats. There is separate action plan for department schemes which are listed in the link document.

The action plans prepared by the Gram Panchayats are forwarded to Executive Officer of the TP for administrative approval and a copy of all the documents is available at the Taluk Panchayat. The TP also prepares an annual action plan. However; consolidation of the plans (Plans of the GPs and the Plan of the TP) is not taking place at Taluk / Block level. The field experiences reveal that preparing an integrated plan is a difficult task and it is not happening in an organized manner in the two selected districts.

The rural plans and budgets are prepared by the different tiers of PRIs. The urban plans are being scrutinizing by the urban planning wing in the Deputy Commissioner's office. There is no integration of the two plan documents in the district .This total separation of urban and rural plans are a conspicuous feature of district planning and budgeting. However, the plan for the urban spatial unit (taluk town) is prepared by the concerned municipal council of the taluk town and sent to the Deputy Commissioner's office while the taluk rural plan is sent to the Zilla Panchayat. There is an urgent need for the integration of both at the taluk and district levels. This integration will help to mobilize more resources for taluk and district levels as well.

Strengths and Weakness of Decentralized Planning in the State

As it is seen Karnataka has been a trendsetter in decentralized planning in many ways and it has many achievements .The overall performance of the decentralized planning in the State also can be an inspiring factor for advocating the case elsewhere in the country. Karnataka's vision of decentralized planning has been developed over a long period of experience, with many ups and downs. Since decentralized planning is viewed both as an institution and a process, it may have strengths and weakness. In this context, one has to look both the sides for suggesting policy proposals for strengthening the decentralized planning in the State.

Strengths

1. The institutions and processes of decentralized planning have been evolved over a long period of time. Since it is under a process of slow and steady graduation, the

decentralized planning has been institutionalized and structurally integrated with in the three tier structure of Panchayat Raj Systems in the State. Karnataka may be a success story in grafting the decentralized planning to the anatomy of the Panchayats at all the spatial levels.

2. Karnataka has a well developed legal frame work for the decentralized planning .As a result, the structure and design is strong .The Karnataka Panchayat Raj Act , 1993 provides following institutions and provisions

1. District Planning Committee (DPC). The composition, functions and powers are not only in accordance with the letter and spirit of the Constitutional amendment but best suited to perform the assigned functions of a planning unit with proper integration of rural and urban .Exemplary cases are: the Adhyaksha of the Zilla Panchayat is the Chairman of the DPC ,the Mayor of the Municipal Council having jurisdiction over the head quarters of the district is the Vice –Chairman and the Executive Officer of the Zilla Panchayat is the member Secretary .There is Planning Office at the district level to provide technical support and secretarial assistance to DPC .Provision for financial support for meeting the administrative cost of the DPC is ensured
2. The process of the preparation of development plan by the three tiers of Panchayats, its integration and ‘from the grassroots level’ approach is well defined in separate Sections of the Karnataka Panchayat Raj Act, 1993. (Ref. Section 309).
3. Gram Sabha and Ward Sabha are the institutions to identify felt needs of the individuals/communities and spatial needs at the grass roots. Mahila Sabha and Children’s Gram Sabha are expected to identify women and child specific needs. As a result, some rudimentary form of gender planning (addressing both strategic and practical gender needs) is in operation. These peoples’ institutions have defined and constituted such way to generate basic information and data for decentralized planning.

4. In the Act there is provision for Standing Committee on Finance, Audit and Planning at the two levels (Ref. Section 148&186) .The major functions of the Standing Committees are to prepare the spatial plan at the respective tier (Taluk and Zilla).
3. The introduction of 'Link Document' is another contribution and strength of the decentralized planning in general and planning at the district and Zilla Panchayat levels in specific. The 'link document' is one which gives a clear picture on what is to receive for different purposes /schemes under each district once the State budget is passed. As it is called, the document has a strong link with the State budget. It serves two purposes in the decentralized planning. First, it gives a clear picture on resource envelop and on which the Zilla Panchayat can prepare the plan document. Second, it works really as a bridge between District Planning and State Planning. Moreover, the 'link document' may integrate the Budget of the State Government and decentralized planning, to certain extent.
4. The Department of Planning /Finance and State Planning Board Government of Karnataka takes a pro active stand towards the decentralized Planning as per the evidence suggested in the case of issuing guidelines , planning calendar, circulars , orders and the discussion meet to finalize the preparation of link document towards decentralized planning .There is a separate wing with a Director of District Planning at the Planning /Finance Department who supports the decentralized planning in the State . In this context, special mention may be made in the preparing district level human development reports in collaboration with the DPCs/ZPs and research institutions in the State. It is reported that the activity has been started in all the district based on common methodology and approach. The district human developments reports may be an enabling factor for enhancing the quality of the decentralized planning.
5. Training on decentralized planning is included as one of the major components in the training modules designed by the Abdul Nazir Sab State Institute of Rural Development (ANSSDIRD), Mysore and it is being imparted both to the elected and

official functionaries of the Panchayats in the State . As a result, it has enhanced the capability of the stakeholders' in decentralized planning. During the field work, in many incidences, such stakeholders who have expertise and knowledge in the area of decentralized planning could be traced in both the districts. And in many cases, their expertise has been reflected in the preparation of action plan and other planning related exercises.

6. The preparation a five year perspective plan (2012-2017) by the three tier Panchayats in the State is a land mark in the decentralized planning though it suffers many planning related technical deficits. In general, the preparation of scheme based annual action plans; five year perspective plan and preparation of 'link document' have localized the concepts and tools of decentralized planning.
7. The centrally sponsored schemes, mainly MGNREGA and BRGF have provided space for preparation of scheme based plans and in turn capacitated the capability of the local stakeholders. Special mention may be given to the Panchayats in BRGF district (Bidar) where the planning guidelines, procedures and deployment of technical staff, MIS and soft ware (*Plan plus*) related to BRGF have laid down the foundation of decentralized planning.

Weakness

- a. Though DPC has a well developed structure, design, technical support and financial resource for administered the expenses, the institution has not properly institutionalized. It is reflected in the poor frequency of the DPC meetings. The examples can be cited from the two selected districts. (In Bidar district two DPC meetings were held on 9 July, 2012 & 12 September, 2012 and the same was held on 22 September, 2012 & 31 January 2013). How the DPCs can perform the assigned planning roles and responsibilities with the limited number of meetings?
- b. Lack of clarity in basic concepts of decentralized planning is noticed in all the Panchayats from both the districts. The workable definitions and operational domain of the concepts of 'plan', 'annual action plan', 'perspective plan', 'annual accounts of receipts and expenditure' and 'budget' are not clearly understood by the local stake

holders . These concepts are frequently used and applied interchangeably. At the Panchayat level these are mere nomenclature for decentralized planning. Though the five year perspective plan (2012-2017) was prepared by all the three tiers of Panchayats, it is not yet started in operation at any level. Therefore, some amount of dissatisfaction is expressed by the functionaries of the Panchayats. On the other side, the officials at the district level had complaints towards the poor quality of the document. A careful reading of the five perspective plan reveals that major critical information/data such as the source of resources, estimated cost and measurements of the civil works are missing in the document. It is also learnt that serious doubts are raised on the applicability of the plan of the document.

- c. Though the Panchayats at all the tiers have prepared annual action plans based on different scheme guidelines ,in the reality one integrated planning document by consisting of all the annual action plans was missing .
- d. Though the ‘link document’ gives a picture on what is to receive for different purposes /schemes, it limits the real space to identify and formulate schemes and programmes on local specific. It is stated that “there are 169 schemes /programs in the link document which is common to all districts and some amount of adjustments within the allocation between sectors and programmes is only possible”. Similar comments on the process were heard from the two districts when the issue was discussed among the members of the Zilla Panchayats. “Whatever is available in the link document we have to accept” as put by a Zilla Panchayat Member. In a way the ‘Link document’ is a customized protocol checklist imposed from the top which curtails any space to incorporate any district specific schemes /programmes.
5. The present structure of the Chief Planning Offices at the district level is weak in terms of staff strength, expertise and experience. The office is headed by a Chief Planning Officer (CPO) and is assisted by two technical staff (one Project Appraisal and Evaluation Officer –PAEO and two Assistant Statistical Officers) and other support staff. Number of administrative deficits was noticed in the functioning of the Planning offices in the two selected districts. The Chief Planning Officer in Bidar

having an additional charge of the responsibility of the Council Secretary which defect his attention in the planning process. Moreover, the other personnel in the planning office lack expertise and professional competency in planning as they themselves report. In the case of Dakshina Kannada district the CPO has no experience in the area of decentralized planning since he is a person new to the post. Moreover, no one is available in the office to compensate his deficiency. Since the planning wing of the Zilla Panchayat deficit capability it penetrates to the planning process at the sub district levels (Taluk Panchayats and Gram Panchayats). What the inference one could get from the two districts is that the existing strength of the planning offices is not sufficient to perform the assigned roles.

6. It is noticed that the real involvement of the elected representative is very limited in the decentralized planning. The major stakeholders of the planning process seem to be the officials at all levels. The finalization of the draft 'link document' at the State headquarters is an important event who is exclusively attended by officials from the district .The absence of the Chairperson of the DPC and any elected members in the proposed meeting is serious political defect in the decentralized planning. It is noticed that the planning activity at the Gram Panchayat level is largely performed by the Panchayat Development Officers (PDO). The same is the case with the Taluk Panchayat and Zilla Panchayat where the Executive Officer and Chief Executive Officer respectively dominate the panorama. This is not to confirm that the decentralized planning in the State is bureaucratic in approach rather it appears not to be. However, the decentralized planning is being conceptually understood only as a technical exercise by negating the local politics.

CHAPTER 3:

DEVOLUTION OF FUNCTIONS

The Panchayat Raj System has been in existence in Karnataka for a long time. Even during the pre constitutional phase Karnataka had remarkable achievement in devolving functions to Panchayats .The first major step towards effective devolution of functions was taken in 1983. The earlier legislation entitled “Karnataka Zilla Parishads, Taluk Panchayat Samitis, Mandal Panchayats and Nyay Panchayats Act, 1983 was a historical land mark in this context. Following the 73 rd Constitutional Amendment, all the States passed conformity Acts. It is argued that by and large all the State Acts are the verbatim of what it says in the Central Act. Karnataka may be an exception. The present Karnataka Panchayat Raj Act, 1993 is a synthesis of the earlier experiences and the Constitutional commitments. The strong legislative frame work is reflected in devolving major functions to Panchayats. In this chapter an attempt has been made to understand the functions devolved to Panchayats based on the Act, Activity Mapping and actual field operations. While doing the exercise, a special enquiry is conducted to know whether the principle of subsidiarity has been followed and if it is followed to what extent. The other crucial questions are how the tiers have been treated and arranged, whether hierarchically or independent entities within their own sphere autonomy or between these two diametrically opposite locations. The chapter finds answer to the questions.

List of Functions Assigned by the PR Act

Zilla Panchayat

The Zilla Panchayat shall perform the functions specified in Schedule III within the area under its jurisdiction, in respect of the following matters, namely:-

1. Establishment of health centres including maternity centres so as to cover the entire population within five years, as per the norms lay down by the Government;
2. Construction of underground water recharges structures to ensure availability of water in the drinking water wells;
3. Prevention of drilling of irrigation borewells in the vicinity of drinking water wells to ensure adequate drinking water, especially in lean season;
4. Drawing up a plan for social forestry development in each taluk and spending not less than such percentage of the District Plan allocation every year as may be specified by the Government from time to time

Taluk Panchayat

The Taluk Panchayat shall perform the functions specified in Schedule II:

Provided that where the State Government or Central Government provides funds for the performance of any function specified in Schedule II to make reasonable provision within the area under its jurisdiction in respect of the following matters, namely,

- (i) Construction and augmentation of water supply works to the level of not less than forty liters per capita for day
- (ii) Filing half yearly report regarding the activities of Gram Panchayats within the taluk regarding,-
 - (a) Holding of Grama Sabha;
 - (b) Maintenance of Water supply works;
 - (c) Construction of individual and community latrine;
 - (d) Collection and revision of taxes, rates and fees;
 - (e) Payment of electricity charges;
 - (f) Enrollment in schools;

(g) Progress of immunization.

(iii) Providing adequate number of class rooms and maintaining primary school buildings in proper condition including water supply and sanitation;

(iv) Acquiring land for locating the manure pits away from the dwelling houses in the villages.

Gram Panchayat

Provided that where the State Government or Central Government provide funds for the performance of any function specified in Schedule I, the Gram Panchayat shall perform such function in accordance with the guidelines or norms laid down for performing such function.

(1A) Notwithstanding anything contained in sub-section (1) and Schedule I, it shall be obligatory on the part of a Gram Panchayat in so far as the Gram Panchayat fund at its disposal will allow, to make reasonable provision within the Panchayat area in regard to the following matters, namely:-

- Providing sanitary latrines to not less than ten percent of the households every year and achieve full coverage as early as possible
- Constructing adequate number of community latrines for the use of men and women and maintain them
- Maintaining water supply works either on its own or by annual contract by generating adequate resources
- Revising and collecting taxes, rates and fees periodically which are leviable under the Act;
- Ensuring universal enrollment of children in primary school;
- Achieving universal immunization of children;
- Ensuring prompt registration and reporting of births and deaths;
- Providing sanitation and proper drainage;

- Construction, repair and maintenance of public streets;
- Removing encroachments on public streets or public places;
- Providing adequate number of street lights and paying electricity charges regularly;
- Filling-up insanitary depressions and reclaiming unhealthy localities;
- Destruction of rabid and ownerless dogs;
- Maintenance of all community assets vested in it;
- Maintenance of records relating to population census crop census, cattle census, census of unemployed persons and persons below poverty line;
- Earmarking places away from the dwelling houses for dumping refuse and manure.
- Protecting the biodiversity

2) The Gram Panchayat may also make provision for carrying out within the Panchayat area any other work or measure which is likely to promote the health, safety, education, comfort, convenience or social or economic well being of the inhabitants of the Panchayat area.

- Make provision for or make contribution towards, any exhibition, conference or seminar within or outside the Panchayat area but within the district; or
- Make contribution to any medical, educational or charitable institutions or any other institutions of public utility, within the Panchayat area which are registered under the Karnataka Societies Registration Act, 1961, Karnataka Co-operative Societies Act, 1959 or under any other law for the time being in force.

Table No3.1 List of Functions Assigned by the PR Act:

| Items | District Panchayat | Block Panchayat | Gram Panchayat |
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| List of functions assigned by the PR Act: | <p>The Zilla Panchayat shall perform the functions specified in Schedule III:</p> <p>1. Provided that where the State Government or Central Government provide funds for the performance of any function specified in Schedule III, the Zilla Panchayat shall perform such functions in accordance with the guidelines or norms laid down for performance of such function.</p> <p>(2) Notwithstanding anything contained in sub-section (1) or Schedule III, it shall be obligatory on the part of the Zilla Panchayat so far as the Zilla Panchayat fund at its disposal will allow, to make reasonable provisions within the area under its jurisdiction, in respect of the following matters, namely:-</p> <p>(i) establishment of health centres including maternity centres so as to cover the entire population within five years, as per the norms laid down by the Government;</p> <p>(ii) construction of underground water recharge structures to ensure availability of water in the drinking water wells;</p> <p>(iii) prevention of drilling of irrigation borewells in the vicinity of drinking water wells to ensure adequate drinking water, specially in lean season;</p> <p>(iv) drawing up a plan for social forestry development in each taluk and spending not less than such percentage of the District Plan allocation every year as may be specified by the Government from time to time</p> | <p>The Taluk Panchayat shall perform the functions specified in Schedule II:</p> <p>(1) Provided that where the State Government or Central Government provides funds for the performance of any function specified in Schedule II, the Taluk Panchayat shall perform such functions in accordance with the guidelines or norms laid down for performance of such function.</p> <p>(2) Notwithstanding anything contrary contained in sub-section (1) or Schedule II, it shall be obligatory on the part of the Taluk Panchayat, in so far as the Taluk Panchayat fund at its disposal will allow, to make reasonable provision within the area under its jurisdiction in respect of the following matters, namely</p> <p>(i) construction and augmentation of water supply works to the level of not less than forty liters per capita for day</p> <p>(ii) filing half yearly report regarding the activities of Grama Panchayats within the taluk regarding,-</p> <p>(a) holding of Grama Sabha;</p> <p>(b) maintenance of Water supply works;</p> <p>(c) construction of individual and community latrine;</p> <p>(d) collection and revision of taxes, rates and fees;</p> <p>(e) payment of electricity</p> | <p>Provided that where the State Government or Central Government provide funds for the performance of any function specified in Schedule I, the Grama Panchayat shall perform such function in accordance with the guidelines or norms laid down for performing such function.</p> <p>(1A) Notwithstanding anything contained in sub-section (1) and Schedule I, it shall be obligatory on the part of a Grama Panchayat in so far as the Grama Panchayat fund at its disposal will allow, to make reasonable provision within the panchayat area in regard to the following matters, namely:-</p> <p>(i) Providing sanitary latrines to not less than ten percent of the households every year and achieve full coverage as early as possible</p> <p>(ii) Constructing adequate number of community latrines for the use of men and women and maintain them</p> <p>(iii) Maintaining water supply works either on its own or by annual contract by generating adequate resources</p> <p>(iv) revising and collecting taxes, rates and fees periodically which are leviable under the Act;</p> <p>(v) ensuring universal enrollment of children in primary school;</p> <p>(vi) achieving universal immunisation of children;</p> <p>(vii) ensuring prompt registration</p> |

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| | | <p>charges;</p> <p>(f) enrollment in schools;</p> <p>(g) Progress of immunization.</p> <p>(iii) providing adequate number of class rooms and maintaining primary school buildings in proper condition including water supply and sanitation;</p> <p>(iv) acquiring land for locating the manure pits away from the dwelling houses in the villages.</p> | <p>and reporting of births and deaths;</p> <p>(viii) providing sanitation and proper drainage;</p> <p>(ix) construction, repair and maintenance of public streets;</p> <p>(x) removing encroachments on public streets or public places;</p> <p>(xi) providing adequate number of street lights and paying electricity charges regularly;</p> <p>(xii) filling-up insanitary depressions and reclaiming unhealthy localities;</p> <p>(xiii) destruction of rabid and ownerless dogs;</p> <p>(xiv) maintenance of all community assets vested in it;</p> <p>(xv) maintenance of records relating to population census crop census, cattle census, census of unemployed persons and persons below poverty line;</p> <p>(xvi) Earmarking places away from the dwelling houses for dumping refuse and manure.</p> <p>(xvii) protecting the biodiversity</p> <p>2) The Grama Panchayat may also make provision for carrying out within the panchayat area any other work or measure which is likely to promote the health, safety, education, comfort, convenience or social or economic well being of the inhabitants of the panchayat area.</p> <p>(3) The Grama Panchayat may, by a resolution, passed at its meeting and supported by two-thirds of its total number of members</p> <p>Omitted by Act 37 of 2003 w.e.f. 1.10.2003.</p> <p>(a) make provision for or make contribution towards, any exhibition, conference or seminar</p> |
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| | | | <p>within or outside the panchayat area but within the district; or</p> <p>(b) make contribution to any medical, educational or charitable institutions or any other institutions of public utility, within the panchayat area which are registered under the Karnataka Societies Registration Act, 1961, Karnataka Co-operative Societies Act, 1959 or under any other law for the time being in force.</p> |
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Table No.3.2 :List of Functions Assigned by Activity Mapping

| ZILLA PANCHAYAT | TALUK PANCHAYAT | GRAM PANCHAYAT |
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| <p>I. Agriculture</p> <ol style="list-style-type: none"> 1. Prepare comprehensive crop plan 2. Develop and maintain data base for cropping pattern, land use and inputs used for planning 3. Organize Kisan melas, fairs and exhibitions 4. Protect bio diversity 5. Promote profitable crop technologies 6. Prepare consolidated plan for input requirement 7. Acquire and arrange distribution of inputs in time 8. Improve adequate storage facilities for inputs 9. Monitor distribution of quality inputs 10. Prepare credit plan 11. Ensure timely credit availability between agriculture development and credit institutions and monitor credit mobilization 12. Help in strengthening of cooperative credit institutions 13. Maintain linkage with research and training organizations 14. Ensure regular visits of extension staff and help in dissemination of new technologies 15. Ensure regular training of extension officials for updating their knowledge of advancements in technologies 16. Establish soil testing laboratories. Monitor soil testing work 17. Establish and improve storage facilities 18. Develop marketing infrastructure at suitable locations 19. Monitor regulated marketing 20. Ensure correct weights and measures 21. Assess losses due to natural calamities and formulate relief plan 22. Monitor and supervise relief operations 23. Guide and coordinate the work of GPs & TPs 24. Provide legal administrative and financial assistance to GPs & TPs as far as practicable in the conduct of legal proceedings 25. Decide on disposal of village common property or their conversion to other uses | <p>I. Agriculture</p> <ol style="list-style-type: none"> 1. Assist ZP in organizing famers fairs, Kissan melas etc 2. Organize on farm verification trails and demonstration of new technologies 3. Report and initiate action plans for different items 4. Coordinate activities of field level extension workers and officials 5. Act as a link between ZP and GPs for transfer of knowledge 6. Help in crop yield estimation through maintaining links with various agencies, GPs and farmers 7. Advise suitable cropping system based on location specific characteristics 8. Arrange awards to progressive farmers 9. Assess inputs needs for GPs inputs and forward consolidated request to TP 10. Ensure timely availability of required inputs to GPs 11. Arrange storage and transport facilities for inputs close monitoring of inputs delivery system 12. Assist in preparing credit plan 13. Ensure timely credit from formal institutions 14. Monitor credit delivery system. 15. Prepare plan for visit of extension workers and monitor their works 16. Advance and identify extension officials for training. 17. Assist scientists in identifying local problems for designing their research work relevant to local needs 18. Ensure better linkages between farmers and extension staff 19. Operate and run farmer service centres, Kisan Kendras and Raitha Samparka Kendras 20. Monitor soil testing work 21. Help in identifying locations for soil | <p>I. Agriculture</p> <ol style="list-style-type: none"> 1. Estimate crop yield and maintain data base regarding crops and cropping pattern 2. Assist in preparation of crop plan 3. Assist in advising farmers about remunerative crop activities and crop diversification 4. Assist in identifying progressive farmers for adoption and diffusion of new technologies 5. Help in providing custom hiring services for plant protection equipment and farm implements 6. Generate awareness in use of organic fertilizers and vermiculture 7. Assist in assessing needs of various such as seeds, fertilizers, pesticides 8. Assist in timely distribution of adequate inputs to farmers 9. Exercise social control and regulate interest areas and recovery of loans from formal and informal credit institutions 10. Help in formation of self help groups 11. Monitor the visit of extension workers to the village farms. 12. Identify suitable plots for conducting trials and demonstration. 13. Select farmers for participating in Kisan melas and training. 14. Assist technical experts in conducting soil tests 15. Help in ensuring feedback from soil testing to farmers 16. Help in organizing farmers for group sale in bulk 17. Assist in increasing awareness about better storage facilities for seeds and food grains. 18. Report losses due to natural calamities and requirements. 19. Supervise relief operations and distribution of material. 20. Motivate and help in identifying farmers to take up crop insurance schemes. 21. Assist in the implementation of contingency |

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| <p>with the concurrence of the GP concerned.</p> <p>26. Prepare district plan for soil and water conservation projects</p> <p>27. Desegrete this plan into TP level, GP level or even lower level deliverable units</p> <p>28. Harmonize the plan with other employment generating as well as area development plans</p> <p>29. Coordination with various agencies of the ZP as well as the district administration who will either participate in or whose work will impinge upon the implementation of the plan.</p> <p>II.Minor Irrigation, Watershed Management and Watershed</p> <ol style="list-style-type: none"> 1. Formulate MI projects 2. Technically appraise MI projects (outside TP purview) 3. Execute MI Projects outside TP and GP plan 4. Assign projects to TP and GP 5. Development of drainage system in water logged areas 6. Sanctioning projects for percolation tanks check dams and land leveling 7. Supervise monitor and review of the progress and quality of works by the subject committee 8. Coordinate Between various departments and agencies funding MI projects 9. Propagate modem water management delivery methods 10. Propagate use of sprinkler and drip irrigation in drought prone/ water scarce area. 11. Identify, select and approve watershed projects 12. Promote watershed development approach in all areas for better management of natural resources and environment development, 13. Supervise, monitor and review of the progress and quality of works by the subject committee <p>III. Animal Husbandry Dairying and Poultry</p> <ol style="list-style-type: none"> 1. Assess the need and formulate projects for the establishment, improvement and maintenance of breeding farms for cattle, sheep, goats and hatcheries 2. Establish, improve and maintain veterinary hospitals, Dispensaries Rural Livestock Units (RLUs) and AI centres 3. Procure and supply medicines equipment and other materials to hospitals dispensaries, RLUs and AI centres 4. Monitor the functions of veterinary services 5. Propagate production of nutritive fodder and promote proper feeding of animals 6. Procure and establish fodder banks in drought areas 7. Assist Diary Development Boards or Cooperatives in the development of infrastructure for milk collection, collection centres, transportation and processing 8. Develop infrastructure for poultry farming 9. Production and supply of quality chicks to poultry farmers 10. Allot or lease community land for establishing poultry complex <p>IV. Fisheries</p> <ol style="list-style-type: none"> 1. Formulate Projects for fisheries | <p>testing work</p> <ol style="list-style-type: none"> 22. Help farmers for improvement of soil fertility in consonance with soil testing results 23. Maintain godowns 24. Organize marketing committee and maintain market yards 25. Regulate market charges and ensure correct weights and measures 26. Provide, manage and run market information systems 27. Ensure prompt payment to the farmers. 28. Estimate crop losses and report action taken 29. Monitor relief operations 30. Assist in providing benefits from crop insurance schemes. 31. Arrange crop insurance schemes and coordinate among insurance agencies 32. Prepare contingency agricultural plan 33. Coordinate the work of GPs where inter GP collaboration is needed. 34. Coordinate with the legally constituted machinery involved in the matter 35. Coordinate with officials of soil conservation machinery. 36. Inter GP coordination for smoothly carrying out soil conservation operations cutting across GP boundaries including creation of water channels. <p>II. Minor Irrigation, Watershed Management and Watershed</p> <ol style="list-style-type: none"> 1. Formulate MI projects 2. Technically appraise MI projects proposed in TP plan 3. Execute MI projects included in TP plan 4. Execute MI Projects assigned by ZP 5. Construct percolation tanks and check dams (outside GP Plan) 6. Supervision, monitoring and review of the progress, and quality of works by the subject committee 7. Coordinate between various line departments/ agencies funding for MI projects 8. Guide and motivate people to adopt modem methods of irrigation, on farm development and proper maintenance of field channels 9. Select beneficiaries for subsidized sprinkles, drip irrigation equipment and delivery system and supply them, including providing technical guidance to beneficiaries 10. Organise farm demonstration for modem water management techniques 11. Prepare watershed project inter-GP watersheds 12. Organise people to form work committees 13. Form technical team to assist GP in the implementation of watershed projects 14. Integrate various beneficiary oriented and area development oriented schemes to harmonize with watershed project 15. Monitoring supervision and reporting progress | <p>plan</p> <ol style="list-style-type: none"> 22. Primary responsibility for keeping all common property of local nature in good condition. 23. Keep watch over them so that they are not encroached upon or converted to uses not in the interest of the community. 24. Identify encroachment as well as conversion of illegal or wrong uses of commons 25. Provide assistance in and collection of evidence towards the conduct of the proceedings by such authority. 26. Assist the professional/official machinery for soil conservation work through helping group action by land owners 27. Direct assistance in implementation eg. Organizing owner labour as part of contributions of the cost of operations 28. Post conservation vigilance to ensure that work done is not undone once again 29. Create public opinion in favour of use of soil only in consonance with its properties, gradients etc. 30. Distribute subsidies and other assistance according to determined scales and priorities <p>II. Minor Irrigation, Watershed Management and Watershed</p> <ol style="list-style-type: none"> 1. Assist in formulation of MI projects and ratification by Gram Sabha 2. Identify locations for projects 3. Execute community MI projects 4. Execute MI projects assigned by ZP and TR 5. Construct percolation tanks and check dams including projects assigned by the ZP and TP 6. Enforce inter-well distance (well density) as per prescribed norms 7. Identify beneficiaries under various programmes for MI projects through Gram Sabha 8. Supervise, Monitor and review progress, quality of work. 9. Identify beneficiaries through Gram Sabhas for subsidized sprinkler and drip irrigation system 10. Constitute Neeru Panchayats for proper utilization of water including use for drinking purposes 11. Encourage farmers for non farm development and development of field channels/ delivery system for proper utilization of water 12. Participate in planning and implementation of watershed projects 13. Approve land/ water use plan for watershed development through Gram Sabhas 14. Assist in constituting user/ Beneficiary committees in the watershed for their direct participation in the execution of the project 15. Maintain community assets created under watershed project 16. Supervise and monitor quality of works 17. Select beneficiaries and provide assistance to them for executing individual works under watershed <p>III. Animal Husbandry Dairying and Poultry</p> <ol style="list-style-type: none"> 1. Assist in identification of beneficiaries under various programmes 2. Motivate people to maintain quality breeds and adopt modem methods of maintaining livestock 3. Supervise the functioning of RLU and AI |
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| <p>development</p> <ol style="list-style-type: none"> Technically appraise and approve projects for development of inland water bodies for fisheries Establish fish seed production farms Formulate Projects for fisheries development Arrange training of fishermen in modern management techniques for fish production Procure and supply fishing equipment for distribution among selected fishermen's cooperatives and beneficiaries Monitor and supervise plan implementation Procure and supply motorized and modern boats and equipment to selected groups of beneficiaries and cooperatives Development brackish water fisheries Enforce environmental restrictions on marine aquaculture and brackish fish production activities Install weather forecasting and early warning system for marine fishermen Encourage private entrepreneurs to establish processing and storage facilities Assist in establishing other marketing infrastructure Promote group insurance schemes for fishermen Sanction relief to affected families during natural calamities <p>V. Social Forestry</p> <ol style="list-style-type: none"> Promote social forestry and farm forestry Promote and propagate social and farm forestry for improving ecology and environment. Establish forest nurseries for supply of seedlings and saplings for distribution Propagate fuel fodder and timber producing plants and bio diversity Organize vanamahotsava Lease land to groups and individuals interested in social forestry on sharing basis Establish links for marketing of forest products <p>VI.Minor Forest Produce</p> <ol style="list-style-type: none"> Plan raising MFP plantation in concentrated blocks to facilitate collection and marketing Encourage cultivation of MFP in existing forest, degraded forest lands, barren and uncultivable area, and community wastelands Encourage plantation of MFP such as gum, resin, medicinal plants, aromatic plants, leaves, oil seeds, tans and dyes, grasses, seeds, canes, bamboo, etc. particularly in tribal areas Promoting plantation of MFP species in drought prone, desert areas and under social forestry activity under JGSY, particularly in tribal areas. Organise training for scientific tapping of gums, resins, and grading of MFPs. Monitor MFP collection activities in forest ranges | <ol style="list-style-type: none"> Coordinate between various agencies and departments implementing watershed projects such as agriculture, forestry, DPAP and DDP <p>I. Animal Husbandry Dairying and Poultry</p> <ol style="list-style-type: none"> Distribute quality breeds to beneficiaries under various programmes Propagate improved breed of livestock among farmers Supervise the functioning of veterinary services in the TP Maintain mobile veterinary unit to provide veterinary care and control diseases and epidemics Organise cooperatives for fodder production and provide financial assistance Supply improved variety of fodder seeds Propagate modern methods of feeding to improve livestock productivity Supply fodder during droughts Develop and open new milk routes for milk collection Promote milk producers cooperative societies Ensure timely payment of milk producers This has to be done at GP level Supply quality milch animals Train poultry farmers Arrange for the supply of feed <p>IV.Fisheries</p> <ol style="list-style-type: none"> Select beneficiaries for fisheries training Organise fishermen's cooperatives Distribute boats, nets and other equipment and give assistance to cooperatives and beneficiaries Monitor, supervise and report progress Lease village ponds to fishermen's Cooperatives and groups Select sites for marine aquaculture and brackish water fishing Organise fishermen's cooperatives Distribute boats and equipment to selected beneficiaries and cooperatives Monitor impact of marine aquaculture on environment Organise and train fishermen in processing, packaging and preservation of fish and fish products Develop tie-up arrangements between fishermen and processing units Implement family and group insurance schemes for fishermen Distribute relief to families affected by calamities <p>V. Social Forestry</p> <ol style="list-style-type: none"> Identify degraded and wastelands and formulate social forestry projects Implement TP social forestry projects and those assigned by ZP | <p>service centres,</p> <ol style="list-style-type: none"> Report out-break of diseases and epidemics Help in establishing cooperative fodder farm Allocate community land for fodder production Control grazing and improve grazing and pasture lands Distribute fodder during droughts Assist in organizing milk producers cooperative societies Identify beneficiaries for dairy development programme Select beneficiaries under various programmes Identify beneficiaries for poultry farming Select beneficiaries and establish poultry complexes for them under various programmes. <p>IV.Fisheries</p> <ol style="list-style-type: none"> Develop village pond for fisheries Identify beneficiaries for assistance under various programmes and assist them in organizing fishermen's cooperatives Assist TPs in the distribution of boats, nets and other equipment Supervise and report progress to TPs Execute fishpond and tank improvement projects Identify beneficiaries and assist them in organising into fishermen's cooperatives Select beneficiaries for assistance Distribute boats and equipment to beneficiaries and cooperatives Create awareness for and adopt safely measures during rough weather Monitor the impact of Marine aquaculture on village environment and initiate impact mitigation measures Encourage fishermen to take up insurance schemes Assess loss, damage and relief requirements of families affected by calamities <p>V. Social Forestry</p> <ol style="list-style-type: none"> Identify degraded and wastelands for social and farm forestry and formulate projects with the support of the Gram Sabha Execute social forestry projects through village people Encourage private farmers for farm forestry and assist them Distribute seedlings and saplings Organize and participate in vana mahotsava Ensure adequate production of fuel, fodder and timber for local use Collect, distribute and sell fuel, fodder and timber <p>VI.Minor Forest Produce</p> <ol style="list-style-type: none"> Assist in identification of families willing to plant MFP species Distribute MFP seedlings for plantation Select and forward trainees names to the TP Organise pruning operation of Tendu trees before the leaf plucking season Promote collection primary processing and value addition to MFP before selling Ensure timely payment and adequate collection charges to MFP collectors |
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| <ol style="list-style-type: none"> Timely payment of collection Set up small scale industrial units for value addition to MFPs. Fix support prices for MFP procurement. Establish godowns for storage of MFPs. Strengthen market intelligence and market extension <p>VII. Small scale industries, including food processing industries</p> <ol style="list-style-type: none"> Formulate Projects by the DIC in coordination with KVIC/KVIB and other agencies based on industrial Resource Potential survey. Develop inter- linkages in institutions and organizations. Establish small industrial estates at suitable locations and develop other related infrastructure activities. Identify location and develop food processing complexes. Provide information and guidance about credit facilities and other financial incentives Coordinate credit support activities with financial institutions. <p>VIII. Khadi, Gram & Cottage Industry</p> <ol style="list-style-type: none"> Consolidate plans prepared by TPs for Khadi, Village and Cottage industries including artisan activities. Monitor and supervise the overall progress in this sector, and ISB sector of SGSY Establish and identify training centres for skill development Allocate and sanction funds for training and stipend to the trainees. Identify appropriate technologies and arrange for their transfer to workers. Arrange supply of raw material, equipment, and other inputs to workers. Tie up arrangements for marketing of products through Government and non-government marketing agencies Set up retail show rooms for products Encourage cooperative for production and marketing of products Ensure credit support the through credit plan Monitor and supervise credit flow and financial assistance from other agencies to cooperative and individual units. Provide information and guidance about credit facilities and other financial incentives. Coordinate credit support activities with financial institutions. <p>IX. Rural Housing</p> <ol style="list-style-type: none"> Determine design and unit cost for guidance to GPs keeping in view technical advice and beneficiary needs Supervision and monitoring of rural housing schemes <p>X. Drinking Water</p> <ol style="list-style-type: none"> Formulate major water supply schemes Technically appraise and approve schemes proposed by TPs and GPs Award contracts for the execution of major schemes outside TP and GP | <ol style="list-style-type: none"> Plant trees along roads, rails and public places Produce and supply seedlings and saplings for social and farm forestry projects Propagate fuel fodder and timber producing plants <p>VI. Minor Forest Produce</p> <ol style="list-style-type: none"> Establish MFP nurseries for propagation of MFP species Organise training at the TP level Organise item wise MFP cooperatives like Tendu leaf Liaise with forest department for constitution of Joint Forest Management Committee for MFP regeneration collection, processing and marketing. Ensure value addition to MFP before it leaves the forest area. <p>VII. Small scale industries, including food processing industries</p> <ol style="list-style-type: none"> Assist industrial resource potential survey Establish small rural industrial estates and complexes Organise enterprenurial Development Programme Select entrepreneurs and encourage private investments. Establish industrial counseling information and guiding centres. Assist entrepreneurs in formulating viable projects, and cooperative industrial projects. Assist in providing financial and other help to small industries. <p>VIII. Khadi, Gram & Cottage Industry</p> <ol style="list-style-type: none"> Prepare plan for khadi village and cottage industries and other artisan activities integrating schemes of other agencies such as KVIC/KVIB/ Handloom/ Handicraft development Select beneficiaries for training and skill development and nominate them to training institutes Arrange master crafts persons Pay stipend to beneficiaries and honorarium/ training cost to the trainers. Transfer and upgradation of technology in different areas of productions Supply of raw material equipment and other inputs to beneficiary workers. Coordinate programmes of various agencies for infrastructure development such as construction of common workplaces, worksheets and market complexes. Organise cooperatives for production and marketing of products | <p>VII. Small scale industries, including food processing industries</p> <ol style="list-style-type: none"> Assist survey and project formulation Identify suitable locations for rural industries <p>VIII. Khadi, Gram & Cottage Industry</p> <ol style="list-style-type: none"> Assist TP in identifying potential activities and formulation of projects Identify beneficiaries for training through gram sabha Assist in distributions of raw material equipment, etc. Allow beneficairees to use locally available raw material. Construct common work sheds/workplaces and market complex Identify beneficiaries for financial support under various programmes Assist loan recovery. <p>IX. Rural Housing</p> <ol style="list-style-type: none"> Identify beneficiaries and prepare list through gram sabha Acquire land for housing layouts (other than ashraya housing layouts) Assist in allotment and distribute housing and house sites Constitute beneficiaries committee Execute construction work Provide assistance in the distribution of building material Supervise construction quality, use of material and report progress <p>X. Drinking Water</p> <ol style="list-style-type: none"> Identify schemes and locations, estimate cost and formulate projects through the involvement of Gram Sabha. Construct wells, tanks and village water supply schemes of its own or as assigned by the ZP or TP Periodically chlorinate open wells and treat water Ensure proper distribution of water to all households in its villages Collect water sample for testing Monitor scheme implementation and report progress Maintain drinking water schemes, collect water charges and appoint operators wherever necessary <p>XI. Fuel & fodder</p> <ol style="list-style-type: none"> Assess fuel and fodder requirements. Select specifcies and sites for fuel and fodder plantations Identify beneficiaries for fuel and fodder demonstration plots Undertake plantation activities Maintain and protect fuel wood plantations and fodder plots in community or panchayat lands Decide mechanism and oversee the distribution of fuel and fodder produced from community lots. Identify sites for fodder nurseries. Coordinate nursery establishment programme. Distribute fuel efficient wood stoves and smokless chulhas. |
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| <p>plans</p> <ol style="list-style-type: none"> Establish water testing laboratories for control of chemical and biogenic impurities Monitor and supervise the progress, quality of work and target achievement <p>XI. Fuel & fodder</p> <ol style="list-style-type: none"> Build awareness for use of fuel-efficient devices and improved fodder species. Consolidate assessments of fodder and fuel demands for the district plan and coordinate fuel and fodder production activities <p>XII. Roads, culverts, bridges, ferries, waterways and other means of communications</p> <p>Development of road network and accessibility</p> <ol style="list-style-type: none"> Survey, technical feasibility, road alignment and formulate road development projects. Approve, allocate and sanction funds Assist in acquiring land assess grant of compensation Award contracts for procurement of material and equipment for construction of roads and bridges and make supplies Monitor specifications of roads and bridges and supervise quality of works <p>Improvement and Maintenance of the existing roads/culverts and bridges</p> <ol style="list-style-type: none"> Volume survey and identify road sections needing improvement in capacity Convert ordinary district roads in to blacktopped roads Carry out annual repair and maintenance of roads, culverts and bridges Approve , allocate and sanction funds for all types of improvement and annual maintenance work and award contracts Monitor and supervise the quality of works <p>Development of waterways, ferrying, ferry services, etc</p> <ol style="list-style-type: none"> Identify waterways suitable for construction of jetties for ferry services Purchase ferries and contract private operators for ferry services Deepen and dredge waterways. Regulate ferry services <p>XIII. Rural Electrification Including Distribution of Electricity</p> <ol style="list-style-type: none"> Assess unelectrified villages, hamlets and colonies and formulate projects for their electrification in coordination with KPTCL Ensure power supply for agriculture during critical periods Exercise vigilance against power theft and illegal connection <p>XIV. Non Conventional Energy</p> <ol style="list-style-type: none"> Consolidate TPs plans for energy requirement and supply through non conventional means Promote non conventional energy | <ol style="list-style-type: none"> Ensure credit support. Assist beneficiaries in formulating projects plan Arrange for subsidy and financial support under various programmes to the beneficiaries. Monitor, supervise and report progress Assist in providing financial and other help to small industries <p>IX. Rural Housing</p> <ol style="list-style-type: none"> Assist GPs in execution of housing projects Procure and supply of building materials <p>X. Drinking Water</p> <ol style="list-style-type: none"> Formulate projects and seek technical approval from ZP Construct schemes within the prescribed cost limits for TPs Monitor and supervise progress and quality of works. <p>XI. Fuel & fodder</p> <ol style="list-style-type: none"> Identify wastelands and degraded lands for taking up fuel and fodder plantation. <p>XII. Roads, culverts, bridges, ferries, waterways and other means of communications</p> <p>Development of road network and accessibility</p> <ol style="list-style-type: none"> Identify villages as per MNP norms inaccessible by all weather road and formulate projects for construction of link roads connecting more than one Taluk Panchayat Survey, technical feasibility, sanction of funds Acquire land, assess and grant compensation Construct roads using local labour without contractors Provide technical assistance for road construction projects proposed by GPs Monitor the specifications of roads and bridges and supervise of the quality of works and reporting progress to the DP <p>Improvement and Maintenance of the existing roads/culverts and bridges</p> <ol style="list-style-type: none"> Convert Taluk Panchayat roads into black topped roads Undertake annual repairs and maintenance of roads, culverts and bridges Approve, allocate and sanction funds for improvement and maintenance of IP roads. Monitor and supervise quality of works and report progress <p>Development of waterways, ferrying, ferry services, etc</p> | <p>XII. Roads, culverts, bridges, ferries, waterways and other means of communications</p> <p>Development of road network and accessibility</p> <ol style="list-style-type: none"> Assist in formulating road construction projects and obtain approval through gram sabha Seek technical advice, feasibility and approval from Taluk Panchayat engineers Allocate, approve and sanction funds Construct village link roads and village lanes through work committees using village labour without contractors Monitor and supervise quality of works through work committee and report progress to IP <p>Improvement and Maintenance of the existing roads/culverts and bridges</p> <ol style="list-style-type: none"> Assess costs of improvement, repair and annual maintenance of village roads Raise funds through government or own sources and donations with the help of Gram Sabha Execute works through work committee <p>XIII. Rural Electrification Including Distribution of Electricity</p> <ol style="list-style-type: none"> Find land for installing electric electrification transmission poles Maintain and operate street lights Report position during power supply prime crop season Exercise vigilance and report against power theft and illegal connections Monitor power supply for agriculture and assist in checking power theft and illegal connections <p>XIV. Non Conventional Energy</p> <ol style="list-style-type: none"> Assist TP in identification of potential sources of non conventional energy devices requirement such as gobar gas, bio mass, solar energy and wind energy Assist in identification of beneficiary for individual biogas plants and other devices Organise beneficiary training Monitor functioning of NCE devices. <p>XV. Poverty Alleviation Programmes</p> <ol style="list-style-type: none"> Identify beneficiaries under SGSY and other individual beneficiary oriented poverty alleviation schemes JGSY and other employment generation programmes entrusted to GPs after approval of Gram sabha Utilize JGSY for the development of infrastructure in the GP Assist TP for the distribution of identity cards under Employment Assurance Scheme Put up information boards at out all the works taken up under Employment Assurance scheme Assist the TP in preparation of plans for land development schemes coming within TPs purview Select beneficiaries in Drought Prone Areas Programme |
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| <p>devices and sources</p> <ol style="list-style-type: none"> Promote and popularize energy saving devices Coordinate different agencies including NGOs for promotion of alternative sources of energy | <ol style="list-style-type: none"> Inspect ferries and boats and maintain vigilance on services and traffic regulations | <ol style="list-style-type: none"> Identify eligible beneficiaries under Samagra Awaas Yojana Ensure proper utilization of funds of Central Finance Commission by local bodies and ensure that the scheme works permitted within GPs are completed Identify beneficiaries under Rural Sanitation Programmes and provision of Drinking Water schemes Arrange live demonstration under smokeless chulhas scheme and identification of beneficiaries under National Project on Improved Chulhas and Sanitation Programme Undertake the national project on improved Chulhas and Sanitation Assist in Identification of labourers in the village requiring wage employment through Gram Sabha, list them and provide employment cards to beneficiaries Formulate projects and get approval through Gram Sabha and seek technical approval from TP Constitute works committee for execution of works and projects Ensure employment to all in the village Distribute projects and works as per norms Monitor and supervise quality of works, assets created and mandays generated. |
| <p>XV. Poverty Alleviation Programmes</p> <ol style="list-style-type: none"> Coordinate with other departments and agencies Develop training infrastructure Allocate funds for training and stipend for trainees Procure and supply quality assets, machinery and equipment for beneficiary schemes Develop marketing network for SGSY self help group products Prepare plan for poverty alleviation programmes at district level Assist in extending technical assistance for planning at GP and TP level Supervise and review implementation of different poverty alleviation programmes Review schemes implemented in Drought Prone Areas The ZP in active cooperation with the TP and District Planning Committee may arrange decentralized Planning. Review and supervise schemes implemented under the grants recommended by the Central Finance Commission for local bodies Review implementation of Rural sanitation and Water Supply scheme Implement and supervise Employment Programme Review Central Rural Sanitation Programme Plan and review Biogas plants schemes for individuals and community Undertake Planning and review of smokeless chulhas scheme and National Project on Improved Chulhas Prepare ZP level shelf of projects and desegregate it into plans that can be implemented by TP and GP plans Formulate projects outside TP and GP Assign projects to TPs, GPs, NGOs and Various other agencies and departments for execution Approve, sanction and release funds to TPs, GPs and other organizations for the execution of ZP projects Release funds to TPs as per prescribed norms Provide funds for maintenance of assets created under JGSY / EAS etc. Inspect muster rolls and check quality of works and wage material ratio as per guidelines Monitor and supervise progress of programmes Submit quarterly returns and utilization certificates to GOI and State Government for release of next installments. | <p>XIII. Rural Electrification Including Distribution of Electricity</p> <ol style="list-style-type: none"> Assist on obtaining power connection for poor and SC/ST/OBC families under various programmes Monitor and reporting progress of energisation of irrigation pump sets <p>XIV. Non Conventional Energy</p> <ol style="list-style-type: none"> Formulate projects for use on non conventional sources of energy in the TP Procure and supply material and equipment for the projects Assist in identifying suitably locations and select individual beneficiaries for installation of community and private sources of energy Train users in the maintenance of non conventional energy devices Monitor and supervise the operation and functioning of the projects <p>XV. Poverty Alleviation Programmes</p> <ol style="list-style-type: none"> Assist GPs in providing technical and managerial assistance for implementation of schemes entrusted to TPs Collect and distribute data regarding development and management at the district level Assist in the evaluation of schemes Release of funds to banks for subsidy adjustment, formulation of credit plans through banks Prepare plans at the block level under SGSY for filling up gaps in technology, marketing tie-ups, training, strengthening infrastructure and market facilities Assist GPs in organizing self-help groups and implement cluster strategies Review plans prepared by the GPs and accord technical approval and assistance Draw action plans, get technical approvals and funds allocated under land development scheme TPs can implement schemes with the help of GPs and integrate other programmes with poverty alleviation schemes Assist in supervision of works under District Decentralized Plan Plan and implement infrastructure development by rural local bodies Plan and implement integrated Rural Sanitation and Water Supply Scheme Arrange practical demonstration under smokeless chulhas scheme Formulate projects with TP funds Scrutinize and grant technical approval to GP projects Procure and supply material for | <p>XVI. Educational Including Primary and Secondary Schools</p> <ol style="list-style-type: none"> Ensure full enrollment of school age children Maintain school buildings and play grounds Exercise vigilance on regular attendance of teachers and students and report to the concerned Campaign for full enrollment and reduction of dropouts Assess the drop out position and initiate appropriate action to reduce it Assist TPs in the distribution of study material to target group students <p>XVII. Technical training and vocational education</p> <ol style="list-style-type: none"> Assist in identification and recommended eligible candidates for vocational education and training <p>XVIII. Adult and Non-Formal Education</p> <ol style="list-style-type: none"> Help in mobilizing people for participation in Adult education and TLC campaigns Supervise and assist in functioning of centres and ensure regularity of learners and volunteers Supervise and monitor functioning of the centres <p>XIX. Libraries</p> <ol style="list-style-type: none"> Establish and maintain libraries Up-keep of library Raise donations and collect books for library Subscribe to vernacular news papers and magazines <p>XX. Cultural Activities</p> <ol style="list-style-type: none"> Organise sports festivals and cultural events in villages using folk media for strengthening of national integration, family planning campaign literacy, sanitation, etc. |
| <p>XVI. Educational Including Primary and Secondary Schools</p> <ol style="list-style-type: none"> Assess the requirements of schools, teachers, equipment, etc in the district and | | |

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| <p>plan for them</p> <ol style="list-style-type: none"> Supervise and monitor quality of educational services Assess and plan hostel requirements for target group students Maintain hostels Supply school uniforms and books for target group students <p>XVII. Technical training and vocational education</p> <ol style="list-style-type: none"> Establish and maintain ITIs Assess band plan for technical training Assess vocational education needs Supervise and monitor functioning of ITIs Select courses for vocational education and identify education schools and centres for important courses Motivate students for vocational training <p>XVIII. Adult and Non-Formal Education</p> <ol style="list-style-type: none"> Identify suitable locations for establishing adult education centres Select volunteers and supervisors for teaching and maintenance of centres Procure and supply all relevant infrastructure and educational material to centres Supervise and monitor activities of adult education centres Organise total literacy campaign <p>XIX. Libraries</p> <ol style="list-style-type: none"> Plan for establishment of new libraries and maintain and improve existing ones Procure and supply books, reading material and popular literature <p>XX. Cultural Activities</p> <ol style="list-style-type: none"> Guide encourage and organize cultural programmes Utilize available popular media for cultural affairs Organise youth festivals, sports events on dates of national and state importance Establish sports complexes, theatres and other infrastructure Identify and mobilize sponsors for cultural and sports events and youth festivals Maintain and supervise the functioning of Nehru Yuvak Kendras <p>XXI. Market and fairs</p> <ol style="list-style-type: none"> Identify locations and develop marketing yards and infrastructure for marketing rural products and formulating projects Assist in Regulating wholesale and retail markets Supervise and monitor marketing activities Supervise District service and marketing societies <p>XXII. Health and Sanitation, Including Hospitals, Primary Health Centres and Dispensaries</p> <ol style="list-style-type: none"> Plan through health committees to provide physical infrastructure Coordinate communicable diseases programme with the State | <p>projects</p> <ol style="list-style-type: none"> Technically assist GPs for executing projects Execute projects outside GPs plans Inspect muster rolls quality of work assets created and mandays generated by projects executed by IP and GPs <p>XVI. Educational Including Primary and Secondary Schools</p> <ol style="list-style-type: none"> Supervise the functioning of primary and upper primary schools Maintain school buildings and related infrastructure Supply and distribute material and equipment to schools Distribute school uniforms, books and other materials to target groups students Assist in the maintenance of hostels <p>XVII. Technical training and vocational education</p> <ol style="list-style-type: none"> Conduct aptitude tests for selection of students under various trades Recommended for admission and placement in ITIs Assist in the promotion of vocational education in schools and centres Select candidates and students for vocational courses <p>XVIII. Adult and Non-Formal Education</p> <ol style="list-style-type: none"> Implement Adult and non-formal education programmes and total literacy campaigns Distribute material to the centres <p>XIX. Libraries</p> <ol style="list-style-type: none"> Assist in the maintenance and functioning of libraries. <p>XX. Cultural Activities</p> <ol style="list-style-type: none"> Organise local festivals with the help of GPs Plan and organize sports and cultural meets with the help of local organizations and voluntary efforts <p>XXI. Market and fairs</p> <ol style="list-style-type: none"> Develop and maintain agriculture market yards Develop and maintain places for fairs/shandles and weekly markets Enforce fair trade practices and maintain quality of commodities Assist in the maintenance of statistics on prices and commodity traded Maintain statistics on prices and commodities transacted within the district. <p>XXII. Health and Sanitation, Including Hospitals, Primary Health Centres and Dispensaries</p> <ol style="list-style-type: none"> Assist in supervision and maintenance of sub-centres and deployment of field staff Supervise mid-day meals schemes for school children Organise health and family welfare camps and conduct demonstration- cum- | <ol style="list-style-type: none"> To promote sports and organize youth clubs <p>XXI. Market and fairs</p> <ol style="list-style-type: none"> Maintain village fairs and weekly markets Construct market complex within the GP <p>XXII. Health and Sanitation, Including Hospitals, Primary Health Centres and Dispensaries</p> <ol style="list-style-type: none"> Assist in formation of village health committees comprising Panchayat members, representatives of villagers, Village Health Guide (VHG) Trained Birth Assistant (TBA) and Multipurpose Health Workers Upkeep of village sanitation, cleaning of roads and drainage Mobilize and organize people for health and family planning and immunization camps Coordinate and supervise construction of sanitary latrines Chlorinate village tanks and wells and spraying of DDT Assist in construction of individual sanitary latrines Report of outbreak of epidemics Assist in coordinating emergency medical relief services <p>XXIII. Family Welfare</p> <ol style="list-style-type: none"> Assist in propagation of maternal child care, family planning and immunization programmes Assist in identification and recommendation of beneficiaries for maternity aid under NSAP and related schemes Assist in maintenance and supervision of Anganwadis Identify beneficiary mothers and children Supervise the activities of ANMs and Anganwadi workers Collect vital statistics (e.g. births, deaths etc) <p>XXIV. Women & Child Development</p> <ol style="list-style-type: none"> Assist ICDS staff in TPs in conducting surveys Assist in selection of beneficiaries Assist in selection of sites for locating Anganwadi Centres Ensure community participation through organizing regular meetings Involve women GP members in supervising the functioning of Anganwadi Centres particularly while ensuring attendance in the centre, maintenance of cleanliness and hygiene, supplementary nutrition in terms of dietary schedule and timing, proper child care and meeting of educational needs, regular health check up and immunization Assist in the distribution of nutrition and conduct of regular health check-up Generate awareness among women about their rights. Promote self help groups of women. <p>XXV. Social welfare</p> <ol style="list-style-type: none"> Assist in identification of disabled persons and coordinate with Block and Zilla panchayat for their rehabilitation Assist in identification of street children and coordinate with the TP and ZP for rehabilitation and development Assist in identification of parents willing to |
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| 3. Coordinate construction and maintenance and supervise of PHCs 4. Maintain district ISM (Indian System of Medicine) hospitals 5. Periodically conduct Epidemiological surveys 6. Promote school health programmes 7. Organise health awareness rallies and camps 8. Plan rural sanitation programmes 9. Promote information Education and Communication (IEC) campaigns XXIII. Family Welfare 1. Plan for Farm Wel prog 2. Establish and maintain MCHs 3. Supply medicines and equipment to MCHs 4. Train mid-wives and para medical functionaries 5. Coordinate with state/international agencies 6. Provide immunization services 7. Propagate family planning methods, procure supply and distribute contraceptives 8. Organise family planning and immunization camps 9. Identify and approval NGOs for FW 10. Organise IEC/Health and FW promotional campaigns 11. Promote school health programmes 12. Plan supervise and monitor ICDS 13. Procure, supply and distribute meals for children, medicines and equipment for ICDS centres. 14. Train ANMs and others 15. Laise with State/National level health programmes. XXIV. Women & Child Development 1. Supervise, guide and support services (ICDS) for implementation of ICDS projects 2. Minor functioning of the Scheme in the district 3. Promote peoples participation in programmes through involvement of local leadership 4. Co- ordinate with the District Collector for elimination of child labour 5. Promote equal opportunity to women in all sectors of development – socio economics and political 6. Mobilize social support against social evils like dowry, sex determination, gender biases like killing girl child at birth, discrimination in educating girl child, etc. 7. Promote opportunities for women to engage themselves in income generating activities 8. Protect the interest of women workers in the unorganized sector 9. Ensure payment of minimum wages to women agricultural laboures 10. Under Karnataka Manhila Abhivrudhi Yojane, 1/3 rd of total allocation in beneficiary oriented schemes of 25 departments are being reserved for women. The progress of this scheme is being reviewed in Zilla Panchayat KDP meetings. XXV. Social welfare | exhibition programmes on, health, family welfare and sanitation 4. Assist in supervision of Indian Systems of Medicine (ISM) dispensaries 5. Organise and supervise sanitary marts. 6. Formulate plan for assisting in the construction of sanitary latrines 7. Assist in inspection / assessment of quality of public health inputs and services XXIII. Family Welfare 1. Distribute medicines, equipment and family planning materials to centres. 2. Propagate and create awareness about maternal and child care immunization and family planning schemes. 3. Coordinate and assist in monitoring and supervision of family welfare and family planning services 4. Assist in organising family planning and immunization camps 5. Organise IEC. Health and FW promotional campaigns distribute materials medicines and equipment to ICDS promote school health programme centres. Assist beneficiaries mothers and children. 6. Distribute materials, medicines and equipment to ICDS promote school health programme centres. 7. Assist beneficiaries mothers and children XXIV. Women & Child Development 1. Supervise project staff of women and child welfare department 2. Assist officers concerned with the programme in procurement and distribution of nutrition material and other medical supplies 3. Provide infrastructural facilities implementation of the programme 4. Identity child labour working in hazardbus and other occupations Construct Anganwadi Centres in GPs 5. Propagate the message of equal opportunity to women in all sectors of development 6. Mobilize social support against social evils that discriminate against women 7. Identify income generating activities for women. XXV. Social welfare 1. Identify disabled persons and coordinate with ZPs for their rehabilitation 2. Identify street children and coordinate with the ZP for their development 3. Identify parents willing to adopt children and coordinate with the district panchayat for their growth and development 4. Identify the aged and coordinate with the ZP for their maintenance and giving old age pension 5. Build awareness and educate people about ill effects of drug abuse and | adopt children and coordinate with the TP and ZP for their growth and development 4. Assist in identification of the aged and coordinate with the ZP and TP for their maintenance and giving old age pension 5. Assist in building awareness and educating people about ill effects of drug abuse and prevent it 6. Coordinate with the ZP and TP for the rehabilitation of drug addicts Take drug addicts to counseling, de-addiction and after care centres, de- addiction and awareness generating camps for their rehabilitation |
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| <ol style="list-style-type: none"> 1. Survey and classify disabled persons according to the nature of disability 2. Make available text books in Braille to visually handicapped children in the schools 3. Facilitate easy access to and mobility with buildings and public places for persons with disability especially for people on wheel chair and persons with visual disabilities 4. Inspect, supervise and monitor voluntary organizations receiving grant in aid from the Ministry of Welfare GOI for rehabilitation of persons with disability 5. Identify and promote voluntary organizations receiving grant in aid from the Ministry of Welfare, govt. of India for rehabilitation of leprosy patients 6. Identify and promote voluntary organizations and assist them to set up special schools for disabled persons with Grant in aid from the Ministry of welfare 7. Coordinate with organizations and government in getting assistance for purchase of aids and appliances for disabled persons 8. Coordinate with special employment exchanges and vocational rehabilitation centres for assisting disabled persons to secure employment 9. Coordinate with district rehabilitation centres for providing rehabilitation services to disabled persons 10. Organize sports meet and cultural programmes for people with disabilities 11. Identify street children suffering from destitution, neglect, abuse and exploitation and help them in getting integrated community based non institutional basic services through voluntary organizations who get grant in aid from the ministry of welfare , government of India 12. Identify voluntary organizations which deal with the adoption of destitute, abandoned, orphaned and relinquished children by giving the child for growth and development to parents other than the child's biological parents and help in the adoption of orphaned children 13. Identify destitute and aged persons and help them in taking shelter in voluntary organizations which receive grant in aids from the Ministry of Welfare State Governments for running Old age homes and for giving old age pension. 14. Build awareness and educate people about ill effects of drug abuse and prevent it 15. Assist drug addicts through a well rounded up programme of motivation, counseling, treatment, follow up and social integration of cured drug addicts at counseling centres for drug addicts run by voluntary organizations for which they get grant in aid from the Welfare Ministry 16. Take drug addicts to counseling , de-addiction and after care centres, de-addiction and awareness generating camps for their rehabilitation | <ol style="list-style-type: none"> 6. prevent it Coordinate with the ZP for their rehabilitation 7. Take drug addicts to counseling , de-addiction and after care centres, de-addiction and awareness generating camps for their rehabilitation | |
|---|---|--|

Devolution Status in the State

The table No.3.3 Indicates the Functional Assignment to Panchayats at Three Tiers.

Table No. 3.3: Functional Assignment to Panchayats

| State | By Legislation | | | By Activity Mapping | | | Activities Devolved | | |
|-----------|----------------|----|----|---------------------|----|----|---------------------|----|----|
| | ZP | TP | GP | ZP | TP | GP | ZP | TP | GP |
| Karnataka | 26 | 27 | 25 | 29 | 29 | 29 | 19 | 7 | 10 |

Source: Table Nos. 3.1, 3.2 &3.4

Table No3.4: Indicates the Status of Devolution to Panchayats

Actual Activities Performed in Sample Panchayats

| Zilla Panchayat | |
|---|---------------------|
| 1. Agriculture, including Agricultural Extension | |
| 2. Animal Husbandry, Dairying and Poultry | |
| 3. Fisheries | |
| 4. Social Forestry and Farm Forestry | |
| 5. Khadi, Village & Cottage Industries | |
| 6. Drinking Water | |
| 7. Roads, Culverts, Bridges, Ferries, Waterways and other means of Communication | |
| 8. Rural Electrification, including Distribution of Electricity | |
| 9. Poverty Alleviation Programmes | |
| 10. Education, including Primary and Secondary Schools | |
| 11. Adult and non-Formal Education | |
| 12. Libraries | |
| 13. Cultural Activities | |
| 14. Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries | |
| 15. Family Welfare | |
| 16. Women and Child Development | |
| 17. Welfare of the weaker sections, and in particular, of the Scheduled Castes & the Scheduled Tribes | |
| 18. Maintenance of Community Assets | |
| 19. Co-operation | |
| TALUK PANCHAYAT | |
| 1. Agriculture, including Agricultural Extension | |
| 2. Roads, Culverts, Bridges, Ferries, Waterways and other means of Communication | |
| 3. Education, including Primary and Secondary Schools | |
| 4. Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries | |
| 5. Women and Child Development | |
| 6. Welfare of the weaker sections, and in particular, of the Scheduled Castes & the Scheduled Tribes | 7. Scheduled Tribes |
| GRAM PANCHAYAT | |
| 1. Minor Irrigation, Water Management and Watershed Development | |
| 2. Social Forestry and Farm Forestry | |
| 3. Rural Housing | |
| 4. Drinking Water | |
| 5. Cultural Activities | |
| 6. Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries | |
| 7. Welfare of the weaker sections, and in particular, of the Scheduled Castes & the Scheduled Tribes | 8. Scheduled Tribes |
| 9. Public Distribution System | |
| 10. Maintenance of Community Assets | |

The actual activities performed in the sample Panchayats are highlighted with the help of three tiers of Panchayats from Bidar District.

District Panchayat

| | | |
|---|-----------------------------|---|
| 1.Agriculture, including Agricultural Extension | Agriculture | 1. Agriculture farm and development centre |
| | | 2. Supply of crop estimation survey equipments under crop insurance scheme |
| | | 3. Integrated scheme for pulses, oil seeds, oil palm and maize |
| | | 4. Other agriculture scheme |
| | | 5. Drip irrigation |
| | | 6. Farm related activities |
| | | 7. Agricultural office buildings |
| | | 8. Organic fertilizers |
| | | 9. Market infrastructure scheme |
| | Horticulture | 10. Drip irrigation special subsidy for horticulture crops |
| | | 11. Horticulture buildings |
| | | 12. Maintenance of horticulture farms |
| | | 13. Scheme for seeds coconut procurement and nursery maintenance |
| | Sericulture | 14. Assistance to sericulturists |
| | | 15. Advisory services, demonstrations, publicity, audio, visual and demonstration |
| | | 16. Training |
| 2.Animal Husbandry, Dairying and Poultry | Animal husbandry | 1. Control of animal diseases |
| | | 2. Supply of drugs, chemicals and equipments |
| | | 3. Buildings |
| | | 4. Establishment of polyclinics at veterinary hospitals |
| | | 5. Strengthening of extension units |
| | | 6. Rearing of <i>giriraja</i> birds and others |
| | 13 finance commission grant | 7. Repairs to veterinary hospital building at Saigaon village |
| | | 8. Repairs to veterinary hospital building at Chimkod village |
| 3.Fisheries | Fisheries | 1. Construction and maintenance of fisheries buildings and facilities |
| | | 2. Assistance to inland fisheries developments |
| | | 3. Assistance for construction of fish markets and marketing of fish |
| | | 4. Exhibition and training |
| 4.Social Forestry and Farm Forestry | Social forestry | 1. Social forestry SDP |
| | | 2. Buildings |

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|---|-----------------------------------|--|
| 5.Khadi, Village & Cottage Industries | Handloom & textiles | 1. Assistance to handloom industries |
| | Khadi and village industries | 2. District industries centre |
| | | 3. Supply of improved appliances-professional artisans- free of cost |
| | | 4. Seminars filed days exhibitions |
| | | 5. Interest subsidy for artisans including artisans of tiny industries |
| 6.Drinking Water | CM fund | 1. Water pipe line (12) |
| 7.Roads, Culverts, Bridges, Ferries, Waterways and other means of Communication | Roads & bridges | C.M Grameena Raste Abhivardhi |
| | CM fund | Road repair(2) |
| | | C C road(20) |
| | | Drainage repair(2) |
| 8.Rural Electrification, including Distribution of Electricity | CM fund | 1. Street light |
| 9.Poverty Alleviation Programmes | Rural Development & Panchayai Raj | 1. DRDA administration charges |
| | | 2. Construction of ZP office building |
| | | 3. Reimbursement of medical expenses |
| | | 4. Development grants to Zilla Panchayat |
| | | 5. Bio gas developments |
| | 13 finance commission grant | 6. Repairs to PRE sub division office building Basavakalyan |
| 10.Education, including Primary and Secondary Schools | Education | 1. Activities to promote universalization of primary education- akshara dasoha |
| | | 2. Sarva Shiksha Abhiyana Society |
| | | 3. Remuneration to contract teachers |
| | | 4. Private high schools completing 7 years of existence GIA |
| | | 5. Financial assistance and reimbursement of fees (including Anglo- Indian students) |
| | | 6. Additions and alterations |
| | | 7. Supply of materials |
| | 13 finance commission grant | 8. Providing Rain water harvesting to high school building at Kollur village |
| | | 9. Construction of Govt. Primary School Building at Sunghatan village |
| | | 10. Providing Rain water harvesting Higher Primary school building at Kongli village |
| | | 11. Construction of store room to Primary School building at Revapam Nagar at Mavinhalli village |
| | | 12. Providing rain water harvesting to primary school building at Mandaknalli village |
| | | 13. Construction of lower primary school building udamnalli |
| | | 14. Construction of additional room to high school building at Dhumansur village |
| | | 15. Construction of kitchen room to primary school building at Teja Naik Thanda |
| | | 16. Construction of kitchen room to primary school building at Somo Thanda |
| | | 17. Construction of primary school building at Poma Thanda |

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|---|-----------------------------|---|
| | | 18. Repairs to Govt. Primary School building at Muthkhed village |
| | | 19. Repairs to Govt. Primary school building at Gudpalli village |
| | | 20. Repairs to Govt. Primary school building at Bachepalli |
| | | 21. Repairs to Govt. Primary school building at Morkhandi village |
| | | 22. Repairs to Govt. Primary school building at Chiknawadi |
| | | 23. Repairs to Govt. Primary school building at Ujalam village |
| | | 24. Repairs to Govt. Primary School Building at Narayanpur wadi |
| | | 25. Repairs to Govt. Primary school building in Khandwadi locality at Mantala village |
| | | 26. Repairs to Govt. Primary school building at Bhatsangvi |
| | | 27. Repairs to Govt. Primary school building at Kalwadi village |
| | | 28. Repairs to Govt. Primary School building at Atterga village |
| | | 29. Repairs to Govt. primary school building at Beeri (B) village |
| | | 30. Repairs to Govt. Primary school building at Janthi village |
| | | 31. Repairs to Govt. Higher Primary school building at Bhangoor village |
| | | 32. Repairs to Govt. Higher Primary school building at Warwatti (K) village |
| | | 33. Repairs to Govt. Primary school building at Mahadev nagar tanda |
| | | 34. Repairs to Primary School building at Poma Devla tanda |
| | | 35. Repairs to Primary School building at Gangaram tanda |
| | | 36. Repairs Primary School building at Kishan naik tanda (Dapka) |
| | | 37. Repairs to Primary school building at Gadlegaon tanda (k) |
| | | 38. Repairs to Govt. Primary school building at Narayanpur tanda |
| | CM Fund | 39. School Compound wall(9) |
| | | 1. Laboratory to PVC college at Nirana |
| | | 40. School repair(47) |
| 11. Adult and non-Formal Education | Adult education | <i>Janashikshana nilaya</i> |
| 12. Libraries | 13 finance commission grant | 1. Construction of library building at Ghatboral village |
| | | 2. Construction of library building at Rekulgi village |
| 13. Cultural Activities | Art & culture | 1. Open air theatres |
| | 13 finance commission grant | 2. Construction of Samudaya Bhavan at Ghotala village |
| | | 3. Construction of Rang Mandir near entrance of Bhatamba Village |
| | | 4. Construction of cultural bhavan near GP building at Nirna village |
| | | 5. Construction of Rang Mandir in SC colony at Yerbagh village |
| | | 6. Construction of Rang Mandir in ST (Tokari) Galli at Mahalli village |
| | | 7. Repairs to baylu rang mandir(balance work) at Hokrana(B) village |
| | CM fund | 8. Community Hall (3) |
| | | 9. Meeting hall(1) |
| | | 10. Cultural Hall (2) |
| | | 11. Community hall repair(10) |
| | | 12. |
| 14. Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries | Health services | 1. District health office building |
| | | 2. Primary health centres |
| | | 3. Maintenance of health buildings |
| | | 4. National anti malaria programme(rural operational cost by state) |

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|---|---|---|
| | | 5. Repairs to hospital equipments |
| | | 6. Karnataka health system development project |
| | | 7. Taluka level general hospitals |
| | | 8. X-ray facilities to taluka hospitals |
| | Indian system of medicine | 9. ISM buildings |
| | 13 th finance commission grant | 10. Construction of Post Martam room to PHC centre at Manthala village |
| | | 11. Construction of Govt Hospital at Hulsoor village |
| | | 12. Construction of Compound wall to PHC centre at Khatak Chincholi |
| | | 13. Repairs to ANM quarter at Dongaon (M) village |
| | | 14. Repairs to ANM quarter at Khatak Chincholi village |
| | | 15. Repairs to Ayurvedic Hospital building at Malegaon village |
| | | 16. Repairs to ANM quarter & compound wall at Belkhera village |
| | CM fund | 17. Hospital building repair |
| 15. Family Welfare | Family welfare | 1. District family welfare bureau |
| | | 2. Rural family welfare centres at PHC |
| | | 3. Rural sub centres (open under family welfare) |
| | | 4. Karuna trust GIA |
| | | 5. State health transport organization |
| | | 6. Supply of drugs under family welfare and pulse polio immunisation |
| 16. Women and Child Development | Women & children welfare | 1. Child welfare |
| | | 2. Destitute cottages |
| | | 3. ICDS-district cell |
| | 13 th finance commission grant | 4. Construction of Anganwadi Building at Nidoda village |
| | | 5. Construction of Anganwadi Building at Kamalnagar village |
| | | 6. Construction of Anganwadi Building at Gokul Village |
| | | 7. Construction of Anganwadi Building at Ekamba village |
| | | 8. Construction of Anganwadi Building at Hunji (K) village |
| | | 9. Construction of Anganwadi Building at Beerli (B) village |
| | | 10. Construction of Anganwadi building at Malegaon village |
| | | 11. Construction of Anganwadi Building at (Sharanagiri) Malkapur |
| | | 12. Construction of Anganwadi Building at Walkhandi village |
| | | 13. Construction of Anganwadi Building at Hallikhed (B) village |
| | | 14. Construction of Anganwadi Building at Bajiram Thanda |
| | | 15. Repairs to Anganwadi building at Mudbi village |
| | | 16. Repairs to anganwadi building Saigaon village |
| | | 17. Repairs to Anganwadi Building at Khatak Chincholi |
| | | 18. Repairs to Anganwadi building near Basweshwar Chowk at Chambol village |
| | | 19. Repairs to Anganwadi Building near old bus stand at Mandaknalli village |
| | | 20. Repairs to Anganwadi building at Seva tanda (Chimmegaon) |
| | CM fund | 21. Anganwadi repair(9) |
| 17. Welfare of the weaker sections, and in particular, of the Scheduled Castes & the Scheduled Tribes | Backward class & minority | 1. Maintenance of backward class hostels |
| | | 2. Cost and maintenance of buildings |
| | | 3. Maintenance of tailoring training centres and starting of new tailoring |
| | | 4. Stipend to advocates |
| | Minorities | 5. Occupational training for minorities |

| | | |
|------------------------------------|-----------------------------|--|
| | development | 6. Training to minorities and stipend law graduates |
| | | 7. Executive establishment |
| | | 8. Hostels for minorities |
| | Social welfare | 9. Maintenance of hostels for ST students |
| | | 10. Hostels scholarships and financial assistance |
| | | 11. Maintenance post metric government hostel buildings |
| | | 12. Maintenance post metric government hostel buildings |
| | | 13. Assistance to college students, other concessions and assistance to meritori |
| | | 14. Grant in aid to private hostels |
| | 13 finance commission grant | 15. Repairs to BCM hostel building at Chitta wadi village |
| | | 16. Repairs to SC Samudaya Bhavan at Telegaon village |
| | | 17. Repairs to Ambedkar Bhavan at Bakchowdi village |
| | | 18. Repairs to ST (Tokri) Samudaya Bhavan at Sangolgi village |
| | | 19. Repairs to Ambedkar Platfarm (Chowk) at Bagdal village |
| | | 20. Repairs to GP building in SC Galli at Meenkera village |
| | | 21. Repairs to SC Samudaya Bhavan at Gadwanthi village |
| 18.Maintenance of Community Assets | 13 finance commission grant | 1. Repairs to GP building at Yerbagh village |
| 19.Co-operation | Co-operation | 1. Assistance to various co-operative societies |
| | | 2. Infra facilities to milk producing co-operative societies for woman |
| | | 3. Share capital assistance to various categories of co-operative societies |
| | | 4. Share capital to other co-operative |
| | | 5. Loan assistance to various category of co-operative societies |
| | | 6. Loans to woman co-operative for construction of woman work shed |
| 20.NRDMS | NRDMS | 1. Natural resources data management system |
| 21.Planning(Eco services) | Planning(Eco services) | 1. Executive establishment of district planning committees |
| | | 2. Vehicular support to CPOs |
| | | 3. Publication of district at a glance-des |
| 22.Youth services | Youth services | 1. Organization of sports meet and rallies and TA DS to their participants |
| | | 2. Construction and maintenance to staida and others |
| | | 3. Sports schools |
| | | 4. Financial assistance to sports person and wrestlers in indigent circumstances |
| | | 5. Rural sports centres |
| 13.Repairs to Police Quarters | 13 finance commission grant | 1. Repairs to Police Quarters at Hallikhed (B) village |

Taluk Panchayat

| | |
|---|--|
| 1.Agriculture, including Agricultural Extension | Farmers subsidy |
| | Krishi mela |
| | Farmers subsidy |
| 2.Roads, Culverts, Bridges, Ferries, Waterways and other means of Communication | Road & bridges, Garki village in Ashipethen road |
| 3.Education, including Primary and Secondary Schools | School maintenance |
| 4.Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries | Material supply |
| | Hospital maintenance |

| | |
|--|--|
| | Medicine supply to hospitals |
| | Medicine supply to CHCs & PHCs |
| | Medicine supply to Individuals |
| 5. Women and Child Development | Anganwadi works and other material |
| | Anganwadi maintenance |
| 6. Welfare of the weaker sections, and in particular, of the Scheduled Castes & the Scheduled Tribes | Mess to hostel inmates |
| | Hostel maintenance |
| | Hostel building maintenance |
| | School (SC) |
| | Stipend students (SC) |
| | Interest |
| | SC scholarship |
| | ST scholarship |
| | PVC mess |
| | Scholarship ST |
| | Officer salary |
| | Scholarship |
| | Mess |
| | Hostel maintenance |
| | Farmers subsidy |
| | Agriculture Subsidy |
| | Veterinary subsidy |
| | Industry(support to beneficiaries) |
| | Sericulture (support to beneficiaries) |
| | Forest social forestry development |
| | Fisheries (support to beneficiaries) |
| | Gorki SC community hall nearest platform |
| | Durada village Akybedkar |
| 7. Cooperation | SHG Subsidy |
| | SC/ST Subsidy |
| 8. Other Rural Development | Bidar TP Shopping complex |

Gram Panchayat

| | | |
|----|---|--|
| 1. | Minor Irrigation, Water Management and Watershed Development | Open well for irrigation under BRGEF |
| 2. | Social Forestry and Farm Forestry | Development of plantation in villages |
| 3. | Rural Housing | Housing under IAY |
| 4. | Drinking Water | (i) beneficiaries list New pipe line for water supply including installation of pump set |
| | | (ii) System repair. |
| | | (iii) New water system concern in 5 villages |
| | | (iv) Assistance to 32 beneficiaries for water supply house connection |
| | | (v) Hand pump repair |
| 5. | Cultural Activities | New room construction in a village for cultural activity |
| 6. | Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries | 67 Individual toilet Constitution |

| | | |
|-----|---|---|
| 7. | Welfare of the weaker sections, and in particular, of the Scheduled Castes & the Scheduled Tribes | (i)SC/ST Development (ii)Amedkar bhavan repair (iii)Drainage construction for ST area (iv)Mandir development in ST area. |
| 8. | Public Distribution System | |
| 9. | Maintenance of Community Assets | Material supply for repairing RGSK |
| | Other Services | |
| 1. | Vital Statistics Including Registration of Births, Deaths& Marriages | As the <i>Sakala</i> the activity is with the gram Panchayat but it has not been transferred to Panchayat It is with the Revenue Department . |
| 2. | Issue of certificates (mention the certificate) | As per the <i>Sakala</i> it is with Revenue Department |
| 3. | Passport Application process | Nil |
| 4. | Land Use and Building Regulation | Nil |
| 5. | Parking Lots | Nil |
| 6. | Bus Stops | It is reported that 3 years back maintenance of Bus Stop was done by the Panchayat. But the records are not available in the Panchayat. |
| 7. | Public toilets | There is one public toilet but it is not functional. |
| 8. | Parks, Gardens, Playgrounds (Civic Amenities) | Not done any thing in this sector in the Panchayat. But it is planned to include in the Action Plan under BRGF for the next years. |
| 9. | Cremation, Burial& Carcass removal | Total there are 6 burial cremation places in the Panchayat and 5 were supported for fencing long back .details are not available in the Panchayat. . |
| 10. | Regulation of Slaughter Houses | There are 5 small slaughter houses in the Panchayat. But no service /assistance has been provided from the Panchayat. |
| 11. | Prevention of Cruelty to Animals | Issues related to cruelty to animals were discussed in the Social Justice Committee (Standing committee) of the Panchayat. But no fallow up action /amount under this head. |
| 12. | Fire Services | Nil |
| 13. | Disaster Management | There is a Committee for Disaster Management. But it is not functional. |
| 14. | Environmental Management | Nil |
| 15. | Mediation and local disputes | Yes GP level 8 cases were settled |
| 16. | Scavenge Services (Solid/Liquid waste management) | Some activities had been proposed in the Action Plan under MGNREGA at the house hold level .But not implemented. |
| 17. | Drinking water | As it has been covered under different sources(own fund , water supply grant ,13 FC and BRGF) |
| 18. | Street lighting | Supply of materials for street light. |
| 19. | Drains | Covered under BRGF in the done in the SC colonies . |
| 20. | Connectivity | Projects related to connectivity has been Proposed under different schemes(MGNREGA,BRGF |

A detailed list of the devolution of functions and schemes could be seen in annexure 2 and 3.

Comments on Functions by Zilla Panchayats

- 1. The Karnataka Panchayat Raj Act 1993:** The Act provides wide range of subjects/ activities to Zilla Panchayats .The total functions assigned to Zilla Panchayat includes eight domains such as (i) Civic, (ii) Developmental (iii) Planning (iv) Supervisory (v) Promotion (vi) Survey & Evaluation (vii) Assisting the Government (viii) Regulatory powers. Among the functions more weightage is given to developmental and followed by promotional and planning. It is important to note that civic, supervisory and regulatory functions are also seen in an insignificant scale among the list of functions. The principle of subsidiarity or practical wisdom may be guiding factor on making the division and distribution of functions among the tiers and reserving certain powers to Zilla Panchayat .
- 2. Activity Mapping:** As per the activity mapping a detailed list of subjects / activities were devolved to Zilla Panchayat. Activity mapping is an elaboration of what is seen in the Act. The comments on devolution of functions as per the Act are also applicable in the case of activity mapping. However, when one apply the principle subsidiarity in the Karnataka context certain subjects/activities would have been transferred either to Taluk Panchayat or to Gram Panchayats .The principle of peer group responsibility is applied in the activity mapping exercise. As a result, for example the function ‘to guide and coordinate the work of Gram Panchayats and Taluk Panchayat’ is vested with Zilla Panchayat .
- 3. Actual Activities Performed:** Careful observation of the list under actual activities performed by the two selected Zilla Panchayats of Bidar and Dakshina Kannada shows that only developmental and civic functions are being performed. Developmental functions comes top priority among the subjects /activities performed by the Zilla Panchayat and it is followed by civic and planning functions. It is noticed that functions related to regulatory, supervisory, and promotional were not appeared among the long list of actual activities performed by the Zilla Panchayat, Moreover, it is clearly evident that the Zilla Panchayats are moving in order of only traditional and protocol type of functions.

Comments on Functions by Taluk Panchayats

- 1. The Karnataka Panchayat Raj Act 1993:** Taluk Panchayats have been devolved wide range of subjects/ activities by the Act. The functions assigned to taluk Panchayat are (i) Civic, (ii) Developmental (iii) Planning (iv) Supervisory (v) Promotion (vi) Survey & Evaluation (vii) Assisting the Government (viii) Regulatory powers. Among the functions

more weightage is given to developmental and followed by planning and promotional. However civic, supervisory and regulatory functions are also seen in the list of functions. In certain cases, the division and distribution of functions between the tiers are based on the principle of subsidiarity, but in other cases the principle has not been followed. The examples can be cited from two subjects, take the case of poverty alleviation programmes where implementation is vested with the Taluk Panchayats, planning and supervision is with the Zilla Panchayats whereas selection of beneficiaries is vested with the Gram Panchayat. One of the best examples of the application of the principle of subsidiarity. On the other side, 'promotion of social and cultural activities' under the subject 'cultural activities' has been repeated in the same verbatim in list of the functions devolved to three tiers .

2. **Activity Mapping:** The trajectory of the Taluk Panchayat has been widened as per the activity mapping and a detailed list of subjects / activities were devolved to this tier. Activity mapping is not only an elaboration of what is seen in the Act, but in certain cases the deficits are seen to be corrected. Under activity mapping, each function has been elaborated with minute operational details in .It appears that the activity mapping is the one which functionally integrate the Taluk Panchayat with the other two tiers without losing the principle of sphere autonomy. The activity mapping could position the Taluk Panchayats in such a station where forward and backward linkages of the functions are meeting. As a result, for operationalizing the functions devolved to Taluk Panchayats, it needs the support and cooperation of the other two tiers. After seeing the list of functions with the Taluk Panchayat on may get a feeling that certain subjects/activities would have been transferred to Gram Panchayats.
3. **Actual Activities Performed:** As per the evidence from the four selected taluk Panchayats, Only very limited number and activities of functions are actually performed by the Taluk Panchayats .And these functions are only developmental and civic in nature . Again more emphasis is given for the activities/programmes have a direct benefit sharing nature under the head of 'development'. It is important to note that no activities have been covered under functions related to planning (except the routine annual planning exercise), promotional, supervisory and regulatory. Moreover, in actual terms the Taluk Panchayats are struggling to prove its relevance as an independent functional entity and it appears not because of 'sandwiched' by the other tiers from two sides but due to lack of devolution to the tier .In

this context two issues may help to understand the perception of the direct stake holders on volume of actual functions with the tier and functions actually performed. During the time of field visits both the officials and elected members of the Panchayats opined that “the role of the Taluk Panchayat is as the role of the post office”. The volume of financial resources under ‘untied’ category is limited to perform functions at their disposal by local demand.

Comments on Functions by Gram Panchayats

5. **The Karnataka Panchayat Raj Act 1993:** The Act provides wide range of subjects/ activities to Gram Panchayats. The major functions assigned to Zilla Panchayat includes are on (i) Civic, (ii) Developmental (iii) Planning (iv) Supervisory (v) Promotion (vi) Regulatory and (vii) Taxation powers. Among the functions more weightage is given to civic and followed by regulatory, planning and developmental. It is important to note that special functions related to the wellbeing of the marginalized communities of women, SCs and STs are reflected in the list of functions. This may be the manifestation of Constitutional commitment towards social justice. Maintenance of assets and commons are also an area under the list. No doubt, if one applies the principle of subsidiarity or practical wisdom in the division and distribution of functions among the tiers, the Gram Panchayats will get more in their kitty.
6. **Activity Mapping:** Under activity mapping, each function has been elaborated with minute operational details and as a result the trajectory of the Gram Panchayat has been widened further. Civic and regulatory functions are placed at the top as per the activity mapping and it is followed by developmental functions. It is expected that only Gram Panchayats can perform certain functions in the most effective model, with transparency and citizen participation. The economics of scale is also favorable to Gram Panchayats in many cases of service delivery and administration of civic functions. Activity mapping has been given more stress on grassroots level functions such as identification of scheme/project beneficiaries, identification of project locations, mobilization of people and communities under different associational life including SHGs. The Gram Panchayats are expected to work in collaboration with other two tiers, not as an agent but as a partner. Since the Gram Panchayats are being located at the grassroots, it has certain dividends in terms of spatial and small in size. Activity mapping has been considered these favourable conditions of the Gram Panchayats while allotting functional details.
7. **Actual Activities Performed:** As per the field data from the eight gram Panchayats, a large number of activities under different functions are actually performed by the Gram Panchayats and it is mainly due to the pressure from local community. The list of actual

activities performed by the selected eight Gram Panchayats covers functions related to civic, regulatory, supervisory, promotional, developmental and punitive. The taxation powers of the Gram Panchayats have accelerated the process of actual performance. The evidence has suggested to argue that only Gram Panchayats are being performed in the activities relate to regulatory, supervisory and punitive functions among the three tiers of Panchayats. For example, one person has taken water by using electric motor and pump set from the open well of the Andoor Gram Panchayat without the permission and he was penalized by the Panchayat from collecting a penalty charge of Rs. 6,000. There are cases of issuing different certificates (birth, death, marriage, nativity, residential, no objection certificate for different purposes, income, economic and social status .etc), conducting socio economic survey, conducting enquiries, issuing penal charges, etc. There are certain areas where the Gram Panchayats has 'no space to intervene the functional domain' of the management of electric supply, regulation of local transport and mediation /arbitration /conciliation etc .There are evidence to show that these issues are being addressed by the selected Gram Panchayats. Special attention is needed to see how the major schemes of MGNREGA and BRGF are being implemented by the Gram Panchayats and its impact on the expansion of functional domain. The detailed analysis of the scheme implementation of MGNREGA and BRGF reveals that the operational domain of the schemes are directly or indirectly related to the traditional functions of the line department .In others, it may not be possible for a Gram Panchayat to administer these schemes without entering in to the functional jurisdiction of agriculture, fisheries, animal husbandry, sericulture and rural industries. The predicament what is noticed that on one side these functions including functionaries have not devolved to Gram Panchayats and on the other side the Panchayats are expected to administer the schemes and it is being implemented .It is observed that while implementing the schemes, the Panchayats are entering the new areas of different functional domain., and devolution of functions by default.

Functions not devolved to Panchayats but taken up by the Panchayats.

- Vital Statistics including Registration of Births, Deaths& Marriages (As the *Sakala* the activity is with the Gram Panchayat but it has not been transferred to Panchayat. It is with the Revenue Department)
- Issue of certificates (mention the certificate) (As per the *Sakala* it is with Revenue Department)

Activities taken up by Panchayats with their own funds/untied funds.

- Supply of materials for street light which was sanctioned by the Panchayat Committee in Andur Panchayat and amount of Rs. 4.00 lakhs was utilized from the own fund.
- Hand pump repair in Andur Panchayat and an amount of Rs. 0.23775 lakhs was utilized from the own fund.

Mediating with other authorities and also resolving disputes

No such activities in the Panchayat as Law and Order, mediating between the citizen and governments at higher level(s), petitions, functions performed by Panchayat in 2012-2013 was recorded in majority of the selected Panchayats. However, there are a few cases in which two of the selected Gram Panchayats from the DK district had involved in mediating between citizen and Zilla Panchayat at higher levels in the area of waste management

List of Schemes in which different Tiers of Panchayats play a role

- Minor Irrigation, Water Management and Watershed Development
- Development of plantation in villages
- Housing under IAY
- Cultural Activities
- Toilet Construction under NBA
- Open well for irrigation
- Welfare of the weaker sections, and in particular, of the Scheduled Castes & the Scheduled Tribes
- MGNREGA & BRGF

Strengths and weaknesses regarding devolution of functions

It is argued that by and large, while making the division and distribution of functions from State to PRIs and between the three tiers of PRIs the principle of subsidiarity was followed. There are certain functions/ activities /schemes / subjects having village orientation and that have been vested with GPs. Since line departments do not have any field agencies at the villages, no department has been transferred to Gram Panchayats., However, due to the presence of MGNREGA and BRGF the Gram Panchayats are expected to handle multiplicity of functions which is handled by the traditional line departments and it is not handled by the Gram Panchayats earlier. This may be a type of devolution, 'devolution by default'. The absence of

inter- village orientation is the criteria to entrust functions to Taluk Panchayats whereas inter-taluk or district orientation of functions to that of Zilla Panchayat. Accordingly, as per records, large number of functions has been assigned to Panchayats by the State. The State Act clearly demarcates the functions of the PRIs in to different Schedules/Lists. The Schedule -I is assigned to Gram Panchayats with 30 functions. The other two tiers, the Taluk and the Zilla Panchayats are assigned with Schedule-II by covering 29 functions and with Schedule –III by covering 30 functions, respectively. As a result, in the State all the major domain of subjects listed under article 243(G) of the Eleventh Schedule of the Constitution have been assigned to PRIs .This is one of the significant features of the functional devolution in Karnataka. Another issue is the degree of independent entities within their own sphere of autonomy for each tier of Panchayats . This is more crucial when the Panchayats are loaded with functions and assigned with responsibilities based on the principle of subsidiarity . There are three possibilities in fixing the spatial positions of the three tiers of Panchayats. One possibility is that all the three tiers of Panchayats would be arranged in hierarchically placed spatial locations. The second possibility is just opposite to the first one and that is to arrange the Panchayats as independent entities within their own sphere autonomy .And the third one is the mid way between the two and more close to the principle of peer group responsibility. The best approach is to recognize these entities as units of sphere autonomy and space. Moreover, as it is mentioned earlier the principle of subsidiarity may be applied only in non -hierarchically located spatial environmental settings. In such a situation how one tier can work in partnership/collaboration with others? This may be more concern as the Panchayats are expected to perform agency role. One can argue that agency arrangements could function well, provided that the tiers of Panchayats are non- hierarchically arranged and contain specific responsibility on the part of all the actors. It is estimated that a total of 665 (including small and invisible) plan and non plan schemes of both centre and state sponsored schemes under 29 sectors are vested with PRIs in the State. Since the long list of schemes has posed problems related planning, integrating and allocating resources ,the State has under took a ‘rationalization of schemes’ and it is resulted in cutting down the schemes in to 434 (314 plan and 120 non plan schemes), reshuffling of schemes between tiers and making autonomy for PRIs to formulate plans based on local needs . It is reported that even after the ‘rationalization of schemes’, there are problems of overlap, ambiguities and lack of clarity in the State which needs serious attention.

CHAPTER 4:

PANCHAYAT FINANCES

As in the case of other domains, the State of Karnataka has been a forerunner in the fiscal decentralization initiatives since in the late 80's . In fact, it may not be an exaggeration to comment that Karnataka's experiences on fiscal decentralization have influenced national level thinking on strengthening Panchayat finance. The literature on fiscal decentralization argues that Panchayat finance may have a direct correlation with the administrative and political decentralization and vice versa and therefore one also has to look the issue on a larger perspective. This chapter is an attempt in this direction and to understand the comprehensive picture of state -local fiscal relations in the State of Karnataka. A special emphasis is made to look the sub state rural fiscal devolution and Panchayat finances from the legal provisions of the Act, implementation rules and institutions. Any meaningful observation on Panchayat finance has to validate with compiling the actual fiscal data at all the three tiers of Panchayats. With this understanding, the present chapter has compiled the data on two Zilla Panchayats, four Taluk Panchayats and eight Gram Panchayats in the State.

Funds of Panchayats

Karnataka Panchayat Raj Act, 1993 has specific provisions deals with the Panchayat finance .It is noticed that all the financial transactions are based on the, rules, orders, guidelines and procedures related to the Act .Therefore, one has to seriously look the sections of the Act dealing with the Panchayat finance.

Grama Panchayat Fund

As per the Section 212 of the Karnataka Panchayat Raj Act, 1993 each Gram Panchayat is having a fund called the *Grama Panchayat Fund* and the details is as follows

- a) The amount which may be granted or passed on to the Gram Panchayat by the Government or the Zilla Panchayat or Taluk Panchayat under the provisions of this Act or any other Act, or on any other account;

- b) The proceeds of any tax, rate and fee imposed by the Gram Panchayat;
- c) All sums received by the Gram Panchayat by way of loans or contributions from the Government or any other authority or person or by way of gift;
- d) The rent or other income from, or sale proceeds of any immoveable or movable property owned by or vested in the Gram Panchayat; and
- e) All other sums received from any source whatsoever.

On the management of the fund the Act says, “The amount at the credit of the Gram Panchayat Fund shall be kept in the Government Treasury of the Taluk or with the approval of the Executive Officer in any scheduled bank or a co-operative bank situated in the Panchayat area or the neighboring Panchayat area”. There are two important conditions prescribed on the utilization of the fund. First, expenditure shall be incurred as per the provisions in the budget of the Gram Panchayat. The purpose for which the fund is supposed to be utilized is also mentioned in the Act. The second condition is that not less than 20 per cent of the funds meant for welfare activities shall be utilized for the welfare of the SCs and STs. The Gram Panchayat is empowered to raise loans with previous sanction of the Government (Section 214).

Transfer of Finance to GPs

The first source is the lump sum grant which is passed to the GPs by the State Government through the ZP. And it is to meet general expenditure including delivery of public goods and services. Grants by the States on the recommendations of the Central Finance Commission are the second source. Specific -purpose transfer is the third one. It includes centrally sponsored schemes (MGNREGA) and grants for the maintenance of water supply schemes in the villages. The volume and composition of transfer among the tiers of the Panchayats, the GP's share constitutes higher proportion approximately more than 64 per cent for a period of two years (2011-2012 & 2012-2013 and the entire amount is plan head. Here, only four items such as (i) TFC Grants in aid transferred to Panchyats, (ii) State Grants including SFC transferred to Panchayats, (iii) Backward Regions Grant Fund (BRGF) & (iv) Others (e.g Subvention Grants) are considered and this is not the

total fiscal transfer to Panchayat. In the case of Gram Panchayats no amount is transferred under the last two items. (Ref. Table No. 4.2)

Taluk Panchayat Fund

As in the case of Gram Panchayat each Taluk Panchayat is having a fund called the *Taluk Panchayat Fund* (Section 218) and the details is as follows

- a) The amount which may be granted or passed on to the Taluk Panchayat by the Government or the Zilla Panchayat under the provisions of this Act or any other Act, or on any other account;
- b) The proceeds of any fees imposed by the Taluk Panchayat;
- c) All sums received by the Taluk Panchayat by way of contributions from the Government or any other authority or person or by way of gift;
- d) The rent or other income from, or sale proceeds of any immoveable or movable property owned by or vested in the Taluk Panchayat; and
- e) All other sums received from any source whatsoever

Endowment for any specific purpose shall not come under domain of the fund. It is clearly mentioned that the Taluk Panchayat fund shall be kept in the Government treasury of the taluk. All expenditure under this fund shall be incurred as mentioned in the budget of the Taluk Panchayat. Twenty per cent of the funds meant for welfare activities shall be utilized for the welfare of the SCs and STs (Section 219). The Taluk Panchayat is empowered to raise loans with previous sanction of the Government (Section 220).

Transfer of Finance to Taluk Panchayats

There is an intergovernmental transfer (shared tax) to TPs and it is from the assignment of additional stamp duty levied by the State Government. The stamp duty is on all instruments of sale, gift, mortgage, exchange, or lease in property on all immovable properties situated in the spatial jurisdiction of the taluk. In the case of stamp duty, the domain of major taxation power of deciding tax rate and the tax base is unilaterally determined by the State Government. The establishment grant and specific purpose grants from the centre and state are other forms of transfer. The volume and composition

of transfer among the tiers of the Panchayats, the TP's share constitutes approximately above 22 per cent and the entire amount is plan head for a period of two years (2011-2012 & 2012-2013). Here, only four items such as (i) TFC Grants in aid transferred to Panchayats, (ii) State Grants including SFC transferred to Panchayats, (iii) Backward Regions Grant Fund (BRGF) & (iv) Others (e.g Subvention Grants) are considered and this is not the total fiscal transfer to Panchayats. In the case of Taluk Panchayats, no amount is transferred under the last two items. The non plan is not included which substantially higher percentage because of the commitment on salary disbursement (*Ref. Table No.4.2*).

District Panchayat Fund

According to Section 225 of the Karnataka Panchayat Raj Act ,1993 there shall be for each Zilla Panchayat a fund called the Zilla Panchayat Fund and the following form part of, or be paid into the Zilla Panchayat Fund, namely,-

- i) The amount transferred to the Zilla Panchayat Fund by appropriation from out of the Consolidated Fund of the State;
- ii) All grants, assignments, loans and contributions made by the Government;
- iii) All fees and penalties paid to or levied by or on behalf of the Zilla Panchayat under this Act and all fines imposed under this Act;
- iv) All rents from lands or other properties of the Zilla Panchayat;
- v) All interests, profits and other moneys accruing by gifts, grants, assignments or transfers from private individuals or institutions;
- vi) All proceeds of land, securities and other properties sold by the Zilla Panchayat;
- vii). All sums received by or on behalf of the Zilla Panchayat by virtue of this Act:

Provided that sums received by way of endowments for any specific purpose shall not form part of or be paid into the Zilla Panchayat Fund.

The State and Central Governments funded the PRIs in the form of grants-in-aid for general administration and for developmental activities (general purpose grants in the form of lump sum and development) .The State Government released block grant every

quarter and every month in the last quarter. The Central Government also released funds direct to ZPs for developmental activities. The funding by the State Government was on the lines of accepted recommendations of the Finance Commission including factors like population, literacy, irrigation, medical facilities, etc. It also covers transfers for the implementation of various plan and non plan schemes under the district sector. The volume and composition of transfer among the tiers of the Panchayats, the ZP's share constitutes approximately more than 13 per cent and the entire amount is for plan head for a period of two years (2011-2012 & 2012-2013). Here, only four items such as (i) TFC Grants in aid transferred to Panchayats, (ii) State Grants including SFC transferred to Panchayats, (iii) Backward Regions Grant Fund (BRGF) & (iv) Others (e.g Subvention Grants) are considered and this is not the total fiscal transfer to Panchayats. In the case of Zilla Panchayats no amount is transferred under the last one item. The non plan is not included with substantially higher percentage because of the commitment on salary disbursement. (*Ref. Table No. 4.2*)

State Finance Commissions

Three State Finance Commissions (SFCs) have been constituted in Karnataka State. The first SFC was formed in 10 June, 1994 and submitted its report on August 1996. On due date, the second SFC was formed (October 2000), submitted its report on December 2002. On August 2006, the third SFC) was constituted and submitted the report on December 2008. At present a committee has been constituted to oversee the recommendations of the 3rd Finance Commission. The important recommendations of the last SFC are (i) 33 per cent of Net Own Revenue Receipts of the State Government should be transferred to the local Governments of which Panchayats (Rural Government) and Nagar Palika Institutions (Urban Governments) are supposed to receive 23 per cent and 10 per cent respectively. There are four components of the grants for Panchayats and the first is the Programme / Scheme Obligated Grants to Zilla Panchayats, Taluk Panchayats and Gram Panchayats. Second is the Block Grant Component. The SFC has recommended that a lump sum grant of Rs.9.00 lakhs for Panchayats with population up

to 4000, Rs.12.00 lakhs for Panchayats with population from 4001 -8000 and Rs.15 .00 lakhs to the Panchayats with population above 8000 per year to each Gram Panchayat. The third component consists of Development Grants with Gram Panchayats are recommended to receive Rs.1.00, Rs.2.00 lakhs and Rs.3.00 GPs in backward, more backward and the most backward taluks ,respectively. . The fourth is the Incentive Grant which is linked to the fiscal performance of the Gram Panchayats.

It is noticed that the State Government has not made any attempt to follow the recommendations of the last SFC both in terms of aggregate transfer to local governments or its various components by claiming that the present transfer is much higher than what was suggested. While examining the above claim of the State Government one could see that many experts in the area of local finance do have an opposite view. One such view was expressed by the Report of the Mission Group on Decentralization and Governance in Karnataka, appointed by the Government. The report says, *“The funds transfer for the local bodies to implement various schemes as well as non plan transfer for salaries cannot be clubbed with the transfer to undertake local body functions. In other words, the transfers given to the local bodies do not enable them to undertake their functions independently of the various schemes devolved to them for implementation. Nor do the transfers vary either according to fiscal capacity or fiscal needs of the Panchayats. In the ultimate analysis the prevailing transfer system reduce the local governments to the status of mere implementing agencies and not units of local self governments”*

As per Rule 267 of KPR Act 1993, the Governor shall constitute a Finance Commission for every fifth year to review the financial position of the PRIs and make recommendations to the Govt. Three SFCs have been constituted so far. The details are given in the table no.4.1.

Table No.4.1: Details of SFCs in the State

| Particular | Date of constitution of SFC | Date of submission of SFC report | Date of submission of ATR | Period covered | Devolution recommended |
|------------|-----------------------------|----------------------------------|---------------------------|--------------------|---|
| SFC-I | 10/6/1994 | 5/8/1996 | 31-3-1997 | 1997 2001-02 | 36 % non loan gross own revenue receipts (NLGORR) |
| SFC-II | 25-10-2000 | 30-06-2002 | 29-06-2006 | 2005-06 2010-11 | 40 % of non loan net own revenue receipts (NLNORR). Out of this 32 % to PRIs and 8% to ULBs |
| SFC-III | 28-08-2006 | 12-2009 | 31-10-2011 | 2011-12 2015-16 | 42 % of non loan net own revenue receipts (NLNORR). Out of this 32 % to PRIs and 10 % to ULBs |
| SFC- IV | | | | | Not constituted |

Source: Data furnished from State Finance Commission, State of Karnataka

Fiscal Transfer to the three tiers of Panchayats is visualized through the Table No.4.1

Table No.4.2: Fiscal Transfer to the PRIs in 2011-2012 & 2012-2013

| Items | | Zilla Panchayat | Taluk Panchayat | Grama Panchayat |
|----------------|--|-----------------|-----------------|-----------------|
| 2011-12 | | | | |
| a. | TFC Grants-in-aid transferred to Panchayats | 6919.80 | 13839.60 | 48438.60 |
| b. | State Grants including SFC transferred to Panchayats | 3000.00 | 17600.00 | 40436.00 |
| c. | Backward Regions Grant Fund(BRGF) | 9483.00 | 0 | 0 |
| d. | Others (e.g. Subvention Grants) | 0 | 0 | 0 |

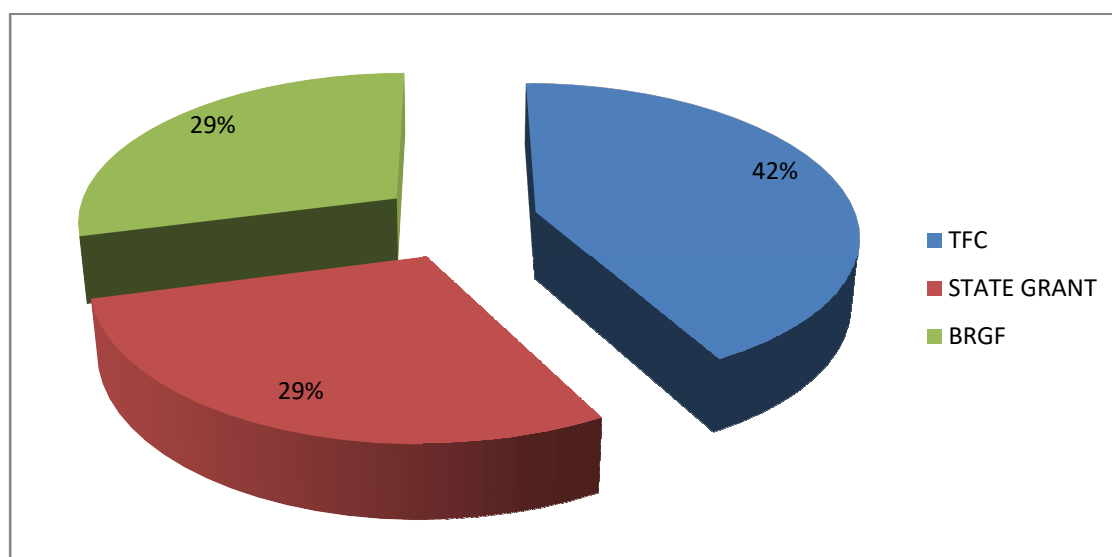
| | | | | |
|-------------------------------|--|-----------------|-----------------|------------------|
| Total Fiscal Transfers | | 19402.80 | 31439.60 | 88874.60 |
| 2012-13 | | | | |
| a. | TFC Grants-in-aid transferred to Panchayats | 8794.00 | 17588.00 | 61561.00 |
| b. | State Grants including SFC transferred to Panchayats | 6000.00 | 17600.00 | 46580.00 |
| c. | Backward Regions Grant Fund (BRGF) | 6073.00 | 0.00 | 0.00 |
| d. | Others (e.g. Subvention Grants) | 0.00 | 0.00 | 0.00 |
| Total Fiscal Transfers | | 20867.00 | 35188.00 | 108141.00 |

Source: Data furnished from RDPR, Govt. of Karnataka

Zilla Panchayat

The respective share of TFC, State Grants and BRGF in each tier for the year 2012-2013 is presented with the help of diagrams (Diagram No.4.1, 4.2 & 4.3). Since, the same trend is noticed for the year 2011-2012 no attempt has been made to present the data with the support of diagrams.

Diagram No.4.1: % of TFC, State Grants and BRGF to the Zilla Panchayat (2012-2013)

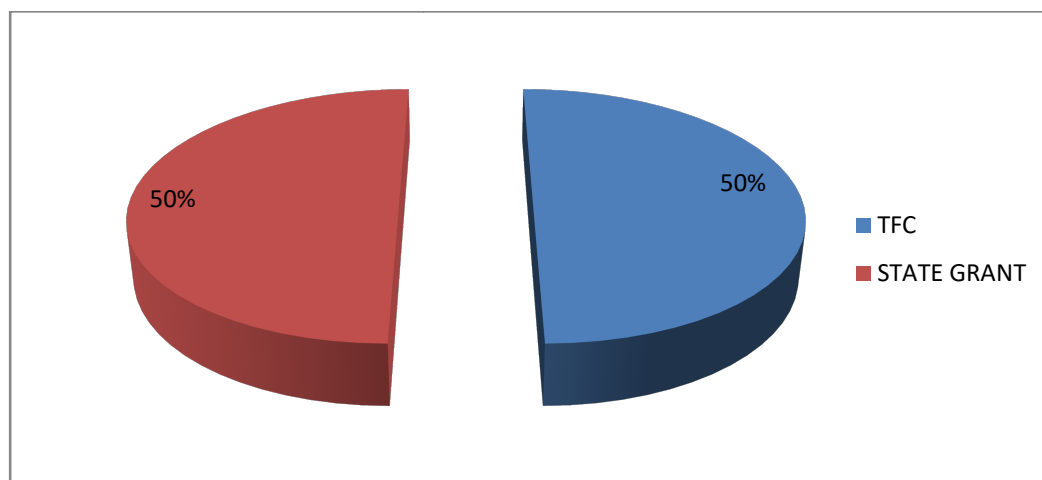


Source: Table No.4.2

TFC Grants-in-aid transferred to Panchayats account to 42 per cent, State Grants including SFC transferred to Panchayats account to about 29 per cent and BRGF account to about 29 per cent in the Zilla Panchayats

Taluk Panchayat

Diagram No.4.2: % of TFC & State Grants to the Taluk Panchayat (2012-2013)

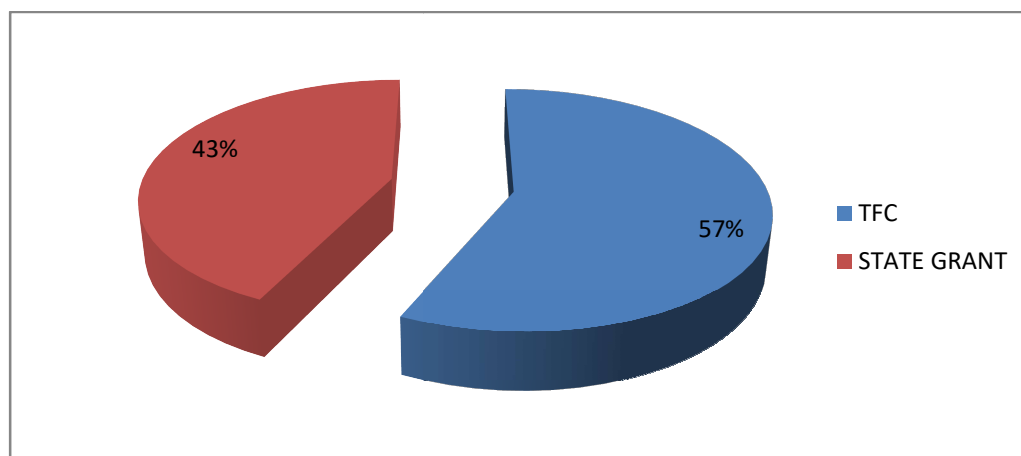


Source : Table No.4.2

TFC Grants-in-aid transferred to Panchayats and State Grants including SFC transferred to Panchayats account to about 50 per cent each. There is however no BRGF grant at the Taluk Panchayat level.

Gram Panchayat

Diagram No.4.3: % of TFC & State Grants to the Gram Panchayat (2012-2013)



Source : Table No.4.2

TFC Grants-in-aid transferred to Panchayats account to about 57 per cent whereas the State Grants transferred to Panchayats account to about 43 per cent. There is however no BRGF grant at the Gram Panchayat level.

Transfer Mechanism

Finance department through electronic transfer (e- FMs) to TNMC CEO to TP/GP is the mechanism . TFC grants are transferred in two installments annually. The State grants are released in four installments and BRGF is released in one installment. The Finance Department of the State Government is transferring the funds on the basis of GOI releases/ link document on a regular featured basis.

Grants, as per the 'link document' from the State Govt. is transmitting towards the ZP through treasury transactions .The accounts section of the ZP prepares the grant in aid bills in white colour (with detail information) in the CTS No.8 Format with reference to the govt release order and along with enclosing 'yellow colour challen' . It indicates that the amount is being deducted from the government .and deposited in the ZP account. The financial transaction between the Government and the ZP is a 'book adjustment process '.It is reported that now there is direct fund flow to all levels of Panchayats from the State by electronic transfer ,not through Zilla Panchayat. Only BRGF amount is being transferred through banks cheque from ZP to TP and GP. The other allotments are in the form of electronic transfer from the State to ZP .The financial transactions of the centrally sponsored programmes are through commercial banks.

The ZP intimates the respective line departments on the concerned heads of account and other details in the TP account which is allocated as per the 'link document'. In response to the intimation from the ZP, the concerned head of the line department prepares the bill in 'yellow colour' as per the details in the accounts and submits to the treasury along with the budget control register. The treasury issues Government cheque to the concerned line department as per the allotted heads of account towards the respective line department in the treasury and the budget control register. The line department will deposit the cheque in their respective account in the commercial bank and entitled to submit the utilization certificate to the ZP by the end of the year.

In the case of Taluk Panchayats separate cash book for each scheme (receipt and expenditure wise) is maintained. The Panchayats are linked to both the treasury and to the

bank. State schemes are linked to both treasury and bank and the centrally sponsored schemes are linked to bank only. In the case of Gram Panchayats the item/scheme wise receipt of funds accounted in the cash Book. The GPs are linked to Bank for all financial transactions. It is important to note that in some cases there is no account in the treasury.

Tied and Untied Funds in the Panchayats

The fiscal transfers of the PRIs are characteristic of scheme based and non scheme based transfers. A typology of classification of such transfers is made here with a differentiation in the tied and untied funds in the Zilla Panchayat (Table No.4.3), Taluk Panchayat (Table No.4) and Gram Panchayat (Table No.5).

Zilla Panchayat

Table No.4.3: Typology of Classification of Transfer to Zilla Panchayat

| Scheme Based Transfers | Tied/Untied | Non Scheme Based Transfers | Tied/Untied |
|---|--------------------|---|--------------------|
| Public works | Tied | Other rural development programmes | Untied |
| 1. Public works | Tied | Other special area programmes | Untied |
| 2. PWD | Tied | Other scientific research | Tied |
| | Tied | Other general economic services | Tied |
| Educations, sports, art & culture | Tied | BRGF | Tied |
| 1. General education | Tied | DRDA administration | Tied |
| Art & culture | Tied | 13 Finance Commission | Untied |
| Medical & public health | Tied | Training to PRI staff | Tied |
| Family welfare | Tied | Swachya Gram Yojana | Tied |
| Welfare of scheduled caste, schedules tribes and other backward classes | Tied | Preparation District Human Development Report | Tied |
| Social security and welfare | Tied | Karanja Puervasti Yojane | Tied |
| Crop husbandry | Tied | Gram Panchayat Grants | Tied |
| Soil and water conservation | Tied | Kuvempu Model School | Tied |
| Animal Husbandry | Tied | | |
| Fisheries | Tied | | |

| | | | |
|-------------------------------------|------|-------------|------|
| Forestry and wild life | Tied | Solar light | Tied |
| Co-operation | Tied | | |
| Minor Irrigation | Tied | | |
| Non conventional sources of energy | Tied | | |
| Village and small industries | Tied | | |
| Industries | Tied | | |
| Roads and bridges | Tied | | |
| Secretariat Economic services | Tied | | |
| TSC | Tied | | |
| Master account | Tied | | |
| PMGY GAY | Tied | | |
| SGSY | Tied | | |
| SGSY village hats | Tied | | |
| IAY | Tied | | |
| IAY minority | Tied | | |
| IWDP | Tied | | |
| DPAP | Tied | | |
| DPAP.HARIYALI | Tied | | |
| RSVY | Tied | | |
| NREGS | Tied | | |
| IWMP | Tied | | |
| Akshara Dasoha Yojane(Kitchen room) | Tied | | |

Source: RDPR, Govt. of Karnataka and Bidar & Dakshina Kannada Zilla Panchayats

Taluk Panchayat

Table No.4.4: Typology of Classification of Transfer to Taluk Panchayat

| Scheme Based Transfers | Tied/Untied | Non Scheme Based Transfers | Tied/Untied |
|-------------------------------------|--------------------|--------------------------------------|--------------------|
| Elementary Education | Tied | Untied Grant(CM Fund) | Untied |
| Secondary Education | Tied | 13 Finance Commission | Untied |
| Medical and Public Health | Tied | BRGF | Tied |
| Water and Sanitation | Tied | Special Development Programmes (SDP) | Untied |
| Special Component Programme | Tied | 12th Finance Commission | Untied |
| ST Development | Tied | | |
| Backward Communities and Minorities | Tied | | |
| Other rural development | Tied | | |

| | | | |
|-----------------------------|------|--|--|
| programmes | | | |
| Sericulture | Tied | | |
| Road and Bridges | Tied | | |
| Family Welfare | Tied | | |
| Nutrition | Tied | | |
| Crop Husbandry | Tied | | |
| Animal Husbandry | Tied | | |
| SGSYS | Tied | | |
| MGNREGA | Tied | | |
| Samarthya Yojana | Tied | | |
| TSC/NBA | Tied | | |
| Taluk Panchayat Development | Tied | | |
| Housing | Tied | | |
| Horticulture | Tied | | |
| Stamp duty | Tied | | |

Source: Data furnished from RDPR, Govt. of Karnataka

Gram Panchayat

Table No.4.5: Typology of Classification of Transfer to Gram Panchayat

| Scheme Based Transfers | Tied/Untied | Non Scheme Based Transfers | Tied/Untied |
|-------------------------------|--------------------|-----------------------------------|--------------------|
| MGNREGA | Tied | BRGF | Tied |
| IAY | Tied | TFC | Tied |
| Ashraya | Tied | Staff Salary | Tied |
| NBA | Tied | Water supply | Tied |
| Pyka | Tied | | |
| Ashraya | Tied | | |
| Gram Swaraj | Tied | | |

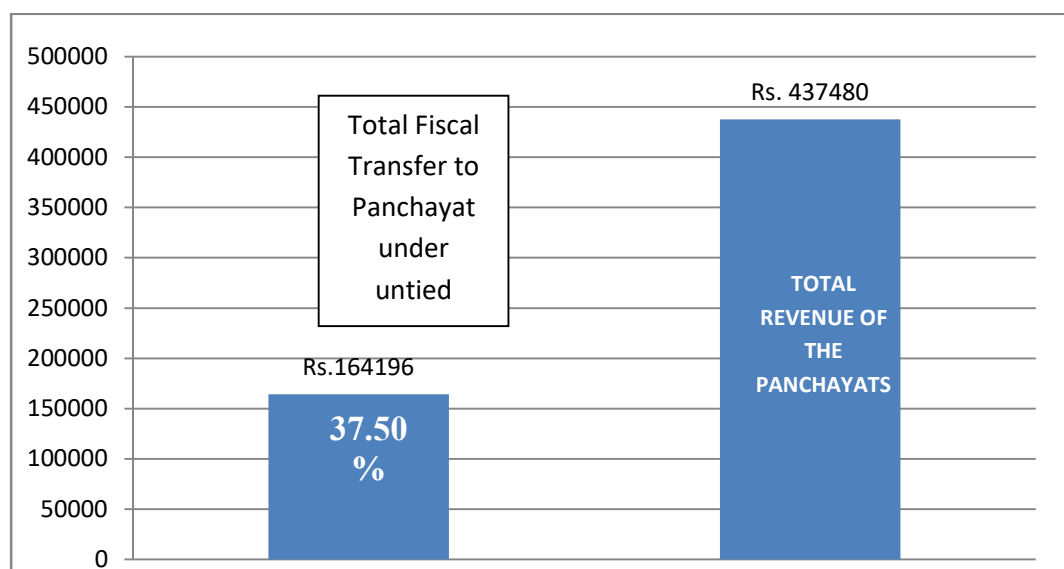
Source: Data furnished from RDPR, Govt. of Karnataka

The actual situations found in the sample panchayats could be verified from the Annexure 3 (Please refer Annexure 3 for more details).

Fiscal transfers to the Panchayat under ‘Untied’ fund as percentage of Total Revenue of the Panchayats

The total fiscal transfer to the Panchayats under untied (as calculated from the State figures of Zilla Panchayat, Taluk Panchayat and Gram Panchayat) was Rs. 164196.00 lakhs and the total revenue of the Panchayats for the year 2012-2013 was Rs. 437480.00 lakhs. Thus the fiscal transfers to the Panchayats under untied fund as percentage of total revenue of the Panchayats were only 37.50 per cent. The allocation was to the three tiers in the State. (Please refer diagram no 4.4 given below).

Diagram No.4.4: Allocation of Fiscal Transfer to Panchayat under Untied Fund of Total Revenue of the Panchayats



Source: Table No.4.2 & Table No.4.6

Revenue of Panchayats in 2012-2013

The revenue collected at the State level in the year 2012-2013 for the Panchayats is produced in the Table No.4.6

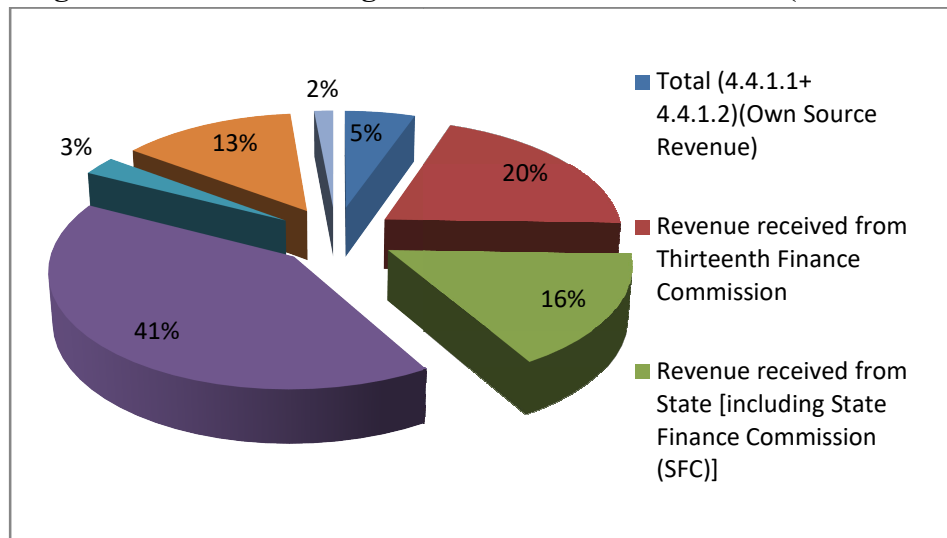
Table No.4.6 :Revenue of Panchayats in 2012-2013. (Rs.in lakhs)

| Source | Revenue Collection | Percentage of Revenue Collection |
|--|--------------------|----------------------------------|
| Property tax | 15341.30 | 3.51 |
| Other taxes | 4956.42 | 1.13 |
| User charges | 3304.28 | 0.76 |
| Royalties for minerals and others | 0.00 | |
| Others (pl. specify e.g. Remunerative Assets | 0.00 | |
| Total (4.4.1.1+ 4.4.1.2)(Own Source Revenue) | 23602.00 | 5.39 |
| Fiscal Transfers | | |
| Revenue received from Thirteenth Finance Commission | 87943.00 | 20.10 |
| Revenue received from State [including State Finance Commission (SFC)] | 70180.00 | 16.04 |
| Grants for Staff salary | | |
| Other grants from State (give detail) | | |
| Receipts from Centrally Sponsored Schemes (CSS) | 179143.20 | 40.95 |
| BRGF Grants | 11711.00 | 2.68 |
| Receipts from MPLAD/MLALAD | 58472.00 | 13.37 |
| Receipts from voluntary organizations/agencies | | |
| Others (specify) gram swaraj project | 6429.00 | 1.47 |
| TOTAL | 437480.20 | 100.00 |

Source: Data furnished from RDPR, Govt. of Karnataka

It is produced a diagram to find out a clear picture of the percentage share of each source of revenue to the Panchayats. (Ref DiagramNo.4.5).

Diagram No.4.5: Percentage share of sources of Revenue (State Level)



Source: Table No.4.6

The diagram No. 4.5 reveals that the major chunk of revenue is from the receipts from centrally sponsored schemes which account to about 41 per cent followed by revenue received from Thirteenth Finance Commission (20%), Revenue received from State which is 16 per cent and 13per cent receipts from MPLAD/MLALAD. The own revenue by PRIs is being accounted only about 5 per cent. A picture of revenue collection for the sample Panchayats is given as Annexure 5.

Local Taxes of Panchayats

Assignment of revenue powers provides fiscal autonomy to local governments to exercise choices of public services for their voters. It ensures greater efficiency in the provision of public services. It also fosters a sense of ownership and greater accountability. An important implementation rule of fiscal decentralization is that the local governments should have taxing powers. The local governments are required to balance their budgets and fully cannot depend on additional grants or loans from the centre. But to live with the requirement of a hard budget constraint, local governments must have independent taxing powers.

The Karnataka Panchayat Raj Act, 1993 states that only GPs have the powers to raise revenue from taxes. The ZPs and TPs have to depend on transfers made from central and State Governments, and their own revenues are minor. The GPs can levy tax on land and buildings within the limits of their respective geographical area that are not subject to agricultural assessment. The 1993 Act also gives GPs the power to levy water rate and some other taxes to be levied subject to the exemptions and maximum shows. The Act also provides that taxes, rates or fees payable by the owners of any factory or industry established in any Panchayat area may be compounded into an annual lump sum payment as agreed upon by the owner and the GP. The collection of taxes, fees or other revenues may be executed by the GP or any agency entrusted with the task. In addition, the State Government may levy a cess equivalent to the rate of land revenue on all items of land revenue, and the proceeds are to be passed on to the GPs in the respective areas. Similarly, the State Government may levy additional stamp duty imposed by the Karnataka Stamp Act (1957) on the transfer of immovable property at a rate not exceeding three percent on the market value of property, and in the case of lease, the value of rent for 10 years. The proceeds of the additional stamp duty are to be transferred to the TPs based on collections in their respective jurisdictions.

Though GP is the only Panchayat tier with any independent revenue source, the GP raises very low own revenue and play an insignificant role in providing public services. Thus the only meaningful tier of fiscal decentralization plays a negligible role in the overall fiscal system.

Expenditure of Panchayats for the Year 2012-2013

The total expenditure for the year 2012-2013 at the State level was Rs. 3084966.00 lakhs. The particulars of the data are furnished in table No 4.7.

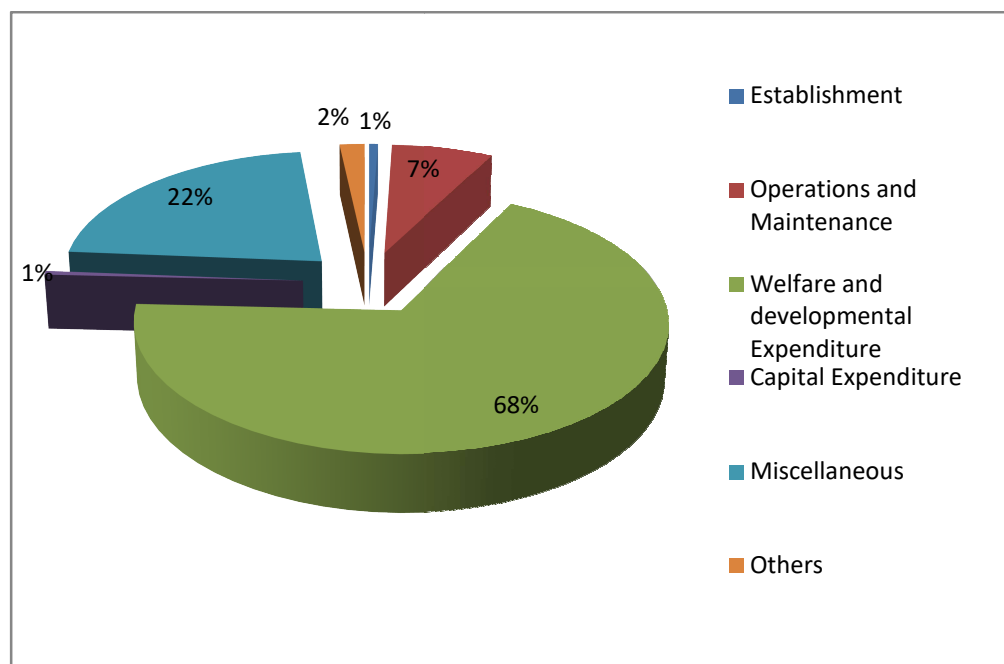
Table No. 4.7: State Level Total Expenditure of the Panchayats for the Year 2012-13

| | Expenditure | 2012-2013 | % |
|-----------|--|------------------------|---------------|
| 1 | Current Expenditure | | |
| | Establishment: | | |
| | Salaries paid by the State Government to core staff of Panchayat | 18991.00 | 0.62 |
| | Salaries paid by the Panchayat to other staff | | |
| | Salaries of departmental staff | | |
| | Pension etc. for employees | | |
| | Honorarium to Panchayat members | | |
| | Any other (pl. specify) | | |
| | Operations & Maintenance: | | |
| | Buildings and community assets | 7238.13 | 0.2 |
| | Rural roads | 31666.83 | 1.0 |
| | Water supply and sanitation | 18638.19 | 0.6 |
| | Any other expenses (office & building maintenance) | 158877.01 | 5.2 |
| | Welfare and Developmental Expenditure: | | |
| | Expenditure on Centrally Sponsored Schemes | 144447.20 | 4.7 |
| | State schemes expenditure | 1957610.00 | 63.5 |
| | Any other (pl. specify) | 361.91 | 0.0 |
| | Total Current Expenditure (4.4.2.1.1 to 4.4.2.1.3) | 2337830.27 | 75.78 |
| 2. | Capital Expenditure | 15351.00 | 0.5 |
| 3 | Contingencies | | |
| 4 | Miscellaneous Expenditure (specify)(education excluding teachers salary Welfare expenditure for citizens) | 135895.94 542317.10 | 4.4 17.6 |
| 5 | Others (pl. specify) (MLALAD & MPLAD) | 53572.13 | 1.7 |
| | | | |
| | Total Expenditure(4.4.2.1 to 4.4.2.5) | 3084966.44 | 100.00 |

Source: Data furnished from RDPR, Govt. of Karnataka

The Diagram No.4.6. gives the percentage share incurred by various types of expenditure.

Diagram No.4.6: Percentage share incurred by various types of expenditure 2012-.2013



Source: Table No.4.7

The graph indicates that about 68 per cent of the total expenditure is incurred as welfare and developmental expenditure (this comprises of expenditure on centrally sponsored schemes and state schemes expenditure). About 22 per cent is incurred on education (excluding teachers' salary) and welfare expenditure for citizens. About 7 per cent is incurred on operations and maintenance (this comprises of buildings and community assets, rural roads, water supply and sanitation and office and building maintenance expenditure). Salaries paid by the State Government to core staff of Panchayat account to about 7 per cent. Capital expenditure account to about less than one per cent.

Ground Realities

The instances from Andoor Gram Panchayat in Bidar district states that the Panchayat enjoys freedom in fixing the tax rate within the prescribed limit. The PDO reports that when the matter was discussed in the Panchayat Committee majority opposed any move to raise the tax rate existed in the Panchayat .It shows that the Panchayat committee has

the power for the same. However, there is no by-law for collection of taxes, fees and other revenues. The bill collector feels that there is no need for any other alternative for privatisation/outsourcing of tax collection. It is also reported that there is a demand register but the same is not available during the field work. During the time of field visit in the Panchayat, it was seen that the people are voluntarily coming to the Panchayat for paying the tax. It is noticed that Rs.1,100 has been remitted by the residents towards house tax on 19 December 2013 and on next day the amount has increased to Rs .4,023 in the Panchayat. During the year 2011-2012, the total own resource mobilization was Rs.14,13,963 and it came down to Rs.8,90,398 in 2012-2013. The reasons for the decline in 2012-2013 were explained by the PDO. She says, “since maximum effort has been taken to collect the old areas in 2011-2012 the same could not exerted in 2012 -2013 and it is resulted the reduction in tax collection during the last year. It is felt that the resource mobilization mainly depends on the capacity of the PDO rather than that of the Panchayat committee

Non Tax Revenue

Non tax is another important source of revenue for the PRIs. The non tax source consists of rents from shops and buildings, sale of assets etc. In the State all the three tiers of Panchayats are empowered to collect not tax revenue and utilize the same for their own needs. However, a distinction that needs to be noted is that the Panchayats are allowed to collect and utilize non tax revenues from their own properties and assets and all other income have to be credited to the State’s consolidated fund.

Tax Assignments to Panchayats

Table No.4.8: Tax Assignment to the Panchayat among the three tiers

| Name of Source of Revenues | GP | TP | ZP | State |
|------------------------------------|----|----|----|-------|
| House or property tax | √ | | | |
| Surcharge or property tax | √ | | | |
| Tax on agriculture land | √ | | | |
| Cess on land revenue or surcharge | | | | |
| Surcharge on additional stamp duty | | √ | | √ |
| Tax on professionals | | | | |
| Entertainment tax | √ | | | |
| Pilgrim Tax & fees | √ | | | |
| Tax on advertisement | √ | | | |
| Education cess | √ | | | |
| Tolls | √ | | | |
| Tax on goods sold in market | √ | | | |
| Vehicle | √ | | | |
| cattle | √ | | | |

Source: Source: Data furnished from RDPR, Govt. of Karnataka and cross checked from the selected Panchayats

Non tax Assignments to Panchayats

Table No.4.9: Non Tax Assignment to the Panchayat among the three tiers

| Name of Source of Revenues | GP | TP | ZP | State |
|--|----|----|----|-------|
| Conservancy rate | √ | | | |
| Water rate | √ | | | |
| Drainage rate | √ | | | |
| Special tax on community civic services or works | √ | | | |
| Surcharge on any tax | √ | | | |
| Minor minerals tax | √ | | | |
| Pond/tank lease | √ | | | |
| Village land lease | √ | | | |
| Shop lease | √ | | | |

Source: Source: Data furnished from RDPR, Govt. of Karnataka and cross checked from the selected Panchayats

Revenue (tax and non tax) demanded and Collected by Panchayats as per State level data

The total revenue demanded and collected by the Panchayats at the State level is Rs. 53742.00 lakhs and Rs. 23602.00 lakhs, respectively, for the year 2012-2013. The respective figures were Rs. 50408.00 lakhs & Rs.24214.00 lakhs in 2011-2012.

Taxes/Charges actually levied and collected by the Panchayats

The Zilla Panchayat and Taluk Panchayats have no taxation power in the State. The nature of taxes actually levied and collected by the Gram Panchayats is given in table No.4.10.

Table No 4.10: Shows the different Tax & Non Tax of Gram Panchayats item wise.

| TAXES | NON TAXES |
|---|---|
| House Tax (including health cess ,education cess, library cess and beggar cess) | License |
| Water Tax | Permission of Construction |
| Electricity Tax | Non Objection Certificate for getting electricity connection |
| | Mutation |
| | Residential Certificate |
| | Others including Penalty (For example ,one person has taken water by using electric motor and pump set from the open well of the Panchayat without the permission and he was penalized by the Panchayat from collecting a penalty charge of Rs. 6000) |
| | Balance (closing balance of 2011-2012) |
| | Ground fees |
| | Token fees |
| | Shop rent |
| | Building license |
| | Commercial license |

Source: Computed Data collected from the Gram Panchayats

Authority in collecting the taxes and non-taxes in Panchayats

In the State the authority for tax collection in the Gram Panchayats is vested with the Gram Panchayat Administration. The Gram Panchayat appoints a Bill Collector for the purpose and the salary for the Bill Collector is paid by the Panchayat. The same situation was noticed in all the eight selected Gram Panchayats.

Revenue and expenditure of sample Panchayats

The dynamics of Panchayat finance in the sample Panchayats (Three tiers) are presented in this session.

Zilla Panchayat Revenue

Table No.4.11 provides a picture of the fiscal transfer to the two selected Zilla Panchayats in the State. There are two heads under the fiscal transfer one is 'Scheme Based Transfer' and other is 'Non scheme Based Transfer'. It is noticed that an amount of Rs.25612.57 lakhs had been transferred to Bidar Zilla Panchayat in 2011-2012 under 'Scheme Based Transfer'. The amount became Rs. 28363.66 lakhs in 2012-2013, with an increase of Rs 2751.09 lakhs. The corresponding figure for the same period was Rs.24668.60 lakhs and Rs.24341.65 in Dakshina Kannada District. There was a slight decline in the case of Dakshina Kannada District over a period of one year. The available data for a period of two years from the two selected districts show that on an average Rs 25746.62 had been transferred to Zilla Panchayat in the State. It is important to note the altogether there are around 30 schemes /projects under each year for a Zilla Panchayat and the schemes are same for both the districts and for both the years.

Table No.4.11. Fiscal Transfer (under Scheme based and Non scheme based) to Zilla Panchayat for a period of two years (2011-2012& 2012-2013)

| Panchnayat for a period of two years (2011-2012 & 2012-2013) | | | | |
|--|----------------------|----------------------------|--------------------------------|-----------------------------|
| Sl No | Name of the ZP | Type of Transfer | | Total Amount (Rs. in lakhs) |
| | | Scheme based (Rs.in lakhs) | Non scheme based (Rs.in lakhs) | |
| Year 2011-2012 | | | | |
| 1 | Bidar ,ZP | 25612.57 | 7358.70 | 32971.27 |
| 2 | Dakshina Kannada ZP | 24668.60 | 284.74 | 24953.34 |
| | Year 2012-2013 | | | |
| 1 | Bidar ,ZP | 28363.66 | 8129.82 | 36493.48 |
| 2 | Dakshina Kannada, ZP | 24341.65 | 2245.12 | 26586.77 |

Source: Zilla Panchayat Administration Bidar and Dakshin Kannada

Fiscal Transfers (Schemed Based)

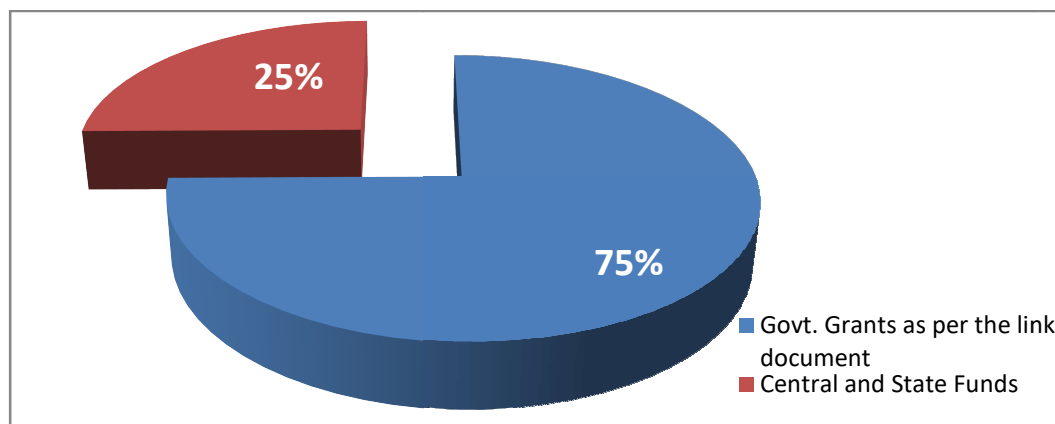
The fiscal Scheme Based Transfer to the Zilla Panchayats is mainly from two sources and they are (i) the State Government Grants as per the 'Link document' and(ii) the Central and State Funds. The analysis of the data from the two selected Zilla Panchayats (Bidar and Dakshina Kannada) reveal that on an average about 75 per cent of the transfer to a Zilla Panchayat is based on the source of State Government Grants as per the 'Link Documents' and the only remaining from the Central and State Funds. The table number 4.12 and diagram No.7 provides a nature of the fiscal transfer to a Zilla Panchayat (scheme based transfer) in the selected Zilla Panchayats. The figures worked out for generating the diagrams is based on the average of the figures provided for the two selected Zilla Panchayats, Bidar and Dakshina Kannada.

Table Number 4.12: Average Scheme based transfer and its percentage share

| SCHEME BASED TRANSFER | AVERAGE | PERCENTAGE |
|---------------------------------------|---------|------------|
| Govt. Grants as per the link document | 19719 | 75 |
| Central and State Funds | 6633 | 25 |
| Total | 26352 | 100 |

Source: Zilla Panchayat Adminsitration, Bidar and Dakshin Kannada

Diagram No. 4.7. Average Scheme based transfer and its percentage share



Source: Table No. 4.12

Fiscal Transfers (Non-Schemed Based)

It is noticed, (as given in Table No 4.11) that an amount of Rs.7358 .70 had been transferred to Bidar Zilla Panchayat in 2011-2012 under ‘Non Scheme Based Transfer’. The amount became Rs. 8129.82 lakhs in 2012-2013 ,with a an increase of Rs. 771.12 lakh The corresponding figure for the same period was Rs.284.74lakh and Rs.2245.12 in Dakshina Kannada District. There was an increase of Rs.1960.38 in the case of Dakshina Kannada District over a period of one year. The difference of the amount under the ‘non scheme based transfer’ in the Dakshina Kannada is due to the absence of the amount under ‘GP Statutory Grant’ in 2011-2012 .There was no amount under ‘GP Statutory Grant’ in 2011 -2012 whereas it was Rs. 1713.57 lakhs in 2012-2013. The available data for a period of two years from the two selected districts show that on an average Rs 4529.60 lakhs had been transferred to Zilla Panchayat in the State. Again, the Non –Scheme Based Transfer to the Zilla Panchayats is also coming from two types of sources and they are (i) Government Gants as per the ‘Link Document’ and (ii) the Central and State Funds. Here, as per the data from the two selected Zilla Panchayats indicate that on an average about 77.25 per cent of the transfer is based on the sources of Central and State Funds and remaining from the ‘Link Document’ which account to 22.75per cent .

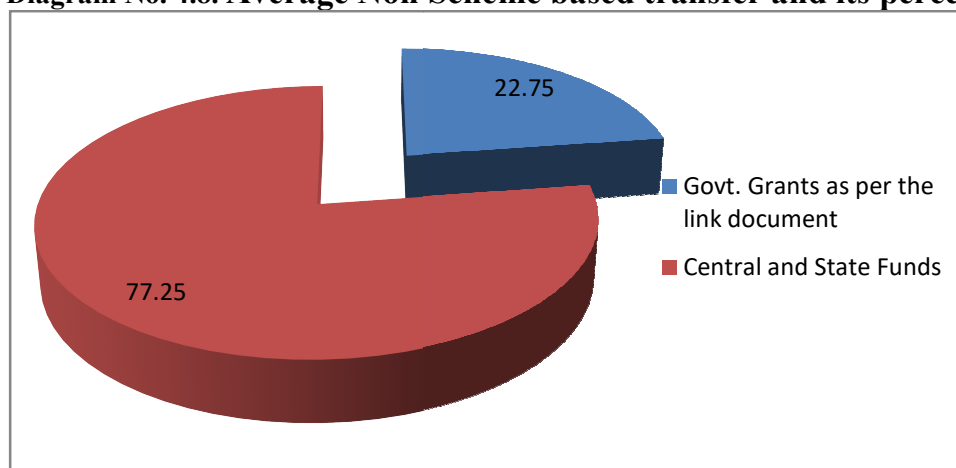
The table number 4.13 and diagram No.4.8 provides a nature of the fiscal transfer to the Zilla Panchayats (non scheme based transfer) in the selected Zilla Panchayas. The figures worked out for generating the diagrams is based on the average of the figures provided for the two selected Zilla Panchayats, Bidar and Dakshina Kannada.

Table Number 4.13: Average Non Scheme based transfer and its percentage share

| NON SCHEME BASED TRANSFER | AVERAGE | PERCENTAGE |
|---------------------------------------|----------------|-------------------|
| Govt. Grants as per the link document | 1243.069 | 22.75 |
| Central and State Funds | 4219.951 | 77.25 |
| Total | 5463.02 | 100 |

Source: Zilla Panchayat Adminsitration, Bidar and Dakshin Kannada

Diagram No. 4.8. Average Non Scheme based transfer and its percentage share



Source: Table number 4.13

A **sample of the classification** could be noted from the table given below for Bidar Zilla Panchayat

Table No.4.12: Scheme Based Transfer to Bidar, Zilla Panchayat (2012-2013)

| Sl No | Name of Schemes/Projects | Amount in Lakhs | Sources of funds |
|-------|---|-----------------|---------------------------------------|
| 1 | Public works | | Govt. Grants as per the link document |
| | a.Public works | 851.21 | |
| | b.PWD | 2.24 | |
| | Total | 853.45 | |
| 2 | Educations, Sports, Art & Culture | | Govt. Grants as per the link document |
| | a. General Education | 9067.51 | |
| | b. Art & Culture | 48.04 | |
| | Total | 9115.55 | |
| 3 | Medical & Public Health | 2682.22 | Govt. Grants as per the link document |
| 4 | Family Welfare | 983.15 | Govt. Grants as per the link document |
| 5 | Welfare of Scheduled Caste, Schedules Tribes and other Backward Classes | 2162.23 | Govt. Grants as per the link document |

| | | | |
|----|--|---------|---------------------------------------|
| 6 | Social Security and Welfare | 622.92 | Govt. Grants as per the link document |
| 7 | Crop Husbandry | 591.65 | Govt. Grants as per the link document |
| 8 | Soil and Water Conservation | 258.03 | Govt. Grants as per the link document |
| 9 | Animal Husbandry | 450.36 | Govt. Grants as per the link document |
| 10 | Fisheries | 46.58 | Govt. Grants as per the link document |
| 11 | Forestry and Wild Life | 290.42 | Govt. Grants as per the link document |
| 12 | Co-operation | 19.58 | Govt. Grants as per the link document |
| 13 | Minor Irrigation | 45.68 | Govt. Grants as per the link document |
| 14 | Non Conventional Sources of Energy | 6.88 | Govt. Grants as per the link document |
| 15 | Village and Small Industries | 318.84 | Govt. Grants as per the link document |
| 16 | Industries | 14.96 | Govt. Grants as per the link document |
| 17 | Roads and Bridges | 683.24 | Govt. Grants as per the link document |
| 18 | Secretariat Economic Services | 61.34 | Govt. Grants as per the link document |
| 19 | TSC (including opening balance of Rs.572.14 lakhs) | 1016.62 | Central and state funds |
| 20 | Master Account (including opening balance of Rs. 19.84 lakhs) | 31.46 | Govt. Grants as per the link document |
| 21 | PMGY GAY(including opening balance of Rs.0.20 lakhs) | 0.22 | Central and State Funds |
| 22 | SGSY(including opening balance of Rs.124.79 lakhs) | 455.66 | Central and State Funds |
| 23 | SGSY Village hats(including opening balance of Rs.6.05 lakhs) | 6.18 | Central and State Funds |
| 24 | IAY(including opening balance of Rs.911.80 lakhs) | 2391.34 | Central and State Funds |
| 25 | IAY minority (including opening balance of Rs.294.70 lakhs) | 305.48 | Central and State Funds |
| 26 | IWDP (All the phases taken together.) (including opening balance of Rs. 31.29 lakhs) | 32.85 | Central and State Funds |
| 27 | DPAP (All the phases taken together.) (including opening balance of Rs. 17.69 lakhs) | 18.79 | Central and State Funds |
| 28 | DPAP.HARIYALI (All the phases taken together.) (including opening balance of Rs.38.35 lakhs) | 39.27 | Central and State Funds |
| 29 | RSVY (including opening balance of Rs. 15.21 lakhs) | 15.35 | Central and State Funds |
| 30 | NREGS(including opening balance of Rs. 1287.21lakhs) | 4032.96 | Central and State Funds |
| 31 | IWMP (All the phases taken together.) (including opening balance of Rs.0.42 lakhs) | 0.43 | Central and State Funds |

| | | | |
|----|--------------------------------------|-----------------|--------------|
| 32 | Akshara Dasoha Yojana (Kitchen room) | 810.00 | Central Fund |
| | Total | 28363.69 | |

Source: Computed from Link Document, Govt. of Karnataka & Bidar Zilla Panchayat

Table No.4.13: Shows Non Scheme Based Transfer to Bidar, Zilla Panchayat
(2012-013)

| Sl No | Name of Schemes/Projects | Amount in Lakhs | Sources of funds |
|-------|---|-----------------|---------------------------------------|
| 1 | Other Rural Development Programmes | 551.11 | Govt. Grants as per the link document |
| 2 | Other special area programmes | 1827.00 | Govt. Grants as per the link document |
| 3 | Other Scientific Research | 4.00 | Govt. Grants as per the link document |
| 4 | Other General Economic Services | 5.00 | Govt. Grants as per the link document |
| 5 | BRGF (including opening balance of Rs. 1962.63 lakhs) | 3851.74 | Central fund |
| 6 | DRDA Administration (including opening balance of Rs.48.00 lakhs) | 307.56 | Central and state funds |
| 7 | 13 Finance Commission (including opening balance of Rs. 250.73 lakhs) | 590.93 | Grant from finance commission |
| 8 | Training to PRI staff | 9.21 | State grants |
| 9 | Swachya Gram Yojana (including opening balance of Rs. 0.29 lakhs) | 0.40 | State grants |
| 10 | Preparation of District Human Development Report (including opening balance of Rs.1.74 lakhs) | 3.82 | State grants |
| 11 | Karanja Puervasti Yojane (including opening balance of Rs.0.01 lakhs) | 0.01 | State grants |
| 12 | Gram Panchayat Grants (including opening balance of Rs. 18.15 lakhs) | 1474.89 | State grants |
| 13 | Kuvempu Model School (including opening balance of Rs.5.15 lakhs) | 5.15 | State grants |
| 14 | Solar light | 50.11 | State grants |
| | Total | 8129.82 | |

Source: Computed from Link Document, Govt. of Karnataka & Bidar Zilla Panchayat

The average Panchayat revenue classification based on the tied and untied receipts is presented with the help of table 4.14 and 4.15 and diagram number 4.9.

Table No.4.14: Average Tied Receipts (Scheme based) for a Zilla Panchayat (average)

| SECTORS | AVERAGE | PERCENTAGE |
|---|---------|------------|
| PWD | 566.25 | 1.98 |
| Educations, sports, art & culture | 7796.49 | 27.38 |
| Medical & public health | 2932.18 | 10.3 |
| Family welfare | 793.62 | 2.78 |
| Welfare of scheduled caste, schedules tribes and other backward classes | 1991.91 | 6.99 |
| Social security and welfare | 412.8 | 1.45 |
| Crop husbandry | 471.66 | 1.65 |
| Soil and water conservation | 167.56 | 0.58 |
| Animal Husbandry | 350.874 | 1.23 |
| Fisheries | 60.48 | 0.21 |
| Forestry and wild life | 182.39 | 0.64 |
| Co-operation | 21.08 | 0.07 |
| Minor Irrigation | 218.76 | 0.76 |
| Non conventional sources of energy | 6.88 | 0.02 |
| Village and small industries | 232.64 | 0.81 |
| Industries | 13.46 | 0.04 |
| Roads and bridges | 1490.89 | 5.23 |
| Secretariat Economic services | 50.11 | 0.17 |
| TSC (including opening balance of Rs.527.1353 lakhs) | 826.66 | 2.9 |
| Master account (including opening balance of Rs.19.84028 lakhs) | 31.45 | 1.1 |
| PMGY GAY(including opening balance of Rs.0.20191 lakhs) | 0.22 | 0.0007 |
| SGSY(including opening balance of Rs.124.78996 lakhs) | 1413.32 | 4.95 |
| Socio Economic Survey | 279.77 | 0.98 |
| IAY(including opening balance of Rs.911.79713 lakhs) | 1800.95 | 6.32 |
| Flood Victims | 625.09 | 2.19 |
| IWDP(including opening balance of Rs.31.29414 lakhs) (All the phases taken together.) | 32.84 | 0.11 |
| DPAP(including opening balance of | 18.78 | 0.06 |

| | | |
|--|-----------------|------------|
| Rs.17.69165 lakhs) (All the phases taken together.) | | |
| DPAP.HARIYALI(including opening balance of Rs.38.35256 lakhs) (All the phases taken together.) | 39.25 | 0.05 |
| RSVY(including opening balance of Rs.15.2075 lakhs) | 15.34 | 0.05 |
| NREGS(including opening balance of Rs.1287.20875 lakhs) | 2021.28 | 7.1 |
| IWMP(including opening balance of Rs. 0.41854 lakhs) | 0.4347 | 0.001 |
| Akshara Dasoha Yojane(Kitchen room) | 1374.21 | 4.8 |
| R.G.Drinking Water Mission | 20.86 | 0.07 |
| NRDWP Sustainability | 16.75 | 0.05 |
| Socio Economic Survey | 279.77 | 0.98 |
| NRDMS | 4.05 | 0.014 |
| Other Rural Development Programmes | 391.85 | 1.37 |
| Misc.Schemes | 564.45 | 1.98 |
| Central Schemes | 948.43 | 3.33 |
| TOTAL | 28465.79 | 100 |

Source: Computed from Link Document, Govt. of Karnataka and Bidar & Dakshina
Kannada Zilla Panchayat

Table No4.15: Average Tied Receipts (non Scheme based) for a Zilla Panchayat

| SECTORS | AVERAGE | PERCENTAGE |
|---|----------------|------------|
| Other scientific research | 4.00 | 0.21 |
| Other general economic services | 5.00 | 0.26 |
| BRGF(including opening balance of Rs. 1962.62649 lakhs) | 38.00 | 2.00 |
| DRDA administration(including opening balance of Rs.48.00463 lakhs) | 307.55 | 16.21 |
| Training to PRI staff | 9.21 | 0.48 |
| Swachya Gram Yojana(including opening balance of Rs.0.28838 lakhs) | 0.40 | 0.02 |
| Preparation District Human Development Report (including opening balance of Rs.1.73959 lakhs) | 3.81 | 0.20 |
| Karanja Puervasti Yojane(including opening balance of Rs. 0.01069 lakhs) | 0.01 | 0.0005 |
| Gram Panchayat Grants(including opening balance of Rs. 18.14595 lakhs) | 1474 | 77.69 |
| Kuvempu Model School(including opening balance of Rs.5.15166 lakhs) | 5.15 | 0.27 |
| Solar light | 50.10 | 2.64 |
| TOTAL | 1897.23 | 100 |

Source: Computed from Link Document, Govt. of Karnataka and Bidar & dakshina Kannada
Zilla Panchayats

Table No4.16: Average Untied Receipts (non Scheme based) for a Zilla Panchayat(average)

| SECTORS | AVERAGE | PERCENTAGE |
|--|----------------|------------|
| Other rural development programmes | 334.62 | 13.14 |
| Other special area programmes | 1827 | 71.78 |
| 12th Finance Commission | 3.38 | 0.13 |
| 13 Finance Commission(including opening balance of Rs.250.72956 lakhs) | 374.11 | 14.69 |
| DPC | 5.92 | 0.23 |
| TOTAL | 2545.03 | 100 |

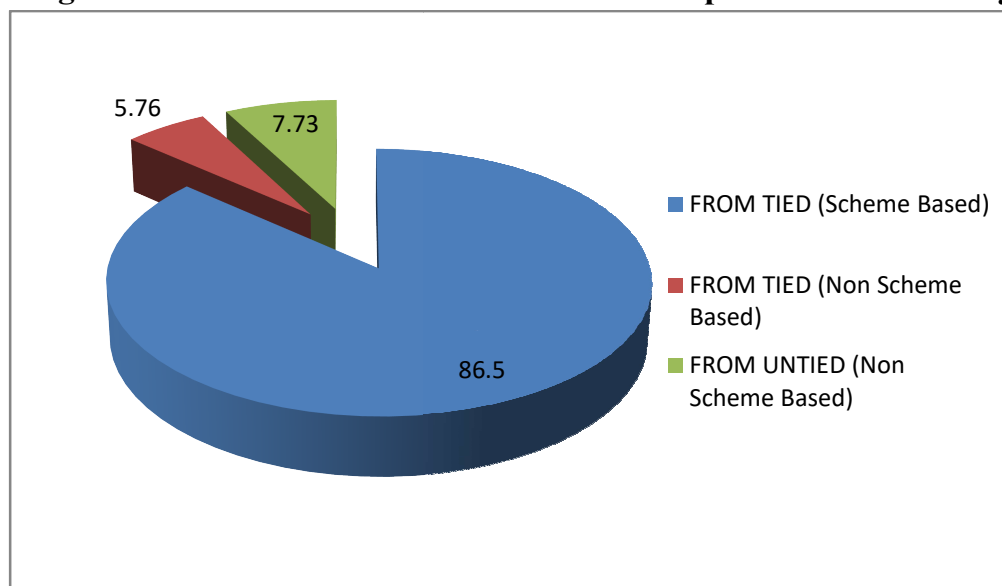
Source: Computed from Link Document, Govt. of Karnataka & Bidar & Dakshina Kannada Zilla Panchayat

Table No.4.17: Various Tied and Untied Receipts for a Zilla Panchayat (average)

| HEAD | AVERAGE | PERCENTAGE |
|--------------------------------|-----------------|------------|
| FROM TIED (Scheme Based) | 28465.79 | 86.5 |
| FROM TIED (Non Scheme Based) | 1897.23 | 5.76 |
| FROM UNTIED (Non Scheme Based) | 2545.03 | 7.73 |
| Total | 32908.05 | 100 |

Source: Computed from Link Document, Govt. of Karnataka & Bidar & Dakshina Kannada Zilla Panchayat

Diagram No.4.9 Various Tied and Untied Receipts for Zilla Panchayat



Source: Table Nos. 4.15, 4.16 and 4.17

The receipts of Zilla Panchayat under the head of tied and untied is further classified into tied (scheme based), tied (non scheme based) and untied (non scheme based). The major receipts of the Zilla Panchayats are in the form of tied funds which account to about 92.26 % and untied funds which account to about 7.73 %.

Zilla Panchayat Expenditure

The dynamics of expenditure is presented with the help of average amount calculated for the two selected Zilla Panchayats. Table number 4.18 and Table Number 4.19 reveal the expenditure pattern based on the expenditure incurred from tied and untied funds.

Table No.4.18: Expenditure Pattern of a Zilla Panchayat (average) from Tied Funds for the year 2012-13(Rs. in lakhs)

| Expenditure | Average | Percentage |
|---|---------|------------|
| PWD | 515.18 | 2.33 |
| Education | 7673.67 | 34.79 |
| Art& culture | 42.47 | 0.19 |
| Medical and public health | 3215.42 | 14.57 |
| Family Welfare | 557.80 | 2.52 |
| Welfare of scheduled caste, schedules tribes and other backward classes | 1939.56 | 8.79 |
| Social security and welfare | 74.02 | 0.33 |

| | | |
|------------------------------------|-----------------|---------------|
| Soil and water conservation | 149.28 | 0.67 |
| Animal Husbandry | 355.36 | 1.61 |
| Fisheries | 51.036 | 0.23 |
| Forestry and wild life | 194.40 | 0.88 |
| Cooperation | 3.76 | 0.01 |
| Minor Irrigation | 43.21 | 0.19 |
| Non conventional sources of energy | 17.98 | 0.08 |
| Village and small industries | 201.69 | 0.91 |
| Industries | 13.12 | 0.05 |
| Roads and bridges | 1833.12 | 8.31 |
| Other scientific research | 3.94 | 0.01 |
| Secretariat Economic services | 41.72 | 0.18 |
| Other general economic services | 5.00 | 0.02 |
| TSC | 49.70 | 0.22 |
| Master account | 19.51 | 0.08 |
| PMGY GAY | 0.22 | 0.0009 |
| SGSY village hats | 6.09 | 0.02 |
| IAY | 330.20 | 1.49 |
| IWDP | 15.09 | 0.17 |
| DPAP | 18.79 | 0.08 |
| DPAP.HARIYALI | 39.24 | 0.08 |
| RSVY | 0.14 | 0.0005 |
| NREGS | 672.68 | 3.04 |
| IWMP | 0.43 | 0.001 |
| BRGF | 55.55 | 0.25 |
| DRDA administration | 97.20 | 0.44 |
| Training to PRI staff | 5.55 | 0.02 |
| Swachya gram yojana | 5.20 | 0.02 |
| Karanja Puervasti yojana | 0.01 | 0.000045 |
| Gram panchayat grants | 1460.93 | 6.62 |
| Other agricultural programmes | 528.93 | 2.39 |
| Suvarna Grama Yojana | 370.17 | 1.68 |
| Nirmala Grama Yojana | 65.84 | 0.29 |
| Flood Victims | 8.76 | 0.03 |
| SGSY | 252.36 | 1.14 |
| Miscellaneous Schemes | 136.12 | 0.62 |
| Central Schemes | 150.24 | 0.68 |
| Crop Husbandry | 357.96 | 1.63 |
| Other Rural Development Programs | 479.51 | 2.17 |
| Total | 22058.00 | 100.00 |

Source: Data from Bidar & DakshinaKannada Zilla Panchayats

Table No. 4.19; Expenditure Pattern of a Zilla Panchayat (average)from Untied funds for the year 2012-13.(Rs. in lakhs)

| Expenditure | Amount | Percentage |
|--|----------------|-------------------|
| Other Rural development programs | 254.58 | 7.70 |
| Other Special Area Program | 1827.00 | 55.27 |
| Activities /Projects from the support of 13th Finance Commission | 28.12 | 0.85 |
| GP Statutory | 1192.80 | 36.09 |
| Human Development Report | 2.56 | 0.07 |
| Total | 3305.06 | 100.00 |

Source:Data from the Zilla Panchayats of BIdar &Dakshina Kannada

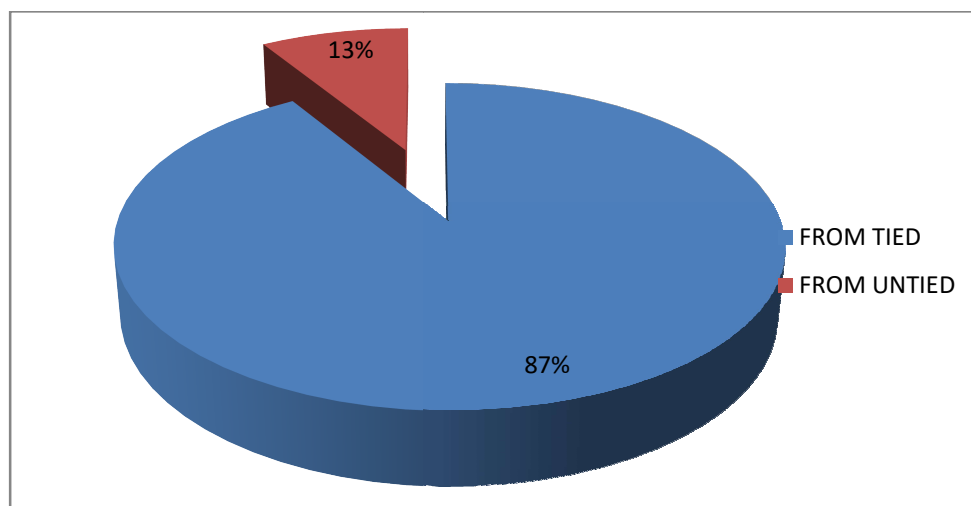
The table number 4.20 and diagram number 4.10 produced below gives the average tied and untied amount and its percentage

Table Number 4.20: Average Expenditure from tied and untied funds and its Percentage of a Zilla Panchayat (2012-2013)

| SECTOR | AVERAGE AMOUNT(Rs.in Lakhs) | PERCENTAGE |
|---------------|------------------------------------|-------------------|
| FROM TIED | 22058.00 | 87 |
| FROM UNTIED | 3305.00 | 13 |
| TOTAL | 25363.00 | 100 |

Source: Computed from the Table No .4.18 and 4.19

The Diagram no 4.10 : Picture of the expenditure from tied and untied funds.



Source: Table No.4.20

The expenditure data presented on behalf of the average score from the two selected Zilla Panchayats reveals that on an average 87 per cent of the expenditure of a Zilla Panchayat is incurred from tied funds where as 13 per cent is incurred from untied funds.

Taluk Panchayat Revenue

Table number 4.21 provides the picture of the revenue sources at the Taluk Panchayat level. The figures worked out for generating the diagrams is based on the average of the figures provided for the selected four Taluk Panchayats

Table Number 4.21: Average Revenue Sources of a Taluk Panchayat (Rs .inLakhs) for the year 2012-13

| SECTORS TIED | AVERAGE AMOUNT | PERCENTAGE |
|-------------------------------------|----------------|------------|
| Elementary Education | 4399.83 | 48.77 |
| Secondary Education | 1300.63 | 14.42 |
| Medical and Public Health | 28.68 | 0.32 |
| Water and Sanitation | 2.56 | 0.03 |
| Special Component Programme | 142.68 | 1.58 |
| SC/ ST Development | 186.87 | 2.07 |
| Backward Communities and Minorities | 30.54 | 0.34 |
| Other rural development programmes | 100.63 | 1.12 |

| | | |
|--|-----------------------|-------------------|
| Sericulture | 0.13 | 0.00 |
| Road and Bridges | 7.1 | 0.08 |
| Cooperation | 1.97 | 0.02 |
| Family Welfare | 509.45 | 5.65 |
| Nutrition | 399.65 | 4.43 |
| Crop Husbandry | 44.28 | 0.49 |
| Animal Husbandry | 122.35 | 1.36 |
| SGSYS | 46.65 | 0.52 |
| MGNREGA | 130.9 | 1.45 |
| Samarthya Yojana | 5.47 | 0.06 |
| TSC/NBA | 3.17 | 0.04 |
| Taluk Panchayat Development | 3.5 | 0.04 |
| Stamp Duty | 11.89 | 0.13 |
| Women and Child welfare | 334.55 | 3.71 |
| Social security and welfare | 328.79 | 3.64 |
| Abdul Nazar Sahab training | 5.8 | 0.06 |
| PYKA | 14.15 | 0.16 |
| Other Agriculture | 61.67 | 0.68 |
| Stamp Duty | 16.44 | 0.18 |
| TOTAL | 8240.33 | 91.35 |
| SECTORS UNTIED | AVERAGE AMOUNT | PERCENTAGE |
| Untied Grant(CM Fund) | 100 | 1.11 |
| 13 Finance Commission | 147.48 | 1.63 |
| Special/Other Rural Development Programmes (SDP) | 155.19 | 1.72 |
| BRGF | 114.42 | 1.27 |
| 12th Finance Commission | 2.53 | 0.03 |
| Taluk Panchayat Fund | 10.68 | 0.12 |
| Other Rural Development Prog | 250.56 | 2.78 |
| TOTAL | 780.86 | 8.65 |
| GRAND TOTAL | 9021.19 | 100 |

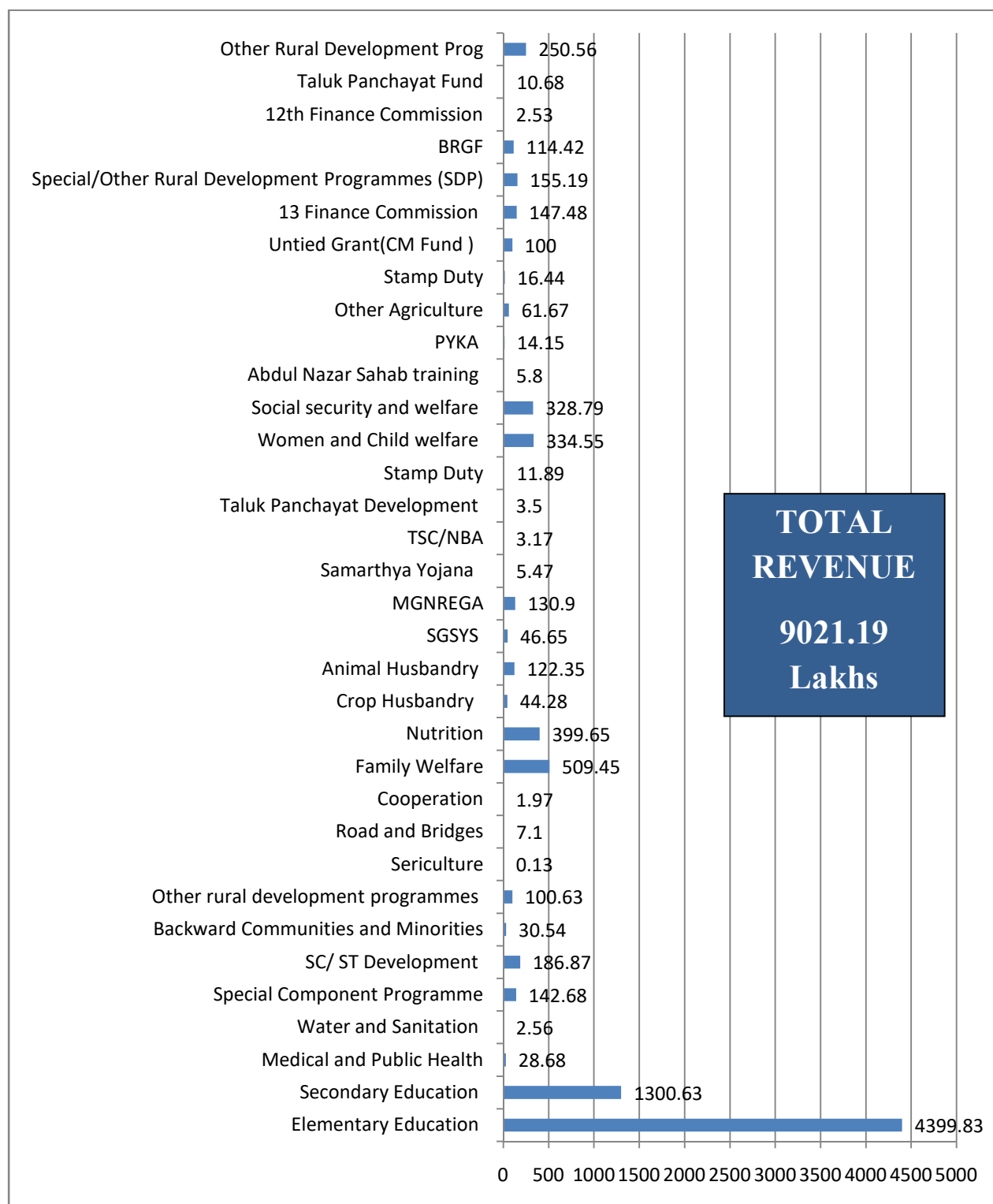
Source: Data from the Taluk Panchayats of Bidar, Bhaliki, Pudur and Bentwal

Diagram No. 4.11 provides the picture of the revenue sources at the Taluk Panchayat level. The figures worked out for generating the diagrams is based on the average of the figures provided for the selected four Taluk Panchayats.



A New Trend in Tax Collection: A Scene which portrays the Local People Paying Taxes at the Panchayat Office (Andoor GP in Bidar District)

**Diagram No.4.11.Average Revenue Sources of a Taluk Panchayat for the year 2012-2013
(In Lakhs)**



Source: Table No. 4.21

Taluk Panchayat Expenditure

Table No. 4.22 provides the picture of the expenditure incurred at the Taluk Panchayat level. The figures worked out for generating the diagrams is based on the average of the figures provided for the selected four Taluk Panchayats

Table Number 4.22: Average Expenditure incurred and Percentage of a Taluk Panchayat for the year 2012-13(Rs.in lakhs)

| SECTORS (TIED) | AVERAGE | PERCENTAGE |
|--|----------------|-------------------|
| General education | 4735.39 | 61.05 |
| Medical and public health | 25.39 | 0.33 |
| Water supply and sanitation | 4.63 | 0.06 |
| Welfare of scheduled castes/scheduled tribe and other backward classes | 113.59 | 1.46 |
| Social security and welfare | 419.55 | 5.41 |
| Nutrition | 441.91 | 5.70 |
| Crop husbandry | 65.10 | 0.84 |
| Animal husbandry | 126.05 | 1.63 |
| Co-operation | 0.95 | 0.01 |
| Special programmes for rural development | 166.70 | 2.15 |
| Minor irrigation | 3.00 | 0.04 |
| Roads and bridges | 2.59 | 0.03 |
| Mgnrega | 159.11 | 2.05 |
| Rural employment | 0.46 | 0.01 |
| Sgsy | 39.08 | 0.50 |
| Special component programme | 268.64 | 3.46 |
| Family welfare | 428.70 | 5.53 |
| TSC/NBA | 1.07 | 0.01 |
| TOTAL | 7001.95 | 90.27 |
| SECTORS UNTIED | AVERAGE | PERCENTAGE |
| OTHER RURAL DEVELOPMENT PROGRAMMES | 366.68 | 4.73 |
| 13 finance commission (for local development programs) | 55.50 | 0.72 |
| Salaries and other allowances | 167.72 | 2.16 |
| Untied grant (for local development programs) | 99.16 | 1.28 |
| BRGF (For developmental activities) | 66.09 | 0.85 |
| TOTAL | 755.13 | 9.73 |
| GRAND TOTAL | 7757.08 | 100 |

Source: Data from the Taluk Panchayats of Bidar, Bhaliki, Pudur and Bentwal

The major share of the expenditure had been utilized for general education (full amount is utilized for salary of teachers), social security and welfare, family welfare and for other development activities. The Taluk Panchayats has also given thrust on nutrition, SCP and special programs for rural development.

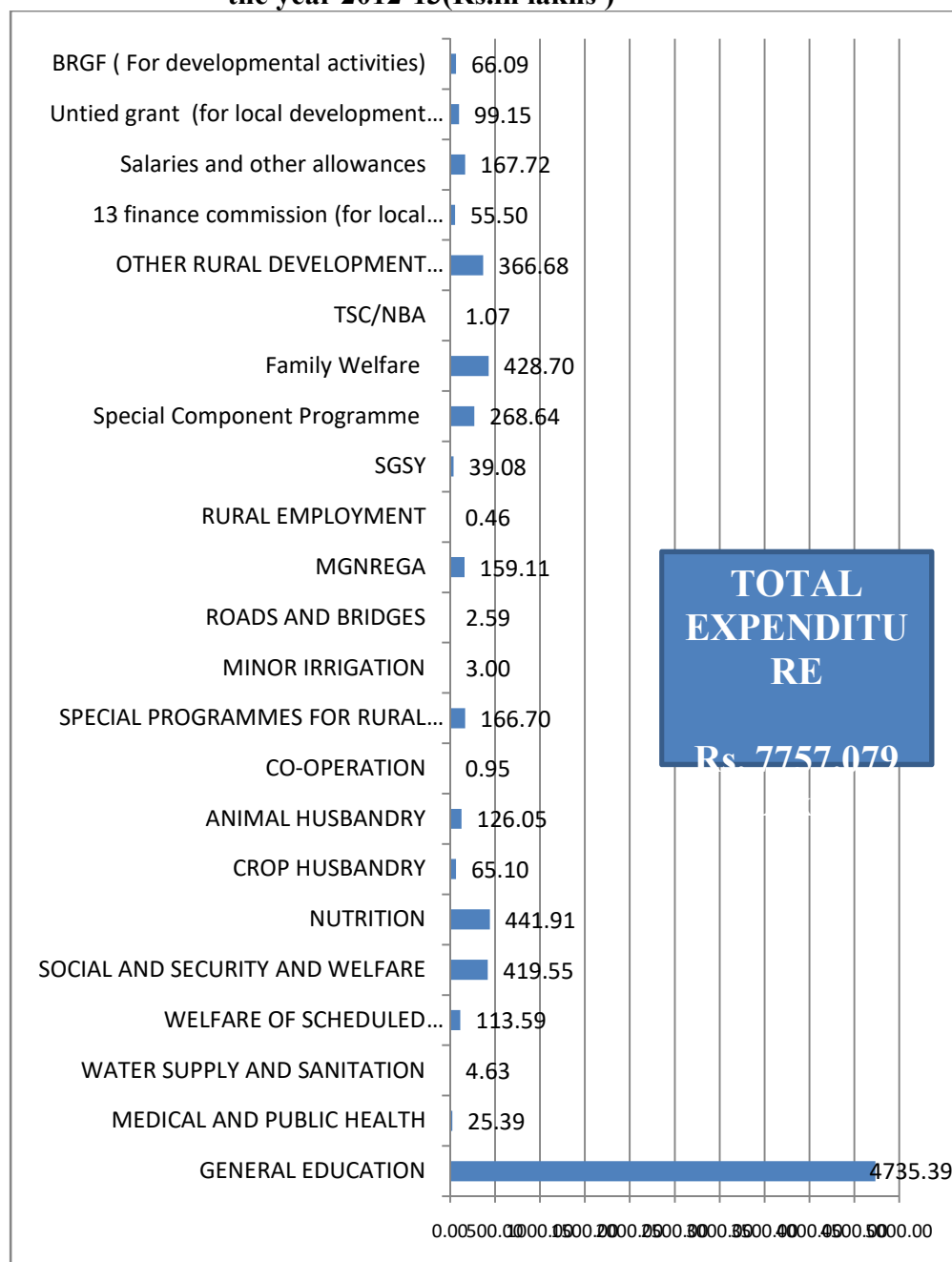
The diagram No.4.12 provides the picture of the expenditure of an average Taluk Panchayat. The figures worked out for generating the diagrams is based on the average of the figures provided for the selected four Taluk Panchayats

| ರ.ವಿವರ | ಕರಗತ ಸ್ವರೂಪ | ಮಾತೆ | ಚಾಲ್ತು | ಒಟ್ಟು |
|--------|-------------|------|--------|-------|
| 1. | ಮನೆ ಕಡ | | 30000 | 30000 |
| 2. | ಜಲಾಶಯ ಕಡ | | 24000 | 24000 |
| 3. | ವಿದ್ಯುತ್ ಕಡ | | 25000 | 25000 |
| 4. | ಜಲಾಶಯ ಕಡ | | 7000 | 7000 |
| 5. | ವಿದ್ಯುತ್ ಕಡ | | 5000 | 5000 |
| 6. | ಅರಣ್ಯ ಕಡ | | 7000 | 7000 |
| 7. | ಜಲಾಶಯ ಕಡ | | 2000 | 2000 |
| 8. | ವಿದ್ಯುತ್ ಕಡ | | | |
| 9. | ಜಲಾಶಯ ಕಡ | | | |
| 10. | ವಿದ್ಯುತ್ ಕಡ | | | |
| ಒಟ್ಟು | | | 31600 | 31600 |

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ಪರಿಶೀಲಿಸಿದ ಅಧಿಕಾರಿ: [Signature]

A Case of Local Tax: The receipt book which is issued to a citizen in line to his house tax, water tax and electricity tax in addition to other cess including education and beggar cess. A citizen has paid Rs. 316.00 towards all the above mentioned items in 20/12/2013
(Andoor GP in Bidar District)

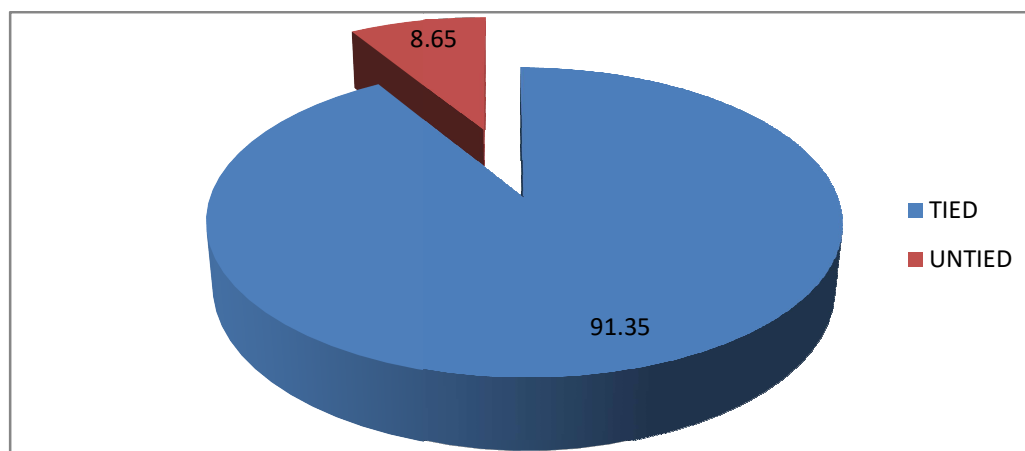
Diagram No. 4.12 Average Expenditure incurred of an average Taluk Panchayat for the year 2012-13(Rs.in lakhs)



Source: Table No. 4.22

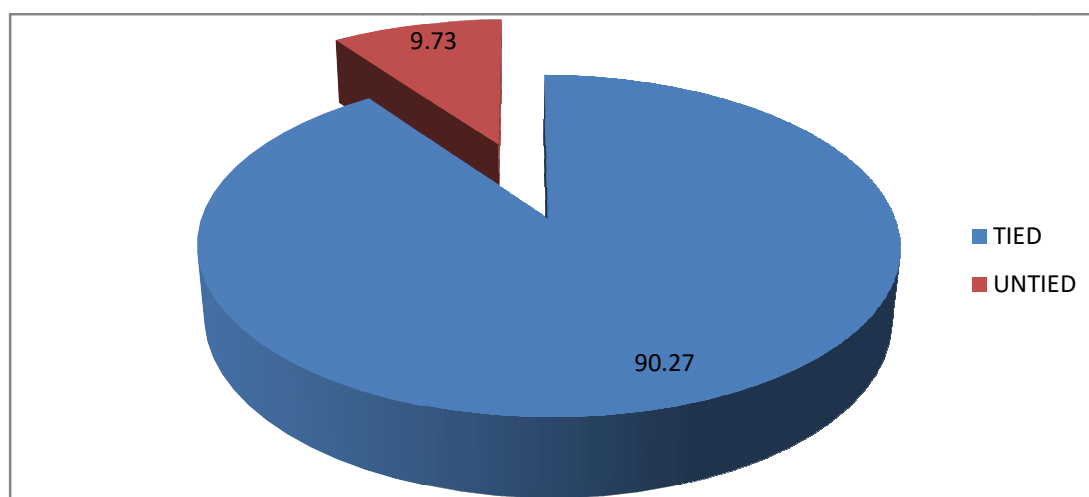
Diagrams 4.13 and 4.14 represents the revenue pattern of an average Taluk Panchayats.

Diagram 4.13: Average Revenue Pattern of a Taluk Panchayat (2012-2013)



Source: Table No. 4.21

Diagram 4.13: Average Expenditure Pattern of a Taluk Panchayat (2012-2013)



Source: Table No. 4.22

The major revenue sources for the Taluk Panchayats is from the tied funds as it is seen from the diagram number 4.12 and the maximum proportion of the expenditure is also incurred from the tied funds. The average total income of the selected Taluk Panchayats amounted to Rs. 9021.19 lakhs whereas the expenditure amounted to Rs. 7757.079 Lakhs. This indicates that about 86 per cent of the funds had been utilized for various purposes. This is a major achievement.

Gram Panchayat Revenue

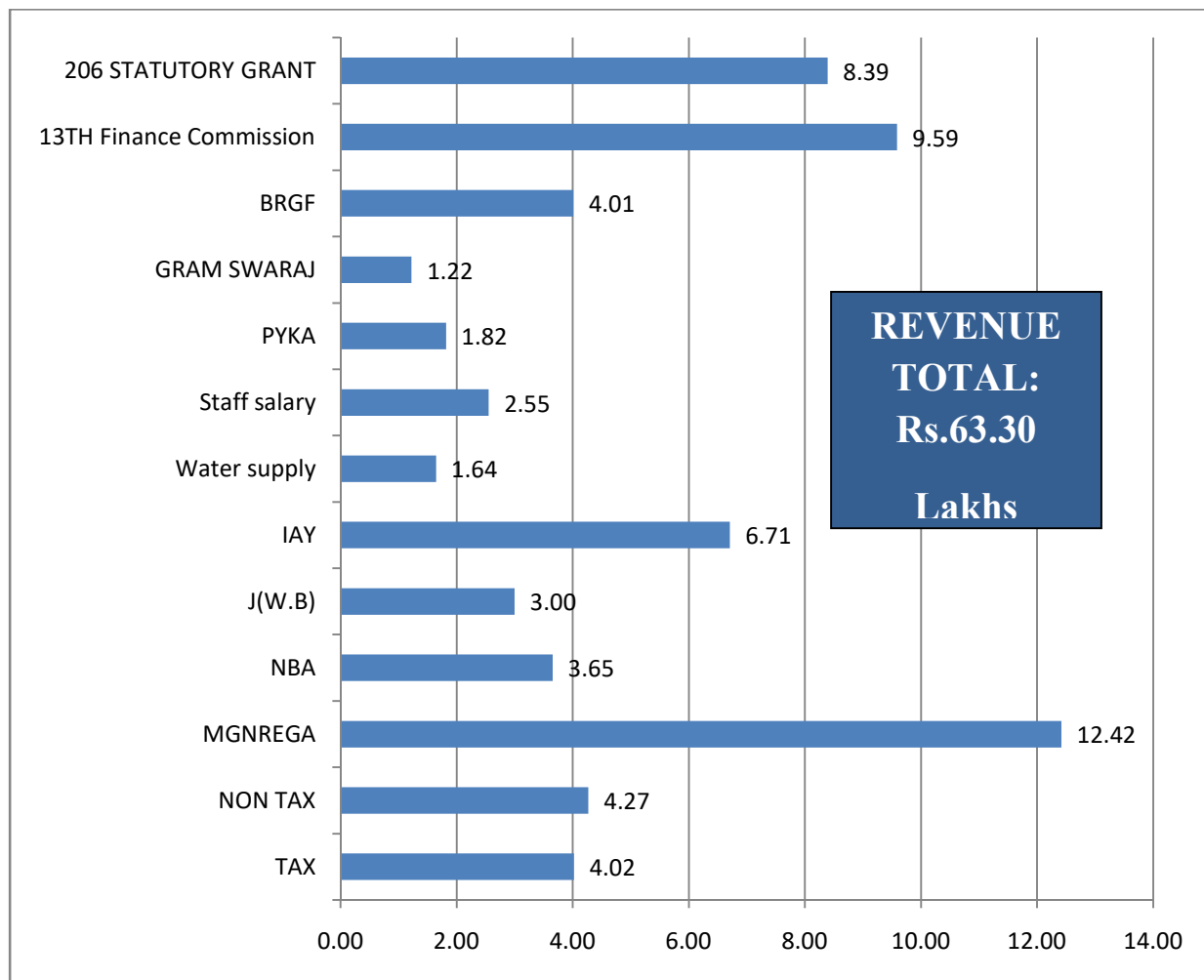
Table number 4.23 and diagram number 4.13 provides the picture of the average revenue sources of a Gram Panchayat . The figures worked out for generating the diagrams is based on the average of the figures provided for the selected eight Gram Panchayats

Table Number 4.23: Average Revenue Receipts of a Gram Panchayat (2012-2013).

| SECTORS (Tax and Non Tax) | AVERAGE (In Lakhs) | PERCENTAGE |
|----------------------------------|---------------------------|-------------------|
| TAX | 4.02 | 6.36 |
| NON TAX | 4.27 | 6.74 |
| TOTAL | 8.29 | 13.1 |
| SECTORS (Tied) | AVERAGE (In Lakhs) | PERCENTAGE |
| MGNREGA | 12.42 | 19.62 |
| NBA | 3.65 | 5.77 |
| J(W.B) | 3.00 | 4.74 |
| IAY | 6.71 | 10.60 |
| Water supply | 1.64 | 2.60 |
| Staff salary | 2.55 | 4.03 |
| PYKA | 1.82 | 2.87 |
| GRAM SWARAJ | 1.22 | 1.93 |
| TOTAL | 33.01 | 52.16 |
| SECTORS (Untied) | AVERAGE (In Lakhs) | PERCENTAGE |
| BRGF | 4.01 | 6.34 |
| 13TH Finance Commission | 9.59 | 15.15 |
| 206 STATUTORY GRANT | 8.39 | 13.26 |
| TOTAL | 22 | 34.75 |
| GRAND TOTAL | 63.3 | 100 |

Source: Data Computed from the GPs of Morambi, Vangarakada, Andoor, Edalapur, Bannur, Pudur, Kabakka, Thumpe.

Diagram Number 4.13: average Revenue Sources of a Gram Panchayat



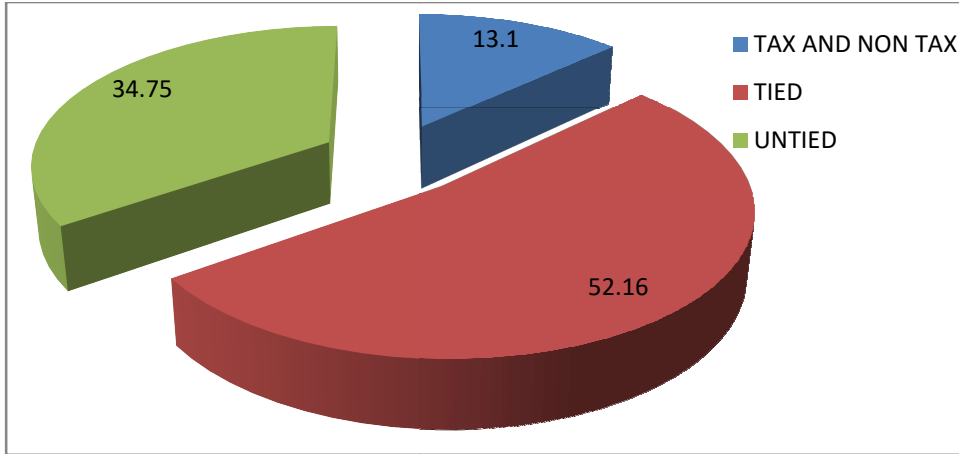
Source: Table No. 4.23



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The diagram number 4.14 give a picture of average revenue pattern of a Gram Panchayat .

Diagram number 4.14: Average Revenue pattern of a Gram Panchayat (2012-2013)



Source: Table No. 4.23

The diagrams reveal that the major sources of revenue is in the form of tied funds which accounts to 52.16 per cent, followed by untied funds (34.75%) and tax and non tax collection which accounts to about 13.10 per cent. The major sources of revenue in the form of tied funds are MGNREGA, IAY, NBA and Staff Salary. The major heads under the untied funds are 13th finance commission, statutory grants and BRGF.

Gram Panchayat Expenditure

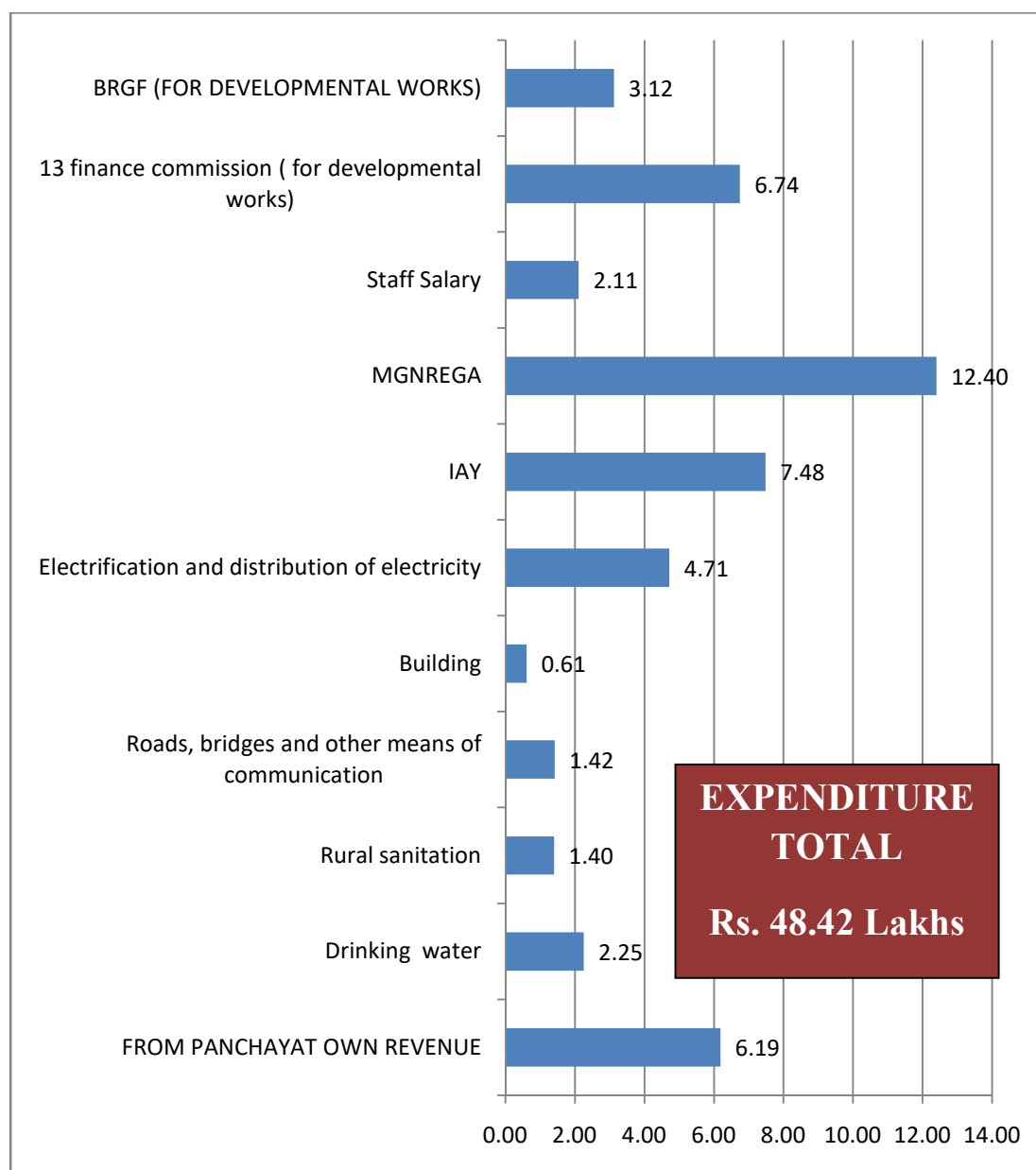
Table number 4.24 and diagram number 4.15 provides the picture of the average expenditure incurred of a Gram Panchayat. The figures worked out for generating the diagrams is based on the average of the figures provided for the selected eight Gram Panchayats

Table Number 4.24: Average Expenditure of a Gram Panchayat (2012-2013).Rs.in lakhs .

| SECTORS (TAX/NON TAX) | AVERAGE | PERCENTAGE |
|---|----------------|-------------------|
| From Panchayat Own Revenue (spend for rural development and local economic development) | 6.19 | 12.78 |
| TOTAL | 6.19 | 12.78 |
| SECTORS (TIED) | AVERAGE | PERCENTAGE |
| Drinking water | 2.25 | 4.65 |
| Rural sanitation | 1.40 | 2.89 |
| Roads, bridges and other means of communication | 1.42 | 2.92 |
| Building | 0.61 | 1.25 |
| Electrification and distribution of electricity | 4.71 | 9.73 |
| IAY | 7.48 | 15.45 |
| MGNREGA | 12.40 | 25.60 |
| Staff Salary | 2.11 | 4.35 |
| TOTAL | 32.38 | 66.84 |
| SECTORS (UNTIED) | AVERAGE | PERCENTAGE |
| 13 finance commission (for developmental works) | 6.74 | 13.92 |
| BRGF (for developmental works) | 3.12 | 6.45 |
| TOTAL | 9.86 | 20.37 |
| GRAND TOTAL | 48.42 | 100.00 |

Source: Data Computed from the GPs of Morambi, Vangarakada, Andoor, Edalapur, Bannur, Pudur, Kabakka, Thumpe.

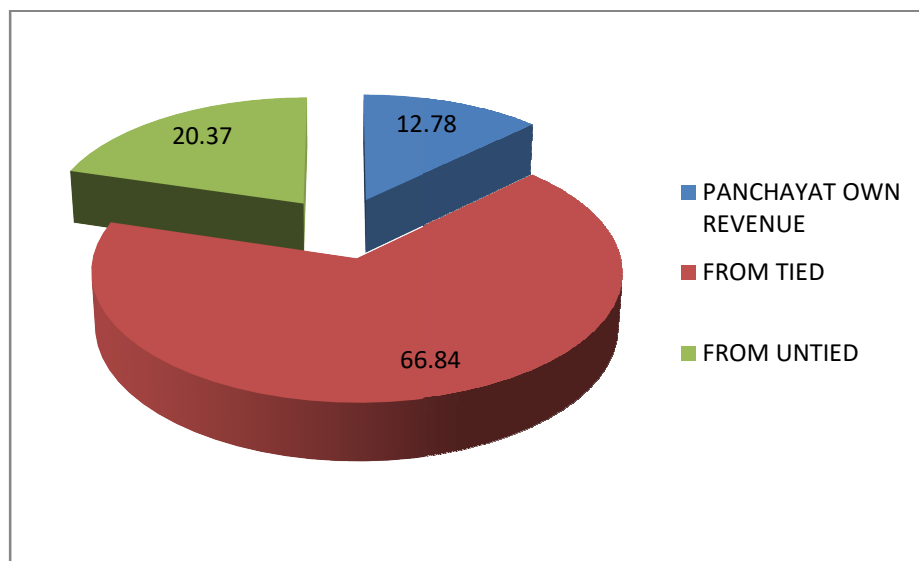
Diagram No.4.15: Average Expenditure Incurred of a Gram Panchayat (2012-2013)



Source : Table No. 4.24

The diagram no. 4.16 gives a picture of an average expenditure pattern of a Gram Panchayat

Diagram No. 4.16: Average Expenditure pattern of a Gram Panchayat (2012-13)



Source: Table No. 4.24

The average expenditure incurred of a Gram Panchayat is Rs. 48.43 Lakhs. The major chunk of the expenditure is incurred from the tied funds on areas like drinking water, rural sanitation, construction and maintenance of roads and bridges, MGNREGA and IAY. The major expenditures under the untied funds are on developmental works in the region for which the 13th Finance Commission grant and BRGF grant is utilized. The Panchayats own revenue is utilized for local economic development and small construction works.

Copies of the income and expenditure statement/budget of the sample Panchayats are annexed. (Ref. Annexure 4, 5 and 6)

Administrative and technical powers of Panchayats

District Panchayat

- I. The Zilla Panchayat have powers to do all acts necessary for or incidental to, the carrying out of the functions entrusted or delegated to it and, in particular, and without prejudice to the foregoing powers to exercise all powers specified under the Act

Subject to the general or special orders of the Government, a Zilla Panchayat may,-

- a) Incur expenditure on education or medical relief outside its jurisdiction;
 - b) Provide for carrying out any work or measure likely to promote the health, safety, education, comfort, convenience or social or economic or cultural well-being of the inhabitants of the district;
 - c) Contribute to associations of all India, State or Inter-State level, concerned with the promotion of local Government and to exhibition, seminars and conferences within the district related to the activities of Grama Panchayat, Taluk Panchayat and Zilla Panchayat; and
 - d) Render financial or other assistance to any person for carrying on in the district any such activity which is related to any of the functions of the said bodies.
- II. Power to divert, discontinue or close any road which is under the control and administration of, or is vested in, the Zilla Panchayat
- III. Power to control unwieldy traffic any road vested in the ZP
- IV. Power of inspection and supervision of in respect the officers or premises of all works taken up by the Taluk Panchayat
- V. Power to write of irrecoverable sums not exceeding Rs. 1000/-
- VI. Power to make regulations
- VII. Power over decisions of committees
- VIII. Punishment for disobediences of orders and notices

Taluk Panchayat

1. General Powers: the Taluk Panchayats have powers to do all acts necessary for or incidental to the carrying out of the functions entrusted or delegated to it and in particular

and without prejudice to the foregoing powers to exercise all powers specified under this Act.

2. Power of inspection and supervision of in respect the officers or premises of all works taken up by the Gram Panchayat
3. Power to write of irrecoverable sums not exceeding Rs. 1000/-
4. Power to make regulations
5. Power over decisions of committees
6. Punishment for disobediences of orders and notices not punishable under any other section

Gram Panchayat

Gram Panchayats have powers to do all acts necessary for or incidental to the carrying out of the functions entrusted, assigned or delegated to it and in particular and without prejudice to the forgoing powers, to exercise all powers specified under the Act.

- Power of Gram Panchayat as to roads, bridges thereon, cart tracks, drains, wells and other public places in the panchayat area not being private property and not being under the control or management of Zilla Panchayat, Taluk Panchayat, Municipal Council, Town Panchayat, Industrial Township, or the Government shall vest in the Grama Panchayat and the Grama Panchayat may do all things necessary for the maintenance and repair thereof, and may,-
 - (a) Lay-out and make new roads;
 - (b) Construct new bridges;
 - (c) Widen, open, enlarge or otherwise improve any such roads or bridges;
 - (d) Divert, discontinue or close any road or bridge; and
 - (e) Deepen or otherwise improve any water way:
- Power of regulation of the erection of buildings
- Permission for the construction of factories and the installation of machinery
- Power to issue license of offensive or dangerous trades
- Control of hotels
- Licensing of shops
- Power to remove Obstructions and encroachments upon public streets and open sites
- Power to name streets and number buildings
- Power for Removal of structures, trees etc., which are in ruins or likely to fall

- Power as to sanitation, conservancy and drainage
- Power for collecting Contribution from persons having control over places of pilgrimage, etc
- Power for providing adequate water supply

Remarks

The major receipts of the Zilla Panchayats are in the form of tied funds which account to about 92.26 per cent and untied funds which account to about 7.73 per cent. The total revenue available for the an average Zilla Panchayat for the year 2012-2013 was Rs. 32908.05 lakhs. This includes Rs. 28465.79 lakhs as scheme based tied funds, Rs. 1897.23 lakhs as non scheme based tied funds and Rs. 2545.03 lakhs as non scheme based untied funds. The average score from the two selected Zilla Panchayats reveals that on an average 87 per cent of the expenditure of a Zilla Panchayat is incurred from tied funds where as 13 per cent is incurred from untied funds. The total expenditure from tied funds amounted to Rs. 22058.00 lakhs and from the untied funds is Rs. 3305.00 lakhs. The total expenditure incurred was Rs. 25363.00 lakhs. This indicates that nearly 77 per cent of the funds had been utilized by the Zilla Panchayats in the year 2012-2013. The total revenue available for an average Taluk Panchayats was Rs. 9021.19 lakhs in the year 2012-2013 and the expenditure incurred was Rs. 7757.07 lakhs. This indicates that about 86 per cent of the funds had been utilized for various purposes.

The average revenue available for the Gram Panchayats was Rs. 63.30 Lakhs and the expenditure incurred was Rs. 48.42 Lakhs. This gives an indication of the fact that the Gram Panchayats has utilized nearly 76 per cent of the funds available for various developmental activities.

In Karnataka, taxation power is vested only with the Gram Panchayats and according to the Section 199 of Karnataka Panchayati raj Act, 1993 the tax base is also very wide. However, a large proportion of Gram Panchayats depended on grants from higher levels of government to undertake the functions assigned to them. The present practice of deducting electricity bill at source from the grants to be given to the Gram Panchayats creates some amount of displeasure among Panchayat functionaries. Majority of the selected Panchayats had alleged against the deduction on ground that the billing is not according to the actual consumption. An overall view of the scene gives an impression that the fiscal role of Gram Panchayats is insignificant, both in

terms of revenues raised and expenditures incurred bypassing the fact that the GP is the only Panchayat tier with any independent revenue source.

The transfer of various schemes and a confused flow of funds determine the pattern of decentralization in Karnataka. Here, one can see the example from an average Taluk Panchayat where Rs.4735.39 lakhs is coming under general education as 'receipt' and hand over the same amount to Block Education Officer which is marked as 'expenditure' in the annual financial statement of the Taluk Panchayat. This makes the tier known as "another post office". The State Government designs the schemes and fractionalized allotments are made which hinder the flexibility of the PRIs in setting priorities.

It is also observed that the contribution of own revenue to total expenditure, varies across districts in Karnataka. The Zilla Panchayat and Taluk Panchayat depend entirely on grants from the centre and state. Though the overall impression is that state government has been transferring large share of its budget provision (plan and non plan grants) to the PRIs, in percentage terms a decreasing trend is observed from 2002- 2003 onwards (Babu,2012). Karnataka has been in the forefront in constituting State Finance Commission (SFC) once in every five years. So far three SFCs have been constituted and they all submitted detailed reports to the government. However, the fourth one is in due as per the adherence of time. The first finance commission is known for its '*pragmatic normative approach*' whereas the second one is for '*balanced financial allocation*'. Though the second and third SFCs have been recommended a higher share to PRIs from the State revenue, the successive governments have failed to act on these recommendations. As a result, PRIs have lost their legitimate share from State resources, both in terms of aggregate transfer to local governments or its various components. However, the claim of the State Government is that the present transfer is much higher than what was suggested. But many experts in the area of local finance do have an opposite view.

CHAPTER 5:

ACCOUNTING AND AUDIT

Panchayats in Karnataka have a well developed accounting and audit system with online support. The trained personnel are also available with the Panchayats to handle the accounting and audit procedure. The major portion of the accounting and audit procedures and practices are incorporated in the Karnataka Panchayat Raj Act, 1993. All the tiers of Panchayats have to fulfill the accounting and audit procedures as specifically mentioned in the Act. In addition to this, there are separate accounting and audit rules. An attempt has been made in the chapter to present the appropriate provisions as mentioned in the sections of the Act. With this understanding, the present chapter, compiled field insights and valuable information from all the tiers of the Panchayats .

Accounting, Audit and Budget Rules in the State for Panchayats

There is a full fledged chapter (Chapter XVII on Financial Control and Audit) in the Karnataka Panchayat Raj Act 1993 ,deals with accounting ,audit and budget .The chapter covers mainly, (i) the presentation of accounts and budget of Gram Panchayats, Taluk Panchayats and Zilla Panchayats (ii) revision of budgets & supplementary budgets, (iii) maintenance of accounts & restriction of expenditure (iv) transmission of accounts (v) power to write off irrecoverable amounts (vi) audit of accounts & action taken on audit reports. It is also important to note that the constitution, principles and functions of the finance commission, are incorporated within the chapter. (It is praiseworthy to comment on the recent amendment on the constitution of the Finance Commission. According to the provisions of the section 267 of the principal Act, the Government shall appoint a Finance Commission. The words, “The Government shall” are substituted by the words “The Governor shall”, as per the Act No.34 of 2011.)

GRAM PANCHAYAT

The Panchayat Development Officer (PDO) prepares and lays before the Gram Panchayat at a meeting, held between the first day of February and the tenth day of March, a complete account of the actual and expected receipts and expenditure for the official year together with a budget estimate of the income and expenditure, of the Gram Panchayat for the official year to commence. The Gram Panchayat thereupon decides upon the appropriations and the ways and means contained in the budget. The budget as passed by the Grama Panchayat is sent to the Taluk Panchayat. The Gram Panchayat make adequate and suitable provision for such services as may be required for the fulfillment of the several duties imposed on the Grama Panchayat by the Act. The Panchayat will allow for a balance at the end of said year of not less than such sum or percentage of income as may from time to time, be fixed by the Government either generally for all Grama Panchayats or specially for any Grama Panchayat. The Panchayat provides for the payment, as they fall due, of all installments of principal and interest for which the Grama Panchayat may be liable in respect of loans contracted by it. If such budget estimate is not in accordance with the provisions of this Act or the rules and orders issued there under, the Taluk Panchayat may within two months from the date of receipt of the budget modify the same to secure compliance with this Act, the rules or the orders. The Taluk Panchayat shall not have power to direct that total proposed expenditure shall exceed the total of the estimated income of the Grama Panchayat for the following year and the opening balance. If the Grama Panchayat fails to pass the budget estimate on or before the date mentioned in sub-section the Panchayat Development Officer shall forward the budget estimate to the Taluk Panchayat and it shall approve it with or without modification. The budget as approved by the Taluk Panchayat shall be certified by the Executive Officer and thereupon shall be deemed to have been duly approved by the Grama Panchayat. If, in the course of the official year, the Grama Panchayat finds it necessary to modify the provisions made in the budget with regard to the receipts or to the distribution of the amounts to be expended on the different services it undertakes, it may make such modifications:

Maintenance of accounts and restriction of expenditure.- (1) Accounts of the income and expenditure of a Grama Panchayat is kept in accordance with such rules as may be prescribed.

1. Expenditure from the Grama Panchayat Fund will save as otherwise expressly provided for in this Act, be incurred subject to such sanctions, conditions and limitations as may be prescribed.
2. Grama Panchayat within a period not exceeding three months after the close of the official year, pass the accounts of that year.

Transmission of accounts.- The Grama Panchayat transmit a copy thereof to the Zilla Panchayat in the form prescribed and shall furnish such details and vouchers relating to the same as the Zilla Panchayat may, from time to time, direct.

Power to write off irrecoverable amounts.- Grama Panchayat writes off any tax, fee, rate or other amount whatsoever due to it, whether under a contract or otherwise, or any sum payable in connection therewith if, in its opinion, such tax, fees, rate or other amount or sum is irrecoverable:

Audit of Accounts. - The accounts of every Grama Panchayat are audited each year by such officer as may be authorized by the Controller of State Accounts (hereinafter referred to as the auditor). The auditor for the purpose of audit, have access to all the accounts and other records of the Grama Panchayat.

The auditor within one month after the completion of audit forwards a copy of the audit report to the Grama Panchayat and to the Executive Officer. On receipt of the audit report, the Grama Panchayat either remedy any defects or irregularities which have been pointed out in the report and send to the Executive Officer within three months an intimation of its having done so, or shall within the same period furnish to the Executive Officer any further explanation in regard to such defects or irregularities. On receipt of such intimation or explanation in respect of all or any of the matters discussed in the audit report, the Executive officer may, in consultation with the auditor,-

- a) Accept the intimation or explanation given by the Grama Panchayat and order the withdrawal of the objection, or
- b) Direct that the matter be reinvestigated at the next audit or at any earlier date, or
- c) Direct that the defects or irregularities pointed out in the audit report or any of them shall be removed or remedied by the Grama Panchayat. The Executive Officer may, after making such enquiry as he may consider necessary disallow any item of expenditure which appears to him to be contrary to law and surcharge the amount thereof on the person making or authorizing the illegal payment and after taking the explanations of the person concerned, the Executive Officer may direct by an order in writing that such person shall pay to the Grama Panchayat the amount surcharged along with interest at fifteen percent per annum on the amount due, from the date from which it became due and if the amount is not paid within two months from the date of such order, the Executive Officer shall take steps to recover it as an arrears of land revenue and credit it to the Grama Panchayat Fund. Any person aggrieved by the order of the Executive Officer, under sub-section (8) may, within thirty days of the receipt by him of a copy of the decision, appeal to the Chief Executive Officer who shall pass such orders as he may deem fit. Any appeal under sub-section (9) pending before the Government on the date of commencement of the Karnataka Panchayat Raj Act, 1993 shall stand transferred to the Chief Executive Officer and such appeal shall be decided by him as if it had been filed before him. The Controller of State Accounts Department submits a summary of observations made in the audit report and rectifications made by the Grama Panchayats to the Government. And as per the Act No.34 of 2011, the Controller of State Accounts Department has to prepare a consolidated annual report of all the Grama Panchayats of the State and it shall present before both the houses of the State Legislature.

TALUK PANCHAYAT

The Finance, Audit and Planning Committee prepares a complete accounts of the actual and expected receipts and expenditure for the official year together with a budget

estimate of the income and expenditure and lays before the Taluk Panchayat at a meeting, held between the first day of February and the tenth day of March,. The Taluk Panchayat there upon decides upon the appropriations and the ways and means contained in the budget of the year to commence on the first day of April next following. The budget as passed by the Taluk Panchayat will be sent to the Zilla Panchayat before such date as may be fixed by the Government. The TP make adequate and suitable provision for such services as may be required for the fulfillment of the several duties imposed on the Taluk Panchayat by this Act or any other law and provide for the payment, as they fall due, of all installments of principal and interest for which the Taluk Panchayat may be liable in respect of loans contracted by it; time be fixed by the Government either generally or for any Taluk Panchayat. If such budget estimate is not in accordance with the provisions of this Act or the rules and orders issued thereunder, the Zilla Panchayat may within two months from the date of receipt of the budget modify the same to secure compliance with the Act, the rules or the orders. If the Taluk Panchayat fails to approve the budget estimate on or before the date mentioned in sub-section (1), the Executive Officer shall forward the budget estimate to the Zilla Panchayat and the Zilla Panchayat shall approve it with or without modification. The budget so approved by the Zilla Panchayat shall be certified by the Chief Executive Officer and thereupon shall be deemed to have been duly approved by the Taluk Panchayat.

Revision of budget.- If, in the course of the official year, the Taluk Panchayat finds it necessary to modify the provisions made in the budget with regard to the receipts or to the distribution of the amounts to be expended on the different services it undertakes, it may make such modifications:

Supplementary budget.- Supplementary budget is prepared and submitted when necessary. The Taluk Panchayat may at any time during the year for which a budget has been sanctioned by the Government cause a supplementary budget to be prepared and submitted to the Government. Every such supplementary budget shall be considered and approved by the Zilla Panchayat and submitted to the Government for approval.

Accounts of the income and expenditure of a Taluk Panchayat is kept in accordance with such rules as may be prescribed. The Taluk Panchayat shall, within a period not exceeding three months after the close of the official year, pass the accounts of that year. The Taluk Panchayat as soon as the annual account have been finally passed by it, transmit a copy thereof to the Zilla Panchayat in the form prescribed in this behalf and shall furnish such details and vouchers relating to the same as the Zilla Panchayat may, from time to time, direct.

Audit of Accounts.- The accounts of the Taluk Panchayat Fund is audited by the Comptroller and Auditor General of India (hereinafter referred to as auditor) in accordance with the provisions of the Comptroller and Auditor General (Duties, Powers and Conditions of Service) Act, 1971. The auditor for the purpose of audit, have access to all the accounts and other records of the Taluk Panchayat. The auditor send every year to the Government a consolidated audit report in respect of the Taluk Panchayats in the State and the Government shall lay the consolidated report before both the Houses of the State Legislature.

The Taluk Panchayat may charge any person concerned or making such further enquiry as it may consider necessary charge any person responsible for irregular expenditure pointed out by the auditor or the amount of any deficiency or loss caused by negligence or misconduct of such person or any sum received which ought to have been, but is not brought into account by such person, and shall, in every such case, certify the amount due from such person. The Taluk Panchayat shall in writing state the reasons for its decision in respect of every charge and send a copy thereof to the person against whom it is made.

ZILLA PANCHAYAT

The Finance, Audit and Planning Committee prepares and laid before the Zilla Panchayat at a meeting, held between the first day of February and the tenth day of March, a complete account of the actual and expected receipts and expenditure for the official year ending together with a budget estimate of the income and expenditure, of the Zilla

Panchayat for the official year to commence. The Zilla Panchayat thereupon decides upon the appropriations and the ways and means contained in the budget of the year to commence on the first day of April next following. The budget as passed by the Zilla Panchayat shall be sent to the Government before such date as may be fixed by the Government. The ZP make adequate and suitable provision for such services as may be required for the fulfillment of the several duties imposed on the Zilla Panchayat by this Act or any other law and provide for the payment, as they fall due, of all installments of principal and interest for which the Zilla Panchayat may be liable in respect of loans contracted by it. It also allow for a balance at the end of said year of not less than such sum or percentage of income as may from time to time, be fixed by the Government either generally for all Zilla Panchayats or specially for any Zilla Panchayat. If such budget estimate is not in accordance with the provisions of this Act or the rules and orders issued there under, the Government may within two months from the date of receipt of the budget modify the same to secure compliance with the Act, the rules or the orders. If the Zilla Panchayat fails to approve the budget estimate on or before the date mentioned in sub-section (1), the Chief Executive Officer shall forward the budget estimate to the Government and the Government shall approve it with or without modification. The budget so approved by the Government shall be certified by the Government and thereupon shall be deemed to have been duly approved by the Zilla Panchayat.

Supplementary budget.- Supplementary budget may be prepared and submitted when necessary. The Zilla Panchayat may at any time during the year for which a budget has been sanctioned by the Government cause a supplementary budget to be prepared and submitted to the Government. Every such supplementary budget shall be considered and approved by the Zilla Panchayat and submitted to the Government for approval.

Maintenance of accounts and restriction of expenditure.- (1) Accounts of the income and expenditure of the Zilla Panchayat fund shall be kept in accordance with such rules

as may be prescribed. The Zilla Panchayat within a period not exceeding three months after the close of the official year, pass the accounts of that year.

Transmission of accounts.- The Zilla Panchayat shall, as soon as the annual accounts have been finally passed by it, transmit to the Government an account in the form prescribed in this behalf and shall furnish such details and vouchers relating to the same as the Government may, from time to time, direct.

Power to write off irrecoverable sums.- Zilla Panchayat may write off any sum due to it, whether under a contract or otherwise, or any sum payable in connection therewith if, in its opinion, such sum is irrecoverable. Provided that, no sum exceeding one thousand rupees shall be written off except with the previous sanction of the Government.

Audit of Accounts.- The accounts of the Zilla Panchayat fund shall be audited by the Comptroller and Auditor General of India in accordance with the provisions of the Comptroller and Auditor General (Duties, Powers and Conditions of Service) Act, 1971. The auditor shall, for the purpose of audit, have access to all the accounts and other records of the Zilla Panchayat. The Government shall on receipt of the audit report of the Zilla Panchayats lay them before both the Houses of the State Legislature.

Action by Zilla Panchayat on Audit Report.- The Zilla Panchayat shall on the report of the auditor or may on its own motion and after taking the explanation of the person concerned or making such further enquiry as it may consider necessary, charge any person responsible for irregular expenditure pointed out by the auditor or the amount of any deficiency or loss caused by the negligence or misconduct of such person or any sum received which ought to have been, but is not brought into account by such person, and shall, in every such case, certify the amount due from such person. The Zilla Panchayat in writing should also state the reasons for its decision in respect of every charge and send a copy thereof to the person against whom it is made.

Major Documents corresponding to various Rules

| | |
|---------------------------|-------------------------------------|
| Accounting Rules | Karnataka Financial Code |
| Audit Rules | C & AG Audit Rules |
| Budget Rules | Karnataka Budget Manual |
| Consolidated Audit Report | Consolidated Audited Report of PRIs |

Ground Realities:

At The Zilla Panchayat

In both the selected ZPs have accounts section which is the powerful division in the Zilla Panchayat office and is headed by the Chief Account Officer (CAO) and other technical staff including two accountants. This section acts as the finance and audit department to the Panchayati Raj system in the district .The CAO is the custodian of the ZP fund and works under the direct control of the CEO. It is noticed that both the *Adhyaksh* and the CEO take advises from the CAO on financial matters. Though as it is mentioned earlier and as per the provisions in the Section 256 of the Act, the Finance, Audit and Planning Committee of the ZP is entitled to prepare the annual accounts & expenditure statements and budget of the ZP, it is reported that the documents are being prepared by the CAO with the support of account section. The role and involvement of the Finance ,Audit and Planning Committee is negligible in both the selected Zilla Panchayats .While discussing the issue with some of the members in both the Zilla Panchayats it is felt that they are ignorant on the process and they are not aware that the responsibility of the preparation of the documents is being vested with the Finance , Audit and Planning Committee . The further probing in this direction reveals that the preparation of annual statements and budget of the ZP is fully a technical exercise without any amount of political ramifications. Any detailed examination of the documents gives an impression that the budget has been narrowed down in to a mere financial statement of account. The

budget of the two Zilla Panchayats is not having any philosophy, visions and approach for development of the district. In other words, the budget is visualized in such a way that it needs only the attention and expertise of the account section of the Zilla Panchayat. Moreover, the so called budget of the ZP has no space to accommodate the political expediency of the members in the committee. That is why the CAOs themselves assert that “the CAO prepares the budget of the Zilla Panchayat for non plan expenditure (Appendix –B) and the CAO does the re –appropriation of grants at the end of the financial year” .As one member from the Zilla Panchayat (Dakshina Kannada district) comments that “we have no interest in making calculations on non plan expenditure of the Zilla Panchayat. As we have a ‘link document’ coming from Bangalore, there is no scope to prepare a budget and we have nothing to do with plan expenditure which is already decided”. He also says that the “budget of our Zilla Panchayat is altogether a different spaceman which has no similarity to the same at State and central levels”.

The Formats for the provisions related to maintenance of accounts are prescribed by the govt. in rules 37/3 of the Karnataka Zilla Panchayats Finance and Accounts Rules, 1996 and the two Zilla Panchayats have followed these rules. The budget and account format was followed from 1983 onwards and continues still date .The document is known as Annual Account Format which includes five Statements and each Statement has different parts .The Statement one deals with the Summary of Translations related to Zilla Panchayat Fund. It has three parts (I Revenue account, ii Capital account iii. Abstract of part 1 & 2). The Statement two is the detailed account of receipts of Zilla Panchayat. The Statement three shows the summery of transactions related to Zilla Panchayat Fund. The Statement four gives the detailed account of receipts and expenditure under capital accounts. The Statement five deals with details of balance under debt and deposit accounts. In addition to the five Statements, there is one annexure which gives list of bank accounts. Action plans, annual accounts, accounts statement and link document are available at the two selected Zilla Panchayats.

TALUK PANCHAYAT

The same formats are also followed in the Taluk Panchayats and it is seen all the four selected Taluk Panchayats from Bidar and Dakshina Kannada districts. In addition to this as in the case of ZP, all the selected Taluk Panchayats have action plans, annual accounts, accounts statement and link document. Nearly 175 Gram Panchayats and all the 5 Taluk Panchayats have disclosed account statement online at all levels of Panchayat in Bidar district whereas all the TPs and GPs have the credit of online account statement in Dakshina Kannada district. The two selected Zilla Panchayats have completed the audit in the fiscal year 2012-2013 whereas the process is going on in all the selected four Taluk Panchayats and selected eight Gram Panchayats in the two Districts. The discussion with the respective officials have revealed that same is the case with majority of Panchayats (both the TPs and GPs) in the two districts with relatively better performance in Dakshina Kannada district over the other. Own staff at all three levels of Panchayats (GPs, TPs and ZPs) undertook the process of updating accounts by online. All the staff are trained. At the Zilla Panchayat and Taluk Panchayat levels the officials from the Local Fund Audit (LAU) audits the accounts, whereas at the GP level District Level Audit Circle (DLAS) audits the accounts. Budget proposal and accounts statements are available in the website. It is seen that Grama Panchayat wise demand vs collection statistics for the current financial year are available in *Panchatantra software*. Report on Gram Panchayat performance ranking is also available in this software. *Priya* and *Panchathathanthara* software are introduced for facilitating auditing process in the Panchayats. In addition, *Plan Plus* is also being used for BRGF accounting and other details. It is also important to note that, in some cases, what is available at the website is not necessarily available at the Panchayat level.

However, the officials are not very clear about the budget, annual plan and annual accounts of the Taluk Panchayats. This is experienced in all the Taluk Panchayats at the same level. When the officials of the Taluk Panchayats were requested to provide a copy of the budget document for 2012-2013, a copy of an annual action plan and an

annual account statement were made available as it is 'budget'. The same case was experienced in all the four selected Taluks Panchayats in the two districts. The detailed analysis of the annual action plan gives an impression it is not a document which covers all the financial transactions of the Taluk Panchayat. It is only an action plan of schemes with actual allocated amount. And the annual accounts gives only the actual financial position of previous year's accounts and the reporting year's accounts on major heads wise and it is also important to note that there is no reference on the anticipatory amount. The budget document is not available in the Taluk Panchayats. And finally, the official explanation is that "the Taluk Panchayat has prepared the 'budget document' which contains plan (the allocation for schemes). The non plan is not included since it is already budgeted in the State Assembly. The document is being prepared by the officials of the account section and first it is put before the Finance, Audit and Planning Standing Committee for approval and then it is placed before the Taluk Panchayat Committee for final approval. whereas the Section 247(i) of the Karnataka Panchayati Raj Act 1993 clearly says, "*The Finance, Audit and Planning Committee shall cause to be prepared and laid before the Taluk Panchayat at a meeting, which shall be held between the first day of February and the tenth day of March, a complete accounts of the actual and expected receipts and expenditure for the official year ending on the thirty-first day of March next following together with a budget estimate of the income and expenditure of the Taluk Panchayat for the official year to commence on the first day of April next following*". The expected receipts as it is mentioned in the above Section is missing in the entire document. It is surprise to note that such a committee (Finance, Audit and Planning) is not functional in the two selected Taluk Panchayats though committees were constituted, officially in Bidar district whereas in Dakshina Kannada district the committees are functional in both the selected Taluk Panchayats.

GRAM PANCHAYAT

The case is more multifarious when we approach the Grama Panchayats. Out of the selected four GPs in the Bidar district only one GP has prepared the budget whereas all

other three GPs have openly admits that the budget document has not been prepared, so far. The one Gram Panchayat in Bidar district where the budget is prepared and had fulfilled the other follow up actions. The document had sent to the Taluk Panchayat though the PDO is not informed on any such date for the submission. The PDO admits that the budget has been prepared for the Gram Panchayat as it is the assigned duty of the concerned post. (As per the Act, the budget as passed by the Grama Panchayat shall be sent to the Taluk panchayat before such date as may be fixed by the Government). In the case of Dakhina Kannada district, all the selected Gram Panchayats have their own budget documents and it is sent to the respective Taluk Panchayat . And it is reported that no further action has taken by the respective Taluk Panchayats .

The record from the Panchayats gives an impression that revision of budget, supplementary budget , power of write off irrecoverable sums and action by the higher tier of Panchayat or State Government (in the case of ZP) are not applied anywhere in the two districts of Bidar and Dakshina Kannada .Budget proposal and accounts statements are available in the website. It is seen that Grama Panchayat wise demand vs collection statistics for the year 2013-2014 are available in *Panchatantra software*. *Priya* and *Panchathanthara* soft ware are also being used for account purpose .In addition; *PLAN PLUS* is also being used for BRGF accounting and other details. There are 35 Gram Panchayats in the block area within the jurisdiction of Bidar Taluk Panchayat and all the Gram Panchayats have disclosed accounts statement online as it is reported .These documents (accounts statement) are available in the *PANCHATHANTHARA* software. The same is the case with the other BRGF Taluk Panchayat (Bhalki)

In the case of the Gram Panchayats, for the year 2011-2012, audits of the CA (locally it is known as CA Audit) and social audit completed whereas Local Audit from the District Level (Assistant Controller, Local Audit Circle process is under progress. All the processes relating to audit is under progress in all the selected Grama panchayats for the last financial year (2012-2013). The accounts of the Panchayats are updated online by the own staff of the Panchayat who are trained. Karnataka has the credit of having the

first legislation in the country on Karnataka Local Authorities Fiscal Responsibility Act, 2003. But it has yet to effectively come into force .The State Government is yet to frame rules for implementation of the Karnataka Local Fund Authorities Fiscal Responsibility Act which was meant to ensure fiscal stability and sustainability.

CHAPTER 6:

PANCHAYAT FUNCTIONARIES

The general postulation is that if the Panchayats function effectively as it is envisaged in the Constitution, they should ultimately be vested with wide ranging powers to recruit their own staff and exercise full control over them. It gives a set of corollaries; (i) managerial and administrative dimensions of personnel of the Panchayats may have potential correlation with the status of devolution, and (ii) qualified and professional personnel embedded with local democracy may be a prerequisite for good governance. It is also argued that if the Panchayats are taken full power to recruit their own cadres of personnel, the existing staff employed by the state government would be rendered surplus. Therefore, administrative prudence and economic rationality is needed to address the issue and as an interim measure a strategy of midway was adopted in the State .In this context the present chapter tries to understand the various issues on Panchayat functionaries.

The Karnataka Panchayat Raj Act, 1993 has a clear vision on the staff structure of the Panchayats and evidences are given indifferent Sections of the Act. The Chapter V of the Act deals with the staff of the **Gram Panchayat(GP)** and it says, “every Gram Panchayat shall have a whole time Panchayat Development Officer and Secretary who shall be the officers of the Government and such other officials appointed by the Government, and they shall draw their salary and allowances from the Grama Panchayat fund after the same is credited to the Gram Panchayat fund by the Government. (2) The Panchayat Development Officer (PDO) shall perform all the duties and exercise all the powers imposed or conferred upon him by or under this Act or any rules or bye-laws made there under. The Secretary and the other officials shall assist the Panchayat Development Officer to discharge his duties”. The duties of the Panchayat Development Officers are also listed in the Act and they are as follows:- (a) Submit to the Gram Panchayat the monthly accounts of the Gram Panchayat before the tenth day of

succeeding month;(b)Furnish returns, statement of accounts and such other information when called for, by the Government or the auditor;(c)Inspect or cause to be inspected the accounts of institutions under the control of the Gram Panchayat;(d) Keep records of the Gram Panchayat, standing committees, and other committees, Gram Sabha and Ward Sabha (d) Co-ordinate the preparation of the annual plan and five year plan so that the approved plan is submitted to the District Planning Committee in time; and (e) Disburse Gram Panchayat fund and plan fund to the officers concerned and furnish utilization certificate in the manner prescribed.

The staff structure of the **Taluk Panchayat (TP)** is included in Chapter X of the Act. As per the Section 155 of the Act, the Government has the power to appoint a Group -A Officer of the State Civil Services of or equal to the rank of the Assistant Commissioner to be Executive Officer of the Taluk Panchayat. The Government shall post from time to time to work under every Taluk Panchayat such number of officers and officials of Group A or B or C or D services to serve under the Taluk Panchayat as the Government considers necessary. The Executive Officer shall attend every meeting of the Taluk Panchayat and shall have the right to attend the meeting of any committee and to take part in the discussion but shall not have the right to move any resolution or to vote.

Government shall have power to transfer of the officers within the Taluk or from one Taluk to another Taluk. The Act gives the following list of activities: (a)exercise all the powers specifically imposed or conferred upon him by or under this Act or under any other law for the time being in force;(b)control the officers and officials of or holding office under, the Taluk Panchayat subject to the general superintendence and control of the *Adhyaksha* and such rules as may be prescribed (c) discharge all duties imposed and exercise all the powers conferred on him under this Act and the rules made there under and perform such other functions entrusted to him by the Government from time to time (d)supervise and control the execution of all works of the Taluk Panchayat; (e) take necessary measures for the speedy execution of all works and developmental schemes of the Taluk Panchayat; (f) have custody of all papers and documents connected with the

proceedings of the meetings of the Taluk Panchayat and of its Committees;(g) draw and disburse monies out of the Taluk Panchayat fund; and (i) exercise such other powers and discharge such other functions as may be prescribed

Chapter XII of the Act gives the staff position in the **Zilla Panchayat(ZP)**. The Government shall appoint an officer not below the rank of the Deputy Commissioner of a district as Chief Executive Officer of the Zilla Panchayat . In addition to this the Government shall also appoint a Chief Accounts Officer, a Chief Planning Officer and one or more Deputy Secretaries for each Zilla Panchayat. The Government shall post from time to time to work under every Zilla Panchayat such number of other officers of the State Government. The Government shall have power to transfer of the officers posted either within the district or from one district to another district. As in the case of other tiers the Act says the functions, powers and duties of the Chief Executive Officer and other officers as follows :-(a) exercise all the powers specially, imposed or conferred upon him by or under this Act or under any other law for the time being in force; (b)control the officers and officials of, or holding office under, the Zilla Panchayat subject to the general superintendence and control of the *Adhyaksha* and such rules as may be prescribed (c) discharge all duties imposed and exercise all the powers conferred on him under this Act and the rules made there under and perform such functions entrusted to him by the Government from time to time, (d) supervise and control the execution of all works of the Zilla Panchayat , (e) take necessary measures for the speedy execution of all works and developmental schemes of the Zilla Panchayat, (f)have custody of all papers and documents connected with the proceedings of the meetings of the Zilla Panchayat and its Committees, (g)draw and disburse monies out of the Zilla Panchayat Fund, and (i) exercise such other powers and discharge such other functions as may prescribed.

It may be interested to know the implications from the above sections regarding the staff structure of the Panchayats in the Act. The provisions of the Act give the inference that the core staff of the three tier Panchayats are with the State government. At the same time

all the concerned staff is at the direct administrative control and supervision of the respective head of the each tier of the Panchayat. (For example all the staff of the Zilla Panchayat, Taluk Panchayat and Gram Panchayat are vertically placed under the Chief Executive Officer, Executive Officer and Panchayat Development Officer respectively). As it is mentioned elsewhere the executive officers of the Panchayats have to function as “subject to the general superintendence and control of the *Adhyakshas*”. However, nowhere uneasy relationship between the officials and elected representatives were noticed during the field work.

Table No.6.1 gives details regarding the core staff of Panchayats at various tiers and the authority who selects and appoints them and also their pay scale and other terms of employment. The ZP has a staff structure common to all districts. It is headed by the Chief Executive Officer (CEO), either from the Indian Administrative Services or from the Karnataka Administrative Service. The CEO is assisted by one Deputy Secretary and one Assistant Secretary. There are different units in the Zilla Panchayat office and they are Planning Office (headed by Chief Planning Officer), Accountant Office, (headed by Chief Accountant Officer) and Office of Rural Development (headed by Project Director). All the units are supported by 6-8 support staff from Group C and Group D category. The Taluk Panchayat has a different staff structure and it is headed by an Executive Officer (EO). Other staff attached to the TP are one AD, Superintendent, one First Divisional Assistant (FDA), one Second Divisional Assistant and other sub staff. The Gram Panchayat is headed by the Panchayat Development Officer (PDO) and assisted by other staff. They are the Secretary (i) and the Second Divisional Accountant (i). There are other contract staff in the GP who are appointed directly by the GP. The Bill Collectors, Water Man and other sub staff are included in the category.

Ground Realities (Staff structure in the selected Panchayats)

The above mentioned staff structure was fully available in both the ZPs. In both the cases CEOs are from the IAS cadre. Both the Deputy Secretaries in the two ZPs were

seen very active. Assistant Secretaries are given charge of the office administration. The Chef Accountant Offices of the two ZPs were busy with account related activities whereas the Chief Planning Offices were seen active in other than the domain of planning. Bidar district the CPO was given additional charge of Council Secretary and he had commented that more than 70 per cent of the time is being utilized as the Council Secretary and it is at the cost of the planning exercises assigned both at the ZP and DPC. Almost the same situation was noticed in Dakshina Kannada. The staff structure of what was reported earlier were available in the four selected TPs. Among the sanctioned post none was vacant. Though the PDO posts were filled in all the eight selected GPs, the services of the Secretaries and Second Divisional Assistant was not available in four cases and out of the four three were from Bidar and one from Dakshina Kannada. The bill collectors and 4-6 Plumbers (locally it is known as 'waterman') were present in all the eight GPs during the time of field work. The observation in the selected cases gives an inference that the sanctioned and available staff structure in the three tier Panchayat system in the State seems to be by and large in accordance with the assigned functions.

Table No.6.1: State Total Details of Core Staff at the Zilla Panchayats: (not included departmental staff transferred to district level)

| Designation of the employees | Pay scale | Which Authority has the power for the following: | | | | | | | | | | | |
|------------------------------|--------------------------|--|--------------|----------------|---------------------|-----------------------|-------------------|-------------------|-----------------|----------|--------------------|---------|--|
| | | Select ion | Appoint ment | Salary payment | Checking attendance | Day-to-day monitoring | Major punish ment | Minor punishm ent | Leave sanctio n | Transfer | ACR writing | Removal | |
| Regular Staff: | | | | | | | | | | | | | |
| CEO(30) | 56550-7980 | Go vt. | Govt. | Treasury | Govt. | Director RD& PR | Govt. | Govt. | Govt. | Govt. | Secretary RD& PR | Govt. | |
| Deputy Secretary (30) | 48900-63600 | Go vt. | Govt. | Treasury | Govt. | Secretary RD& PR | Govt. | Govt. | Govt. | Govt. | Secretary RD& PR | Govt. | |
| CAO(30) | 48900-63600 | Go vt. | Govt. | Treasury | Govt. | Secretary finances | Govt. | Govt. | Govt. | Govt. | Secretary finances | Govt. | |
| Chief Planning officer(30) | 48900-63600 | Go vt. | Govt. | Treasury | Govt. | Secretary Planning | Govt. | Govt. | Govt. | Govt. | Secretary Planning | Govt. | |
| Assistant secretary(30) | 28100-50100 | Go vt. | Govt. | Treasury | CEO | CEO | Govt. | Govt. | CEO | Govt. | CEO | Govt. | |
| Project director (pd) (30) | 28100-50100 | Go vt. | Govt. | Treasury | CEO | CEO | Govt. | Govt. | CEO | Govt. | CEO | Govt. | |
| Manager/Sup erintendent (30) | 20000-36300 | Go vt. | Govt. | Treasury | CEO | CEO | Govt. | Govt. | CEO | Govt. | CEO | Govt. | |
| Group C (2955) | 14550-26700, 11600-21000 | ZP | CEO | CEO | CEO | CEO | ZP | CEO | CEO | CEO | CEO | ZP | |
| Group D (1008) | 9600-14550 | ZP | CEO | CEO | CEO | CEO | ZP | CEO | CEO | CEO | CEO | ZP | |

Source: Information from RDPR ,Govt Of Karnataka and Zilla Panchayats of Bidar &

Dakshina Kannada

Table No.6.2 State Total Details Core of Staff at Taluk Panchayats (not included Departmental Staff Transferred to taluk level)

| Designation of the employees | Pay scale | Which Authority has the power for the following: | | | | | | | | | | |
|------------------------------|-------------|--|--------------|--------------------|-----------------------|------------------------|-------------------|-------------------|-----------------|-----------|-------------|----------|
| | | Selecti on | Appointme nt | Salari es paym ent | Checki ng attenda nce | Day-to-day monito ring | Major punishm ent | Minor punishme nt | Leave sancti on | Trans fer | ACR writing | Remov al |
| Regular Staff: | | | | | | | | | | | | |
| EO(176) | 28100-50100 | KPSC | RDPRD | CEO | CEO | CEO | Govt | CEO | CEO | CEO | CEO | Govt |
| AD(176) | 22800-43200 | KPSC | RDPRD | EO | EO | EO | Govt | CEO | EO | CEO | CEO | Govt |
| Superintendent (176) | 20000-36300 | KPSC | RDPRD | EO | EO | EO | Govt | CEO | EO | CEO | CEO | Govt |
| FDA(176) | 14550-26700 | KPSC | RDPRD | EO | EO | EO | Govt | CEO | EO | CEO | CEO | Govt |
| SDA(176) | 11600-21000 | KPSC | RDPRD | EO | EO | EO | Govt | CEO | EO | CEO | CEO | Govt |
| Peon/attender (176) | 9600-14550 | KPSC | RDPRD | EO | EO | EO | Govt | CEO | EO | CEO | CEO | Govt |

Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Table No.6.3. State Total Details of Staff at Gram Panchayats (not included contract staff of the Gram Pachayat s)

| Designation of the employees | Pay scale | Which Authority has the power for the following: | | | | | | | | | | |
|-----------------------------------|-------------|--|--------------|-------------------|-----------------------|------------------------|-------------------|-------------------|-----------------|-----------|--------------|----------|
| | | Selection | Appointm ent | Salaries paym ent | Checki ng attenda nce | Day-to-day monit oring | Major punish ment | Minor punish ment | Leave sancti on | Trans fer | ACR writi ng | Remo val |
| Regular Staff: | | | | | | | | | | | | |
| PDO (5627) | 20000-36300 | KPSC | RDP R | Govt. | PDO | PDO | Govt. | EO | PDO | CEO | EO | Govt. |
| Secretary (G.I) (2165) | 14550-26700 | KPSC | RDP R | Govt. | EO | EO | Govt. | EO | EO | CEO | EO | Govt. |
| Secretary (G.II) (3462) | 11600-21000 | KPSC | RDP R | Govt. | PDO | PDO | Govt. | EO | PDO | CEO | EO | Govt. |
| Second division accountant (2500) | 11600-21000 | KPSC | RDP R | Govt. | PDO | PDO | Govt. | PDO | PDO | CEO | PDO | Govt. |
| | | | | | | | | | | | | |

Source: Information from Gram Panchayats of Bidar, Bentwal, Puthur & Bhalki

The Table No.6.4 reveals the actual status of devolution with regard to the functionaries (departmental staff transferred to various levels). The table could be read in such a way that the highlighted columns represent the departments to which the functionaries have actually devolved. The table no.6.4 indicates that the functionaries at the department level had been transferred to the Zilla Panchayat in agriculture, animal husbandry, fisheries, social forestry, khadi, handloom, engineering department, education, cultural activities,

health and sanitation, social welfare, women & child development, welfare of handicapped and mentally retarded, welfare of the weaker sections, horticulture, sericulture and mining and zoology. Since DRDA had been merged with Zilla Panchayat, the staff strength is not included under 'departmental staff transferred to various levels'. However, other rural poverty alleviation programmes are under separate State level mission.\and the programme implementation is under the mission mode.

The functionaries transferred to Taluk Panchayats pertain to agriculture, water shed, animal husbandry, education, health and sanitation, social welfare, women & child development, minority, horticulture and sericulture. The diagrams No.6.1- 6.26 give an indication of the average number of staff in each subject transferred to each level. No functionary from the line department has been transferred to GP and the good reason is that no line department have field agency at GP level in the State.

Ground Realities (The Relationship between Zilla Panchayat and the Transferred Departmental Staff)

While discussing the functional relationship between the Zilla Panchayat and transferred departments the following issues had been noticed.

- i. The annual action plans of the schemes /programmes of different departments based on the 'link document' are being approved by the concerned Standing Committees and the general body of the ZPs. During the interview with the elected members of the ZPs, they asserted that "*we had approved the action plan*". The kind of assertion of the ZP members in a way is a 'control over the official functionaries' and it gives an impression that there is an administrative control over the transferred departments and its functionaries.
- ii. The heads of the transferred departments at the district level are the implementing officers of the programmes planned and designed by the Zilla Panchayat, as per it is listed in the 'link document'. The transfer of estimated amount to the concerned department for the programme implementation is made by the Chief Accountant

Office of the ZP. The other procedures for the financial transitions are made between the head of the concerned department and the Chief Accountant Officer through the CEO of the ZP. It is noticed that in the two selected districts (Bidar and Dakshina Kannada) the relationship is structured and institutionalized by accounting and auditing practices. As result, is it is observed that all the transferred departments and their respective heads have ‘specific financial responsibility’ towards the Zilla Panchayat .

- iii. The head of the transferred departments at the district level attend the meetings of the District Planning Committee (DPC), Zilla Panchayat and concerned Standing Committees as per the invitation /information from the Chief Executive Officer (CEO). During the meetings, the concerned head of the transferred department is expected to present the progress report on the programme implementation. In many cases questions, clarifications explanations and criticisms regarding the progress report and the way in which the scheme is being implemented maybe raised by the members and it may be followed by further discussions. In all the cases, the head of the transferred departments are expected to participate and answer the queries. The field evidence and official records from both the ZPs suggest that it is being practiced in these meetings. The line of argument is that the participation of the head of the departments and the interaction among the members works as a control mechanism of the ZP over the transferred departments. In a way, the ZPs have succeeded to exert ‘some rudimentary forms of legislative /parliamentary control over the transferred departments.’
- iv. It is noticed that the staff of the transferred department are working under the ‘dual control system’. The arrangements were intended to be transitional but were never changed. In the ‘dual control system’ the local bureaucracy has more administrative inclination towards the concerned departmental head at the state level. Moreover, the transferred departments at district and taluk level have to administer the State schemes too. The head of the district agriculture department from Bidar revealed that more schemes have to implement under State sector but more time and energy is expected

from the district schemes. He made reservations for spending time and energy under review meetings of the DPC, ZPs and Standing Committees

- v. It is noticed that since the CEOs are from IAS cadre, the heads of the transferred departments have a tendency to adhere to Zilla Panchayat whereas it may be absent in those districts where CEOs are from the non IAS cadre. Moreover, over a period of time the institution of CEOs in Karnataka have established a domain of power with legacy. As a result, the ZPs through the institution of CEOs can apply an administrative control over the transferred departments.
- vi. All the above favorable conditions of administrative behavior and institutional zing were seen in the two selected districts of Bidar and Dakshinna Kannada .Therefore both the Zilla Panchayats can be cited as success cases in managing the transferred departments and building a healthy administrative behavior based on co production and synergy.
- vii. A different set of administrative relationships are noticed in the case of Taluk Panchayats and transferred departments at the taluk level. There was no ‘power centre’ or any ‘amount of legacy’ attached to the post of Executive Officer, as it is noticed at the district level in the case of CEO of the ZP. In the taluk level there are number of posts hierarchically placed similar to the Executive Officer of the Taluk Panchayats, for example take the case of Block Education Officer (BEO), Taluk Health Officer (THO), Taluk Social Welfare Officer and Assistant Directors of Agriculture, Horticulture and Animal Husbandry. The Executive Officer of the Taluk Panchayat, at the most can be placed as a nominal head among the taluk level officials who have equal status in the administrative structure.
- viii. While examining the interface between the Taluk Panchayat and the transferred departments, there are certain inbuilt impediments due to the subject specific issues. This may be explained in detail with the support of the data form a transferred department (say education). There are total 1624 personnel under education department, including BEO, ministerial staff, teachers, non- teaching staff etc. The discussion with the Block Education Officer (BEO) of Bhalki Taluk Panchayat from

Bidar district has asserted that he and his staff in no way controlled by the taluk Panchayat /answered to the Taluk Panchayat rather he is answerable to the higher officer of parent department at the district level .In response to a specific question, the reply was that “the Taluk Panchayat is performing only a post office role” in releasing the salary for the staff. Hoverer, he could qualify his statement by adding that “as per the education department is concerned”. Almost similar answers have received from other transferred departments to the Taluk Panchayats .It is interested to note that the Taluk Panchayat and the Executive Officer are very much aware the profile and status and therefore they could operate within the limited functional domain and avoiding unpleasant incidents.

- ix. However, as in the case of ZPs, the heads of the transferred departments to Taluk Panchayats prepare action plans of the Panchayat, attend Panchayat meetings and scheme review meetings conducted by the Taluk Panchayat. The head of the transferred departments are also expected to answer any specific issues subjected to their department. There are remarkable variations among the four selected Taluk Panchayats in the functional relationships with the transferred departments. It gives an impression that the administrative culture of the Taluk Panchayat is not yet institutionalized and it is being under process.

Table No. 6.4.Status of Devolution (functionaries of different departments)

| SUBJECT | DISTRICT | TALUK | GRAM PANCHAYAT |
|--|----------|-------|----------------|
| Agriculture (<i>ref.table 6.8 & 6.18</i>) | | | |
| Water shed (<i>ref.6.20</i>) | | | |
| Minor irrigation | | | |
| Animal husbandry(<i>ref.6.5&6.21</i>) | | | |
| Fisheries (<i>ref.6.14</i>) | | | |
| Social forestry(<i>ref.6.12</i>) | | | |
| Minor forest produce | | | |
| Small scale industries | | | |
| Khadi, gram and cottage industries (<i>ref.6.13</i>) | | | |
| Handloom (<i>ref.6.16</i>) | | | |
| Rural housing | | | |
| Drinking water | | | |

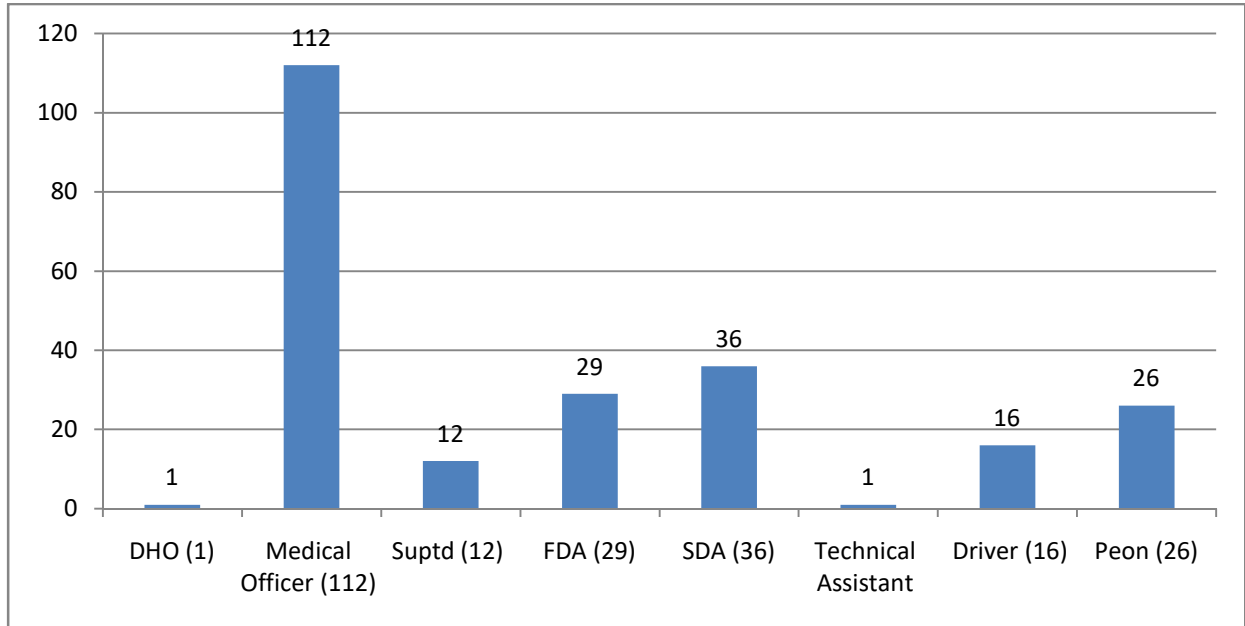
| | | | |
|---|--|--|--|
| Fuel and fodder | | | |
| Roads, culverts, bridges | | | |
| Non conventional energy | | | |
| Poverty alleviation program | | | |
| Pred (ref.6.10) | | | |
| Education(ref.6.13&6.24) | | | |
| Technical and vocational training | | | |
| Adult and non formal education | | | |
| Libraries | | | |
| Youth and sports (ref.6.15) | | | |
| Markets and fairs | | | |
| Health & sanitation(ref.6.1&6.20) | | | |
| Ayurveda (ref.6.17) | | | |
| Social welfare(ref.6.4&6.24) | | | |
| Family welfare | | | |
| Women & child development(ref.6.2&6.26) | | | |
| Welfare of handicapped and mentally retarded | | | |
| Welfare of the weaker sections(ref.6.11&6.19) | | | |
| Food and civil supplies | | | |
| Horticulture(ref.6.6&6.22) | | | |
| Sericulture(ref.6.9&6.25) | | | |
| Mining and zoology(ref.6.20) | | | |

Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

he diagrams No.6.1- 6.26 give an indication of the average number of staffs in each subject transferred to each level.

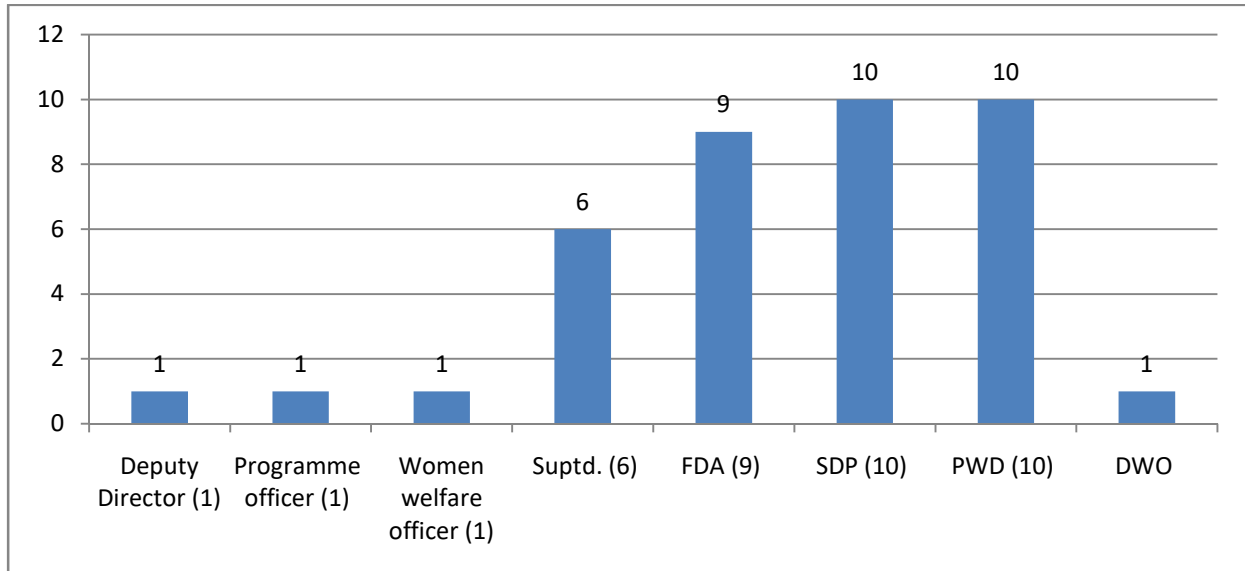
ZILLA PANCHAYAT

Diagram No. 6.1: The Personnel with Health Department transferred to ZP



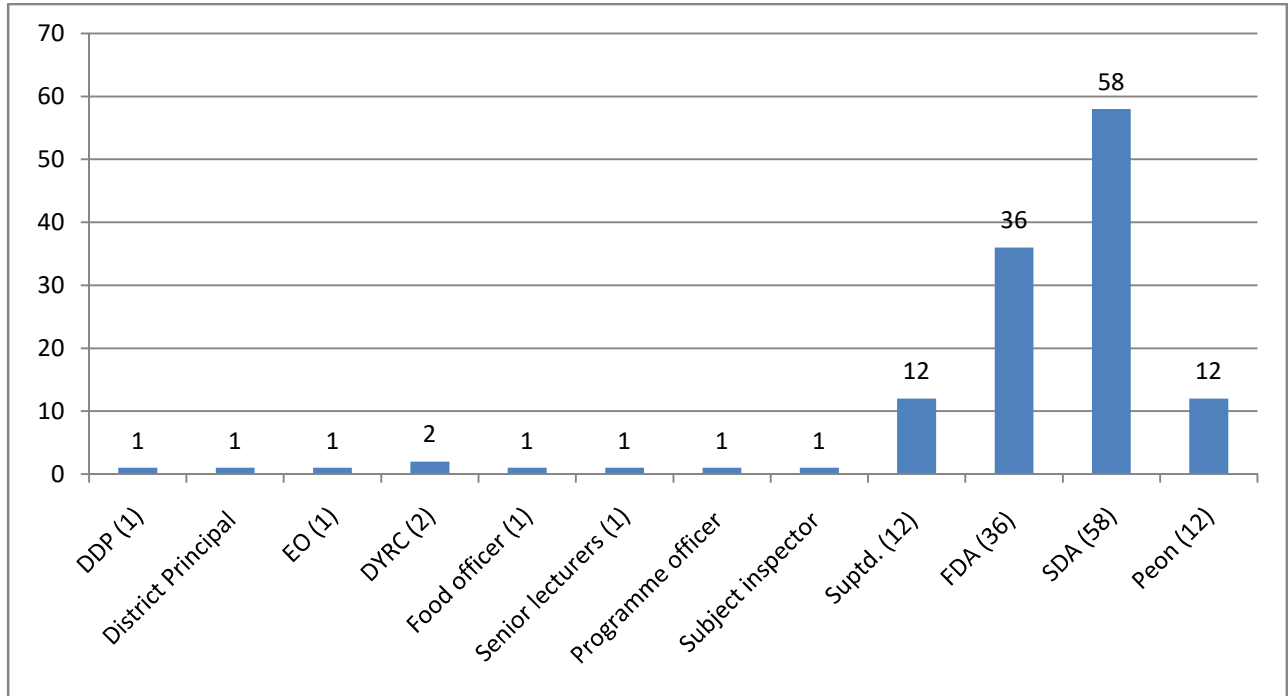
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.2: The Personnel with Women and Child transferred to ZP



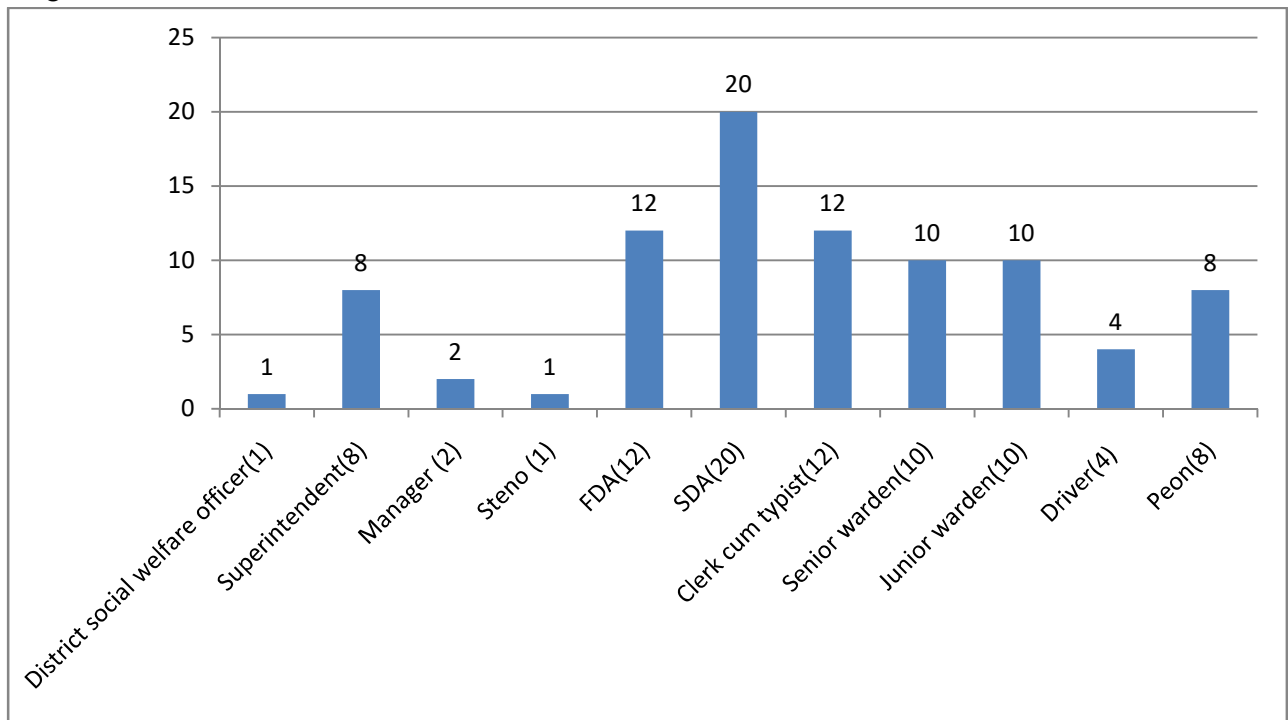
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.3: The Personnel with Education transferred to ZP



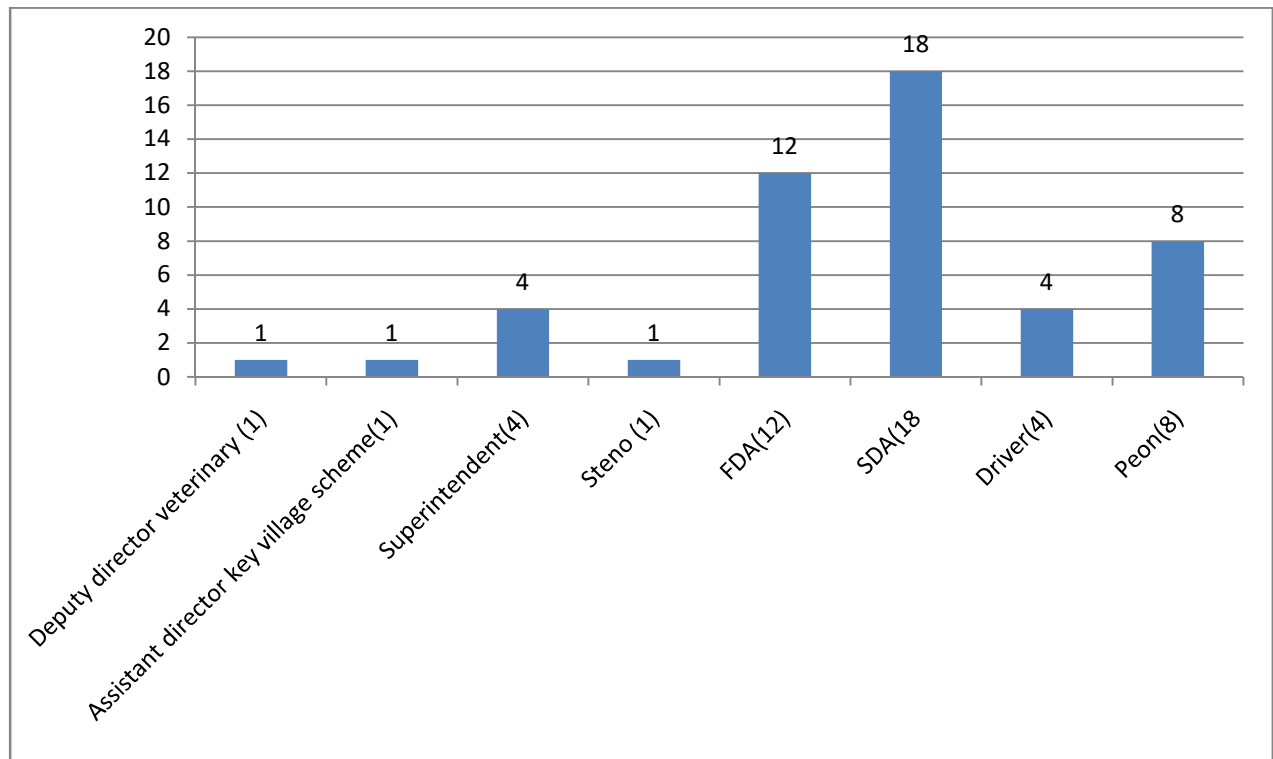
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.4. The Personnel with Social Welfare transferred to ZP



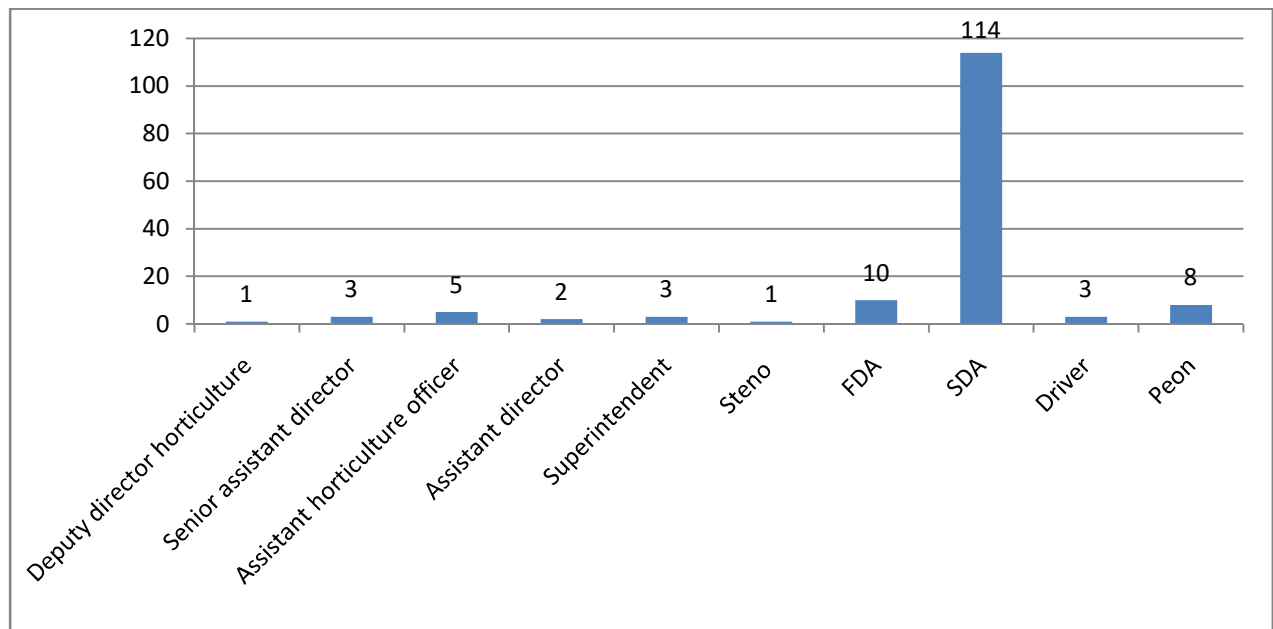
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.5: The Personnel with Animal Husbandry transferred to ZP



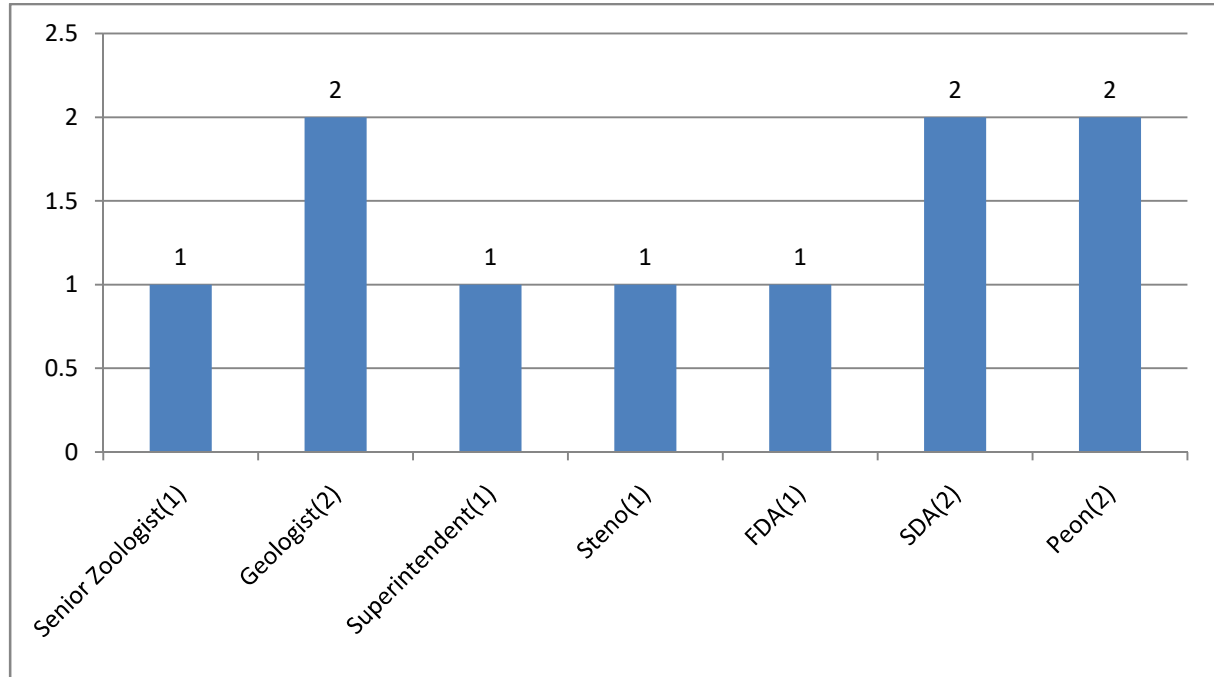
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.6: The Personnel with Horticulture transferred to ZP



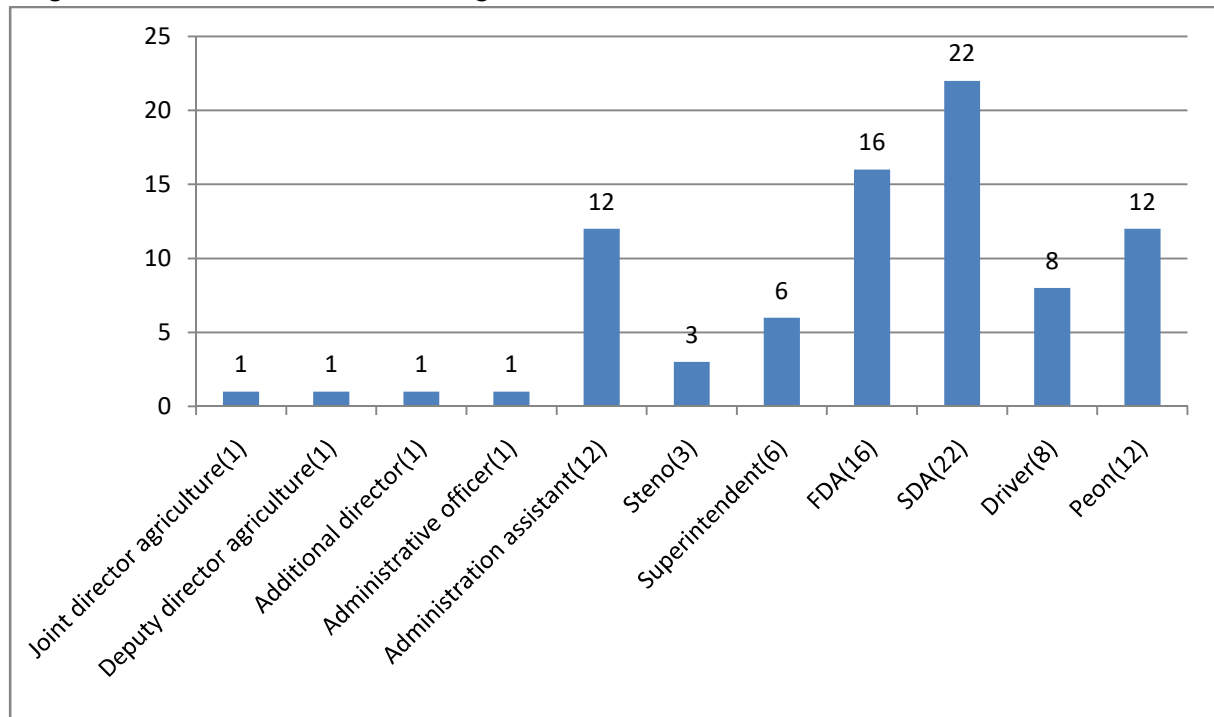
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.7: The Personnel with Mining and Zoology transferred to ZP



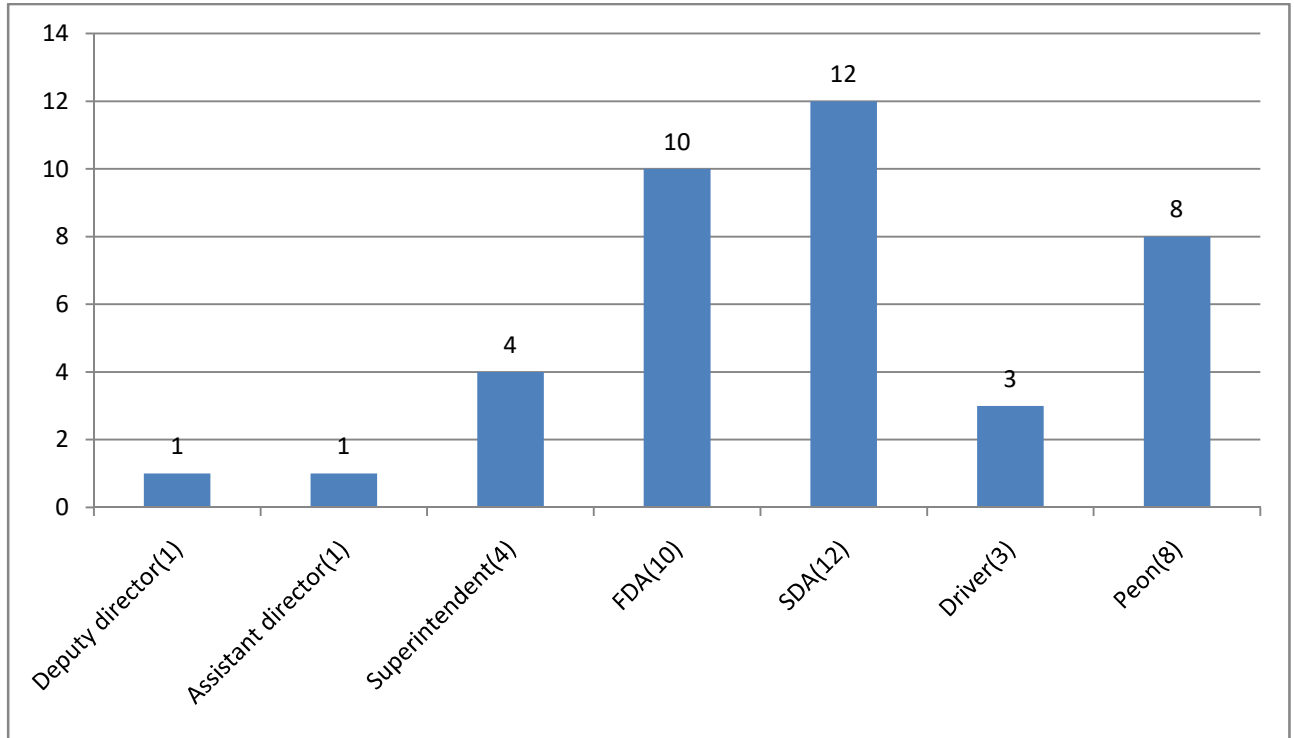
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.8: The Personnel with Agriculture transferred to ZP



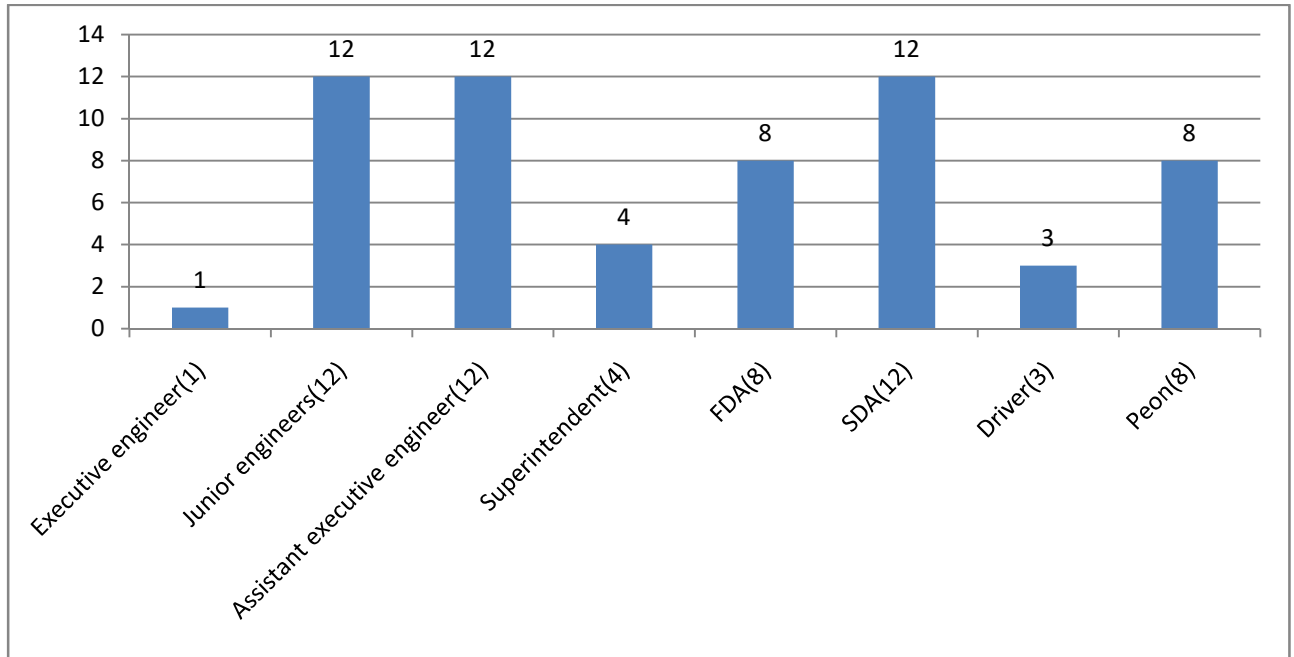
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.9: The Personnel with Sericulture transferred to ZP



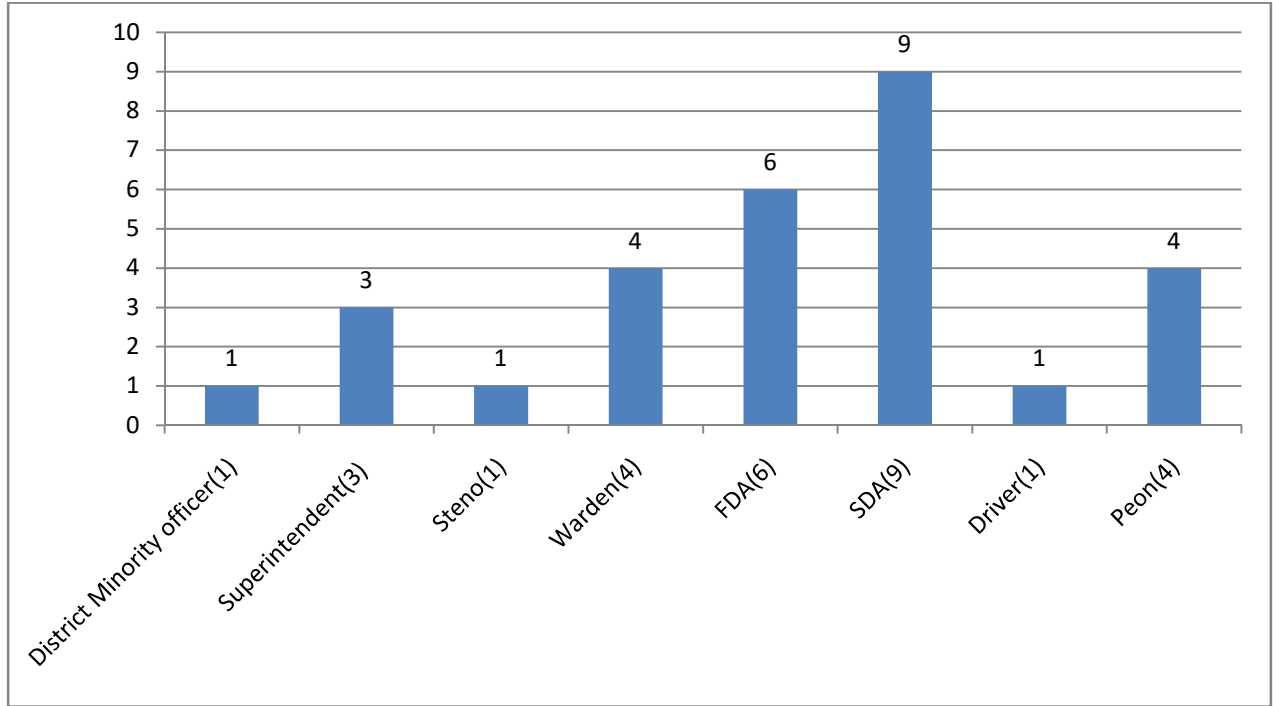
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.10: The Personnel with PRED transferred to ZP



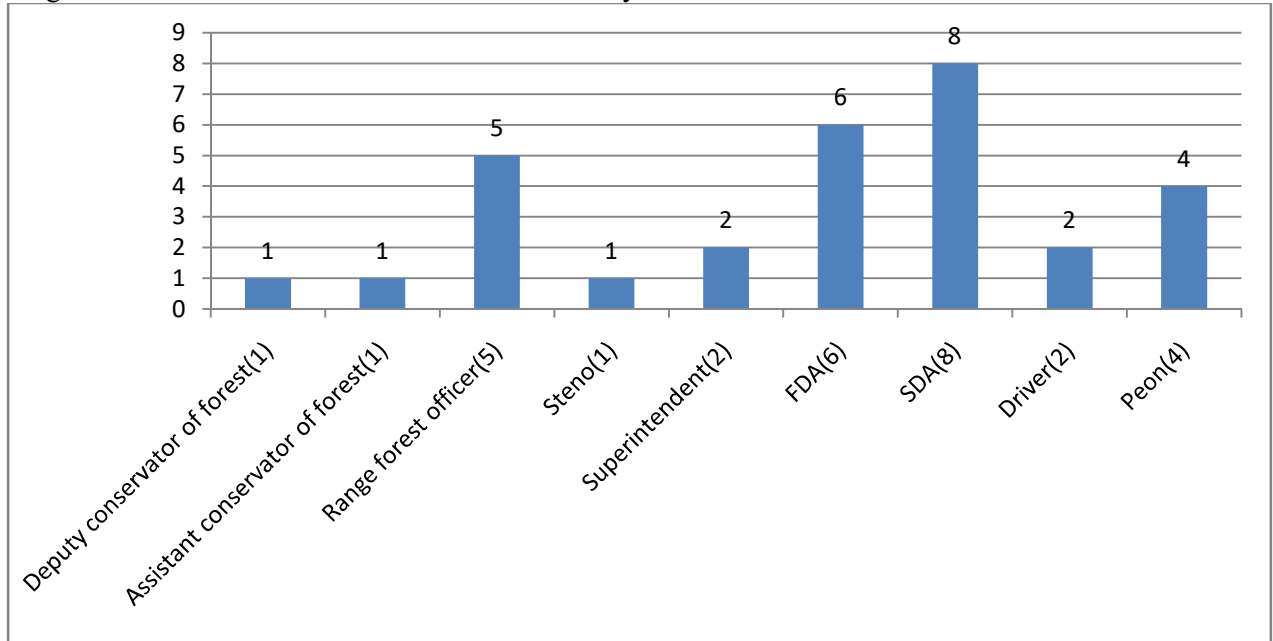
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.11: The Personnel with Minority transferred to ZP



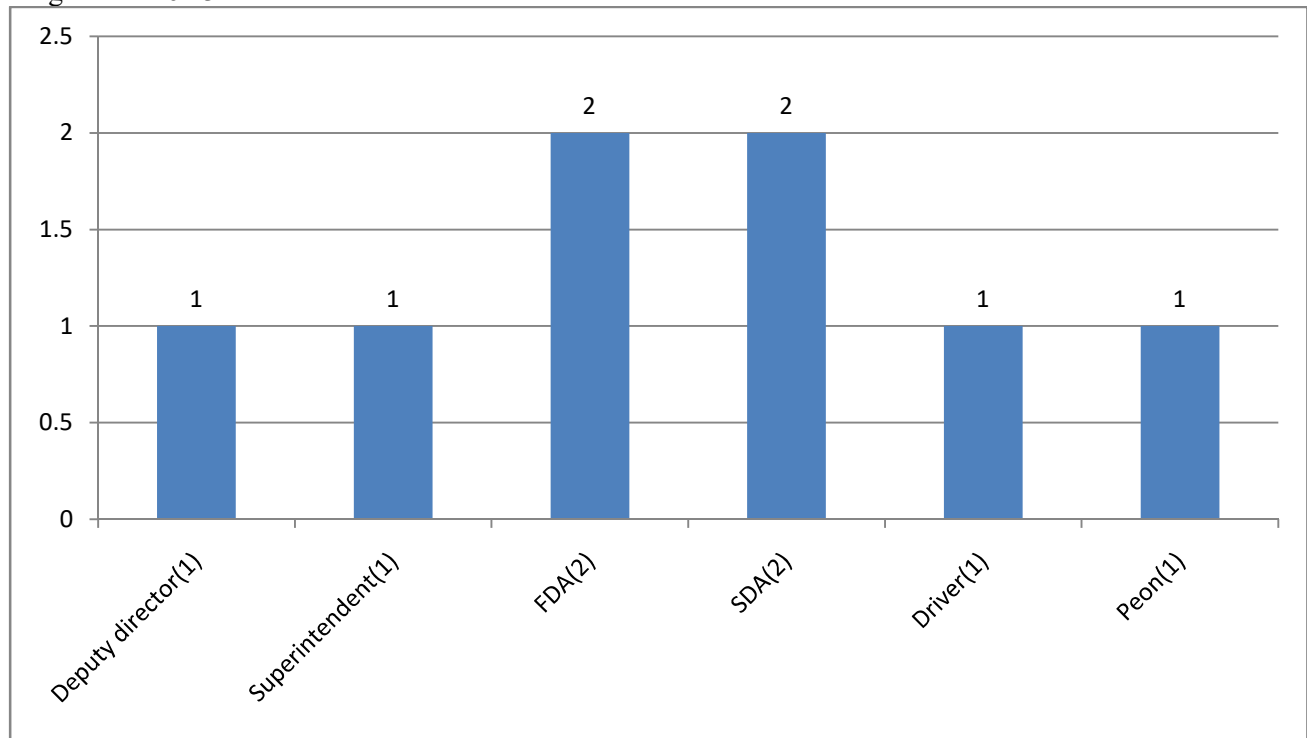
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.12: The Personnel with Social Forestry transferred to ZP



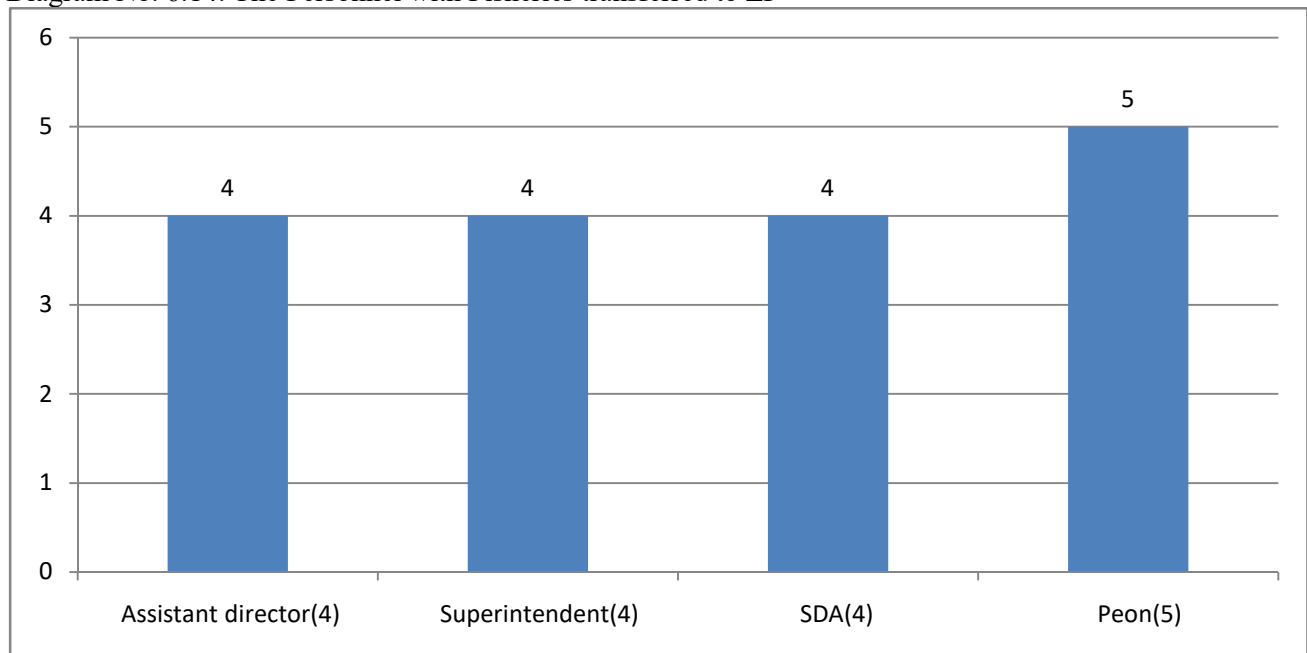
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.13: The Personnel with Khadi transferred to ZP



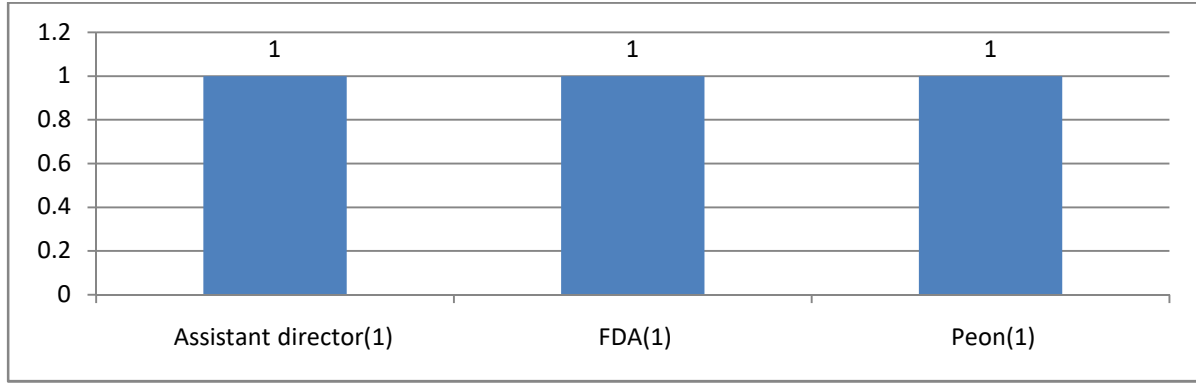
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.14: The Personnel with Fisheries transferred to ZP



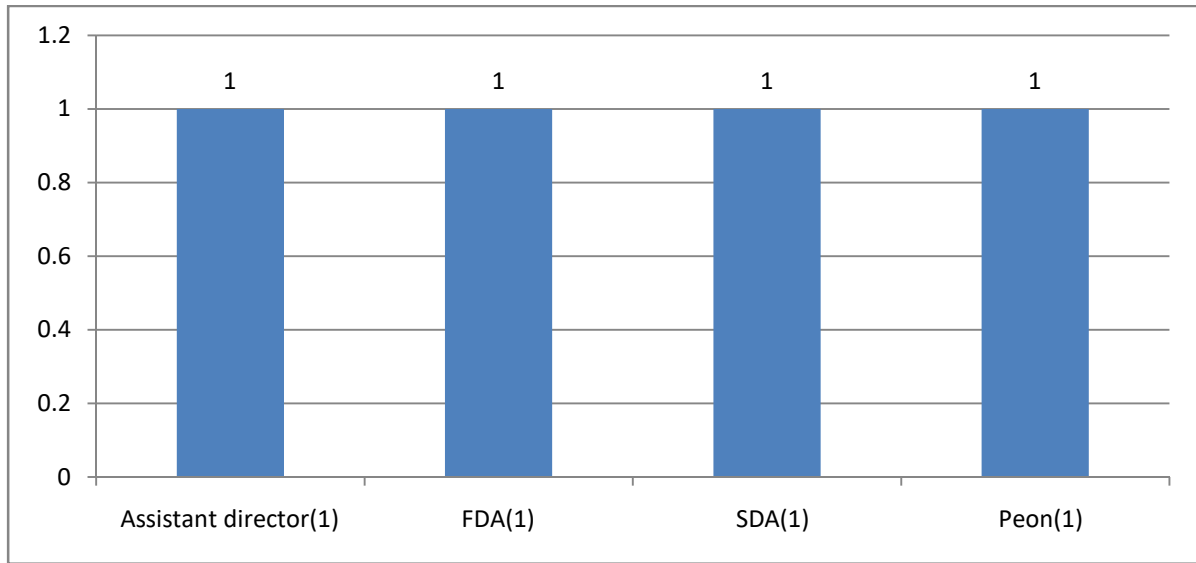
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.15: The Personnel with Youth and Sports transferred to ZP



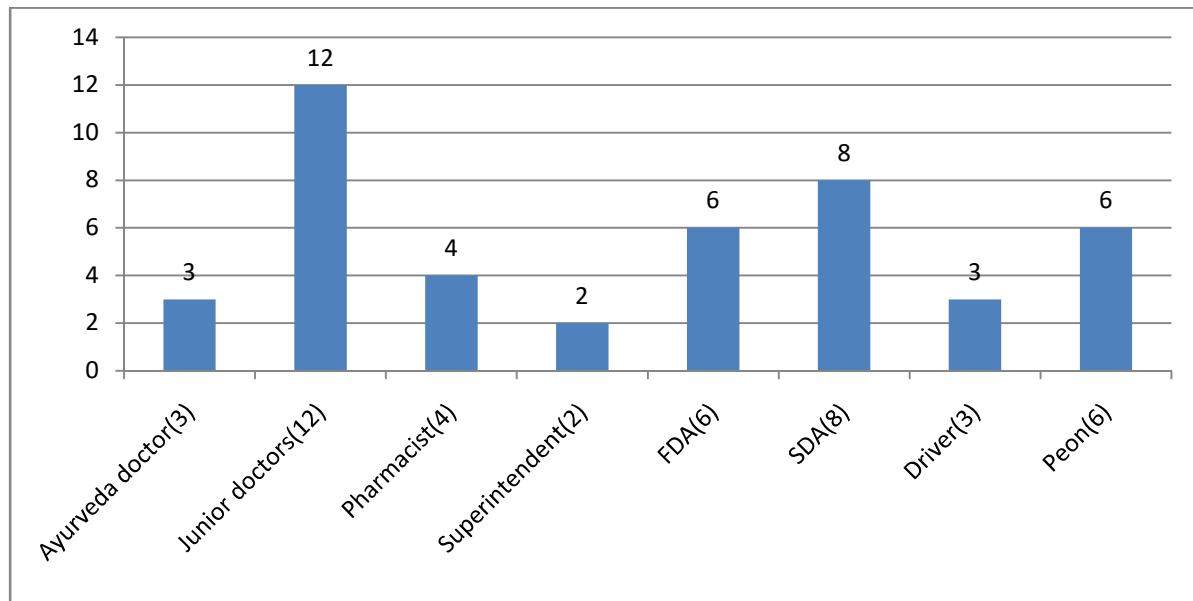
Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

Diagram No. 6.16: The Personnel with Handloom transferred to ZP



Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

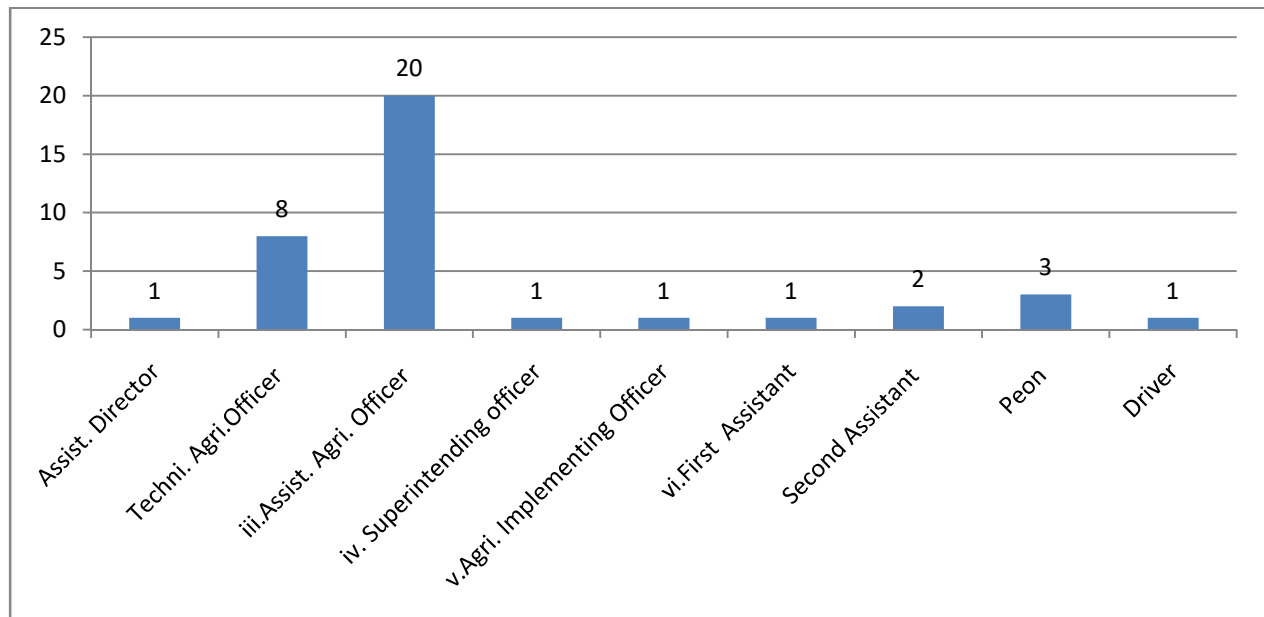
Diagram No. 6.17: The Personnel with Ayurveda transferred to ZP



Source: Information from Zilla Panchayats of Bidar and Dakshina Kannada

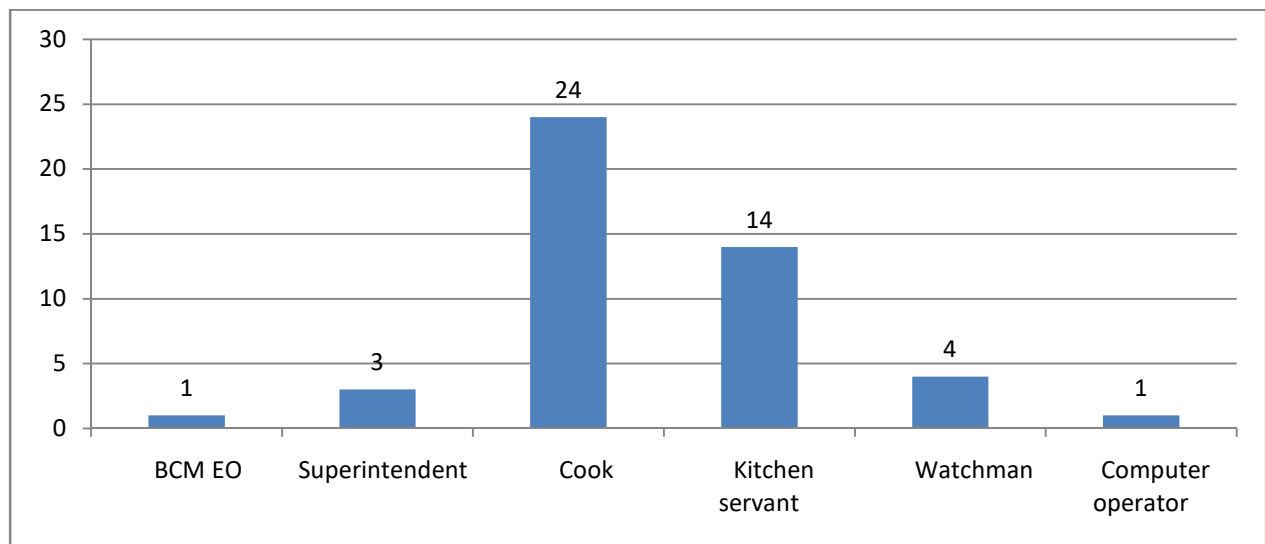
TALUK PANCHAYAT

Diagram No. 6.18: The Personnel with Agriculture transferred to TPs



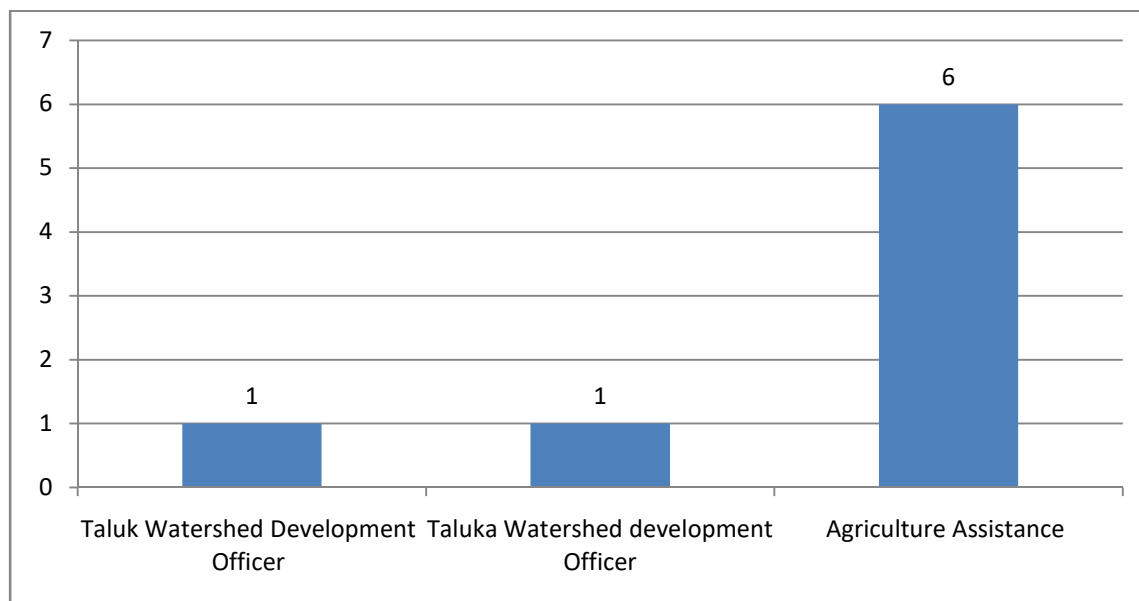
Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.19: The Personnel with Minorities transferred to TPs



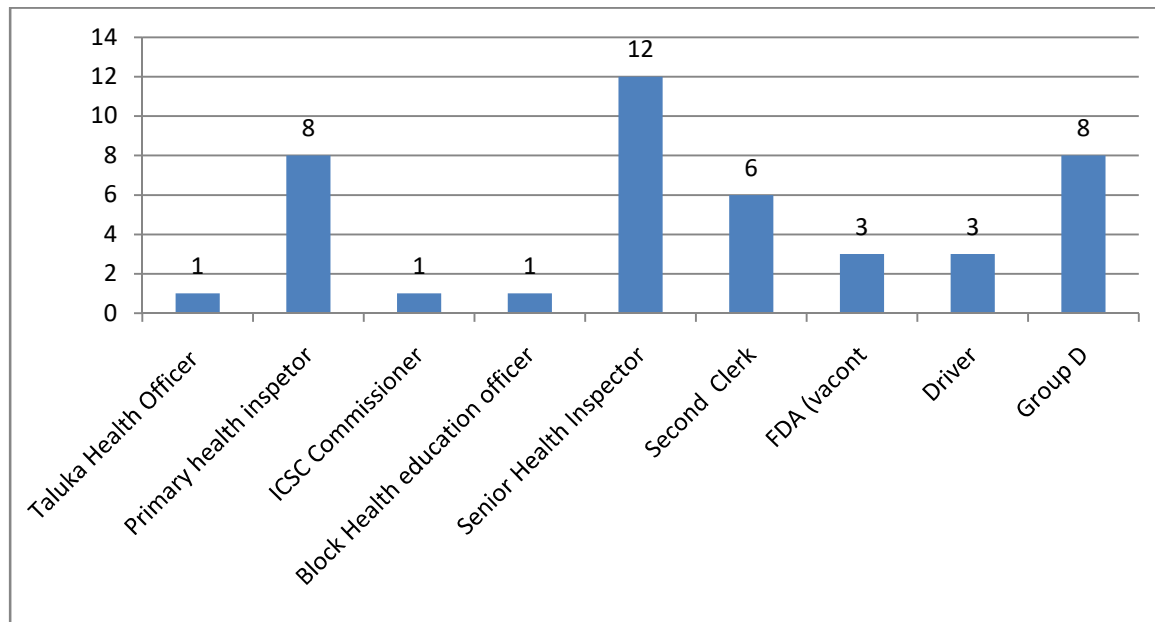
Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.20: The Personnel with Watershed transferred to TPs



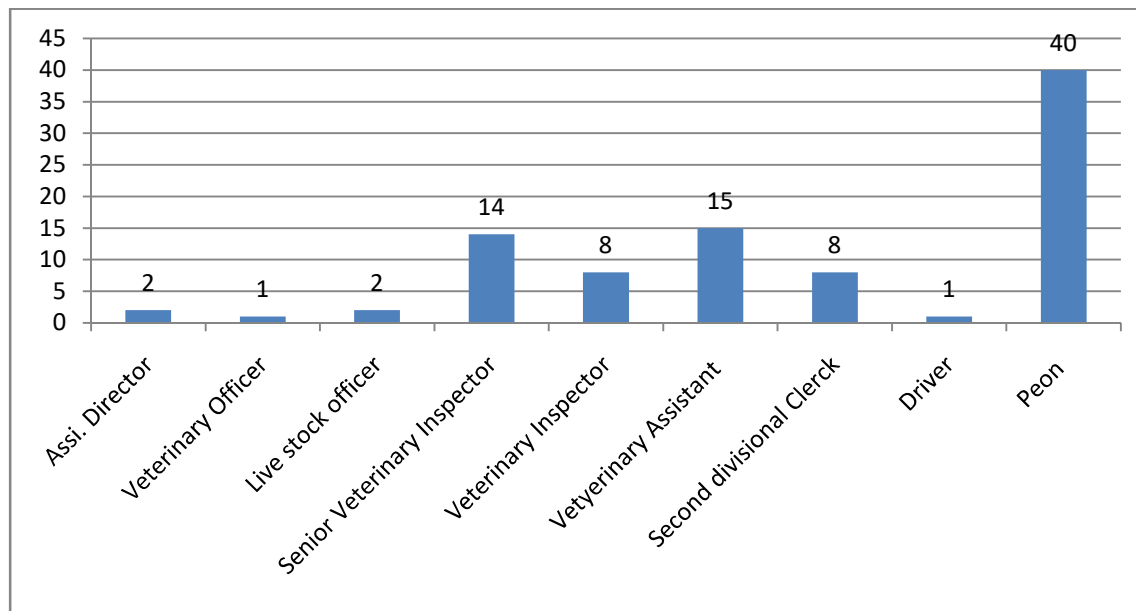
Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.20: The Personnel with Health transferred to TPs



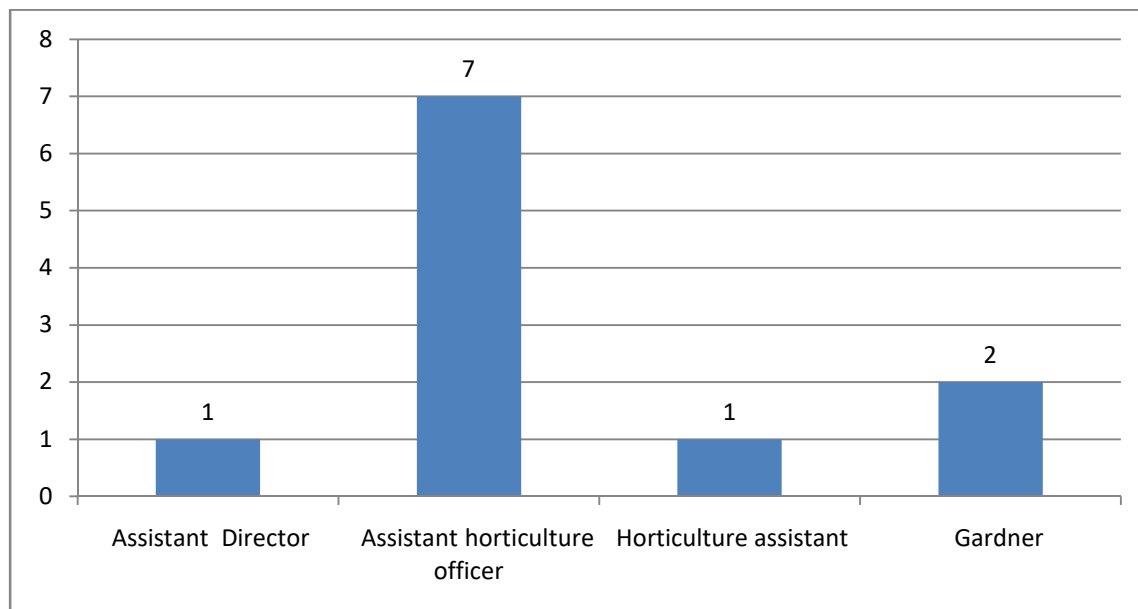
Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.21: The Personnel with Animal Husbandry transferred to TPs



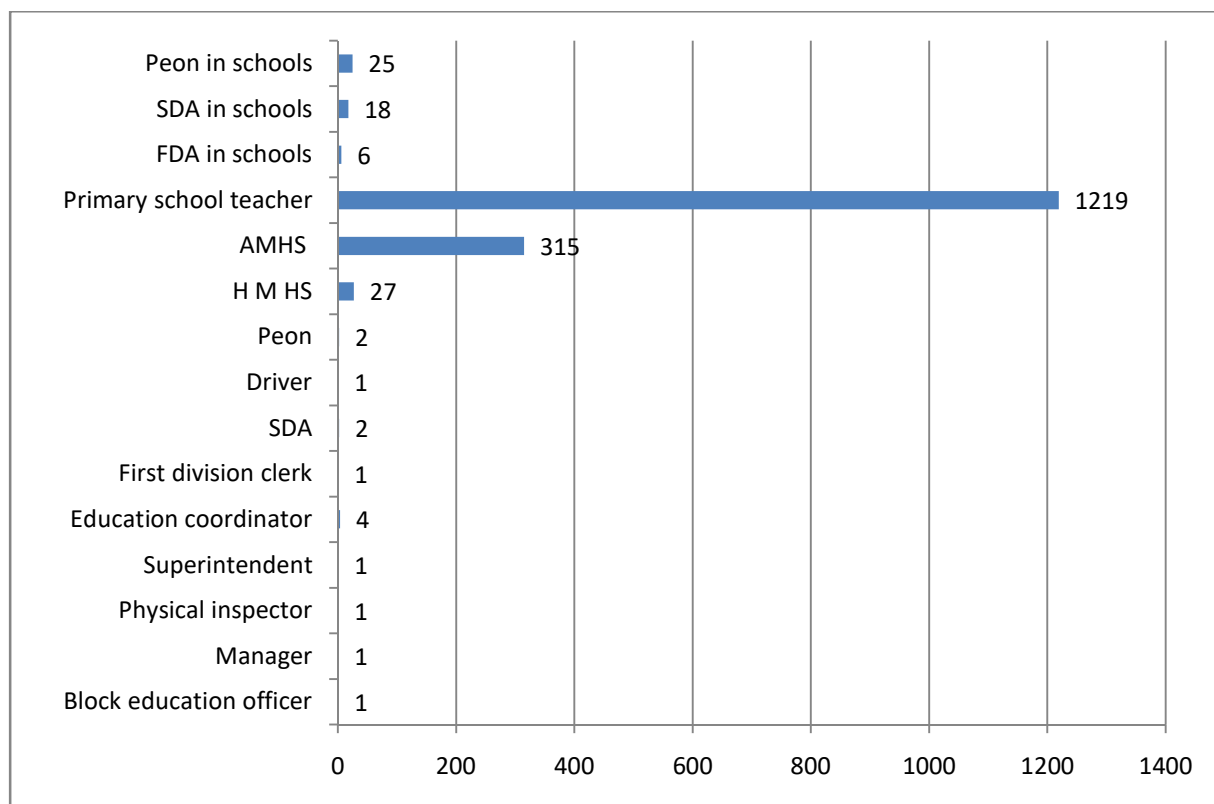
Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.22: The Personnel with Horticulture transferred to TPs



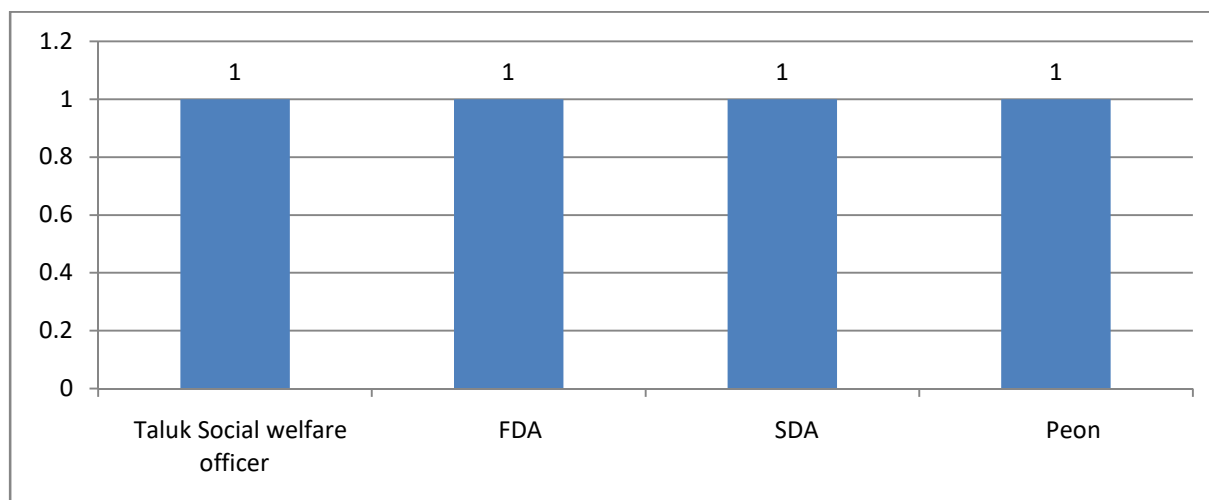
Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.23: The Personnel with Education transferred to TPs



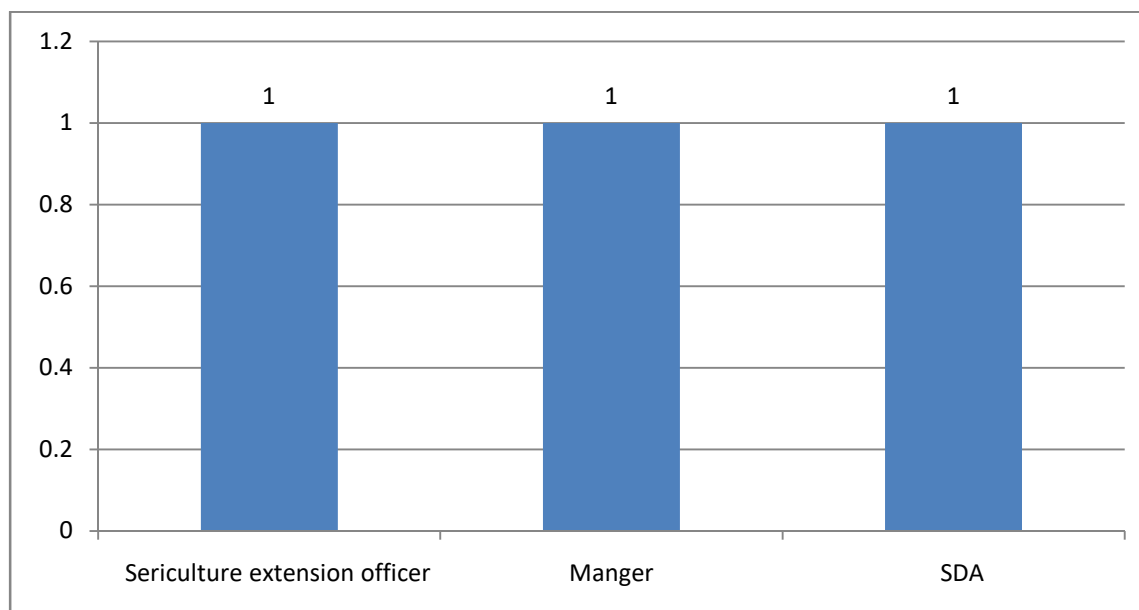
Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.24: The Personnel with Social Welfare transferred to TPs



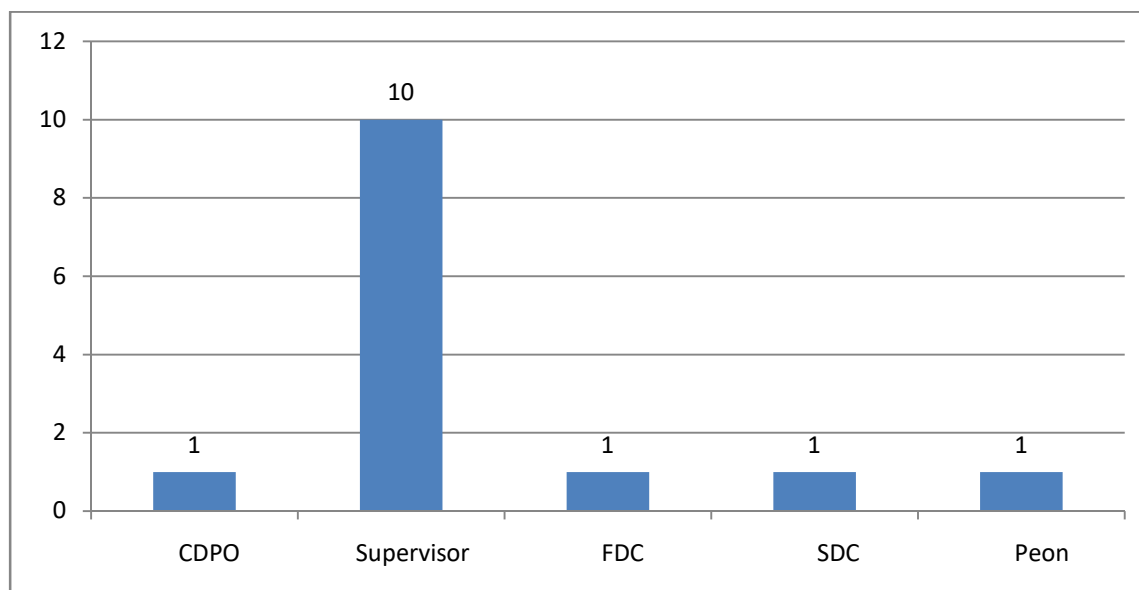
Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.25: The Personnel with Sericulture transferred to TPs



Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

Diagram No. 6.26: The Personnel with Women & Child transferred to TPs



Source: Information from Taluk Panchayats of Bidar, Bentwal, Puthur & Bhalki

The detailed list of departmental functionaries transferred to various tiers of Panchayats (from Sample Panchayats) are given as Annexure -8.

The details of own staff and the departmental functionaries transferred for the sample Panchayats are given in Annexure 7 and 8.

Remarks

In Karnataka as part of administrative devolution, adequate personnel are deployed in the Panchayats. But, however the devolution of functionaries is only partial and is limited to only 16 subjects in Zilla Panchayats and 10 subjects in Taluk Panchayats. It should be noted that no departmental functionaries had been transferred to the Gram Panchayats. The Gram Panchayats have the power to appoint temporary staff on *ad hoc* basis. Except Panchayat Development Officer (PDO) and Secretary, all the other staff are being appointed by Panchayat and paid from the Gram Panchayat fund. The sanction of PDOs post to the GPs need special attention. It is noticed that the basic qualifications, recruitment, training and posting of the PDOs is a significant factor which make possible the Panchayats not only to keep a high esteem but administrative efficiency. As per order, the personnel of various line departments at taluk and district level are brought under the

purview of the respective TP and ZP. In a way, the large contingency of personnel serving in PRIs in general and Zilla Panchayats in particular may be considered as a reflection of the administrative devolution in Karnataka. However, one is equally concerned as to whether the Panchayats are in a position to control the staff assigned to them and take disciplinary action against the erring official. Due to the existence of dual control of bureaucracy one cannot assume that the staff is under the direct control of Panchayats. The staff are recruited and controlled by the State Government even though they are expected to function under the Panchayat. Another factor is that the major size of the personnel serving the Panchayats is on deputation from various line departments. These personnel in general owe allegiance to the heads of their parent departments rather than to the Panchayats. In this situation, the potential possibility of creating uneasy relationship between officials and elected representatives may not be ignored. However, no such area of apprehension is observed during the field work in any of the selected Panchayats. The possible explanation of the absence of trepidation among the functionaries are many. The major one may be the politics of local legacy which could very well establish and exchange into power symbols and body language. At reasonable level it could positively translate among the public sphere and local official community that local bureaucracy should work under the supervision and control of an elected body. The legacy of mutual respect among the officials and elected representatives with the political legitimacy and supremacy of the elected representatives is visible while observing the official non official relationship in the selected Panchayats in the State.

CHAPTER 7:

PANCHAYAT ADMINISTRATION

In a broader perspective, Panchayat administration is the synthesis of three components such as functions, functionaries and finance and each one has its own of functional autonomy and separate criteria for assessing the performance. As it is known, any development in one component may have its own impact on other components and finally it makes the Panchayat administration. Moreover, since Panchayat administration involves engagements of sub systems, both externalities and internalities do play major role in shaping the Panchayat Administration. However, in this chapter a specific attention is made to document the different aspects of the Panchayat administration. The working of the Panchayat Standing Committees at different levels is taken in to consideration and its relations with the respective Panchayat Committee is also looked into. The issues of parallel committees, the role of private service providers, and the new tools engaged in the Panchayat for service delivery are also covered under the present chapter.

Standing Committees of Grama Panchayat

As per the Section 61 of the Act every Grama Panchayat in the State is to constitute the following three Standing Committees by election:-

1. *Production Committee* for performing functions relating to agricultural production, animal husbandry and rural industries and poverty alleviation programmes;
2. *Social Justice Committee* for performing functions relating to,- a) promotion of educational, economic, social, cultural and other interest of the Scheduled Castes and Scheduled Tribes and Backward Classes; Protection of such castes and classes

from social injustice and any form of exploitation; Welfare of Woman and Children;

3. *Amenities Committee* to perform functions in respect of education, public health, public works and other functions of the Grama Panchayat.

Election of members of standing committee is held after the general election of members of Grama Panchayat or on its reconstitution or establishment under the Act or immediately before the expiry of term of office of the members of the Standing Committee. The term of office of every member of the Standing Committee save as otherwise provided in the Act be thirty months from the date of the election or till s/he ceases to be a member of the Grama Panchayat, whichever is earlier. Each Committee consists of not less than three and not more than five members including the *Adhyaksha* and *Upadhyaksha* as the case may be. The *Adhyaksha* is the ex-officio member and Chairman of Production Committee and Amenities Committee. The *Upadhyaksha* be the ex-officio member and Chairman of the Social Justice Committee:

Provided that the Social Justice Committee shall consist of at least one member who is a woman and one member belonging to the Scheduled Castes or Scheduled Tribes. The Amenities committee shall elect the Chairman from among the members. Each Committee, as Act specifies should be competent to co-opt in such manner as may be prescribed, members of farmers clubs, *mahila mandals*, *yuvak mandals* and other similar bodies recognized by the Government. A representative of co-operative societies in the Panchayat area shall be co-opted to the Production Committee. The rights and liabilities of the co-opted members shall be such as may be prescribed. The Standing Committees are intended to perform the functions referred to above to the extent the powers are other committees

A Grama Panchayat may appoint one or more committees consisting of such members as it may decide for any purpose other than those specified in Section 61 and may invest the committee so appointed with such powers and functions as may be necessary or expedient for the fulfillment of the purpose for which it is appointed

Standing Committees of Taluk Panchayat

As in the case of Grama Panchayat, the Taluk Panchayat also have three standing committees (Section 147), but the standing committees are on different nature and nomenclature. They are; (i) General Standing Committee, (ii) Finance, Audit and Planning Committee, and (iii) Social Justice Committee. Election of members of Standing Committee is held after the general election of members of Taluk Panchayat or on its reconstitution or establishment under the Act or immediately before the expiry of term of office of the members of the Standing Committee. The term of office of every member of the Standing Committee save as otherwise provided in the Act be twenty months from the date of the election or till s/he ceases to be a member of the Taluk Panchayat, whichever is earlier. Each Committee consists of not exceeding six members including the Chairman. The *Adhyaksha* is the ex-officio member and Chairman of the Finance, Audit and Planning Committee whereas the *Upadhyaksha* be the ex-officio member and Chairman of the General Standing Committee. The Social Justice Committee shall elect the Chairman from among the members and the Committee shall consist of at least one member who is a woman and one member belonging to the Scheduled Castes or Scheduled Tribes. One member shall be eligible only to serve one standing committee. The Executive Officer (EO) has to work as the ex-officio secretary of every Standing Committee. The Act has clearly mentioned well defined functions of the each standing committees and the Taluk Panchayat is also empowered to delegate powers to the standing committee as per the specific requirement.

Standing Committees of Zilla Panchayat

Sections 186, 187 and 188 of the Act deal with the five standing committees of the Zilla Panchayats. They are; (i) General Standing Committee, (ii) Finance, Audit and Planning Committee (iii) Social Justice Committee (iv) Educational and Health Committee, and (v) Agriculture and Industries committee. Election of members of standing committee is

held after the general election of members of Zilla Panchayat or on its reconstitution or establishment under the Act or immediately before the expiry of term of office of the members of the Standing Committee. The term of office of every member of the Standing Committee save as otherwise provided in the Act be twenty months from the date of the election or till he ceases to be a member of the Zilla Panchayat, whichever is earlier. Each Committee consists of not exceeding seven members including the Chairman. The *Adhyaksha* is the ex-officio member and Chairman of the Finance, Audit and Planning Committee. Committee whereas the *Upadhyaksha* be the ex-officio member and Chairman of the General Standing Committee. The other committees shall elect the Chairman from among the members. The Social Justice Committee shall consist of at least one member who is a woman and one member belonging to the Scheduled Castes or Scheduled Tribes. One member shall be eligible only to serve one standing committee. The Chief Executive Officer (CEO) has to work as the ex-officio secretary of General Standing Committee and nominate one of the Deputy Secretaries as ex-officio secretary for each of the remaining Standing Committees. The Act has clearly mentioned well defined functions of the each standing committees and the Zilla Panchayat is also empowered to delegate powers to the standing committee as per the specific requirement. The Act has clearly mentioned well defined functions of the each Standing Committees and the Zilla Panchayat is also empowered to delegate powers to the standing committee as per the specific requirement.

Table No.7.1: Constitution of the Standing Committees

| PRI's | NAME OF THE STANDING COMMITTEES | CHAIRPERSON OF THE STANDING COMMITTEE | SIZE OF THE COMMITTEE | MEMBERSHIP PATTERN OF THE COMMITTEE |
|-------|---------------------------------|---------------------------------------|---|---|
| GP | (1) Production Committee | <i>Adhyaksha</i> | Not less than 3 and not more than 5 including Chairperson | <i>Adhyaksha</i> is ex-officio Member and Chairperson. Members are elected among the GP |
| | (2) Social Justice Committee | <i>Upadhyaksha</i> | Not less than 3 and not more than 5 including Chairperson | <i>Upadhyaksha</i> is ex-officio Member and Chairperson. Members are elected among the |

| | | | | |
|----|---|---------------------------|---|--|
| | | | | GP. At least one woman and one S C / ST member. |
| | (3) Amenities Committee | <i>Adhyaksha</i> | Not less than 3 and not more than 5 including Chairperson | <i>Adhyaksha</i> is ex-officio Member and Chairperson. Members are elected among the GP. |
| TP | (1) General Standing Committee | <i>Upadhyaksha</i> | Not exceeding 6 including Chairperson | <i>Upadhyaksha</i> is ex-officio Member and Chairperson. Members are elected among the TP. |
| | (2) Finance Audit and Planning Committee | <i>Adhyaksha</i> | Not exceeding 6 including Chairperson | <i>Adhyaksha</i> is ex-officio Member and Chairperson. Members are elected among the GP. |
| | (3) Social Justice Committee | Elected among the Members | Not exceeding 6 including Chairperson | Chairman and Members are elected among the TP .At least one woman and one S C / ST member. |
| ZP | (1) General Standing Committee | <i>Upadhyaksha</i> | Not exceeding 7 including Chairperson | <i>Upadhyaksha</i> is ex-officio Member and Chairperson. Members are elected among the ZP |
| | (2) Finance ,Audit and Planning Committee | <i>Adhyaksha</i> | Not exceeding 7 including Chairperson | <i>Adhyaksha</i> is ex-officio member and chairperson. Members are elected among the ZP |
| | (3). Social Justice Committee | Elected among the Members | Not exceeding 7 including Chairperson | Chairman and Members are elected among the TP .At least one woman and one S C / ST member |
| | (4). Education and Health Committee | Elected among the Members | Not exceeding 7 including Chairperson | Chairman and Members are elected among the ZP |
| | (5) Agricultural and Industries Committee | Elected among the Members | Not exceeding 7 including Chairperson | Chairman and Members are elected among the ZP |

Source: Compiled from the Karnataka Panchayati Raj Act, 1993

The details of standing committees in the selected Panchayats are listed in Annexure 10.

Role and Functioning of Parallel Committees/Bodies.

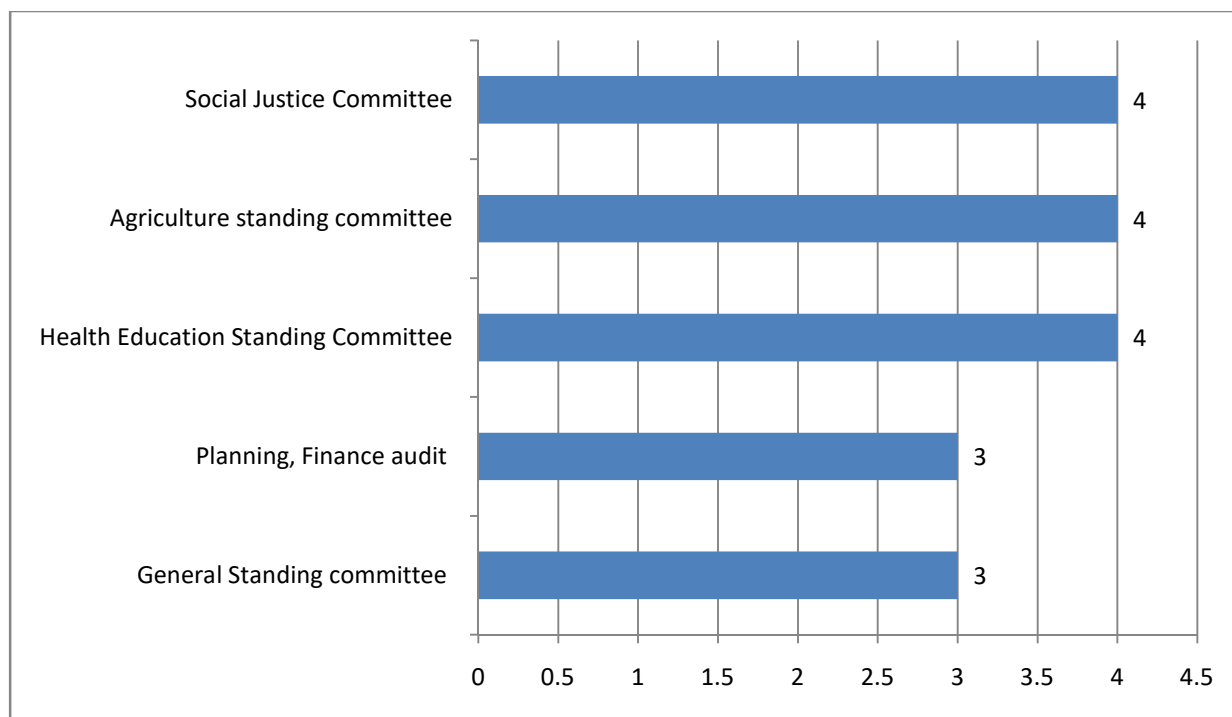
The issue of parallel bodies /committees is not a major one at the district level in the State of Karnataka. It may be appreciated that Karnataka is the first State in the country where DRDA were merged with Zilla Panchayat way back in 1987, even before the 73rd amendment. In both the BRGF and non BRGF districts, at the Taluk Panchayat level no parallel bodies could be traced out. These committees / bodies are available at the Grama Panchayat level in both the selected districts in general. However ,a comparison between the profile of these bodies gives an impression that the visibility in terms of composition and functions are evident in GPs from the DK district .They are : (i) *Jala Samvardhana Yojana Sanghas*, (ii)Village Forest Committee, (iii)School Development and Monitoring Committees (SDMC) (iv)Watershed users' , (v) Water and Sanitation Committee (WSC), and (v) Associations and Watershed Development Committees . All these committees / bodies have functional relationships with GPs either being given the chairperson post to the *Adhyaksha* or given membership to a few members/ward member of the GP. Recently, there is an attempt to bring the SDMC under the jurisdiction of the GP. However, evidences from the field apparently suggest that these committees /bodies are still parallel bodies. While making interface between Gram Panchayats and the parallel committees at the grassroots level, two major issues are noticed. First, in many cases it is seen that the resource base of these committees are much comfortable than the GPs and therefore attracts more clients takes away efficacy and functions that ought to come under GPs. Second issue is a corollary of the first one. Since they are in real sense membership based organizations they have their own clientele at the GP level and some rudiments of clientele politics are visible which in many cases disempowering the Grama Panchayats.

The details of parallel committees in the selected Panchayats are listed in Annexure 11.

Ground Realities

The Standing Committees are seen quite active in the two selected Zilla Panchayats, from the BRGF and Non BRGF Districts, as evidences suggest. The diagram no.7.1 shows the average number of meetings held by various standing committees in the selected two Zilla Panchayats in the year 2012-2013.

Digram No.7.1: Standing Committee Meetings (Zilla Panchayats)

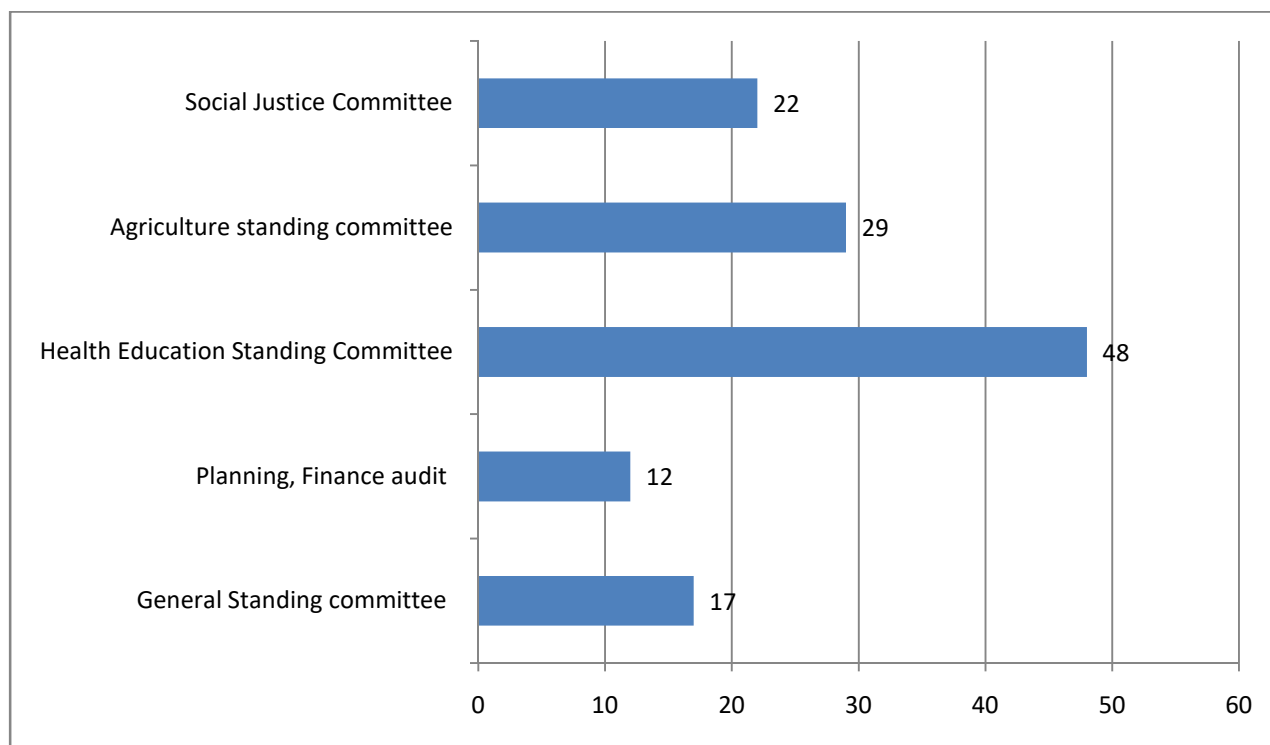


Source: Computed Data from the Zilla Panchayats from Bidar & Dikshina Kannada

The social justice committee, agriculture standing committee and the health and education committee has held the maximum number of meetings (4 each) in a year whereas the other two Standing Committees (Finance Audit and Planning Committee & General Standing Committee)) held three times each

The average number of resolutions passed / activities undertaken by the Standing Committees of the Zilla Panchayats in year 2012-2013 is given in diagram no.7.2

Diagram No. 7.2: Resolutions Passed / Activities Undertaken (Zilla Panchayats)



Source: Computed from the Table Nos. 7.27 & 7.3

The total number of resolutions passed/activities undertaken is high in the Educational and Health Standing Committee, followed by Agricultural & Industries Standing Committee and Social Justice Committee. This indicates that the Zilla Panchayats are more serious on health and agriculture related aspects.

However, there is wide variation among the functioning of the Standing Committees in the two districts. The Standing Committees of the Taluk Panchayats and Grama Panchayats are not functional in Bidar district whereas these committees are functional in Dakshina Kannada district. Take the case of both the Taluk Panchayats (Bhalki and Bider) from the Bidar district. It is reported that all the three Standing Committees had

been constituted but not functional except the Social Justice Committee. In both the Taluk Panchayats from Bidar district, evidences (attendance registers, minute's book and resolutions) are available to show the functional dynamism of the Social Justice Committee. The Chairperson and members of the Social Justice Committee are known among the functionaries in the respective Taluk Panchayats. On the other side, hardly anything is available in the case of other two Standing committees (General Standing Committee and Finance, Audit & Planning Committee) in the TPs; no one could furnish any valuable information to substantiate even some details on the existence of these committees. Here, the interesting question is why one standing committee is functional whereas the other two are not functional, but all are working in the same institutional frame work and spatial setting. It is explained that the Social Justice Committee has some degree of local relevance which necessitated its functioning .On the other side the TP members themselves are not very clear on the role of the other two standing committees. The discussions with the functionaries revealed that the TPs are not too strong and active to have more standing Committees.

It was reported from all the Grama Panchayats from Bhalki and Bidar Taluk Panchayats of Bidar district except one Gram Panchayat (Andoor GP) that the standing committees are not constituted and as a result there is no record on any of the standing committees in these Gram Panchayats .The case is different in Andoor GP where there are evidences for the manifestation of functioning of the two committees (Production committee and social justice committee) and it can be correlated with the pro active role of the PDO.

The functional profile of the Standing Committees is endowed with the TPs and GPs of the district of Dakshina Kannada. All the three standing committees are functional in two of the selected Taluk Panchayats (Puthur and Bandwal) and four Gram Panchayats . As per the provisions of the Section (61-A) Grama Panchayat can form 'other committees' for specific purpose and this is another interesting case which needs separate attention. It is seen that 'other committees' such as housing committee, food committee, child welfare committee and literacy committee are constituted in the Grama Panchayats from

Dakshina Kannada district. The overall observation on the working of the Standing Committees in the all selected Panchayats of the three tiers clearly shows that the institution has not yet structurally formulized and operationally functionalized. The way in which the Standing Committees are manifested in the Karnataka Panchayat Raj Act in terms of its volume, content and the linkage with the general administration has not yet fully materialized. But it is not a non starter area, trend setting is already in process and silver linings are visible in some Panchayats. What we have noticed from the selected Taluks and Gram Panchayats of Dakshina Kannada district may percolate in to the Panchayats of other district also. The similar way it may be transmitted horizontally to the Gram Panchayats from the Zilla Panchayats .

Role and Functioning of Parallel Committees/Bodies.

The issue of parallel bodies /committees is not a major one at the district level in the state of Karnataka. It may be appreciated that Karnataka is the first state in the country where DRDAs were merged with Zilla Panchayat way back in 1987, even before the 73rd amendment as it is mentioned elsewhere. It is reported that there are total 93 committees at the district level and Deputy Commissioner (DC) was the ex –officio Chairperson of all these committees. As per the Government Order dated 17, February, 2012 Additional Commissioner (ADC) has been put in 24 committees whereas the Chief Executive Officer (CEO) in 33 committees. `A careful reading of the list and the working details of the majority of the committees which the DC and ADC put as Chairpersons reveals that these committees are not parallel to Zilla Panchayats and the functions of the committees ought not to come directly under the operational domain of ZPs . However, no doubt, putting the CEO as the Chairperson of the committees may empower the status and political legitimacy of the ZPs. In both the BRGF and non BRGF districts, at the Taluk Panchayat level no parallel bodies could be traced out. These committees / bodies are available at the Grama Panchayat level in both the selected districts in general. However, a comparison between the profiles of these bodies gives an impression that the visibility in terms of composition and functions are evident in GPs from the DK district.

They are: (i) *Jala Samvardhana Yojana Sanghas*, (ii) Village Forest Committee, (iii) School Development and Monitoring Committees (SDMC) (iv) Watershed users' , (v) Water and Sanitation Committee (WSC), and (v) Associations and Watershed Development Committees . All these committees / bodies have functional relationships with GPs either being given the chairperson post to the *Adhyaksha* or given membership to a few members/ward member of the GP. Recently, there is an attempt to bring the School Development and Management committee (SDMC) under the jurisdiction of the GP. However, evidences from the field apparently suggest that these committees /bodies are still parallel bodies. While making interface between Grama Panchayats and the parallel committees at the grassroots level, two major issues are noticed. First, in many cases it is seen that the resource base of these committees are much comfortable than the Gram Panchayats and therefore attracts more clients which in turn takes away the efficacy and functions that ought to come under GPs. Second issue is a corollary of the first one. Since they are in real sense membership based organizations they have their own clientele at the GP level and some rudiments of clientele politics are visible which in many cases disempowering the Grama Panchayats.

CHAPTER 8:

GRAM SABHAS

Gram Sabha is the grass root level direct democratic institution for deliberative democracy in each village. A vibrant Gram Sabha is essential for the effective functioning of Gram Panchayat by promoting transparency and accountability in administration, enhancing public participation in the planning and implementation of schemes and paving the way for social justice. In other words, Gram Sabha is the motive force for inclusive growth and governance at the local level. In this chapter an effort is made to introduce the Gram Sabha provisions in Karnataka Panchayat Raj Act, 1993. The chapter also gives the functional relationship between Gram Sabha and Gram Panchayat .With the support of proceedings, minute's book and attendance register of the meetings of the Gram Sabha from the eight selected Panchayats has been examined in detail. The role of the Gram Sabha in the preparation of action plans , identification of beneficiaries for rural development schemes , approval of budget and annual financial statements have been analyzed in the chapter . Finally, the chapter tries to document the perception of the local community towards the Gram Sabha.

Provisions in the Act for Gram Sabha

As per the provisions of the Karnataka Panchayat Raj Act, 1993 the Gram Sabha shall meet at least once in six months There is also provision for special Gram Sabha and it shall be convened if a request is made by not less than ten percent of the members of the Gram Sabha with items of agenda specified in such request and there shall be a minimum three months period between two special meetings of the Gram Sabha. The quorum for the meeting of a Gram Sabha shall be not less than one tenth of the total number of members of the Gram Sabha, or hundred members, whichever is less. As far as may be, at least ten members from each Ward Sabha within the Panchayat area shall attend the meeting. There are two specific requirements for ensuring the participation of

marginalized communities in the Gram Sabha. They are; (i) not less than thirty percent of the members attending the Gram Sabha shall be women and; (ii) the persons belonging to the Scheduled Caste and Scheduled Tribes shall be represented in proportion to their population in the Gram Sabha.

Every meeting of a Gram Sabha will be presided over by the *Adhyaksha* of the concerned Grama Panchayat and in his absence by the *Upadhyaksha* and in the absence of both *Adhyaksha* and *Upadhyaksha*, by any member of the Grama Panchayat nominated by it. The officers of the Grama Panchayat shall attend the meetings of the Gram Sabha as may be required by the *Adhyaksha* and an officer specifically nominated by the Grama Panchayat as convener of the Gram Sabha meeting shall assist in convening and conducting its meetings and recording its decisions in a minute book and also in taking follow up action thereon. The Gram Sabha may constitute sub-committees consisting of not less than ten members of whom not less than half shall be women, for in-depth discussion on issues and programmes for effective implementation of decisions of the Gram Sabha and in furtherance of exercise of powers and discharge of functions of Gram Sabha. All resolutions in respect of any issue in the meetings of the Gram Sabha shall be passed by the majority of the members present and voting.

The Gram Sabha, shall exercise powers and discharge functions as it is mentioned in the Act, and namely:- (a) to consider and approve the annual plan prepared by the Grama Panchayat; (b) to generate proposals and determine the priority of all schemes and development programmes to be implemented in the Panchayat area by the Zilla Panchayat or Taluk Panchayat after considering the recommendations and suggestions of the Ward Sabhas through the Grama Panchayat; (c) to identify and select the most eligible persons from the Panchayat area for beneficiary oriented schemes on the basis of criteria fixed by the Grama Panchayat, Taluk Panchayat, Zilla Panchayat or the Government and to prepare list of beneficiaries in the order of priority after considering the priority lists of individual beneficiaries sent by the Ward Sabhas. Such list shall be binding on the concerned Grama Panchayat, Taluk Panchayat, Zilla Panchayat or the

Government, as the case may be; (d) to disseminate information on development and welfare programmes and to render assistance in effective implementation of development schemes by providing facilities locally available and to provide feedback on the performance of the same; (e) to render assistance to the Grama Panchayat in collection and compilation of details required, formulation of development plans, collection of essential socio-economic data and canvassing participation in health, literacy and similar development campaigns; (f) to get information from the officers of the Grama Panchayat as to the services they will render and the works they propose to do in the succeeding period of six months after the meeting of the Gram Sabha; (g) to get information from the Grama Panchayat on the rationale of every decision of the Grama Panchayat concerning the Panchayat area; (h) to get information from the Grama Panchayat on the follow up action taken on the decisions of the Gram Sabha; (i) to provide and mobilize voluntary labour and contributions in cash and kind for development works and to supervise such development works through volunteer teams; (j) to resort to persuasion of Gram Sabha members to pay taxes and repay loans to the Grama Panchayat; (k) to decide, after considering the suggestions of the Ward Sabhas the location of street lights, street or community water taps, public wells, public sanitation units, irrigation facilities and such other public amenity schemes and to identify the deficiencies in them and after considering the suggestions of the Ward Sabhas to suggest the remedial measures and to report the satisfactory completion of the works; (l) to impart awareness on matters of public interest such as cleanliness, preservation of environment and prevention of pollution; (m) to assist employees of the Grama Panchayat in sanitation arrangements in the Panchayat area and to render voluntary service in the removal of garbage; (n) to promote the programme of adult education within the Panchayat area; (o) to assist the activities of school betterment sanghas, Anganawadi, Mahilasamaja, youth associations, self help groups, women activities in the Panchayat area; (p) to assist the activities of public health centres in the Panchayat area, especially in disease prevention and family welfare population control and control of cattle diseases and create arrangement to quickly report the incidence of epidemics and natural calamities; (q) to promote

communal harmony and unity among various groups of people in the Panchayat area and to arrange cultural festivals, literary activities and sports meets to give expression to the talents of the people of the locality; and (r) to conserve and maintain public properties such as gomala, tanks, tank beds, ground water, grazing grounds of the cattle, mines etc., within the limits of the Gram Panchayats; (s) to take action to prevent discrimination on the basis of caste, religion and sex etc., and to direct the Gram Panchayats to not to grant license to shops vending liquor or narcotic drugs or place of gambling or any other activities prejudicial to public interest; (t) to identify the child labourers if any, present within the limits of the Grama Panchayats and to take action to rehabilitate them and to assist in implementation of the legal action specified by the Central and State Governments; (u) to exercise such other powers or discharge such other functions as may be prescribed.

The Act also makes certain provisions to ensure citizen participation in local governance and therefore certain specific responsibilities in the preparation of planning and budget and the conduct of social are vested with the Gram sabha. According to the Act the Gram Sabha shall discuss the budgetary provisions, the details of plan outlay and the subject wise allocation of funds and also the details of the estimate and cost of materials of the works executed or proposed to be executed in the Panchayat area. The annual statement of accounts of the proceedings financial year, the last audit note and replies thereto and the Panchayat *Jamabandi* report and action taken thereto shall be placed by the Grama Panchayat for the consideration of the Grama Sabha in its meeting. The views, recommendations or suggestions of the Gram Sabha shall be communicated to the Grama Panchayat. The Grama Panchayat shall give due consideration to the views, recommendations and suggestions of the Gram Sabha. (6) The procedure for convening and conducting the meeting of the Gram Sabha shall be such as may be prescribed.

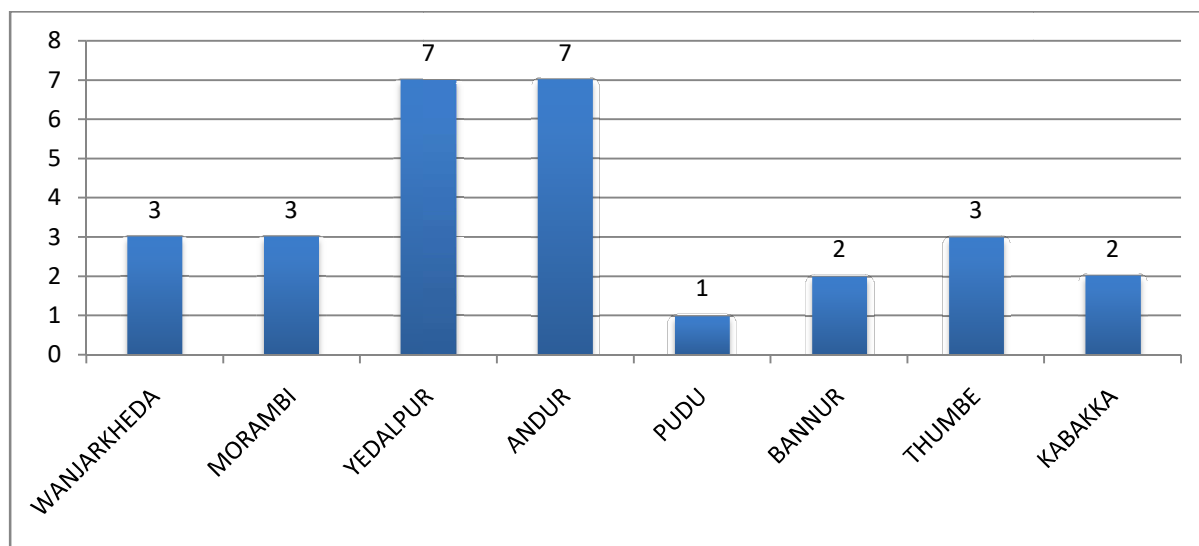
Ground Reality: Frequency and Regularity of Gram Sabhas

It is noted from the field visits that a majority of the Gram Panchayats holds regular meetings of Gram Sabha for planning, budget preparation, social audit, preparation of BPL list and beneficiary lists. The case of all the eight selected Gram Panchayats of Bidar and Dakshina Kannada districts are such examples. And out of one Andur Gram Panchayat has been recommended by the State Govt for the *Rashtriya Gaurav Gram Sabha Award* from the Ministry of Panchayat Raj (MoPR) Govt of India.

An analysis of the prevalent scene in the selected eight Gram Panchayats of Bidar District and Dakshin Kannada District is presented here. The four Gram Panchayats from Dakshina Kannada are Pudur, Bannur, Thumbe and Kabakka. The Gram Panchayats from Bidar selected for the study are Wanjarkheda, Morambi, Yedapur and Andoor.

The Diagram No.8.1 gives an idea of the number of Gram Sabha meetings held in the eight selected Gram Panchayats.

Diagram No8.1 . Number of Gram Sabha Meetings (2012-2013)

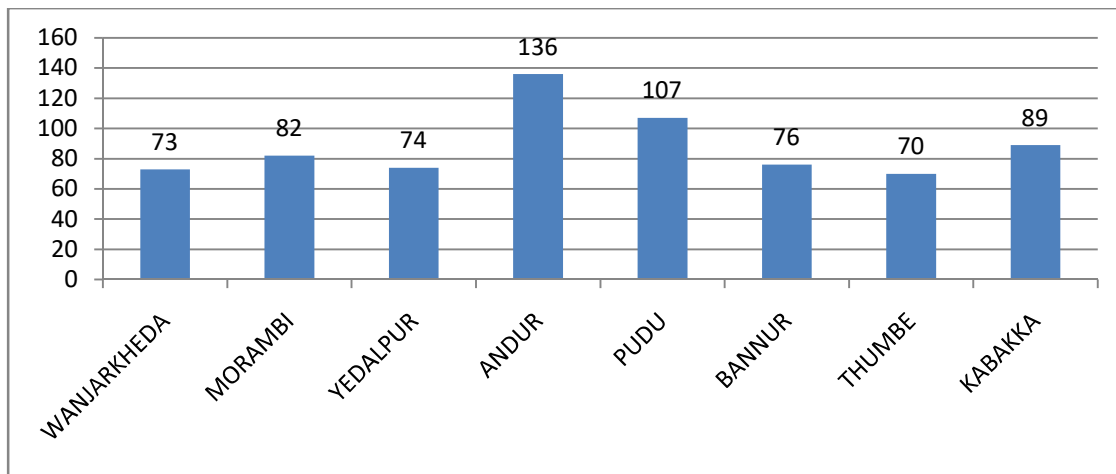


Source:Records from the Gram Panchayats of Wangarakada, Morambi, Yedapur, Andur, Pudu, Bannur, Thumpe & Kabakka

The diagram reveals that the number of Gram Sabha meetings held in the year 2013 is much lower in the Gram Panchayats of Dakshina Kannada than Bidar District. The number of meetings held during a year is higher in Yedalpur and Andoorr Gram Panchayats of Bidar District. There was only one Gram Sabha meeting held in Pudu Gram Panchayat of Dakshin Kannada District. The implementation of the BRGF may be one of the reasons for the better performance of the Gram Sabha in the Panchayats from Bidar district. This also evident from the fact that more Gram Sabha meetings were held on issues related to BRGF and which is not being implemented in Dakshina Kannada district. The concerned functionaries of the Gram Panchayats from the Dakshina Kannada district revealed that since they all had given more attention to Ward Sabha, and Mahila Sabha the relevance of the Gram Sabha had declined to a large extent. Being new institutions people had more enthusiasm to attend Ward Sabha and Mahila Sabha, as reported by the *Adhyakshas* and PDOs from the four selected Gram Panchayats from Dakshina Kannada.

The Diagram No.8.2 gives an indication of the people participation in the eight selected Gram Panchayats. The diagram is worked out based on the average the average attendance for each Panchayat.

The Diagram No. 8.2: The average number of participation (2012-2013)



Source: Records from the Gram Panchayats of Wangarakada, Morambi, Yedalapur, Andur, Pudu, Bannur, Thumpe & Kabakka

The attendance in Gram Sabha meetings is much higher in Andoor Gram Panchayat of Bidar District. Even though there was only one Gram Sabha meeting held in Pudu, the number of participants were as high as 107. The diagram No8.2 tells that the average number of participants in the Gram Sabhas of all the selected Gram Panchayats is more than 88. The average disaggregated data on the participation in the Gram Sabha meetings also had better performance in the Panchayats from Bidar district. The average number of Gram Sabha participation from the Panchayats in the Dakshina Kannada is 86 whereas it was more than 91 in Bidar district. When the two indicators, (i). number of Gram Sabha meetings and (ii). the number of participation in the meetings of Gram Sabha, are taken into consideration one can assert that BRGF has been a motivating factor to strengthen Gram Sabha in the Bidar district.

Table No.8.1: Indicates the Major Topics covered in the Gram Sabha meetings in each Panchayat.

| Gram Panchayats | Topics Covered |
|------------------------|---|
| Wanjarkheda | Housing, Financial Plan, BRGF, Planning, Social Audit |
| Morambi | Social Audit, Beneficiary Selection, Planning, BRGF |
| Yedalpur | MGNREGA and SGSY beneficiary selection, social audit BRGF |
| Andoor | Approval of financial expenditure for the year 2011-2012, MGNREGA, 12 th Five year plan, NBA, Convergence, Social Audit, Nutrition status of people BRGF |
| Pudu | Beneficiary selection, approval of action plan, drinking water provision, Social Audit |
| Bannur | MGNREGA beneficiary selection, Planning, Nutrition Status |
| Thumbe | NREGA Action Plan and beneficiary selection, nutrition status |
| Kabakka | MGNREGA beneficiary selection, Planning, work discussion |

Source: Records from the Gram Panchayats of Wangarakada, Morambi, Yedalapur, Andur, Pudu, Bannur, Thumpe & Kabakka

It could be noted that the major activities conducted in the Gram Sabhas are MGNREGA, BRGF, beneficiary selection, Planning and social audit. Some Gram Sabhas were also used to assess the nutrition status of the villagers and health provision. It is noticed that ‘Nutrition Gram Sabha’ was conducted in a few Gram Panchayats. Action plans were also reported to be presented and discussed in the Gram Sabhas. It was also reported that the decisions were taken on such matters. The Mahila Gram Sabhas are active in many selected Grama Panchayats in the two districts. Discussions are held in such Gram Sabhas regarding subjects like education and sanitation. The Gram Panchayats have financial assistance in conducting Gram Sabhas. An amount ranging from Rs.4000 – Rs.6000 is utilized for conducting Gram Sabha and in many cases the amount is from the ‘Own Revenue ’of the Panchayat. It is also clear from the field level statistics and reporting that only 50 per cent of the Gram Panchayats are able to conduct Gram Sabhas with their own revenue. Some of them urgently need financial assistance for arranging Gram Sabha .

Table No. 8.2: Indicate the Role of Gram Sabhas

| Indicators | | Presence (Yes/No) |
|------------------------------------|--------|---|
| a) Planning | | Yes |
| b) Budget Preparation | | No |
| c) Decentralised Planning | | Yes |
| d) Preparation of UC | | No |
| e) Passing of Accounts | | No |
| f) Social Audit | | Yes |
| g) Preparation of BPL List | | Yes |
| h) Selection of work under MGNREGA | | Yes |
| i) Selection of work under BRGF | | Yes (four Panchayats from Bidar, BRGF District) |
| j) Preparation of Beneficiary list | of IAY | Yes |
| | AAY | Yes |

Source:Records from the Gram Panchayats of Wangarakada, Morambi, Yedalapur, Andur, Pudu, Bannur, Thumpe & Kabakka

The data from Andur Gram Panchayat is given in table no 8.3 which shows the actual position, frequency and role of Gram Sabhas. It is noticed that BRGF was one of the items in all Gram Sabha meetings in Andur Gram Panchayat (Ref .Table No. 8.3).

Table No.8.3: Frequency and role of Gram Sabhas from a Sample Panchayat

| Grama SabhaS meetings taken place in the year 2012-2013: | | | | | |
|---|---------------------------|--|---|---|--|
| Date of meeting in 2012-13 | No.of participants | Officials who attend GS (designation) | Topics of discussion | Decision taken | Action taken |
| 23/08/12 | 135 | DS –ZP | Approval of financial expenditure for the year 2011-2012, planning, BRGF. | Review of the schemes& decision for speedy implementation. | Approval for implementation of the remaining part. |
| 27/09/12 | 110 | PDO, MGNREGA staff from TP. | MGNREGA Gram Sabha, BRGF | Review of the Scheme & approval of the schemes | Implementation road map. |
| 06/06/12 | 136 | BRGF Coordinator | 12 th Five Year Plan, BRGF | Suggestions and proposals for BRGF | Finalised action plan of BRGF |
| 12/10/12 | 119 | Horticulture officer | Social audit Gram Sabha, BRGF | Approved social audit | Finalisation of BRGF supplementary list |
| 15 /12/12 | 135 | PDO ANM, Doctor | Nutrition status of the people It is known as Makkalu Sram Sabha, BRGF | Decide to take projects which provide high level of nutrition value | Convergence and implement |
| 16/12/12 | 118 | Social Audit Officer from TP | Social audit &Convergence, BRGF | Convergence 7social audit | Formed social audit committee |
| 23/12/12 | 205 | CEO ,ZP | NBA/BRGF | How to make convergence between and MGNREGA | Worked out implementation details |

Source: Records from the Gram Panchayat of Andur

Actual Activities of Gram Sabhas in sample Panchayats

The actual activities of Gram Sabhas observed from the selected eight Panchayats are listed as under:

1. Beneficiary selection and preparation of beneficiary list
2. Planning (identification of felt needs of individuals and locality)

3. Deciding upon projects in health and nutrition
4. Social Audit of MGNREGA
5. Convergence of schemes between MGNREGA and TSC/NBA
6. Approval of financial expenditure for the year 2011-2012
7. Selection of work under MGNREGA & BRGF and review.

Gram Sabha finalized annual action plan of the Gram Panchayat and it recommended various developmental activities to the other tiers of Panchayats for consideration. It was also given suggestions for the perspective plan for the Gram Panchayat. Gram Sabha discussed receipts and expenditures of the Gram Panchayat, every year before the preparation of the budget. The revenue receipts and expenditure of the year was placed before the Gram Sabha for the perusal and approval and thereby ensuring more accountability and transparency in the implementation of the programmes. As per official records, social audit is called *Jamabandhi* in Karnataka was conducted every year in the month of August – September, except in one case. In the *Jamabandhi*, the population of the Gram Panchayat took part in discussion, thereby giving more importance for the utilization of grants in right perspective particularly in the case of BRGF and MGNREGA. Socio- Economic survey list was published before the Gram Sabha for the consideration of the members of Ward Sabha and Gram Sabha. Selection of beneficiaries in all schemes was finalized in the Gram Sabha only. A special Gram Sabha related to Women issues was conducted in the month of August since two years.

Ward Sabha: As per the Karnataka Panchayati Raj Act, 1993(Section 3, Chapter II), every Gram Panchayat has to conduct Ward Sabha in every ward/ constituency. This section was incorporated to the original Act by No.37 of 2003. The quorum is fixed as one -tenth of the total number of members of the Ward Sabha or twenty members. In Ward Sabha, special mention for women and SC&ST participation was mentioned such as, not less than thirty percent of the members attending shall be women and; (ii) the persons belonging to the Scheduled Caste and Scheduled Tribes shall be represented in proportion to their population in the Ward Sabha . As in the case of Gram Sabha, the Act

gives elaborate functions and responsibilities for Ward Sabha and one may give the impression that it is a facsimile of what is elaborated earlier in the case of Gram Sabha. While discussing the issues related to Ward Sabha, the PDO of Yasdalpur GP (one of the selected Grama Panchayats under the study) from Bidar district has explained the difficulties of conducting Ward Sabha in the absence of a spatial unit called '*Ward*'. The PDO has elaborated the case of Yasdalpur Grama Panchayat. The GP is having four villages (Yadalapur, Ayashpur, Kuttabad and Jamistanapur) and there are total 14 elected members in the GP and they are representing not from the 14 wards but from the four villages. The Yadalapur is one village which represents five members and the other three villages (Ayashpur, Kuttabad and Jamistanapur) represent three members each. With in the village there is no separate electoral constituency or geographical division called ward for each member. All the voters in the village had to elect as many as members who represent the village. In other words, the village is a multimember constituency and all the members who represent the village have a collective responsibility. In such a situation the concept of ward is non-existent and if the ward is fancied then there are practical difficulties in conducting Ward Sabha and which needs collective responsibility, team spirit and social capital. The same is the case with the Ward Sabhas in other GPs and with the above mentioned obscurity, it is reported that all the eight selected GPs had conducted Ward Sabhas.

Makkala (Children's) Gram Sabha: Issued an order to make it mandatory for all Panchayats within the State to provide children a platform for putting their concerns in front of elected representatives at special children's Gram Sabhas. Children's Gram Sabha is scheduled in every year in the month of November. All the Gram Panchayats had reported that they could conduct Children's Gram Sabha . The details of Gram Sabhas in the sample Panchayats are listed as Annexure 9

The people perception about the role of Panchayats

The public perception about the role of Panchayats and Gram Sabha in Karnataka is quite encouraging. Increased awareness among the local people about the various development schemes available to them could be seen. The villagers are knowledgeable about the primacy of

Gram Sabha and its impact on the Panchayat. The public are informed that functions relating to agricultural production, animal husbandry and rural industries and poverty alleviation programmes are the duties of the Gram Panchayats. They also opined that promotion of welfare of the local people should be the prime responsibilities of the Panchayats. Functions in respect of education, public health, and public works are some of the important functions of the Gram Panchayat. Some of the major points listed out during the focus group discussions (FGDs) from the eight selected Panchayats are listed as under;

- Providing of sanitary latrines and community latrines
- Maintaining water supply works
- Revising and collecting taxes, rates and fees periodically
- Ensuring universal enrollment of children in primary school
- Achieving universal immunization of children.
- Ensuring prompt registration and reporting of birth and deaths
- Providing sanitation and proper drainage;
- Construction, repair and maintenance of public streets;
- Removing encroachments on public streets or public places;
- Providing adequate number of street lights
- Reclaiming unhealthy localities;
- Maintenance of all community assets
- Maintenance of records relating to population census, crop census, cattle census, census of unemployed persons and person below poverty line

The above field observation reveals that Gram Sabha is basic support structure of the Gram Panchayats. The Gram Sabha has ensured participation of the people in decision making at micro level, where the voters not only elect their representative but also participate in the conception, formulation, implementation of socio economic development schemes for the village development. Gram Sabha has become an operational entity in the selected Gram Panchayats, particularly in the Panchayats from the BRGF district. To provide dynamism to Gram Sabha and improve its vibrancy and efficacy, appropriate measure to build its capacity need to be adopted. There is need to spell out powers and functions defining its role as a planner, decision maker and auditor. Gram Panchayat can efficiently serve rural people only if the Gram Sabha could become a vibrant solution.

CHAPTER 9:

OVERALL ASSESSMENT OF PANCHAYATS

The Panchayat Raj Institutions are effective instruments of not only local development schemes but inclusive governance itself. The distinction between development and other administrative functions is progressively disappearing and the three tiers of Panchayats tend to be responsible for good governance at their level. Development and other administrative activities are slowly getting arranged under their supervision and control and linkages between the three tiers and the Government is quite visible. The Panchayat Raj Institutions function as local self-governments and not merely as bodies through which development schemes are channeled. During the field visits it was found that the structure of Panchayats is conducive enough to create incentives for accountability in the provision of rural local public services and development activities.

The efficacy and trust among the local community towards the Panchayat brings empowerment to the latter and social capital to the former. The social capital of the community in turn may increase the level of participation in governance and the local resource mobilization. The evidence from grassroots suggested that the strengthening of the Gram Sabhas had impacts on the accountability measures. The statistics and administrative reports from selected Grama Panchayats give an impression that they have become more vibrant institutions for participatory democracy. The relationship between Zilla Panchayat, Taluk Panchayat and all the Grama Panchayats within the spatial jurisdiction of the ZP has been improved.

Visible changes could be seen in the functioning of the Panchayats. Implementation of the schemes became time bound exercise without administrative delay. It is also reported that quality of the service had been improved and it is started appreciated by the people. It is noticed there is a good relationship between the elected representatives and the staff

in the Panchayats. The Dakshina Kannada Zilla Panchayat reports that they could effectively bring in a number of convergence models. They reveal that one of the nationalized banks offered a loan for an intervention project for the HIV affected people. The Panchayat are now giving more importance to carve out measures to attend to the second generation sanitation issues.

Accountability of the Panchayats

In Karnataka, the PRIs maintain a positive trend in their record maintenance and in majority cases it is very prompt. Even in Grama Panchayat level all the records and accounts are computerized. The accounts are maintained as per the direction from the State Government and the officials of the Panchayat got necessary training on record keeping. It is also noticed that there are pending audit paras in the selected Panchayats. Clearance of audit para is an agenda in many of the Panchayats. *“When we are not clearing the audit para how we can be a trend setter and model to others”*, stated the CEO, Zilla Panchayat, Dakshina Kannada. Regarding the RTI Act, a number of Panchayats have kept separate files for the provisions of RTI compliments and the evidence suggested that there is demand for information..

Under RTI Act, Panchayats provide information to the public and at each level there are designated information officers, the secretary is in charge of the Grama Panchayat, Manager is in charge of the Taluk Panchayat whereas the Deputy Secretary holds the post in Zilla Panchayat . The first appellate authority of the Gram Panchayat, Taluk Panchayat , Zilla Panchayat are the Panchayat Development Officer(PDO), Executive Officer(EO) and Chief Executive Officer(CEO) respectively . In all the cases the second appellate authority is the State Information Commissioner. The State has made policy package for the disclosure of information by the Panchayats to the public and they are the display boards and website. The provision of Citizen’s Charter is visible in all the levels in the Panchayats and the Charter have the list of services, procedure for obtaining the service, time required for proving the service and grievance redressal of citizens. The

intuition undertakes the complaints of Panchayats include Ombudsman, Lokayukta and Govt. agency.

- a. As per the Section 296 A of Karnataka Panchayat Raj Act 1993, the State Government shall appoint for each Zilla Panchayat , Taluk Panchayat , Gram Panchayat Ombudsman. The Panchayat Ombudsman is the competent authority to pass variety of grievances and complaints recorded against any elected members, officers and officials of the PRIs.
- b. The Panchayat are brought under the purview of RTI Act
- c. The services of PRIs comes under Karnataka SAKALA Services Act, 2011

The recent initiatives related to transparency and anti-corruption undertaken in 2012-2013 by the ZPs are:

- Karnataka Panchayath Raj (Conduct of Panchayat Jamabandhi) Rules,2011 and Sakala ,2012 The purpose of the rule is to keep Karnataka decentralization system most transparent, accountable and meaningful and Karnataka Social Audit Rules ,2011
- The Karnataka Guarantee of Service to Citizens Act ,2011 9L(A Bill No.37of 2011) As passed by the Karnataka Legislative Assembly

The Zilla Panchayat provides information to the public under the RTI Act. It is observed that all the Grama Panchayats (GP) have submitted the annual report to the Taluk Panchayats (TP) and all the Taluk Panchayat (TP) have submitted to the Zilla Panchayat (ZP) .

Appellate Authorities

The Zilla Panchayat -----First Appellate Authority (Deputy Secretary of ZP)

The Zilla Panchayat -----Second Appellate Authority(Chief Executive Officer of ZP)

The Taluk Panchayat ----- First Appellate The Taluk Panchayat (Manager of TP)

The Taluk Panchayat -----Second Appellate Authority(Executive Officer of TP)

The Gram Panchayat ---- First Appellate Authority (PDO of GP)

The Gram Panchayat ---- The Second Appellate Authority (Adhayaksha of GP)

Social Audit

Karnataka Panchayat Raj Rules 2004 has been enacted for conducting the Social Audit of all the developmental programmes of the GP level. Social Audit has been conducted for the MGNREGS at the GP level as per Mahatma Gandhi Rural Employment Guarantee Act, 2005. The Executive Officer of the Taluk Panchayat is entrusted with the responsibility for conducting the Panchayat *Jamabandhi* in between 16th August and 15th September of every year. S/He has to form the *Jamabandhi* Groups. The Group consists of one Taluk Level Officer as head and two officials for assistance for smooth conducting of the Panchayat *Jamabandhi*. One Taluk Level Social Auditor has been posted (on outsource basis) for conducting the MGNREGS Social Audit in the Gram Panchayats throughout the year and s/he will submit report to the Programme Officer and s/he will submit report to the Programme Officer and District Programme Officer. And also present the same before Gram Sabha. The social audit system of Karnataka State is governed by the KPR (conduct of Panchayat *Janabandhi*) Rules 2004 and Karnataka Social Audit Rules 2011. Panchayat *Jamabandhi* is a social audit exercise, being conducted annually in every GP, since 2005. “ Panchayat *Jamabandhi* conducting officer” assisted by two other officials is responsible for conducting the *Jamabandhi*. Karnataka Social Audit Rules 2011 are meant for MGNREGA. A social audit unit is constituted as an independent society under the Societies Registration Act, 1960.

Ground Reality

Only MGNREGA is being audited under the social audit procedure. The report is available at all the eight the Grama Panchayats and it is put under public domain, notice board of the Grama Panchayat. The consolidated report is available at the Zilla Panchayat level. During the field work, it was available in both the Zilla Panchayats . The coordinator of the MGNREGA of Zilla Panchayat and Taluk Panchayat has arranged the training programme for social audit. The *Adhayaksha*, PDO, Secretary and the data entry operator from the Grama Panchayat have attended the training.

At the Taluk Panchayat there is one Staff (Taluk Coordinator) who is exclusively in charge of Social Audit. The Taluk Coordinators were appointed in all the four selected Taluk Panchayats .The Taluk Coordinators are under the direct jurisdiction of District Coordinator, (Social Audit). As a new initiative, in the Taluk Panchayat, an agreement has been executed between the Executive Officer (EO) and local NGOs on to assist the process of social audit under MGNREGA with the involvement of NGOs. At the Grama Panchayat level, there are Village Resource Persons (VRP) to support the activities of social audit at the grass roots for MGNREGA. On 3 May, 2013 the Govt of Karnataka has issued additions in the rules related to Social Audit. The service of the local NGO was available in Bidar district whereas it was absent in Dakshina Kannada district.

The Chief Executive Officer (CEO) of Zilla Panchayat (ZP) is responsible for conducting the social audit under MGNREGA. Two Social audits conduct every year. There is a well defined structure at the district level. At the State level there is a Director, Social Audit. District Coordinator and Taluk Coordinator are responsible persons at Zilla Panchayat and Taluk Panchayat respectively for conducting the MGNREGA at the grass roots level. The services of Village Resource Persons (VRP) are available at all the selected eight Grama Panchayats. When the Social is conducted at the Gram Sabha , a Nodal Officer who is appointed by the CEO of the ZP presides the event . As a new initiative, in the Taluk Panchayat, an agreement has been executed between the Executive Officer (EO)

and local NGO on 29 April 2011 to support the social audit process under MGNREGA. As per the agreement, there is total five staff from the NGO (Assist Programme Officer, IEC CO-coordinator, Social Audit and Grievances Redressal Assist., MIS co-ordinator and Technical Co-ordinator) who supports the process of social audit in the Taluk. The responsibilities of the NGO are clearly stated in the agreement and it is as follows.

The objectives of the assignment is to assist, Taluka Panchayat and Gram Panchayats in capacity building overall process of implementation of NREGA which includes convergence of different programmers of developmental department at various levels, community mobilization and participation in conducting Ward and Gram Sabhas, creation of good environment for preparation of perspective developmental plan with PRA model (Participatory Rural Appraisal). The Taluka NGO shall assist the implementing agencies in discharging the duties and responsibilities within the Act. As a result, NGO activism has been grafted in the official structure of the Social Audit under MGNREG which is created in the both the districts.

At the taluk level it is reported that training is available to conduct social audit. The staff (Executive Officer of TP, Taluk Coordinator of Social Audit –MGNREGA, Data Entry Operator, and 5 persons from the NGO-) imparts training. The training is arranged at the Abdul Nazir Sab State Institute of Rural Development (ANSSIRD) MYSORE. At the Panchayat level the reports of social audits & the ATR put in and disseminated through Gram Sabha. The Adhayaksha, PDO and MGNREGA staff of the Gram Panchayats has received the training from the Taluk Panchayat and Zilla Panchayat. District Coordinator and Taluk coordinator of the MGNREGA have arranged the training. Since the programme is initiated on a mission mode and hierarchally structured it works on a similar pattern in both the districts

Panchayat Assessment and Incentives

Zilla Panchayat

It is stated that officially the performance of the Panchayats are not measured. However, officials in the Zilla Panchayat could list the Gram Panchayats and Taluk Panchayat based on its performance. The review meetings of the progress of the scheme implementation and the monthly & quarterly review meetings of the Karnataka Development Programmes (KDS) are best forms to assess the performance of the Panchayats .However, the Performance of the Panchayats has been measured by the ANSSIRD, Mysore for recommending the Panchayats for the award under the RGPSA. It is reported that the Panchayats at all the levels should be measured based on a well structured and customised indicators but it is not started so far .This is a matter for serious concern under RGPSA. As per the recommendations of Prof. Najundappa Committee (the committee who looked the regional imbalance among the districts in Karnataka) the State has initiated number of schemes . It is reported that additional posts had been created for strengthening the planning process in the four of the most backward Taluk Panchayats in one of the selected districts (Bidar). A separate scheme known as *Gram Swaraj* was introduced in all the Gram Panchayats in the back ward taluks. It is reported that there are certain practices and systems in the State such as i) competent and efficient personnel may be considered for the poor performing Gram Panchayats and Taluk Panchayats , while appointing and transferring the officials ,and ii) preference will be given to the poor performing Panchayats while filling the vacant posts .During the discussion the CPO stated that when the training calendar of the ANSSIRD Mysore is prepared more emphasis is given to the poor performing Panchayats .However, so far no official and formal policy has been formulated to address the problems of the poor performing Panchayats .

Taluk Panchayat

Officially, the performance of the Panchayats is not measured. However officials in the Taluk Panchayat could list the Gram Panchayats with in the area based on performance. The review meetings of the progress of the scheme implementation and the monthly & quarterly review meetings of the Karnataka Development Programmes (KDS) are best forms to assess the performance of the Panchayats .However, the Performance of the Panchayats has been measured

by the ANSSIRD, Mysore for recommending the Panchayats for the award under the RGPSA. No official and formal policy has been formulated to address the problems of the poor performing Taluk Panchayats in the district .However , in the Taluk Panchayat two additional posts for the decentralized planning are created in accordance with the recommendations of Prof. Najundappa Committee (the committee who looked the regional imbalance among the districts in Karnataka) this is not based on the performance of the Panchayats but on the indicators on backwardness

Gram Panchayat

The performance of the Panchayats is not measured based on any well developed criteria at the district level. The functionaries of Panchayat strongly argue the need for a system to assess the performance. The physical and financial performance of the Panchayat in the implementation of the schemes (MGNREGA, BRGF, IAY and NBA) is being assessed .In addition to this, the tax collection is also considered. However, one of the PDOs of the selected Panchayat has made a comment that, there is already some system of assessing the performance of the Panchayat and it is being assessed. The PDO of the Panchayat who was selected as the best PDO in the district and the Panchayat who is serving had also recommended for the award of best performing Gram Sabha .Under the RGPSA all the Panchayats in the district are measured in terms of performance.

So far, no special support for poor performing Panchayats in the State. However, this issue has been discussed at the ZP and TP levels meetings of the PDOs. It is reported that, proposal for providing special support to the poor performing Panchayats is seriously placed under the RGPSA. While appointing the PDOs to the Gram Panchayats the performance (both the Panchayat and the PDO) also may be considered. In other words, committed, efficient and good performing PDOs are appointed to poor performing Panchayats by the assumption that their quality of service will be a change agent.

CHAPTER 10:

BEST PRACTICES

The State of Karnataka is renowned for the best practices and success stories in the field of Local Governance for rural development, societal transformation and local economic development. The State especially the three tiers of local government for the past many years had been in the forefront of creating practices which are being replicated by its contemporaries. During the field work and the discussion with the officials and elected representatives we could identify a few best practices. In this chapter an attempt has been made to document a few of them.

The Institution of ‘Link Document’

The introduction of ‘Link Document’ is another contribution and strength of the decentralized planning in general and planning at the district and Zilla Panchayat levels is in specific. One can say that the very foundation of decentralized planning in the State is based on the ‘Link Document’. The ‘link document’ is one which gives a clear picture on what is to receive for different purposes /schemes under each district once the state budget is passed. As it is called, the document has a strong link with the State budget. In other words, the link document is the budget allotment of the State to Zilla Panchayat under plan and non plan schemes for a particular year and it is presented in the Assembly by the Finance Minister .It serves two purposes in the decentralized planning process. First, it gives a clear picture on resource envelop and on which the Zilla Panchayat can prepare the plan document. Second, it works really as a bridge between District Planning and State Planning. Moreover, the ‘link document’ may integrate the Budget of the State Government and decentralized planning, to certain extent. It may be a generic contribution of the State to the decentralized planning literature and practice.

The amount allocated and actually transferred for decentralized planning for the entire state in 2011-2012 & 2012-2013, is provided below. The amount allocated, sanctioned and released for the Panchayats is same (Ref Table No.2.1) The same is shown for the two selected districts of Bidar and Dakshina Kannada (Ref Table Nos.2.2.&2.3). It is as per the Link document.

7. Effective Capacity Building Initiatives in the State: Experiences from Bidar District

Capacity building can be seen as a tool towards empowerment. Most often, key challenges in implementing projects is the lack of personnel with appropriate skills within the Panchayats. Besides lack of personnel there is further lack of institutional framework to handle the projects. It is often experienced that the Central and State Governments are relying heavily on external consultants to handle this capacity gap. Hence capacity building exercise is being undertaken to address the capacity related issues. Government of Karnataka is in the fore-front in initiating and implementing successfully projects including several e-Governance projects of national importance in order to improve delivery of public services. Building Capacity within the Government to effectively implement the projects and support the same. Imparting specialized training and enhancing the knowledge and skills of the employees in various facets local governments is envisaged.

The case presented here relates to the capacity building initiatives undertaken in Bidar District. SIRD Mysore is the responsible training institution in the State. It is reported that it has a decentralised training strategy with the support of the faculty at SIRD Mysore and extension faculty attached to SIRD. At the district level training is conducted by the SIRD with the support of satellite training system. In addition to this, Zilla Panchayat, Bidar has also arranged a few training sessions with the support of resource persons at the district level and the officials of the Zilla Panchayat. A few training sessions has been conducted at the taluk level with the support of local NGOs. As a result 18 members of the selected Gram Panchayat committee reported that they have attended training at different levels. However, it is mentioned that the more focus of the training was on flagship schemes (MGNREGA & BRGF). A few elected representatives reported that they need more training on the functioning of the Panchayat based on Act, Rules and Orders. The PDOs of the selected four Panchayats in Bidar district also stated higher level of satisfaction on training under the capacity building frame work. In Andoor

Gram Panchayat of Bidar District all the elected 18 members have received training in the past few months. Officials (PDO, computer operator) have also attended trainings on different topics. The services of village resource persons are available at the Panchayat for conducting social audit under MGNREGA. The SIRD has the full responsibility of imparting training. There is no partner institution / organisation for imparting training. At the district / taluk level some NGOs are involved in the capacity building process of the schemes (MGNREGA & BRGF). The assistance from NGO in the implementation of MGNREGA is available in the Panchayat.

Class room methods, practical training, role play are applied as the major methods under the training. In addition to this limited level of exposure visits has also applied. The following topics are covered. (i) Act, Rules, Circulars and Guidelines of the Karnataka Panchayati Raj Act, (ii) Guidelines of Major Flagship Programmes, (iii) Powers, Functions and Responsibilities of Local Governments, (iv) Democracy, Citizenship and Participation (v) Operational Guidelines of the Scheme implementation, (vi) Management of Service Delivery, (vii) Conduct of Gram Sabha.

Childrens Panchayats in Karnataka

Makkala Panchayats in rural Karnataka has effectively leveraged the decentralised democratic set up of the State for children's engagement, by creating several local children's councils. In Karnataka, following the Panchayati Raj Institutions model, the Concerned for Working Children has created several local children councils, known as Makkala Panchayats that act as a forum of and for children. Beginning in 1995 with just five Panchayats, today there are Makkala Panchayats across almost all Gram Panchayats in the State. These Panchayats have representation from various interest groups, and have constituted their own guidelines for operation. The members are responsible for identifying their own needs and assess issues in the community through

applying various research tools. On the basis of the information collected, children draft five-year plans and negotiate solutions with the Gram Panchayats. The engagement of children in governance processes through Makkala Panchayats has resulted in a range of positive effects on children as well as the communities. Children's participation in the political process has created awareness among the village communities about children's ability and their potential to act as agents of change. In 2006, the Rural Development and Panchayati Raj Department in Karnataka, issued an order to make it mandatory for all Panchayats within the State to hold annual children's Gram Sabhas.

Makkala Panchayats comprises of representatives elected by all children between 6 and 18 years of age in the Gram Panchayat. It follows a proportional representation system with leaders from various interest groups including working children, school-going children and children with disabilities. Makkala Panchayat members have developed their own protocol which consists of rules related to elections; procedures for holding their meetings and for conducting have prepared this protocol with guidance from CWC as well as on the basis of their own research and understanding of their realities. This process of forming the protocol empowered children by familiarizing them with political processes. Each Makkala Panchayat is guided by a Makkala Mitra an adult resident of the village responsible for monitoring the functioning of the Panchayat. She/he is elected based on the commitment to children's causes and their approachability to the children. Makkal Mitra also acts as the voice of the children in the Gram Panchayat and an advocate of their concerns. Makkala Panchayats were found effective in their functioning and performance in all the selected sample panchayats. It is also reported that the engagement of children in governance processes through this initiative has resulted in a range of positive effects on children and the communities in Karnataka.

8. Nirashitara Pariyara Kendra(Relief Centre for Shelterless People),Zilla Panchayat, Dakshina Kannada

This is a centre set up with the funds collected exclusively from beggary cess introduced by the Karnataka State in 1975 as per Prohibition of Beggary Act 1975. In its present form all Gram Panchayats, Municipalities and Corporations are expected to levy 3 per cent cess on the taxes collected by the local body and remit 90 per cent of it to the State's Central Relief Fund. The relief centre is a very well run public institution and perhaps the best of its kind in the country. The premises are very clean with absolutely no foul smell. The inmates are also equally clean and the toilets, bathrooms and kitchen are spotlessly clean. They grow many of their own vegetables and no waste is allowed to be accumulated in the premises. The agricultural garden is also very well maintained. They are provided training in certain useful crafts such as making envelopes and paper bags. There are 130 inmates against a sanctioned capacity of 150 and are drawn from all parts of the country. Majority of them (114) are males and as many as 52 of them are under psychiatric treatment, which is provided twice a month by the doctors from Kasturba Medical College, Manipal. In addition, monthly dental camps are organized. Each person is provided a cabin to keep his personal belongings. Efforts are made to reunite the inmates with their families. The inmates who ventured to talk expressed a high degree of satisfaction with the way the centre is managed and the services they are provided with. The centre is headed by a lady warden of the rank of a group B gazetted officer assisted by a person who originally belonged to the police department. The dedication of the police official who has been with the organization for the last 13 years is exemplary.

Since beggary is banned in Karnataka any person found begging is liable to be arrested by the police and produced before the Tahasildar. The staff of the relief centre often takes rounds and suspects are picked up from festival sites and streets. After producing them before the Tahasildar, they are taken to the PHC for a health check up and treatment and then transferred to the relief centre. Any person found seriously ill are taken to the government hospitals with specialist facilities. The annual cess collected and transferred to the relief centre from local bodies, mainly the Gram Panchayats in Dakshina Kannada

district until January 2014 was in the order of 88.00 lakhs. The Zilla Panchayat of Dakshina Kannada issued a circular for depositing the cess within a stipulated time, which was positively responded to by all the Gram Panchayats. The institution has no shortage of funds and the cess alone is more than sufficient to run the institution without any outside help. This is a major achievement of the Zilla Panchayat in Dakshina Kannada district which is worthy of emulation by other Zilla Panchayats as well. This centre was set up in 1991 and the Zilla Panchayat through its Welfare Standing Committee has been actively monitoring its functioning.

9. Sakala of Services

The State is ahead of other States in terms of a new institution for social auditing, called Jamabandhi and now is moving towards another new institution for transparency and accountability through the process, Sakala of Services (service deliveries in time). 'Right to Public Services' is widely recognized as a mechanism to reduce corruption among the government officials and to increase transparency and public accountability. The Legislation comprises statutory laws which guarantee time and quality bound delivery of various public services rendered by the government to citizens and provides mechanism for punishing the aberrant public servant who is deficient in providing the service stipulated under the statute.

10. State Panchayat Council

According to the Section of the 310-A of the Karnataka Panchayat Raj Act, 1993 the state Government has constituted a State Panchayat Council to act as a forum for the elected representatives to voice their aspirations and offer their suggestions to improve the Panchayat System and make it more responsive to the people's needs. The Chief Minister is the Chairman and the Minister for Rural Development and Panchayati Raj is the Vice Chairman. The Secretary of the Department of Rural Development and

Panchayat Raj is designated as the Member Secretary .The Member of the Council is as follows:

- (i) Ministers (5 Ministers nominated by the Govt.),*
- (ii) Adhayakshas of the Zilla Panchayat (10 Adkhayakshas nominated by the Govt.),*
- (iii) Adhayakashas of Taluk Panchayat (1 Adhayakasha of Taluk Panchayat nominated by each Zilla Panchayat),*
- (iv) Adhayaskshas of the Gram Panchayat (1 Adhayakasha of Gram Panchayat nominated by each Zilla Panchayat).*
- (v) Members of the Legislative Assembly (5 members nominated by the Speaker),*
- (vi) Members of the Legislative Council (2 members nominated by the Chairman).*

The council is expected to meet at least twice a year and discuss any matters related to functioning of the Panchayats in the State. The Karnataka experience shows that the State Panchayat Council is a powerful institution for strengthening a Panchayats and decentralization.

CHAPTER 11:

BAD PRACTICES

In real sense it is difficult to document bad practices mainly because of the absence of such practices in the selected Panchayats from both the districts of Bidar and Dakhshina Kannada. However, during the field work two major issues have been noticed. One is at the operational level and the other one is related to a particular provision in the Karnataka Panchayat Raj Act. In this Chapter two bad practices of the foresaid nature had been documented.

Relieving the Pressure on the PDOs

The Panchayat Development officers (PDOs) in the selected Gram Panchayats feel there has to be a fundamental change in the way the Gram Panchayats function if they have to work without being harassed. They demand that the elected representatives also may be made accountable. The PDOs argue that “the elected representatives should be made accountable for the decisions and actions taken by the Gram Panchayats including the utilization of funds under different heads. Right now, only PDOs are responsible for this. Therefore, whenever fund misuse is reported, senior officials take action only against PDOs”.

Though the Government has launched e-governance programme, most Gram Panchayats don't have internet connectivity. In Bidar district, only 25 per cent of the 176 Gram panchayats have regular internet facility. The PDO, who is responsible for maintaining accounts and sending reports to the State and Union Governments on implementation of development schemes, has to shuttle between the Taluk headquarter and the Gram Panchayat office every day. Improving communication and infrastructure in villages will solve this problem to some extent. As reported by the PDOs.

Undemocratic Provision in the ACT

The Karnataka Panchayat Raj Act, 1993 has a chapter under the title Miscellaneous. Section 268 of the Chapter of the Act says,(1) "on the recommendation of the Taluk Panchayat or otherwise, the Zilla Panchayat is of the opinion that, a Grama Panchayat exceeds or abuses its power or is not competent to perform or makes persistent default in the performance of the duties imposed on it under this Act or any other law for the time being force the Zilla Panchayat may, by an order published in the Official Gazette, dissolve such Grama Panchayat."

(2) "in the opinion of the Government, a Zilla Panchayat or a Taluk Panchayat exceeds or abuses its power or is not competent to perform or makes persistent default in the performance of the duties imposed on it under this Act or any other law for the time being in force, the Government may, by an order published in the Official Gazette, dissolve such Zilla Panchayat or Taluk Panchayat".

The above Sections can be cited as a bad practice in the history of legislative frame work on Local Governments and Devolution. It is against the basic spirit of the Constitution of the country in general and 73rd amendment in particular.

CHAPTER 12:

ISSUES AND LESSONS OF OTHER STATES

Following issues may be lessons for other States

- State Panchayat Council (Details are furnished in Chapter 10 on Good Practices)
- Introduction of link document (Details are furnished in Chapter 10 on Good Practices) Children's Gram Sabha (Details are furnished in Chapter 10 on Good Practices)
- Karnataka State Prohibition of Beggary Act 1975 and Beggary Cess in the Gram Panchayats (Details are furnished in Chapter 10 on Good Practices)
- Sakshata of Services (Details are furnished in Chapter 10 on Good Practices)
- Satellite based and decentralized, capacity building initiatives by the Abdul Nazir Sab State Institute Of Rural Developme (ANSSIRD), Mysore