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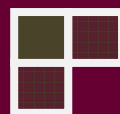
# **Independent Verification of the Information provided by the State of Kerala to Rank the States on a Devolution Index (DI)**

*SUBMITTED TO*

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NEW DELHI**

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# Independent Verification of the Information provided by the State of Kerala to Rank the States on a Devolution Index (DI)

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## Abstract

An evaluation of the current status and existing backlogs of the devolution status in Kerala was made as per the suggestions by the Indian Institute of Public Administration. This should also be read in the context of the Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) and the devolution index. The State of Kerala is regarded as one among the pioneers in the process of decentralization and Kerala has made remarkable achievements in this regard after the 73<sup>rd</sup> Amendment. But the recent devolution status from the State indicates that it could not improve upon the strong background that it composed years ago. The recent trends in the devolution status in Kerala are not very encouraging. Even then glimpses of efforts from various corners could be found supportive in addressing the issues of social justice, local resource mobilization and local economic development. The Framework Criteria had been fulfilled. Some of the major achievements include the formation of Election Commission, State Finance Commission and The District Planning Committee. Some of the major achievements include the Fourth State Finance Commission, the constitution of a High Power Committee to look in to the decentralization status in the State and to recommend for strengthening process as really needs special mention. The Constitutional mandate to plan for economic development and social justice with the reservation of marginalized communities enables the Fourth State Finance Commission to endeavor to work towards the inclusion of excluded communities. Kerala has made remarkable progress as far as the physical infrastructure and e connectivity is concerned. All the PRI's have accounting tools and related software. The transparency and accountability initiatives are in the right direction. Resource mobilization could be seen in many panchayats.

The NFC and SFC fund flow is almost constant and stable. The State has its own capacity building framework to train the elected representatives and officials of the Panchayats.

The institutional support for training is available throughout the year. However, as high demand for training persist a gap between demand and supply could be noticed in the field while doing the verification. Social Audit is conducted properly in the domain of MGNREGA at the Gram Sabha meetings. The Gram Sabha is seriously facing a problem of fulfilling the required quorum in sittings and participation of the members. The Governor with retrospective effect had promulgated an ordinance amending the Kerala Panchayat Raj on September 2012 to amend clause (p) of sub-section (i) of section 35 of the original Act to give legal protection for members of Panchayats who fail to convene Gram Sabha up to three meetings.

Decentralized planning for socio economic development and social justice has not fully evolved. No district development plans except for the Kollam District have emerged despite all the decentralization activities. It is quite surprising to note that voluntarism, self motivation and innovation in the PRI's is not visible as it is expected. It is to be noted that the PRI's functions only through orders, guidelines, rules and persuasion from higher authorities. Trifurcation of the Local Self Government Department under three Departments under Ministries has created lack of clarity. It's time for addressing the existing gaps and maintaining the efforts for strengthening the Panchayati Raj Institutions. It could, however, be concluded by stating that the information provided by the State is clear, legible and authentic.

# Status Paper on Devolution in Kerala

## Introduction

In the State of Kerala the local government in general and Panchayat in particular made rapid strides in their growth and progress. The New Kerala Panchayati Raj system came into operation from 30th September, 1995 and the powers were formally transferred on 2nd October 1995. The 73rd Amendment visualized the Panchayati Raj as institutions of self-government. The diversifying governmental activities paved way for devolution of powers, function and finance from higher to the lower tier of Panchayats where in the Panchayats played an important role in bringing an integrated structure of local self governance. The scope of the functions assigned to the three tiers of panchayats, viz. Gram Panchayat, Block Panchayat and District Panchayat is no longer confined to civic functions but has also expanded itself to social welfare, developmental projects and local resource mobilization. A number of reforms have been mooted since 1996 which were implemented with the passage of the Kerala Panchayati Raj Amendment Act of 1999. The quantity of funds transferred to the Panchayats has increased several folds since then. All such imminent developments clubbed with participatory planning have positioned Kerala in centre stage of decentralization dialogue in the country. It could be argued that Kerala's impressive performance is attributable to its social and political bonds. The major amendments, rules, orders, and directions have strengthened the process of devolution through the mechanisms of transparency and accountability. The State has very vibrant and functional institutions with in the framework criteria. But the changing processes and dynamics with the system through out the country have started to upset the existing capacity of the local self governance. In order to push the system further and force the process setting new agendas have become a necessity. Strengthening and effective functioning of Panchayats is one among the most important developmental prerequisite.

The Panchayats are the grass root democratic institutions which need to be empowered further through effective devolution of functions, finances and functionaries for which an evaluation of the current status and existing backlogs becomes a necessity. This should also be read in the context of the Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) and the devolution index.

The creation of a set of verification parameters and procedures thus becomes a requisite in assessing the existing local governance structure and devolution and finding the associated gaps. It is in this background that the assignment will attempt to verify the devolution dynamics through a structured procedure.

### **Approach & Methodology**

The sample size for the verification had been worked out in consultation with the Indian Institute of Public Administration. The State of Kerala was selected for the proposed assignment. It was decided to cover a minimum sample of 10 Gram Panchayats, four block panchayaths and three district panchayats. It was also decided to consult and collect necessary information from the officials at the State headquarters. The officials at the higher levels were taken into consideration while selecting the Panchayats for the verification of information. Panchayats which stood in a moderate range in terms of its performance were selected, as suggested by the Officials. Even though the sample size considered was smaller the sample Panchayats, are by and large ‘representative in nature’. However, as the purpose of the sample verification is to assess performance of the Panchayats a slight edge is given in favor of the relatively better performed Panchayats.

The performance of the Panchayats is evaluated and assessed based on a number of indicators like the framework criteria, its implications, accountability, transparency and aspects related to functions, finances and functionaries. To serve this purpose ground

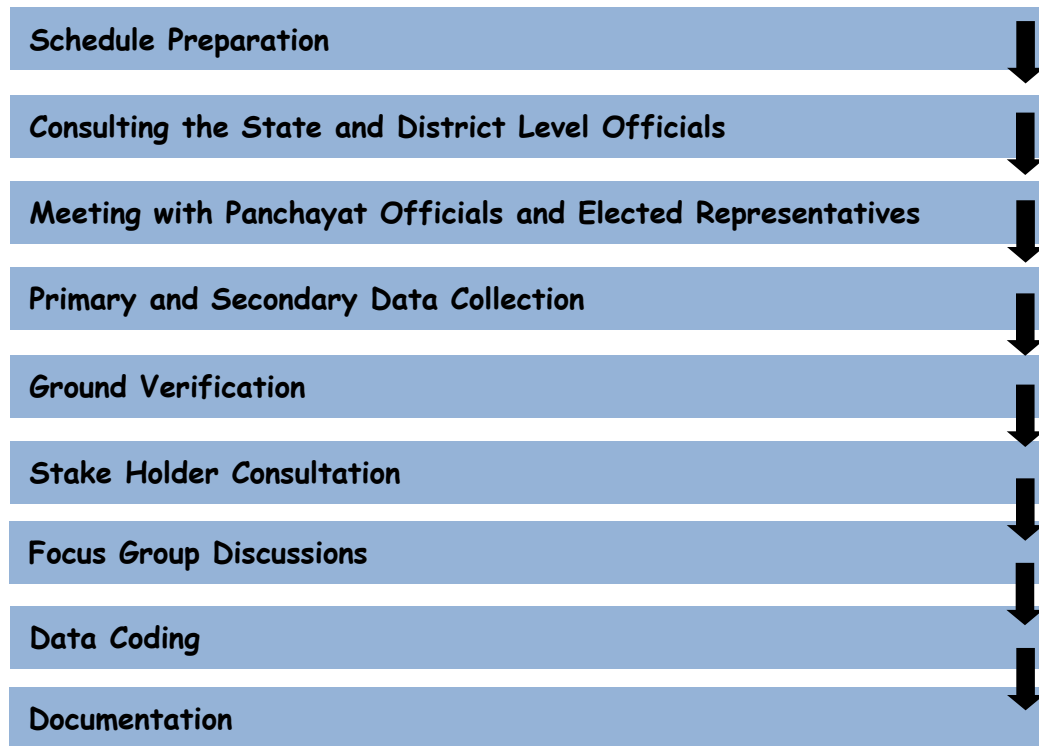


verification was undertaken for which a structured questionnaire was used and all the major stakeholders were considered. State level officials, District level officials, officers at the AG office, at the Local Fund office etc were consulted. Field works were carried out to verify the case studies that the Panchayats provided. In some cases local citizens response and the level of efficacy towards the local Panchayats were collected.

The list of Panchayati Raj Institutions taken for Survey is produced below

SI No	District Panchayats	Panchayat Unions	Gram Panchayats
1	Pathanamthitta		
2	Thrissur		
3	Kasargod		
1		Lalam	
2		Idukki	
3		Cherpu	
4		Vaikom	
5		Thodupuzha	
1			Muriyad
2			Adat
3			Karimkunnam
4			Chottanikkara
5			Pulamanthole
6			Chempilode
7			Chelora
8			Nedumbana
9			Nanmanda
10			Olavanna

## Methodology Flow Chart



## Panchayati Raj in Kerala

The trend of devolution in Kerala has not been a liner one .The evolution of rural local government in Kerala was not uniform through the State since parts of it were under princely rule and the rest under the British province of Madras. The area under princely rule did not institute Panchayats akin to modern Panchayats before India became independent .In contrast in the areas under British rule ,some rudimentary forms of local government were established. Even after independence, Kerala has been impervious to developments that took place in other parts of the country in the field of Panchayati Raj. Until 1995, Kerala had only a single tier, the Gram Panchayat and was behind most states in Indian, in the area of devolution. The only silver lining before the 73<sup>rd</sup> amendment was the district council experiment in 1991 which could not survive because of regime

change. The Kerala Panchayat Act was passed in 1994, in conformity with the provisions of the constitutional amendment (Central Act) and the People's Planning Campaign (PPC) was initiated in 1996. People's Planning Campaign was a socio-political movement for strengthening the process of devolution. It has succeeded in mobilizing people to participate in local planning and local economic development beyond party lines. The budget of the government of Kerala for the year 1996 is important to comment. It made a landmark in the history of fiscal devolution in the country by introducing separate annexure for local government and the resource allocation to them is subjected to legislative approval and control. More over, in the budget document, for each local government there is separate allocation for SCs and STs under Special Component Plan (SCP) and Tribal Sub Plan (TSP) respectively. In the financial devolution programme, proportionately higher weightage has been given to the SCP and TSP targeting welfare of SCs and STs. Though it is true that in Kerala in mid 80s attempts were made to decentralize the allocation of funds up to the district level, only under PPC it was further decentralized to the Gram Panchayat level. When the PPC was started, it was felt that certain provisions of the then existing Kerala Panchayati Raj Act, 1994 was really a faltering block for the deepening local democracy and the process of devolution in the state. There was a demand for further amendments to the State Act. As a result, a committee on decentralization of power known as *Sen Committee* was constituted to suggest reforms in the 1994 Act. The *Sen Committee* put forward a number of progressive suggestions most of which have later been incorporated in the amended Panchayat Act 1999. The committee recognized the importance of the right to information, provided for citizen's charters, recommended the formation of a local government ombudsman and tribunal, suggested the strengthening of Grams Sabha and increased its frequency, among others. The committee was uncritically influenced by the methodology and practices of decentralized planning which were initiated before the committee actually started functioning.

In Kerala Gram Panchayats are powerful as compared to intermediate (Block Panchayats) and District Panchayats at the district level .The relations among the three tiers is not organized in a hierarchical manner and they function in an environment of co-responsibility and some kind of notional sphere autonomy, of course with functions such as co-ordination being confined mainly to the intermediate and district level tiers. Regular opportunities for participation exist in Kerala with the institution of the Gram Sabha. In Kerala, in the real sense the Gram Sabhas are functioning at ward level, all the voters of the ward being its members. As a result, in many cases planning process takes place at the level of the constituency of a ward member, below the level of the Gram Panchayat. As part of the ‘constituency management’ and the Act, the ward member of a Gram Panchayat is responsible to convene the ‘ward sabha’ and expected to undertake ward level planning.

In Kerala, the Gram Panchayats prepare the village plans and annual reports. It is also responsible for accountability and transparency of local governance. The functionaries of the departments devolved to PRIs have been and transferred under the Panchayats at village, block and district levels .In the case of devolution of functions also; Kerala has been achieved to a great extent when compared to other Indian states. The Gram Panchayats levies and collects taxes from the local people .Taxes levied by the Gram Panchayats are property tax, profession tax, entertainment tax, advertisement tax, service tax and show tax including surcharge charge. The State Government devolves around 30 percent of the plan budget directly to local government. There is a sound financial and social audit mechanism among the Panchayats. The Gram Sabha has been located as the appropriate space for conducting social audit. The Kerala Panchayati Raj Act says, “every person has the right to ask such information from a Panchayat in accordance with the procedure prescribed” .Audit team is being constituted at each tier of the Panchayat to conduct the audit of the Gram Panchayat , intermediate Panchayat and District Panchayat under the performance auditing system The audit reports are prepared annually and the report is submitted to the State performance authority. In the area of the

introduction of e-governance in Panchayats, Kerala is moving ahead with the initiative of mainly Information Kerala Mission (IKM). In Kerala, it is claimed the District Planning Committee (DPC) integrates the plan proposals of rural and urban local governments. The DPC also formulates the integrated development plan for urban and rural areas of the district. It is observed that , “one can firmly maintain that decentralized planning has been virtually abandoned by the majority of the states with impunity .Although all the states have constituted State Finance Commission, the Commission’s task will remain incomplete without reference to the DPCs .In fact DPCs are alive and kicking only in Kerala”(Oommen,2002) .Unlike all other states in India ,Kerala made huge human and material investments in devolution from 1996 onwards through the decentralized planning process .Many scholars hail the Kerala experiments as a significant and unprecedented step. However, as per the composite devolution index prepared by the Eleventh Finance Commission, Kerala scored low value (4.1) when compared to Madhya Pradesh (9.6), Maharastra (9.1) and Karnataka (5.9)

Local Governments in the State had relatively better financial position even before the constitutional amendments. Measures were also taken for strong financial devolution after the constitutional amendments. This was not accidental, but a conscious and historical process It was made possible due to strong political will and important roles played champions of this cause, media and civil society .a long term sustained political process resulted into efficacy, trust in these devolutions and increased visibility of local governments . Long before the constitutional amendments, Kerala had four commissions for examining the finances of local governments .The recommendations were very comprehensive and ahead of times .Their relevance has not been lost even today. As in the case of Karnataka State, Kerala too has been in the forefront in constituting State finance Commission (SFC) once in every five years. So far four SFCs have been constituted and they all submitted detailed and decentralization friendly reports to the government. The fourth SFC of Kerala has gone beyond conventional approach and opened a new domain on local finance and a wider spectrum of planning, local

development as well as local democracy. The constitutional mandate to plan for economic development and social justice with the reservation of marginalized communities enables the SFC of Kerala to endeavour to work towards the inclusion of excluded and that is why there is a chapter on “*Devolution and Inclusion of the Excluded*”. The ‘Excluded in Kerala’ has been broadly defined and a deprivation index has been constructed. The SFC also has identified Vulnerable Panchayats and Most Vulnerable Panchayats based on the deprivation Index. A proposal was made for special grants for these two categories of Panchayats. These learning from Kerala experience of SFC can be of immense help while devising the strategies for strengthening the SFCs in other states.

## **Framework**

Immediately after the State conformation Act in accordance with the Constitutional Amendments the Election commission was constituted and the first election was conducted simultaneously in the three tiers on September 1995. Second and third elections were conducted on scheduled time without any delay. The state can take credit for the same. However, the last election (fourth one) was due on September 2010 but held on October 2010. It was delayed by one month and the reason for the delay in conducting the election was explained in terms of issues related to ‘delimitation of wards’. It was alleged that the delimitation of wards was done in a ‘fraudulent undue opportunity to put the Kerala Panchayats under bureaucratic regime and a democratic discontinuity in the governance process of the PRIs in the State. It looks more serious in the background of the interpretation of the relevant provision of the Constitution by the judgment of many cases from different States. The Constitution says, Panchayats “shall continue for five years from the date appointed for its first meeting and no longer” and “an election to constitution of Panchayats shall be completed before the expiry of its duration”. The case of Kerala may be seen in the back of the judgment of the highest court in *Kishansinh Tomer Vs Ahmedabad Municipal Corporation*. The judgment has clearly states that

barring of God, no other calamities or no other circumstances will justify the delay in holding elections and the delay in prerequisite actions like delimitation of wards, decision on reservation etc which are manmade cannot override the clear purpose and patent expression of the Constitution “five year and no longer”. The period of one month, the September 2010 may be considered as a period of ‘official regime’ in local government since the post constitutional phase.

## **Gram Sabha**

Gram Sabha shall meet at least once in three months at the place fixed by the Village Panchayat and to such meetings, the convenor of the Village Panchayat shall, compulsorily invite the member of the Block Panchayat, the District Panchayat and the Legislative Assembly representing the area of the Gram Sabha. Provided that the Convenor shall, on a request in writing made by not less than ten percent of the members of any Gram Sabha, convene a special meeting of the Gram Sabha within fifteen days with the agenda given along with the request. Provided further that such special meeting shall be convened only once within the period between two general meetings. The member of a village panchayat representing the constituency comprised in the area of a village shall be the convenor of that Gram Sabha; however due to any reason, physical or otherwise, the convenor is unable to perform his functions as such, the President may appoint a member representing any adjacent constituency as the convenor. Every meeting of the Gram Sabha shall be presided over by the President of the village panchayat or in his absence the vice-president or in the absence of both of them by the convenor of Gram Sabha. The Village Panchayat shall place before the Gram Sabha a report relating to the developmental programmes relating to the constituency during the previous year and these that are proposed to be undertaken during the current year, and the expenditure therefore, the annual statement of accounts and the administration report of the preceding year. If in any circumstances, any decision

of the Gram Sabha could not be implemented, the president shall report the reason therefore, before the Gram Sabha. The Village Panchayats, the Block Panchayats and the District Panchayats shall give due consideration to the recommendations and suggestions, if any, of the Gram Sabha. The Gram Sabha shall perform the following functions: (a) to render assistance in the collection and compilation of details required to formulate development plans of the Panchayat, (b) to formulate the proposals and fixing of priority of schemes and development programmes to be implemented in the area of Village Panchayat, (c) to prepare and submit to the Village Panchayat a final list of eligible beneficiaries in the order of priority relating to the beneficiary oriented schemes on the basis of the criteria fixed, (d) to render assistance to implement effectively the development schemes by providing facilities locally required, (e) to provide and mobilise voluntary service and contribution in cash or in kind necessary for the development plans, (f) suggesting the location of street lights, street or community water taps, public wells, public sanitation units, irrigation facilities and such other public utility schemes, (g) to formulate schemes to impart awareness on matters of public interest like cleanliness, environmental protection, pollution control and to give protection against social evils like corruption, illicit and clandestine transactions, (h) to promote harmony and unity among various groups of people within the area of the Gram Sabha and to organize arts and sports festivals to develop goodwill among the people of that locality, (i) to monitor and render assistance to the beneficiary communities engaged in the developmental activities within the area of the Village Panchayat, (j) to verify the eligibility of persons getting various kinds of welfare assistance from the Government such as pensions and subsidies, (k) to collect information regarding the detailed estimates of works proposed to be implemented in the area of the Gram Sabha, (l) to make available details regarding the services rendered and the activities proposed to be done by the concerned officials in the succeeding three months, (m) to know the rationale behind every decision taken by the panchayat regarding the area of the Gram Sabha, (n) to know the follow up action taken on the decisions of the Gram Sabha and the detailed reasons for not implementing



any of the decisions, (o) to co-operate with the employees of the village panchayats in the sanitation processes and rendering voluntary service for the removal of garbage, (p) to find out the deficiencies in the arrangements for water supply, street lighting, etc., within the area of the Gram Sabha and to suggest remedial measures, (q) to assist the activities of parent-teacher associations of the schools within the area of the Gram Sabha, (r) to assist the public health activities especially prevention of diseases and family welfare, within the area of the Gram Sabha, (s) to perform such other functions as may be prescribed from time to time. The quorum of the Gram Sabha shall be ten percent of the number of voters of its area. The quorum of the meeting of a Gram Sabha which was adjourned earlier for want of quorum shall be fifty when convened again. The Officers of the Village Panchayats shall attend the meetings of the Gram Sabha as may be required by the President and an officer nominated by the Village Panchayat as the co-coordinator of the Gram Sabha shall assist the convenor in convening and conducting the meetings of the Gram Sabha and in recording its decisions in the Minutes Book and also in taking up follow up action thereon. The Gram Sabha may appoint, elect or constitute general or special sub-committees for the detailed discussions on any issues or programmes and for the effective implementation of the schemes and the decisions and in furtherance of its rights and responsibilities. Such committees shall consist of not less than ten members of whom, not less than half shall be women. Resolutions may be passed on majority basis, in the meetings of the Gram Sabha in respect of any issue within its jurisdiction, however, effort should be made to take decision on the basis of general consensus as far as possible. When beneficiaries are to be selected according to any scheme, project or plan, the criterion for eligibility and order of priority shall be fixed by the panchayat subject to the terms and conditions prescribed in the scheme, project or plan and such criterion shall be published in the manner prescribed and intimated to the Gram Sabha. The priority list prepared by Gram Panchayat after inviting applications for the selection of beneficiaries and conducting enquiries on the application received, shall be scrutinised at the meeting of the Gram Sabha in which the applicants are also invited and a final list

of the deserving beneficiaries, in the order of priority, shall be prepared and sent for the approval of the Gram Panchayats. The Village Panchayat shall not change the order of priority in the list sent by the Gram Sabha for approval. Average four general Gram Sabha have been conducted in all the selected Gram Panchayats. Out of the total 10 sample Gram Panchayats , one special Gram Sabha each has been conducted in six Gram Panchayats ( Chottanikkara, Karikunnam, Mariyad, Adat, Chembilode & Nanmanda) and no special Gram Sabha have been conducted in other four selected Gram Panchayats (Pulamanthole, Chelora, Nedumpana & Olavanna). Average number of participants in the general Gram Sabha is 12 percent of the total voters. Number of Participants in the Gram Sabha meetings in one Gram Panchayat (Nedumbana) is presented here to understand the dynamics of Gram Sabha participation. (*Ref .Annexura No.1*)With in a period of one year three to four Gram Sabha each including the one each for social Audit was held in all 23 wards (constituencies). Altogether there were 88 Gram Sabha sittings in the Panchayat and out of which 37 (42.05 %) were held without the required number of participants as per the Act. Again out of the total wards, the required number of four sittings were held only in 17 (73.91) ward. All the Gram Panchayat in the State has sufficient funds to convene the Gram Sabha meeting. In the selected Panchayats the amount needed to conduct Gram Sabha in one year ranges from Rs. 17,000 to Rs. 76,500 with an average of Rs. 43,140 per Panchayat. Again, when the cost it is worked out at per Gram Sabha, it is only less than Rs.500.

### **Recent Developments in Gram Sabha**

The Governor with retrospective effect had promulgated an ordinance amending the Kerala Panchayat Raj on September 2012 to amend clause (p) of sub-section (i) of section 35 of the original Act to give legal protection for members of Panchayats who fail to convene Gram Sabha up to three meetings. The background of such an ordinance is to overcome the difficulty arising out of disqualification of Panchayat members for not

convening their respective Gram Sabha within the stipulated time. The State Election Commission has dissolved the Karuvattur Gram Panchayat in Kozhikode District and Varandarapally Gram Panchayat in Thrissur District besides disqualifying 18 members of Karuvattur and 21 out of 22 members of Varandarapally. Under the original Act, a Panchayat member could be disqualified for not convening the Gram Sabha two times consecutively. The ordinance has extended the maximum period of calling the meeting of Gram Sabha from the present six months to nine months. The ordinance is widely opposed from the civil society activists by saying that the ordinance comes to the rescue of members who did not convene Gram Sabha. It is also alleged that this may nullify the goals of the democratic decentralization and may pave the way for greater corruption and malpractices among the officials and elected representatives. There is a serious concern that in future again the Government may make further amendments to curtail the rights of the Gram Sabha.

## **Autonomy of the Panchayat**

The provisions of the Kerala Panchayat Raj Act envisages maximum space to uphold the autonomy of the Panchayats. The excessive control of the State power over the Panchayats has been limited by the institutionalization of democratic process through the introduction of Ombudsman and Appellate Tribunal. In Kerala only two categories of elected representatives can be disqualified through the process of suspension and removal. They are defectors and those who found guilty by the Ombudsman. As per the Kerala Panchayat Act, the Government can cancel resolutions of a Panchayat only through a process and in consultation with Ombudsman or Appellate Tribunal according to the objective analysis of the subject matter of the resolution. Again, only on two situations the Government can dissolve a Panchayat, one if the Panchayat fails to pass the budget and second if majority of its members resign from the Panchayat. In other case, only the State Election Commission can disqualify a member for not convening the Gram Sabha for three times consecutively as per the clause (p) of the sub-section of (i) of Section 35 of the Act. A due process has to proceed in all other cases for issuing a memo of charges and the Ombudsman has to be consulted before taking any final decision. As a result, either the Presidents or the Members of any Panchayats in the State had been suspended or removed since the Act came in to existence.

## **Recent Developments in the Autonomy of Panchayat**

Trifurcation of the department of local government under three ministers under the present structure had been criticized by many decentralization activists. In Kerala three departments (rural development, Panchayats & urban affairs) were under the control of a single Minister known as Minister for Local Self Government Department. The portfolio of the Minister for LSGD had been divided under three departments and put under three Ministers. It is argued that the trifurcation may work as major impediments to the three decade all decentralization initiative in the State and the efforts at integration of local

governance that had been for the last 12 years. This argument is based on three dimensions. (i) The State could succeed to bring all the rural development programmes under single ministry of LSGD with serious efforts, pressure from below and general consensus. The trifurcation is against the general trend which is followed in the State. (ii) The trifurcation may work as a serious impediment to the effective utilization of the Centrally Sponsored Schemes (CSS) since the two departments of Rural Development and Panchayats is vested with two separate Ministries (iii) administrative delay of the project may be the result when it go through different departments and Ministries. One of the decentralization activists comments *“How will various institutions currently under the umbrella of the Department of Local Administration would get divided among the three Ministers. This would not happen if any thought had gone into the serious consequences of such a portfolio allocation or about the history of decentralization in the State”*. Justice Hariharan Nair the former Ombudsman writes *“My experiences as Ombudsman for LSGD for the past 3 years prompts me to say that we will be paying a heavy cost for this forced reform. The sense of brotherhood prevailing between the local bodies might end shortly. There will be many more of such issues about which respective ministers, perhaps belonging to different political parties will be fighting against each other at the cost of the helpless tax payers”*. On the other side the present government has dispelled the above criticisms and saying that trifurcation only do good and strengthen the process of devolution. In the background of the above criticism from various stakeholders, the Government has constituted a sub cabinet sub committee with the Chief Minister as the Chairman. However, one who seriously watch the events after the trifurcation may come to the conclusion that the very conduct of the concerned departments and ministries are building road blocks towards devolution and strengthening the Panchayat and finally the criticisms against the trifurcation has come true.

## **Functions of the Panchayats**

As per the Constitutional requirement, the Kerala state has a three tier structure of Panchayat Raj with 978 Gram Panchayats, 152 Block Panchayat and 14 District Panchayat at the villages, block and district level respectively. Altogether there are total 19107 elected representatives under the Panchayat Raj System in the State. Out of this 50 of the seats are reserved for women. The seats reserved for the Scheduled Castes and Scheduled Tribes are proportionate to the population. Within the reserved seats for Scheduled Caste and Scheduled Tribes, some seats are again reserved for women belong to the Scheduled Castes and Scheduled Tribes. Out of the total 19107 elected representatives under three tiers of PRIs, 11241 seats are reserved for women, Scheduled Caste and Scheduled Tribes. And out of that reservation 2035 are from Scheduled Caste and 286 are from Scheduled Tribes.

The functions are assigned to Panchayats mainly by three ways and they are (a) delegated by legislative process ;( b) activity mapping; and (c) executive order. Under Section 166 of the State Act a long elaborated list of activities are assigned to the Gram Panchayats .Section 172 deals with the functions assigned to Block Panchayat whereas functions are assigned to District Panchayat by the Section 173 of the State. The State Act has very clearly separated the activities of different subject /function and it is assigned to each tier.

## **Centrally sponsored Schemes and State Schemes**

Actual involvement of the Panchayats in the implementation of flagship programmes has been examined. There are schemes of watershed development programmes, MGNREGA, IAY ,SGSY, ICDS, NSAP, National Horticulture Mission, Macro Management of

Agriculture Scheme, Micro Irrigation and SSA and other state sponsored schemes in which Panchayats are actually involving. There are certain other schemes where Panchayats have no role in implementation and these schemes are NRHM, PMGSY and National Food Security Mission.

## **Parallel Bodies**

At the district level, the District Rural Development Agency (DRDA) was the major Parallel body which posed challenges to the District Panchayat for a long period and finally it was merged with the District Panchayat with a new nomenclature of *Poverty Alleviation Unit* (PAU) of the District Panchayat. However, a situation is noticed in which the PAU is placed out side the office of the District Panchayat, keeps a domain identity of its own. The District unit of Water and Sanitation is also merged with the District Panchayat. Three other district units of programmes (NRHM, SSA and SPAC) are chaired by the President of the District Panchayat. There are number of other bodies which are functional in the district and remain separate with out having any functional linkage with District Panchayat and they are District Agricultural Corporation.

## **National Finance Commission**

In connection with the National Finance commission (NFC), for a period of five years (2007-08 to 2011-12) seven installments were received from the Government of India. The total amount works out as Rs 88402 lakhs and the full amount is transferred to the Panchayats. Only Gram Panchayats of the state has received amount from National Finance Commission. The total amount received by one sample Gram Panchayat (Nanmunda in Kozhikode District) is Rs. 36.52 lakhs for a period of two years in four installments. The average amount per year for Nanmunda Gram Panchayat is Rs.18.26 lakhs. (*Refer Table No.1.*).

**Table No. 1: Amount Received by Nanmunda Gram Panchayat from National Finance Commission Award (Rs .)**

<b>Year</b>	<b>Date</b>	<b>Amount</b>
<b>2011-2012</b>	13-07-2011	1231000
<b>2011-2012</b>	21-03-2012	1231000
<b>2012-2013</b>	23-01-2013	1071996
<b>2012-2013</b>	23-01-2013	118214
<b>Total</b>		<b>3652210</b>

Source: Information collected from the office of Armanda Gram Panchayat

### **State Finance Commission.**

The first State Finance Commission (SFC) for a period of five years (1996-2001) was constituted on April 1994, submitted the report on February 1996. The Action Taken Report (ATR) was laid on the Assembly February 1997, almost one year after the submission of the report. The second SFC was constituted on due date (June 1999) for a period of another five years (2001-0116) and submitted the report on January 2001. Substantial delay was occurred in processing the recommendations and it recommended basic change in sharing of taxes. It is reported that total sharing of own tax revenues from devolving of certain taxes or shares of specified tax alone is recommended. As a result, on January 2004, only after three years the ATR had been laid before the Assembly. According to field survey the average amount per Gram Panchayat from 2009-2010 to 2012-2013 works out as Rs. 452.50 lakhs, average amount per Block Panchayat is Rs. 439.76 lakhs and average amount per District Panchayat is Rs. 5,250.00 lakhs for a period of 4 years (2009-2010 to 2012-2013).The amount is released in 10 equal installments and in some cases more than one installments may come together. The fund transfer is not fully electronic as it does not come directly to the account of the Panchayat and only from treasury at the headquarters to treasury at local level it is said to be electronic. The total amount received by one Gram Panchayat (Chempilode in Kannur District), one Block Panchayat (Cherpu in Thrissur District) and one District Panchayat



(Kasargod District) from the sample size is given to understand the fund (SFC award) flow from State to the PRIs. (Refer Table No.2). The fund flow to one of sample Gram Panchayat (Chempilode) under SFC is given in Annexure No.2.i, one sample Block Panchayat (Cherpu) is given in Annexure 2.ii and one District Panchayat (Kasargode in Annexure No.2.iii)

**Table No. 2: Total amount received by one each sample Panchayats (Gram Panchayat, Block Panchayat and District Panchayat) from State Finance Commission Award (Rs .)**

Tier	Name of the Panchayat	Year	Amount			
			General	SCP	TSP	Total
Gram Panchayat	Chembilode	2009-2010	7217000	444000	-	7661000
		2010-2011	7941000	488000	-	8429000
		2011-2012	7176000	541000	-	7717000
		2012-2013	5380800	484800	-	5865600
Total			27714800	1957800		29672600
Block panchayat	Cherppu	2009-2010	4570000	4363000		8933000
		2010-2011	5028000	4798000		9826000
		2011-2012	7317000	5368000		12685000
		2012-2013	5342400	4208400		9550800
Total			22257400	18737400		40994800
District panchayat	Kasargod	2009-2010	74694000	22133000	16832000	113659000
		2010-2011	82154000	24342000	18498000	124994000
		2011-2012	105341000	26618000	13839000	145798000
		2012-2013	98879400	26830800	13950000	139660200
Total			361068400	99923800	63119000	524111200

Source :Information collected from the respective Panchyats offices .

## General Purpose Fund

The Commission has pointed out that there is clear justification to increase the share of taxes which LGs can legitimately claim from the State Government. But considering the fiscal stress which the State is faced with the commission has merely recommended that the status quo-ante be restored and the Local Governments be given 3.5per cent of SOTR using t-2 method ie, for devolution in a particular year, the tax collection figures of 2 years back for which finalized figures of Accounts are ready would be reckoned so as to arrive at the final figures. For 2011-12 the amount would be Rs.617 Crore. There are

several Gram Panchayats which are not able to meet their establishment costs and obligatory expenses (for which maintenance or Development Funds cannot be used) with their own revenues plus General Purpose Fund there are about 300 such GPs as per the data submitted by them. In order to avoid collapse of normal administrations due to fiscal incapacity, the Commission has recommended gap fund in to such Gram Panchayats and set apart a lumpsum of Rs.25 Crore from General Purpose Fund from the share of Gram Panchayats. The gap fund would be allotted to eligible Gramanchayats by Government after getting certified figures of the gap in the previous year specially prepared by the 'Director of Local fund Audit and the distribution be made proportionate to the gap.

### **Action Taken**

Recommendation has been accepted. A provision of Rs.617.08 Crore, 3.5 Per cent of SOTR of 2009-2010 has been made budget for 2011-2012 towards General Purpose Grant to Local Governments.

Provisions of Rs.81.03 Crore, Rs.57.79 Crore, Rs.17.50 Crore, Rs.22.80 Crore and Rs.437.97 Crore for Corporations, Municipalities, District Panchayats, Block Panchayats and Gram Panchayats respectively have been made in the budget for 2011-2012.

### **Maintenance Fund**

In the case of Maintenance fund, the Commission has made a normative recommendation of going back progressively to the recommendation of SFC-II which was accepted and implemented for two years from 2004-2005 ie, restricting the Maintenance Fund to 5.5Per cent of SOTR calculated in the same manner as for General Purpose Fund. While translating this in to actual figures it is seen that there would be a sudden jump in the first year. Since 2011-2012 is going to be 'financially difficult year for the State Government' due to implementation of the recommendations of the 9<sup>th</sup> Pay

Commission and the proposed restrictions on borrowings by the Government of India the Commission has recommended progressive increase over three years as given below. For the financial year 2011-2012 the Commission has recommended an amount of Rs.793 crore as *Maintenance Fund*.

### **Action Taken**

Recommendation has been accepted. A provision of Rs.792.85 crore has been made in the budget for 2011-2012 towards grant to Local Self Governments for Maintenance of Road and Non Road Assets.

### **Development Fund**

The Commission has recommended an allocation of 25 Per cent of the proposed plan size in 2011-2012 as Development Fund to Local Self Governments and thereafter it in relation to the Plan size assumed by State Finance Commission based on the historical trends. The recommended Development Fund for the five years of the award period is as detailed below.

Recommendation relating to financial year 2011-2012 has been accepted. An amount of Rs.2750.00 crore has been earmarked towards expansion and development fund of Local Self Government in the Budget (Appendix for 2011-12)

The commission has recommended an increase of funds to the extent of 12per cent during 2011-2012 over the previous year both for Special Component Plan(SCP) and Tribal Sub Plan(TSP). During the subsequent years of the award period, the Commission has suggested that the outlay for SCP and TSP be jointly fixed by Local Self Government Department, Finance Department and State Planning Board. SCP and TSP portion of Development funds has been recommended to be distributed on the basis of SC and ST population respectively.

## **Tax Effort criteria**

The commission has recommended to distribute a maximum of 10 Per cent of the total devolution under Development Fund to Local Governments on the basis of the tax effort criteria. This amount has to be distributed among the Gram Panchayats and Urban Local Governments that increase their-own revenue mobilization over the previous year at least by 10Per cent. Out of the 10 Per cent set aside for tax effort criteria the actual amount to be developed under this criterion may be calculated as ratio of the number of Local Governments that increased their OTR over previous year to the total number of Local Govenmens under each category. Excess amount that may arise on the basis of this criterion may be distributed on the basis of population. The formula for inter-se distribution recommended by the Commission is given in Chapter Z of the report.

## **Social Audit**

Social Audit is conducted only in the domain of MGNREGA at the Gram Sabha meetings Village Panchayat has only a facilitator's role in the conduct of Social Audit Gram Sabha. The actual organization and conduct of Social Audit Gram Sabha is done by an independent social audit team selected by Gram Sabha. Composition of the Social Audit team is as follows: (a) Chairperson to be unanimously selected by Gram Sabha, (b) An expert who will act as the Secretary of the Social Audit team, (c) Three persons selected by Gram Sabha ( two will be women), (d) Two social workers from outside the Village Panchayat ward (one should be a woman), (e) A civil engineer who is not connected with NREGS implementation, (f) Representatives from SC, ST and from Farmers. At least 50Per cent of the members of the Social Audit Team are women. Similarly Scheduled Castes and Scheduled Tribes will have representation proportionate to their population in the ward. The social audit team collects information from neighbor hood groups (NHGs), work places and through stakeholder consultations. The social audit process includes (a) Constitution of social audit team by the Gram Sabha (b) Preparatory activities (c)

Defining focus of social audit (d) Identifying stakeholders (e) Developing indicators which will help evaluate performance (f) Data collection (g) Social Accounting (h) Physical verification (i) Open dialogue, public hearing and stakeholder consultations (j) data analysis and preparation of draft Social Audit report to be presented before the Gram Sabha. Out

## **District Planning Committee**

Section 214 of the Panchayat Raj Act deals with the District Planning Committee (DPC). In Kerala, DPCs have been existence since 1995. As per the law the total strength of the DPC is 15. The President of the District Panchayat is the Chairperson. The District Collector is the ex-officio Secretary of the DPC. One member who has considerable experience in administration and planning is nominated by the government. Twelve members of the DPC are elected from the members of District Panchayat and from councilors of Municipalities and Corporations in the ratio of rural and urban population in the district as fixed by the Government. Though the constitution does not provide for membership to representatives of Gram Panchayats and Block Panchayats, Kerala has got over this deficiency by declaring nominees from these Local Governments as permanent invitees. MPs and MLAs have also been made permanent invitees. The DPCs are elected immediately after the elections to Local Governments by the State Election Commission. After the election, the Government constitutes the DPCs. The expert is nominated subsequently through a notification. Though it is reported that DPCs are functional, holding meetings for planning purposes (for integrating rural and urban plans to district plans) and issued guidelines for the preparation of district, so far no DPC except Kollom District had been submitted district plans to State Government. In the present system DPCs are approving all the plans of PRIs and Urban Local Governments within the district according to available resources. DPCs ensure that the rules and orders related to the processes and procedures of plan preparation are fully adhered to by Local

Governments, but DPCs cannot change the Local Government priority if the scheme or project is within the guidelines. However DPCs can return schemes/projects to Local Governments with a request to reconsider them. DPCs are given the freedom to set district priorities on the basis of consensus among Local Governments. Once the consensus is arrived at, then it becomes mandatory to all Local Governments to adhere to the terms of the consensus which can then be enforced by the DPC. DPCs are expected to consolidate the perspective plan of Local Governments in different sectors and provide a district perspective based on which Local Governments would be required to modify their perspective through discussions and consensus.

In this background the People 'Planning Campaign has made attempts for preparing District Development Plan at each district by integrating development plans of three tier Panchayats and urban local self governments as envisaged in the Constitution. But in Kerala over the last 15 years has not formulated a District Development Plan. All the local self government institutions in the district formulate development projects and submit to the DPC for approval. DPC approved project are then implemented. The Kerala State Planning Board has formulated 12 Five Year Plan without integrating the District Development Plans. Even after long years of experience in the decentralized planning the district has not succeeded to prepare a development plan is a rather surprise. All the three sample District Panchayats and three DPCs in the respective district have reported that they have not yet prepared District Development Plan

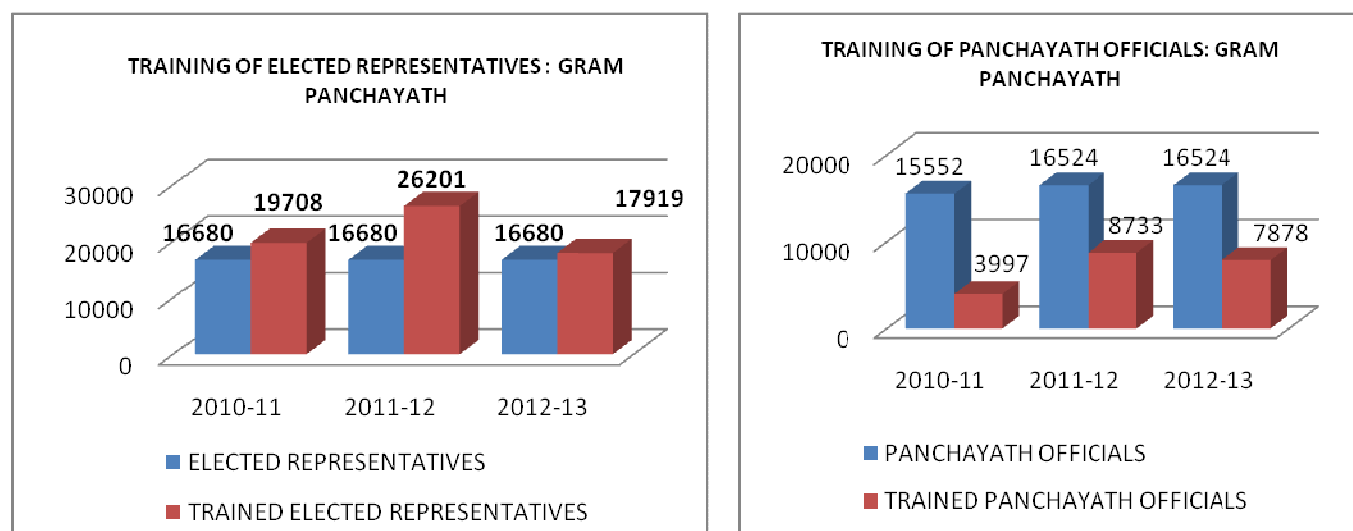
### **Capacity Building Framework**

The State has its own capacity building framework to train the elected representatives and officials of the Panchayats. The institutional support for training is available throughout the year. The Kerala institute of Local Administration (KILA)) has empanelled trainers for conducting training to the functionaries of the Panchayats (both elected representatives and officials). The academic profile of the trainers gives an impression

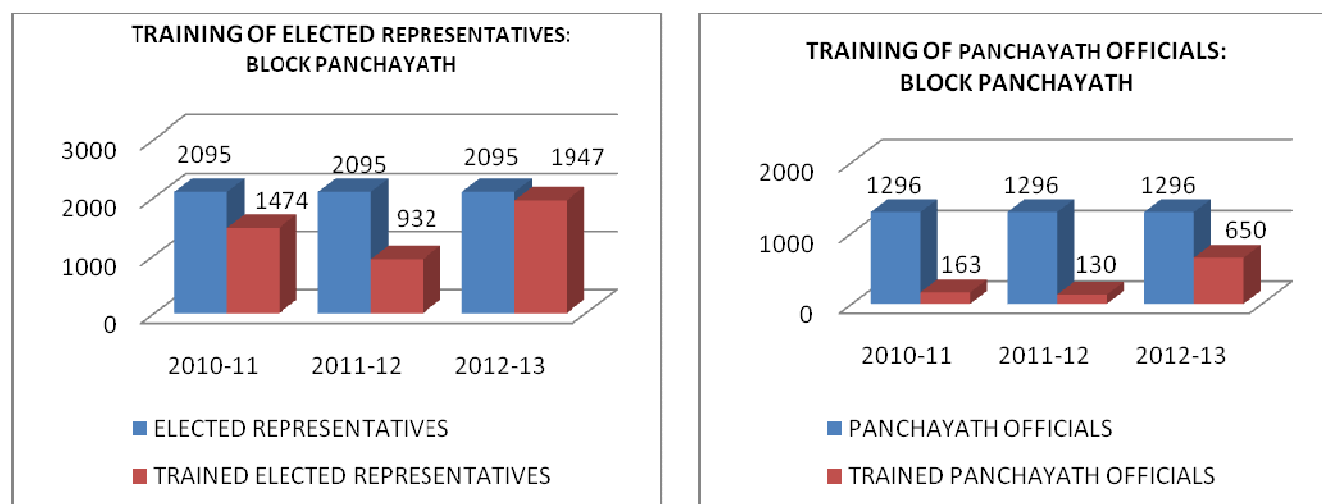
that they are highly qualified young professionals with post graduation in social sciences, education, medicine, law, agriculture, and engineering. There are some senior retired officials from different line departments and retired faculty of different training and academic institutions among the trainers. Though no training needs assessment (TNA) has been conducted, some recent training programmes has been organized for Panchayats under different subjects such as Watershed, NRHM, RGSY, PEAIS, SGSY Gram Sabha ,financial management of PRIs ,Women development ,Consumer Protection Act, Right to Information Act ,village development Plan , drinking water and sanitation etc. different methods of tools (lecture, group discussions, field work and other participatory exercises) are applied for conducting training. Cent percent of the elected representatives of Gram Panchayat have participated in training in 2010-11, 2011-12 and in 2012-13 till date and most of them has attended more than once in a year in the training programme. Out of the total Panchayat officials of Gram Panchayat in the state 25.70 percent of them participated in training in 2010-11, 52.85 percent in 2011-12 and 47.68 percent in 2012-13 till the date. In Block Panchayat the elected representatives participated in the capacity building process is 70.36 percent in 2010-11, 44.49 percent in 2011-12 and 92.94 percent in 2012-13 till the date. The panchayat officials of Block panchayat participate in training is 12.58 percent in 2010-11, 10.03 percent in 2011-12 and 50.15 percent in 2012-13 till the date. In District Panchayat the elected representatives participated in the training process is 61.14 percent in 2010-11, 32.53 percent in 2012-13 till the date and cent percent in 2011-12. The participation of panchayat officials of the District Panchayat in training process is very less and it is 2.68 percent in 2010-11, 3.13 percent in 2011-12 and 7.58 percent in 2012-13 till the date. From the official we can say that elected representatives of the three tiers actively takes part in the training process whereas the participation of officials is very low in Block and District Panchayats. (*Refer Diagram No. 1,2&3* ). Out of the total elected representatives participated in training in 2011-12, 44 percent are women. Out of the total elected representatives attended the training programme in 2011-12 four percent are from

Scheduled Castes and one percent is from Scheduled Tribes. There is a mechanism to assess the impact of the training programme and it consists of action follow up and action research. The primary data shows that all the functionaries (both elected representatives and officials) from the selected Panchayats had undergone training on different subjects during last three years.

**Diagram No.1: Participation of the Training program by the Panchayat Functionaries of Gram Panchayat**



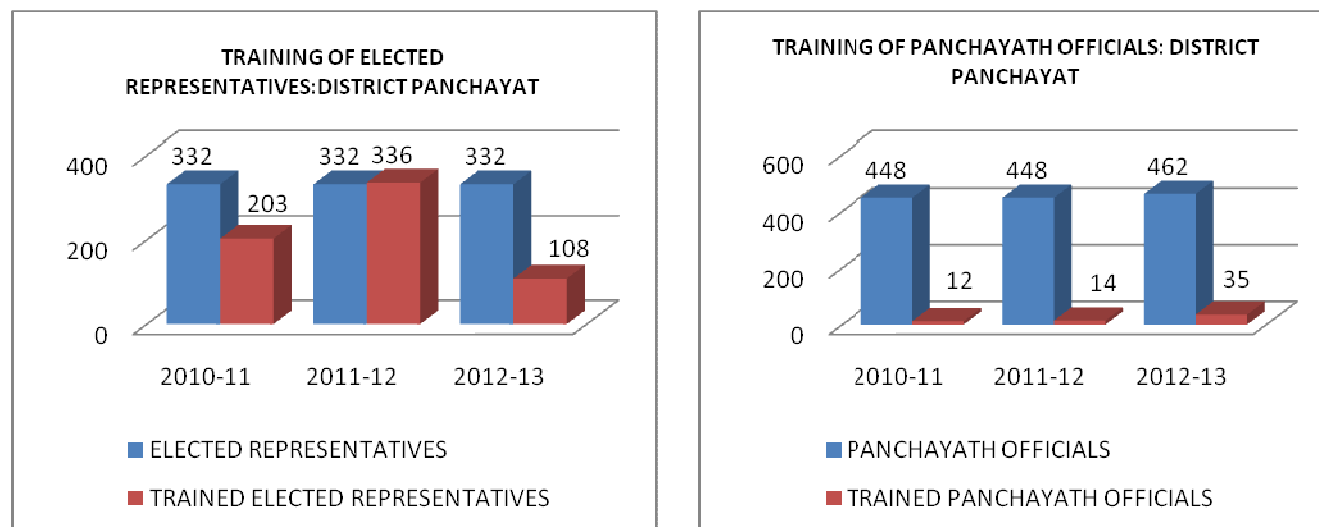
**Diagram No.2: Participation of the Training program by the Panchayath Functionaries of Block Panchayat**



Source: Data Furnished by officials at the State level. Department of Panchayati Raj Govt. of Kerala



**Diagram No.3: Participation of the Training program by the Panchayat Functionaries of District Panchayat**



Source: Data Furnished by officials at the State level. Department of Panchayati Raj Govt. of Kerala

All of the elected representatives of the 10 selected Gram Panchayat have participated in the training and in the case of officials it is more than 80 percent. Training materials are provided in all the selected Gram Panchayats include written materials, training films, film shows and CDs. More than 98 percent of the elected representatives and 46 percent of the officials from the five selected Block Panchayat has participated in training. During the field visit demand for more training has been identified among the elected representatives of the selected Panchayats and relatively the demand for training was very high among the District Panchayat Members.

### **Infrastructure & Other Facilities**

As far as the physical infrastructure is concerned all the three tiers of the Panchayats except one Gram Panchayat (Edamalakkudy Gram Panchayat, a newly formed tribal Panchayat) having proper building. All the Panchayats except Edmalakkudy Gram Panchayat are equipped with all types of e- connectivity (computers, printers, telephones, internets, LAN and email address). All the Panchayat has accounting tools and software.

In order to introduce e-governance in Local Governments the Information Kerala Mission (IKM) has conducted extensive system studies of different aspects of local governance and developed 14 software. Almost similar situation has been noticed in all the selected Panchayats. All selected Panchayats are equipped with physical and computer based systems.

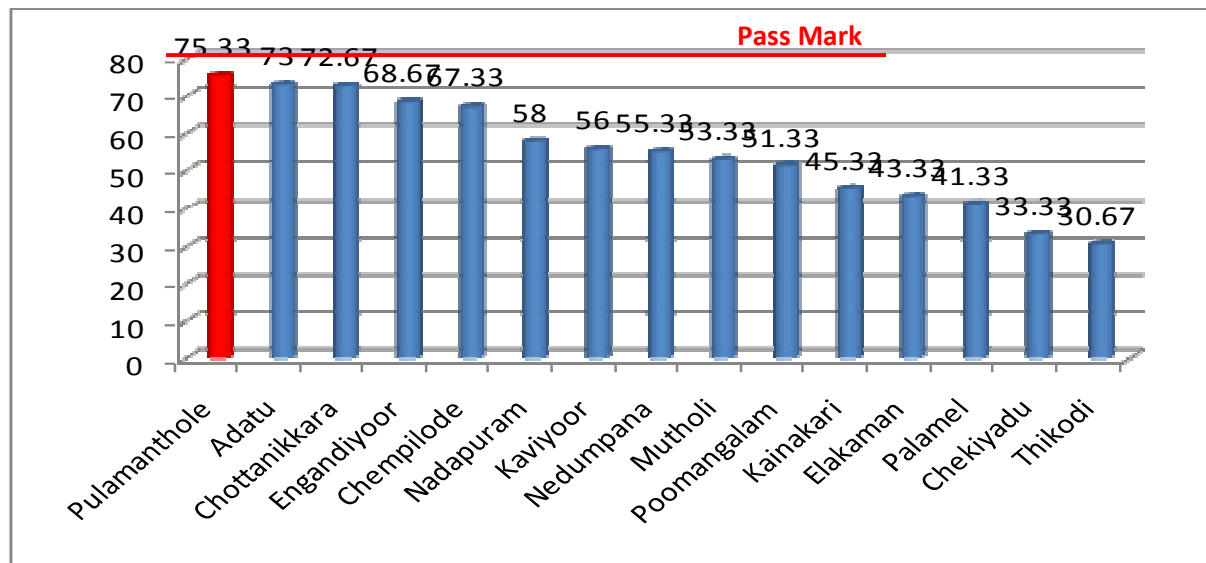
### **Lack of Planning Expertise and Non supportive machinery proving critical on the sustenance of decentralization in Kerala.**

The experience from the verification procedure in Kerala shows that decentralization demands major professional expertise for upgradation. Even in a state known for the high level of human development indices, vibrant civil society for public action and higher regime support than those of other states, the lack of technical, administrative and financial know-how of the local governments seems to be the major bottlenecks. The level of ‘self complacency’ and self righteousness position of various stakeholders also contributed to the following situation.

It is reported that there was poor response for furnishing information for PEAIS in 2011-2012 from the state of Kerala. A two level structure had been constituted for the verification under PEAIS. Initially the Panchayats were asked to submit the relevant information in a structured software format which was available in the website (<http://lsgkerala.gov.in/peaisaward>). Communication was given to the Secretaries for online submission and the last date for the submission was 5-1-2013. After receiving the application a team of performance auditors were asked to visit and verify the claim of the Panchayats based on the eligibility criteria. The State verification team was also asked to apply the marking scheme and indicate the marks for each item. For assessing the Panchayat ,the Ministry of Panchayati Raj Govt. of India had suggested six sectors viz. Panchayat functions, management of personnel and capacity building, planning and

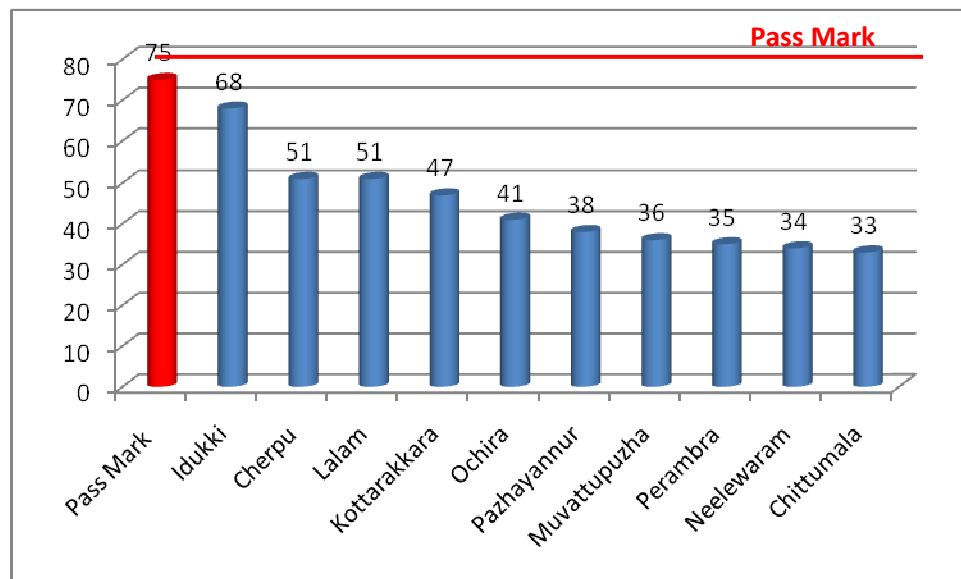
budget formation, income generation, performance of Panchayat and accountability and transferability. This was restructured in to eight broad sectors by the State of Kerala for assessing the performance of Gram Panchayats. The sectors in the case of Kerala included governance, financial management, civic functions, welfare functions, development functions, *Kudumbasree* activities, audit clearance and innovative development interventions. Only four broad sectors are suggested for assessing the performance of the Block and District Panchayats in Kerala which include governance, development functions, audit clearance and innovative development interventions. Accordingly 15 Gram Panchayats, 10 Block Panchayats and four District Panchayats were in the final list. Based on the highest secured marks from the final list prepared by the State verification team, three Gram Panchayats, three Block Panchayats and one District Panchayat were recommended to the Ministry of Panchayati Raj. By consensus, it may be noted that 75 percent mark is fixed as pass mark for considering the process under PEAIS. The marks given by the State level verification team to the shortlisted Panchayats is presented in diagrams No A.i, A.ii & A.iii. It shows that among the total 15 shortlisted Panchayats only one Panchayat had secured the minimum mark of 75 per cent. Among the 10 Block Panchayats and four District Panchayats none of them had secured the cut of point of 75 per cent. The issue is not whether the shortlisted Panchayats had secured the minimum cut of point or not. But the concern is that why the shortlisted Panchayats had performed very poorly in the verification by the State level agencies. It gives an impression that the Panchayats in the State have not reached such a level to be assessed by the eligibility criteria fixed by the Govt. of Kerala. This situation needs more further analysis.

**Diagram No A.i.The Name of the Top Scored Gram Panchayats recommended for the PEAIS by the Govt of Kerala for the year 2011-2012 and the Scored Marks of the respective Panchayats.**



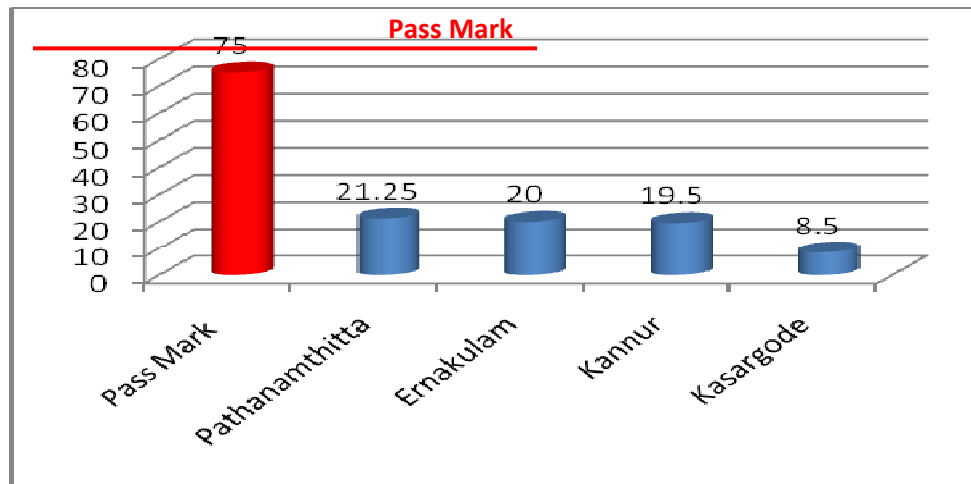
Source: Information furnish from LS GD, Govt. of Kerala, Thiruvananthapuram

**Diagram No A.ii.The Name of the Top Scored Block Panchayats recommended for the PEAIS by the Govt of Kerala for the year 2011-2012 and the Scored Marks of the respective Panchayats.**



Source: Information furnish from LS GD, Govt. of Kerala, Thiruvananthapuram

**Diagram No A.iii. The Name of the Top Scored District Panchayats recommended for the PEAIS by the Govt of Kerala for the year 2011-2012 and the Scored Marks of the respective Panchayats.**



Source: Information furnish from LS GD, Govt. of Kerala, Thiruvananthapuram

## Transparency and Anti- Corruption

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 Gram Panchayat and Block Panchayat. In District Panchayat Finance Officer is the information officer. The first appellate authority of the Gram Panchayat, Block Panchayat and District Panchayat are the Deputy Director of Panchayats, Assistant Development Commissioner and Secretary of District Panchayat 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. Kerala has set up a high intuition called ‘Ombudsman’ which is manned by a High Court Judge (retired or serving) to look into complaints of malfeasance and corruption at all levels of Panchayats. The Ombudsman system ensures that elected local governments are not subject to the executive control of State Government officials. Because of the existence of this institution local governments have been taken out of the purview of Lokayukta. In fact, the Ombudsman has more powers

than Lokayukta and the traditional Ombudsma of European countries. In that it can impose fines and penalties and even disqualify elected members found guilty of malfeasance.

## **Panchayat Finance**

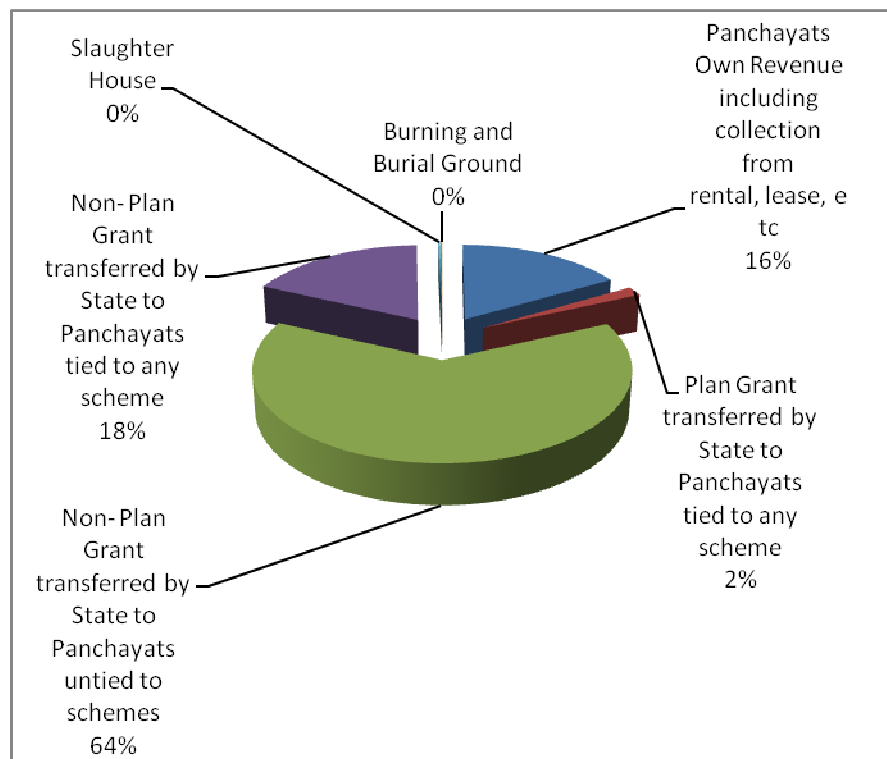
According to section 212 of the Act, for every Panchayati Raj Institution, there shall be constituted a fund bearing the name of the concerned Panchayati Raj Institution. All moneys received by the Village Panchayat except the money accepted for the Block Panchayat or District Panchayat or the Government and those received on behalf of the Block Panchayat the District Panchayat or the Government shall constitute a fund called the Village Panchayat fund and shall be applied and disposed of in accordance with the provisions of this Act and the rules made there under: Provided that the Village Panchayat shall have power, subject to such rules as may be prescribed, to direct that the proceeds of any tax or surcharge levied under this Act shall be earmarked for the purpose of financing any specific public benefit. A separate account shall be kept of the receipts from every such tax or additional tax and the expenditure thereof. The Village Panchayat fund shall consist of the following components, namely: (i) Own income of the Village Panchayat which shall consist of taxes, duties, cess and surcharge levied under this Act or any other law, lease rents and other receipts from properties and enterprises, fees for licenses and permissions, fines and penalties, income from endowments and trusts managed by the Village Panchayat, unclaimed deposits and other forfeitures and miscellaneous income from sources such as porampokes, fishing lands and shall include the share of the taxes collected by Government and transferred to the credit of the Village Panchayat and the grants released by Government. (ii) Grants released by the Government for implementation of schemes, projects and plans formulated by the Village Panchayat; (iii) Grants released by the Government for the implementation of schemes projects or plans assigned, delegated or entrusted to the Village Panchayat under this

Act; and (iv) Money raised through donations, contributions and grants from the public and non Governmental agencies.(v) The amount borrowed under section 1971. All moneys received by the Block Panchayat except those received on behalf of the Government or the District Panchayat shall constitute a fund which shall be called 'the Block Panchayat Fund' and shall be applied and disposed of subject to the provisions of this Act and the rules made there under. All moneys received by the District Panchayat except those received on behalf of the Government shall constitute a fund which shall be called the 'District Panchayat Fund' and shall be applied and disposed of subject to the provisions of this Act and rules made there under. The taxation Power of the Gram Panchayat is envisaged in the Section 200 and according to that every village panchayat may levy in its area a property tax, a profession tax, an advertisement tax and an entertainment tax. Service tax shall be levied at the rate fixed by the village panchayat, subject to the minimum rate prescribed for sanitation, water supply, scavenging, street lighting and drainage wherever such services are provided by the Village Panchayat. (3) A duty shall also be levied in every village panchayat area on transfers of property in accordance with the provisions of section 206. A show tax shall be levied on all shows within the village panchayat area at the rates prescribed by Government in this behalf.

1. According to the data furnished by the State, internal revenue mobilization (IRM) by Gram Panchayats is Rs 46742.41 lakhs in 2010-2011.
2. In the State ,the total available fund with the Gram Panchayats in the year 2010-11 was calculated as Rs.281784.40 lakhs and out of which Rs.179571.00 lakhs (63.73%) was from '*Non- Plan Grant transferred by State to Panchayats untied to any scheme*', Rs 49779.00 lakhs (17.67%) was under the head of '*Non- Plan Grant transferred by State to Panchayats tied to schemes*', Rs.46742.41 lakhs (16.59%) was from '*Panchayats Own Revenue including collection from rental, lease etc.*' , Rs 4694.00 lakhs (1.67%)was under the head of '*Plan Grant transferred by the State to*

*the Panchayats tied to schemes*', Rs 500.00 lakhs (0.18%) was mentioned as '*Fund from slaughter house*' and Rs 498.00 lakhs (0.18%) was mentioned as '*Fund from burning and burial ground*' (Ref. Table No.3 & Diagram No.4)

**Diagram No.4: Item Wise Comparison of Available Fund with Gram Panchayat in 2010-11**

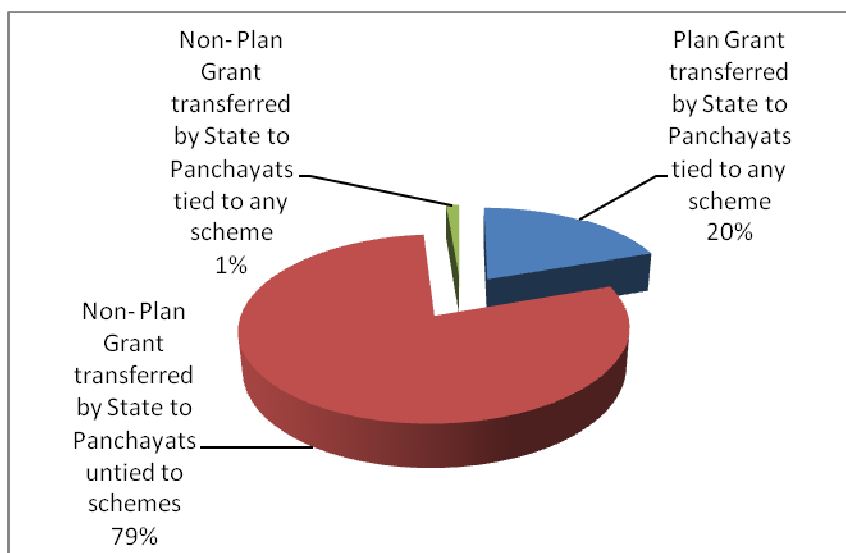


Source: Table No.3

- In the State, the total available fund with the Block Panchayats in the year 2010-11 was calculated as Rs.43,639.00 lakhs and out of which Rs.34,479.00 lakhs (79.01%) was from '*Non- Plan Grant transferred by State to Panchayats untied to any scheme*', Rs 8,587.00 lakhs (19.68%) was under the head of '*Plan Grant transferred by State to Panchayats tied to schemes*' and Rs.573.00 lakhs (1.31%) was from '*Non Plan Grant transferred by the State to the Panchayats tied to schemes*'. (Ref. Table No.3 & Diagram No.5)



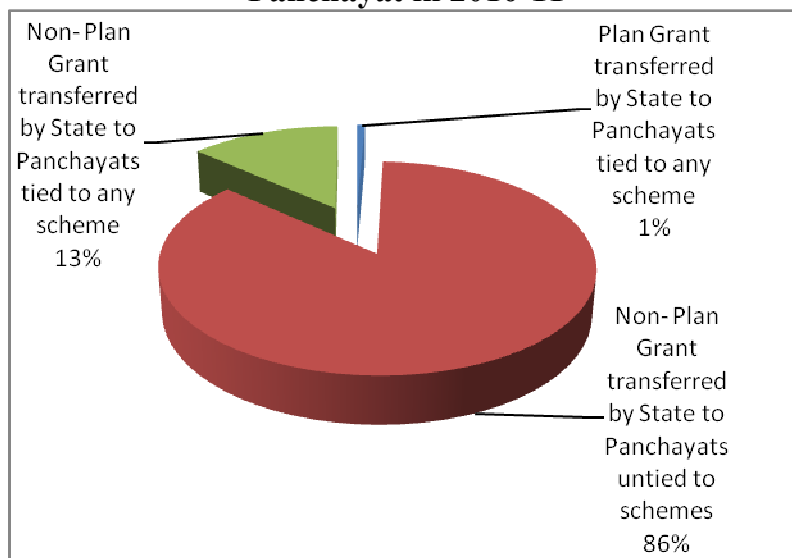
**Diagram No.5: Item Wise Comparison of Available Fund with Block Panchayat in 2010-11**



Source: Table No.3

4. In the State ,the total available fund with the District Panchayats in the year 2010-11 was calculated as Rs.44,165.00 lakhs and out of which Rs.37,971.00 lakhs (85.98%) was from ‘*Non- Plan Grant transferred by State to Panchayats untied to any scheme*’, Rs 5,884.00 lakhs (13.32%) was under the head of ‘*Non Plan Grant transferred by the State to the Panchayats tied to schemes*’ and Rs.310.00 lakhs (0.70%) was from ‘*Plan Grant transferred by State to Panchayats tied to schemes*’. (Ref. Table No.3& Diagram No.6)

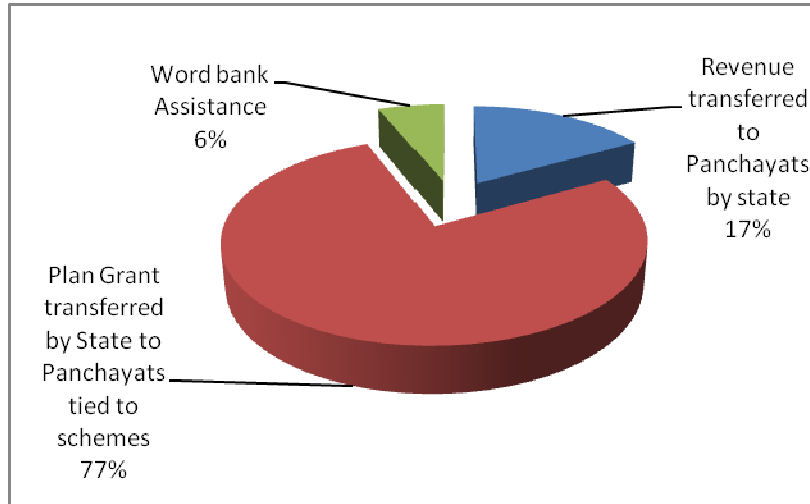
**Diagram No.6: Item Wise Comparison of Available Fund with District Panchayat in 2010-11**



Source: Table No.3

5. The total available fund from all sources in three tiers of PRIs in the state in the year 2010-11 is Rs. 244,718.59 lakhs and the total expenditure incurred is Rs. 162,882.60 lakhs. In this only expenses under development fund, maintenance fund and surplus from own revenue after meeting the establishment and non development expenditure which is directed to add to the development fund for the preparation of plan are included. The expenses on salaries of staff, honorarium of elected representatives, plan/non plan tied schemes both centrally sponsored and state sponsored, expenses on traditional functions from own revenue/general purpose fund etc are not included.
  
6. In the State, the total available fund with the Gram Panchayats in the year 2011-12 was calculated as Rs.251,783.04 lakhs and out of which Rs. 194,245.299 lakhs (77.15%) was from '*Plan Grant transferred by State to Panchayats tied to any scheme*', Rs 42,182.97504 lakhs (16.75%) was under the head of '*Revenue transferred to Panchayats by State*' and Rs. 15,354.76399 lakhs (6.10%) was from '*World Bank Assistance*'. (Ref. Table No.3& Diagram No.7)

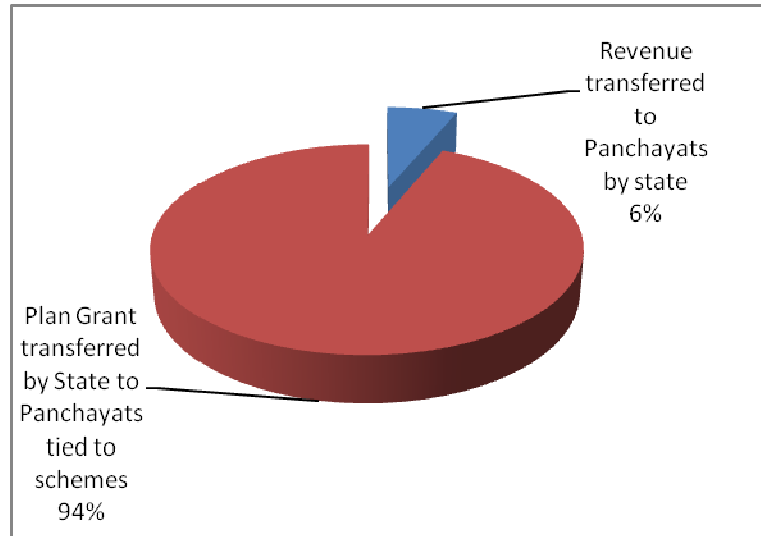
**Diagram No.7: Item Wise Comparison of Available Fund with Gram Panchayat in 2011-12**



Source: Table No.3

7. In the State ,the total available fund with the Block Panchayats in the year 2011-12 was calculated as Rs. 39,868.00 lakhs and out of which Rs 37,334.678 lakhs (93.65%) was from '*Plan Grant transferred by State to Panchayats tied to any scheme*' and Rs 2533.3333 lakhs (6.35%) was under the head of '*Revenue transferred to Panchayats by State*'. (Ref. Table No.3& Diagram No.8)

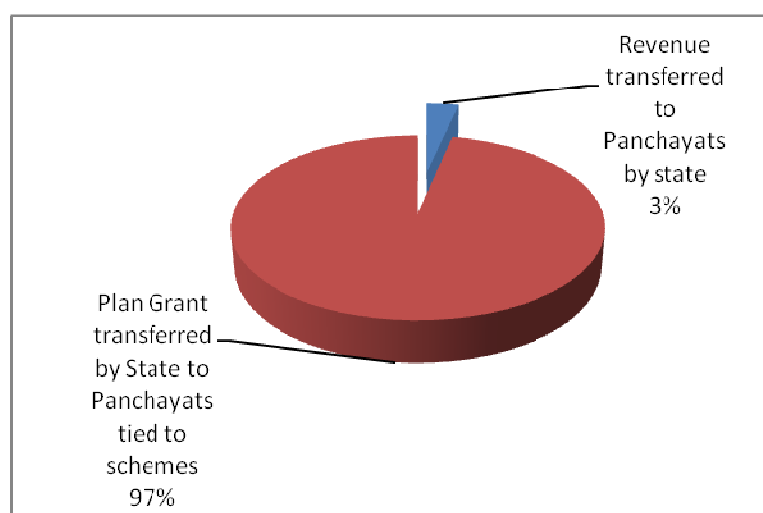
**Diagram No.8: Item Wise Comparison of Available Fund with Block Panchayat in 2011-12**



Source: Table No.3

8. In the State ,the total available fund with the District Panchayats in the year 2011-12 was calculated as Rs. 53536.0633lakhs and out of which Rs. 51727.73 lakhs (96.62%) was from '*Plan Grant transferred by State to Panchayats tied to any scheme*' and Rs 1808.3333 lakhs (3.38 %) was under the head of '*Revenue transferred to Panchayats by State*'. (Ref. Table No.3& Diagram No.9)

**Diagram No.9: Item Wise Comparison of Available Fund with District Panchayat in 2011-12**



Source: Table No.3

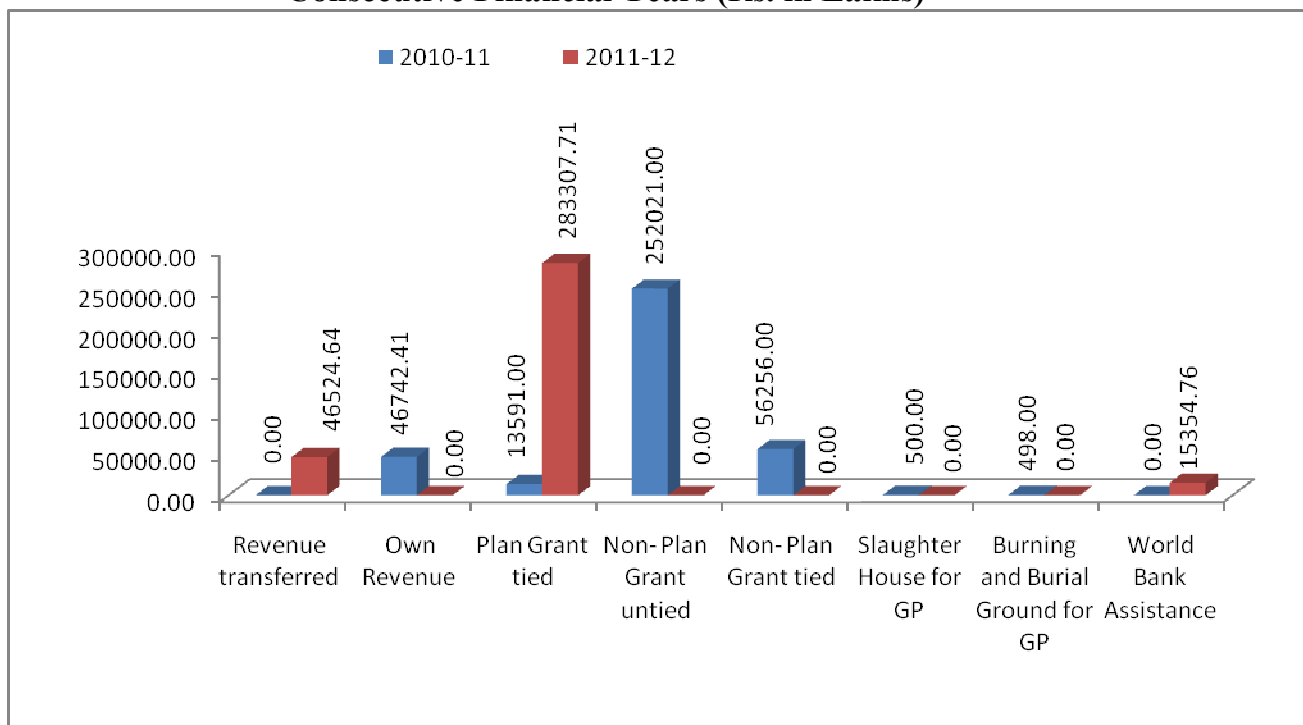
**Table No. 3 :Fund Availability with Panchayats in the State (Rs. in Lakhs)**

Sl. No	Break Up of Revenue	Gram Panchayat	Block Panchayat	District Panchayat	Total
<b>Financial Year 2010-11</b>					
<b>1</b>	Revenue transferred to Panchayats by state				
<b>2</b>	Panchayats Own Revenue including collection from rental, lease, etc	46742.41			46742.41
<b>3</b>	Plan Grant transferred by the State to the Panchayats untied to schemes				0
<b>4</b>	Plan Grant transferred by State	4694	8587	310	13591

	to Panchayats tied to any scheme				
5	Non- Plan Grant transferred by State to Panchayats untied to schemes	179571	34479	37971	252021
6	Non- Plan Grant transferred by State to Panchayats tied to any scheme	49799	573	5884	56256
7	Any Others (Slaughter House for GP)	500			500
8	Any Others(Burning and Burial Ground for GP)	498			498
	<b>Total</b>	<b>281804.41</b>	<b>43639</b>	<b>44165</b>	<b>369608.41</b>
<b>Financial Year 2011-12</b>					
1	Revenue transferred to Panchayats by state	42182.97504	2533.3333	1808.3333	46524.64164
2	Panchayats Own Revenue including collection from rental, lease, etc				0
3	Plan Grant transferred by the State to the Panchayats untied to any scheme				0
4	Plan Grant transferred by State to Panchayats tied to schemes	194245.299	37334.678	51727.73	283307.707
5	Non- Plan Grant transferred by State to Panchayats untied to any scheme				0
6	Non- Plan Grant transferred by State to Panchayats tied to schemes				0
7	Loan Taken by the Panchayats				0
8	Word bank Assistance	15354.76399			15354.76399
	<b>Total</b>	<b>251783.04</b>	<b>39868.00</b>	<b>53536.0633</b>	<b>345187.1033</b>

Source: Data Furnished from Kerala State

**Diagram No.10: Fund Availability with Panchayats in the State for two Consecutive Financial Years (Rs. in Lakhs)**



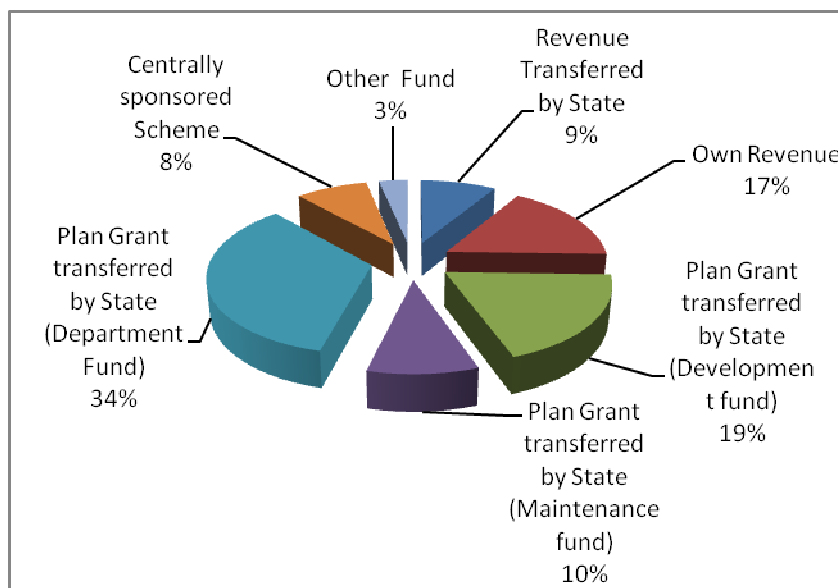
Source: Table No.3

9. The data on resource mobilization (internal revenue) through taxes by the 10 selected Gram Panchayats is Rs.1496.25 lakhs in 2010-2011 and it has come down to Rs 932.06 lakhs in 2011-2012. Again, in 2010-2011 the highest amount was Rs. 551.98 lakhs and it is from the Olavanna Gram Panchayat whereas the lowest is from Karikunnam Gram Panchayat and the corresponding figure is Rs. 17.42 lakhs. In 2011-2012, the highest amount (Rs.403.15 lakhs) is generated from Olavanna Gram Panchayat and Rs. 40.31 is mobilized from Karimkunnam Gram Panchayat. (*Refer Annexure 3.i, and 3.ii*)
10. In 2010-2011, the total expenditure for the 10 selected Gram Panchayat was Rs 4907.65 lakhs whereas the total available fund was Rs.4884.80 lakhs. The available fund for the year 2011-2012 was Rs.5017.53 lakhs and the total expenditure was 4662.12 lakhs. (Since it was not available the opening balance has not been

considered while calculating the available fund for the two years). (*Refer Annexure 3.i, and 3.ii*)

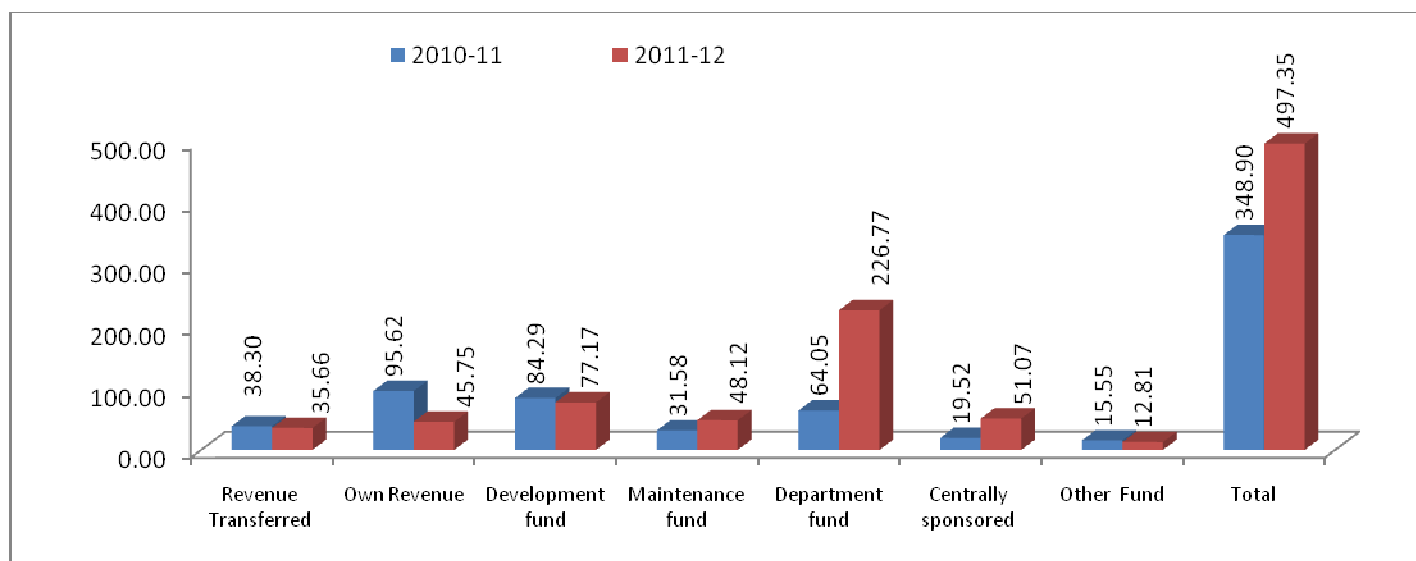
11. The total available fund in 2010-2011 in the four selected Block Panchayat was Rs. 4640.76 lakhs and the expenditure incurred was Rs. 3807.29 lakhs. In 2011-12 the total available fund was Rs. 5329.75 lakhs and the expenditure was Rs. 5030.98 lakhs. (Since it was not available the opening balance has not been considered while calculating the available fund for the two years). (*Refer Annexure 4.i and 4.ii*)
12. The total available fund in 2010-2011 in the three selected District Panchayat was Rs. 11712.83 lakhs and the expenditure incurred was Rs. 11751.65825 lakhs. In 2011-12 the total available fund was Rs. 15569.13198 lakhs and the expenditure was Rs. 15250.64505 lakhs. (Since it was not available the opening balance has not been considered while calculating the available fund for the two years). (*Refer Annexure 5.i, and 5.ii*)
13. In Chembilode Gram Panchayat of Kannur District the availability of fund per year from different sources is given in Diagram No.11 and more than one third of the fund (34 %) is plan grant transferred by state(department fund), 19 percent from plan grant transferred by state (development fund) and 17 percent from own revenue. Comparing the two years fund availability (2010-11 & 2011-12) maintenance fund, department fund and fund from centrally sponsored schemes are increased in the year 2011-12 and it is shown in diagram No. 12. (*Refer Table No.4*)

**Diagram No. 11: Average Fund Availability of Chembilode(Sample ) Gram Panchayat**



Source: Table No.4

**Diagram No. 12: Comparison of Fund Availability of Chembilode (Sample ) Gram Panchayat in 2010-11 and 2011-12 (Rs.in lakhs)**



Source: Table No.4



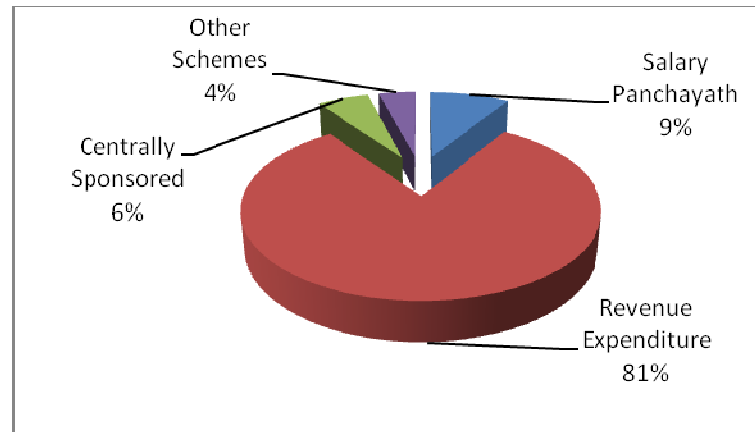
**Table No. 4: Details of Fund Available Chembilode (Sample) Gram Panchayat (Rs. in lakhs)**

Year Name of the GP	Fund Available (Rs. in lakhs)							
	Revenue Transferred by State	Panchayat Own Revenue	Plan Grant transferred by State (Development fund)	Plan Grant transferred by State (Maintenance fund)	Plan Grant transferred by State (Department Fund)	Centrally sponsored Scheme*	Other Fund**	Total
<b>2010-2011</b>	38.29541	95.62038	84.29	31.58	64.04785	19.521	15.54584	348.90
<b>2011-2012</b>	35.66173	45.75319	77.17	48.11615	226.7719	51.06992	12.80858	497.35
<b>Average per year</b>	36.97857	70.68679	80.73	39.84808	145.4099	35.29546	14.17721	423.12 599

\*MGNREGA, TSC, MP Fund & NFC

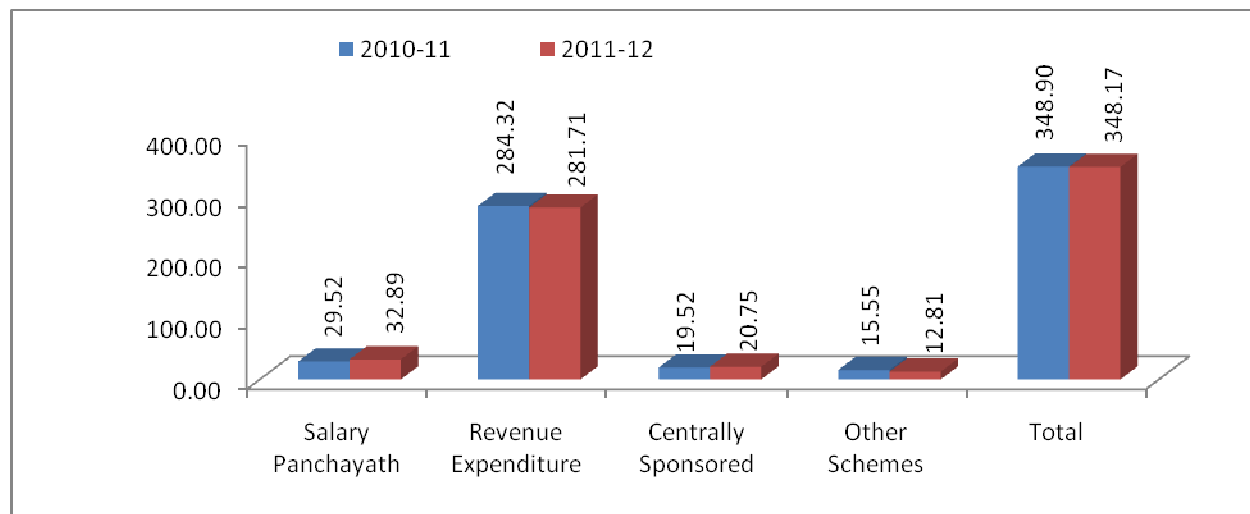
\*\*Literacy Mission Fund, Kudumbasree Fund, Best Panchayat & DP Scholarship

14. The average expenditure of Chembilode Gram Panchayat is given in Diagram No.13 and more than four fifth (81 %) is revenue expenditure. Revenue expenditure and expenditure on other schemes are decreased in the year 2011-12 when compared to that in 2010-11 and it is shown in diagram no. 14 (Refer Table No.5)

**Diagram No. 13: Average Expenditure of Chembilode (Sample) Gram Panchayat**

Source: Table No.5

**Diagram No. 14: Comparison of Expenditure of Chembilode (Sample ) Gram Panchayat in 2010-11 and 2011-12 (Rs.in lakhs)**



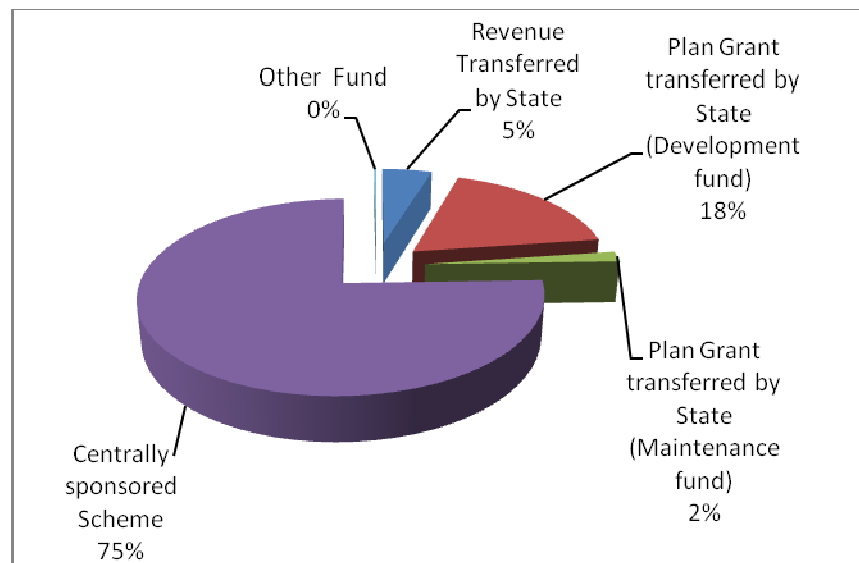
Source: Table No.5

**Table No. 5: Details of Expenditure Chembilode (Sample) Gram Panchayat (Rs. in Lakhs)**

Year	Expenditure (Rs. in lakhs)				
	Salary Panchayath	Revenue Expenditure	Centrally Sponsored	Other Schemes	Total
<b>2010-2011</b>	29.51532	284.31832	19.521	15.54584	348.90048
<b>2011-2012</b>	32.89485	281.71043	20.75208	12.80858	348.16594
<b>Average per year</b>	31.20509	283.01437	20.13654	14.17721	348.53321

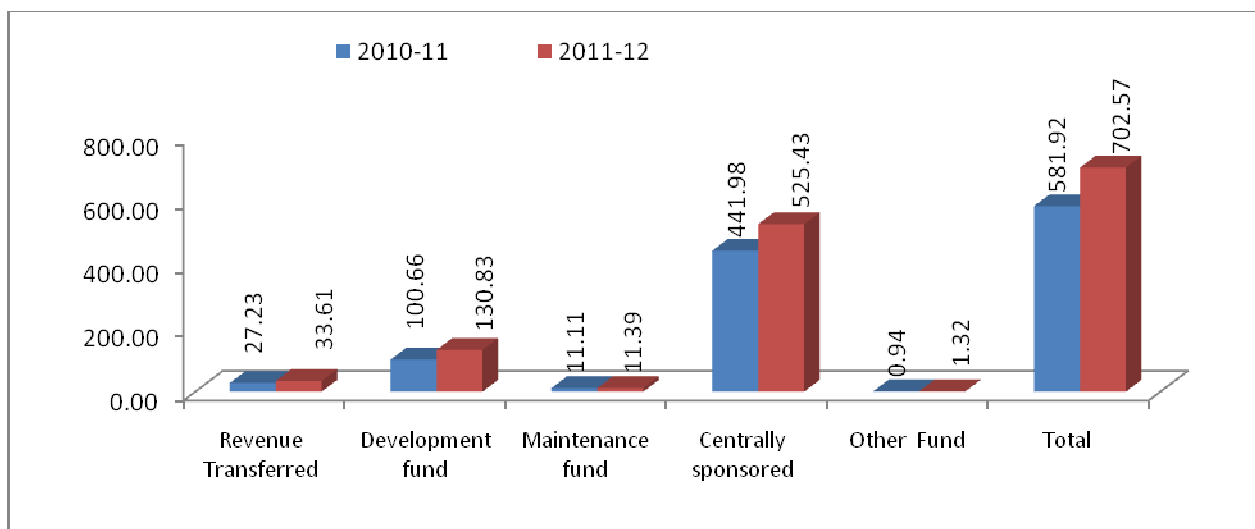
15. In Cherppu Block Panchayat of Thrissur District the availability of fund per year from different sources is given in Diagram No.15 and three fourth (75 %) of the fund are from centrally sponsored schemes and 18 percent from development fund. All types of funds are increased in the year 2011-12 compared to the same in 2010-11 and it is depicted in the Diagram No. 15,16 (Refer Table No.6)

**Diagram No. 15: Average Fund Availability of Cherppu (Sample) Block Panchayat**



Source: Table No.6

**Diagram No. 16: Comparison of Available Fund of Cherppu (Sample) Block Panchayat in 2010-11 and 2011-12 (Rs.in lakhs)**



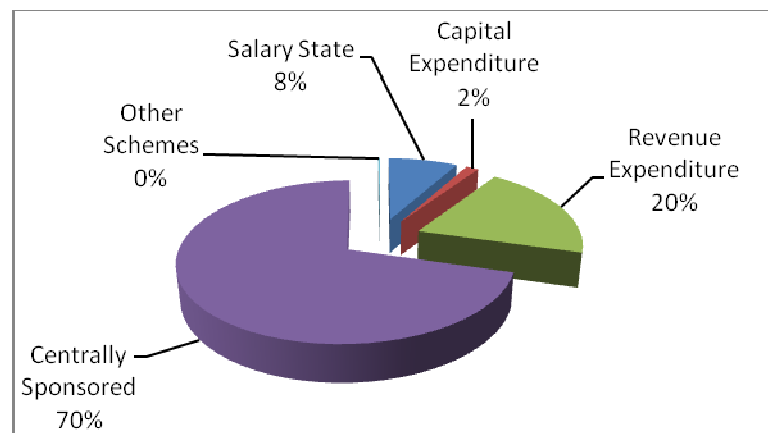
Source: Table No.6

**Table No.6: Details of Fund Available Cherppu (Sample) Block Panchayat**

Year	Fund Available (Rs. in lakhs)					
	Revenue Transferred by State	Plan Grant transferred by State (Development fund)	Plan Grant transferred by State (Maintenance fund)	Centrally sponsored Scheme	Other Fund	Total
<b>2010-2011</b>	27.22911	100.66115	11.11062	441.98264	0.94092	581.92444
<b>2011-2012</b>	33.60948	130.82884	11.38911	525.42600	1.31729	702.57072
<b>Average per year</b>	30.41930	115.74500	11.24987	483.70432	1.12911	642.24758

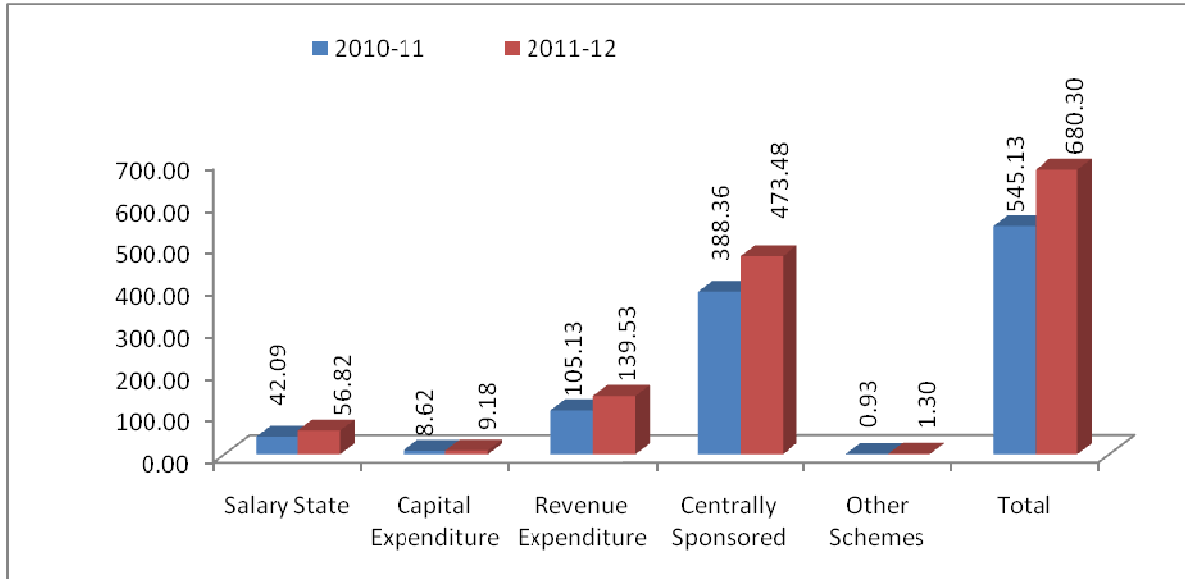
Source: Data collected from the Cherpu Panchayat

16. Average expenditure of Cherppu Block Panchayat is given in Diagram No. 15 and major portion (70 %) of the expenditure is on centrally sponsored schemes and 20 percent is revenue expenditure. Expenditure under all the heads are increased in the year 2011-12 compared to the same in 2010-11 and it is given in Diagram No.16 (Refer Table No.7)

**Diagram No. 17: Average Expenditure of Cherppu (Sample) Block Panchayat**

Source: Table No.7

**Diagram No. 18: Comparison of Expenditure of Cherppu (Sample) Block Panchayat in 2010-11 and 2011-12 (Rs.in lakhs)**



Source: Table No.7

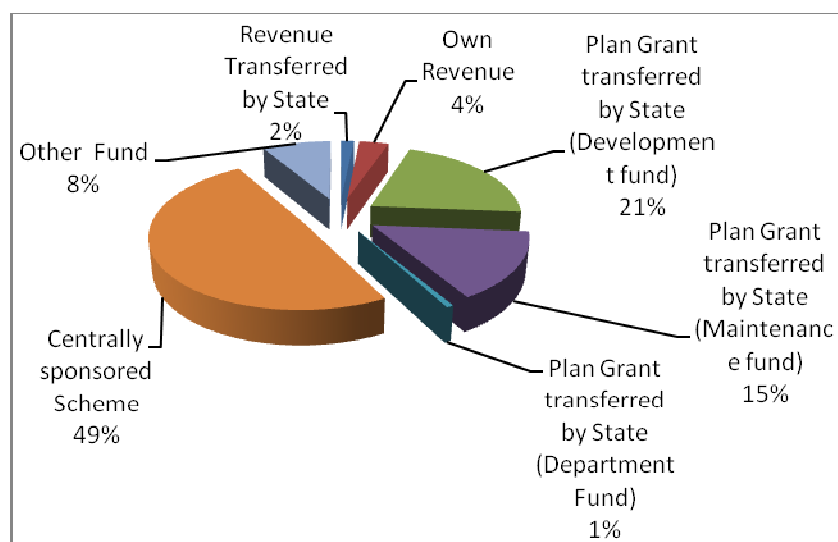
**Table No. 7: Details of Expenditure Cherppu (Sample) Block Panchayat**

Year	Expenditure (Rs. in lakhs)					
	Salary State	Capital Expenditure	Revenue Expenditure	Centrally Sponsored	Other Schemes	Total
<b>2010-2011</b>	42.09080	8.61963	105.13382	388.35875	0.92986	545.13286
<b>2011-2012</b>	56.81804	9.17902	139.52607	473.47509	1.29930	680.29752
<b>Average per year</b>	49.45442	8.89933	122.32995	430.91692	1.11458	612.71519

Source: Data collected from the Cherpur Block Panchayat

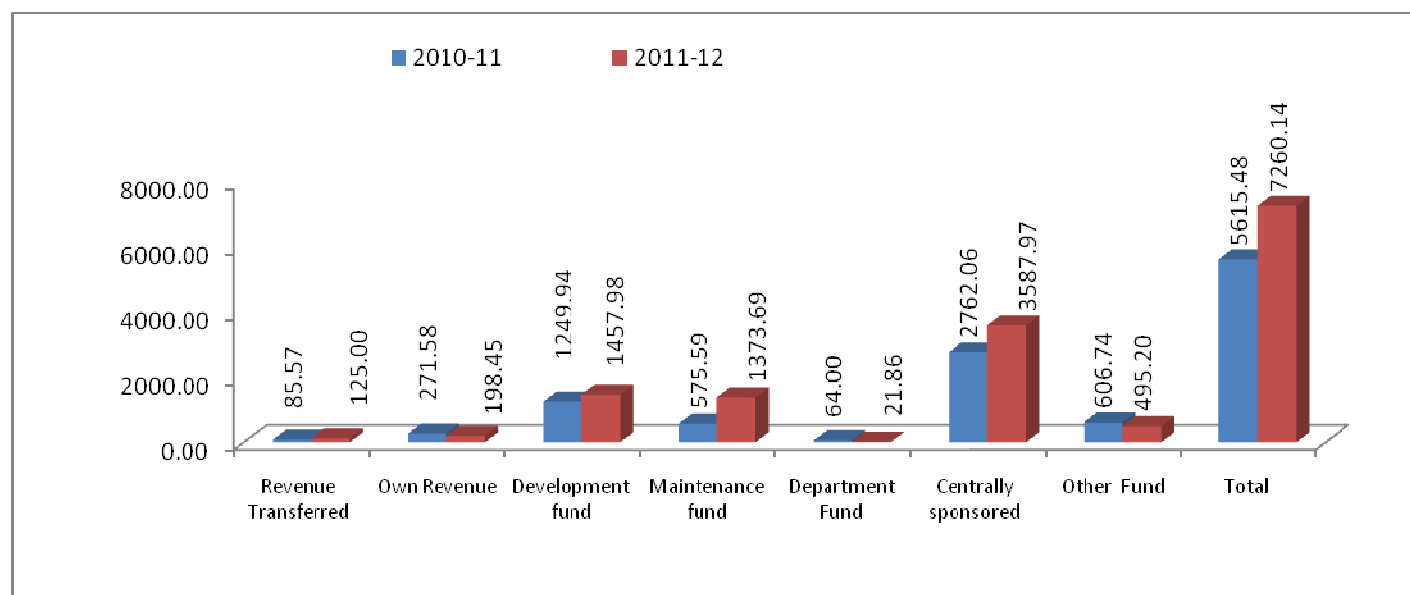
17. In Kasargod District Panchayat the availability of fund per year from different sources is given in Diagram No.17 and just less than half (49%) of the fund is from centrally sponsored schemes, 21 percent is development fund and 15 percent is maintenance fund. Own income, department fund and other funds are decreased in the year 2011-12 compared to the same in 2010-11 and is given in diagram No. 19,20. (Refer Table No.8)

**Diagram No. 19: Average Fund Available of Kasargod (Sample) District Panchayat**



Source: Table No.8

**Diagram No. 20: Comparison of Available Funds of Kasargod (Sample) District Panchayat in 2010-11 and 2011-12 (Rs.in lakhs)**



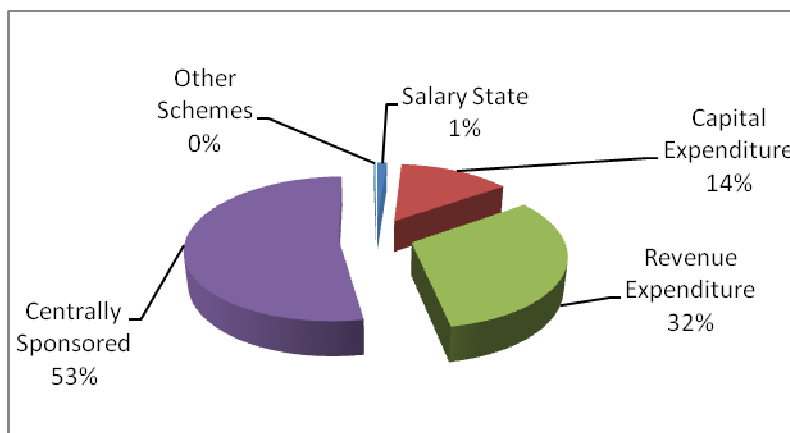
Source: Table No.8

**Table No. 8: Details of Fund Available Kasaragod (Sample) District Panchayat (Rs. in lakhs)**

Year	Fund Available (Rs. in lakhs)							
	Revenue Transferred by State	Panchayat Own Revenue	Plan Grant transferred by State (Development fund)	Plan Grant transferred by State (Maintenance fund)	Plan Grant transferred by State (Department Fund)	Centrally sponsored Scheme	Other Fund	Total
2010-2011	85.57000	271.57790	1249.94000	575.59399	63.99716	2762.06287	606.73614	5615.47806
2011-2012	124.99999	198.44943	1457.98000	1373.68610	21.85848	3587.97094	495.19828	7260.14322
Average per year	105.28500	235.01367	1353.96000	974.64005	42.92782	3175.01691	550.96721	6437.81064

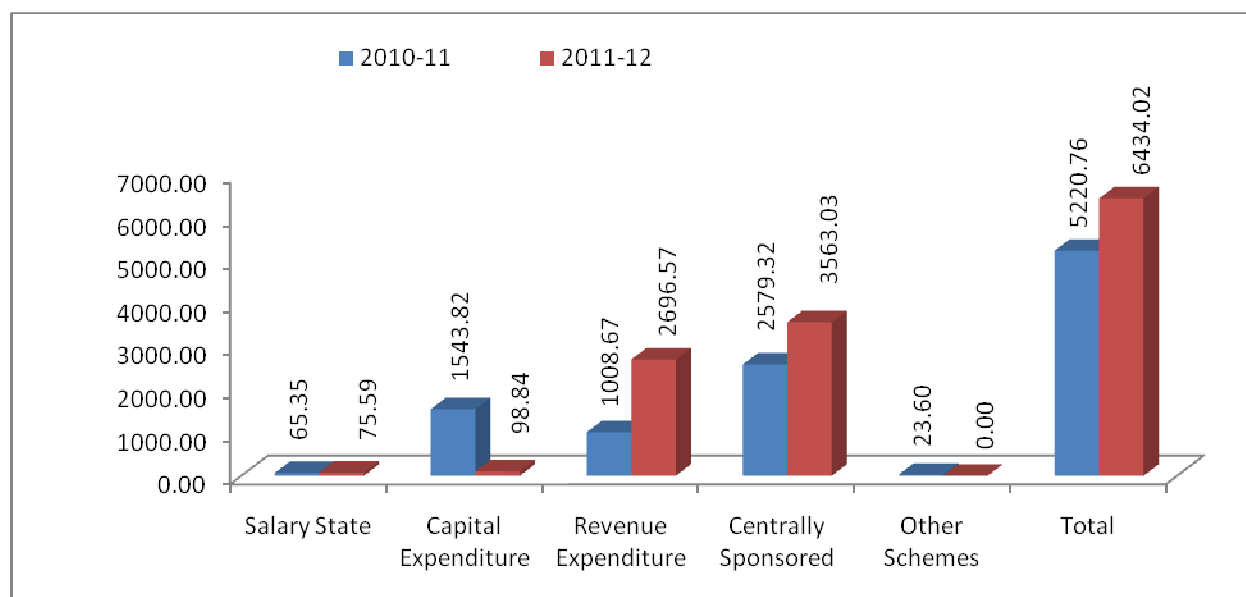
Source: Data collected from the Kasargode District Panchayat

18. Average expenditure of Kasargod District Panchayat is depicted in Diagram No. 17 and more than half (53 %) of the expenditure is on centrally sponsored schemes and 32 percent is on revenue expenditure. Comparing two years expenditures (2010-11 & 2011-12) only the capital expenditure and expenditure on other schemes are decreased in the year 2011-12 and it is shown in Diagram No. 21,22 (Refer table No. 9)

**Diagram No. 21: Average Expenditure of Kasargod (Sample) District Panchayat**

Source: Table No.9

**Diagram No. 22: Comparison of Expenditure of Kasargod (Sample) District Panchayat in 2010-11 and 2011-12 (Rs.in lakhs)**



Source: Table No.9

**Table No.9: Details of Expenditure Kasaragod (Sample) District Panchayat (Rs. in lakhs)**

Year	Expenditure (Rs. in lakhs)					
	Salary State	Capital Expenditure	Revenue Expenditure	Centrally Sponsored	Other Schemes	Total
<b>2010-2011</b>	65.34843	1543.82032	1008.67044	2579.31939	23.60078	5220.75936
<b>2011-2012</b>	75.58552	98.83602	2696.57248	3563.02855	0.00000	6434.02252
<b>Average per year</b>	70.46698	821.32817	1852.62146	3071.17397	11.80039	5827.39094

Source: Data collected from the Kasargode District Panchayat



## Conclusion

The extent of devolution and the process of decentralization in Kerala are revealed from the verification process carried out in the State. The verification process helped in bringing out the current dynamics in the devolution of 3Fs in the existing three tier system of Panchayati Raj in the State. The State of Kerala is regarded as one among the forerunners in the process of decentralization in the country. Kerala made remarkable achievements in this regard after the 73<sup>rd</sup> Amendment. The Kerala decentralization experience is said to have sharpened people's entitlements and capabilities. It also empowered local Governments. It has helped to frame a new set of orders, rules, guidelines, and legislations which are land marks in the jurisprudence of devolution and democratic decentralization. Finally, it also empowered the local governance in Kerala. It has found some solutions to its persisting economic backwardness. But the recent devolution dynamics from the State indicates that it could not build upon the strong background that the pioneers in the decentralization process have so plentifully offered.

The State has successfully completed the first generation framework criteria. The recent trends in the devolution status in Kerala are not very encouraging. The commitment which the State had shown in the earlier years towards empowering Panchayati Raj Institutions (PRIs) is now seemingly weak. Even then glimpses of efforts from various corners could be found supportive in addressing the issues related to second generation frame work criteria. Some of the major achievements include the Fourth State Finance Commission, the constitution of a High Power Committee to look in to the decentralization status in the State and to recommend for strengthening process as really needs special mention. The Constitutional mandate to plan for economic development and social justice with the reservation of marginalized communities enables the Fourth State Finance Commission to endeavour to work towards the inclusion of excluded communities.

The NFC and SFC fund flow is almost constant and stable. Kerala has made remarkable progress as far as the physical infrastructure and connectivity is concerned. All the PRI's have accounting tools and related software. The PRI's had put in efforts in maintaining and up keeping transparency and anti corruption initiatives. Instances of effective resource mobilization could be seen in many Gram Panchayats of the State. The State has its own capacity building framework to train the elected representatives and officials of the Panchayats. The institutional support at Kerala Institute of Local Administration (KILA) for training the elected representatives and officials is available throughout the year. However, as high demand for training persist a gap between demand and supply could be noticed in the field while doing the verification. Social Audit is conducted only in the domain of MGNREGA at the Gram Sabha meetings. The Gram Sabha is seriously facing a problem of fulfilling the required quorum in sittings and participation of the members. The Governor with retrospective effect had promulgated an ordinance amending the Kerala Panchayat Raj on September 2012 to amend clause (p) of sub-section (i) of section 35 of the original Act to give legal protection for members of Panchayats who fail to convene Gram Sabha up to three meetings. This may be a negative note in the participation of Gram Sabha. Even when a constellation of factors has contributed towards strengthening devolution it seems that Kerala has not been able to capitalize effectively on the strong past that it bears in decentralization and devolution.

Decentralized planning for socio economic development and social justice in its complete sense has not fully evolved. No district plans except for Kollam District have emerged despite all the decentralization activities. It is quite surprising to note that voluntarism, self motivation and innovation in the PRI's is not visible as it is expected. It gives an impression that the process of devolution in Kerala functions only through orders, guidelines, rules and persuasion from higher authorities. It may be termed as command governance. Trifurcation of the Local Self Government Department under three Departments of three Ministries created lack of clarity in the scenario. The present structure has been criticized by many decentralization activists. It is high time to clear all

the backlogs and maintain all the pioneering efforts and the remarkable strides which was once the trademark of the Kerala experience of Devolution and Decentralization for strengthening the existing Local Governments. It could, however, be concluded by stating that the information provided by the State is clear, legible and authentic.

## Annexure

### Annexure .1. Details of Gram Sabhain Nedumbana Gram Panchayat (2011-2012)

Wad No	Date Of Gramsabha	Total No of Voters	Number of Participation	Percentage of Participation
I	14-02-2011	1512	205	13.56
I	03-10-2011	1512	30	1.98
I	26-01-2012	1512	204	13.49
II	13-08-2011	1378	194	14.08
II	08-10-2011	1378	64	4.64
II	28-01-2012	1378	200	14.51
III	21-07-2011	1263	65	5.15
III	22-08-2011	1263	210	16.63
III	08-10-2011	1263	113	8.95
III	31-01-2012	1263	216	17.10
IV	22-07-2011	1335	217	16.25
IV	21-08-2011	1335	207	15.51
IV	10-10-2011	1335	60	4.49
IV	29-01-2012	1335	209	15.66
V	21-07-2011	1377	25	1.82
V	15-08-2011	1377	185	13.44
V	09-10-2011	1377	23	1.67
V	28-01-2012	1377	143	10.38
VI	21-07-2011	1571	35	2.23
VI	14-08-2011	1571	180	11.46
VI	09-10-2011	1571	44	2.80
VI	29-01-2012	1571	181	11.52
VII	27-05-2011	1375	57	4.15
VII	22-07-2011	1375	168	12.22
VII	14-08-2011	1375	22	1.60
VII	29-01-2012	1375	165	12.00
VIII	17-07-2011	1602	33	2.06
VIII	22-08-2011	1602	183	11.42
VIII	31-01-2012	1602	224	13.98
IX	22-08-2011	1287	128	9.35
IX	22-07-2011	1287	143	11.11
IX	28-01-2012	1287	51	3.96
X	22-07-2011	1833	27	1.47
X	15-08-2011	1833	203	11.07
X	07-10-2011	1833	46	2.51
X	29-01-2012	1833	219	11.95
XI	21-08-2011	1441	164	11.38
XI	02-10-2011	1441	37	2.57

XI	26-01-2012	1441	301	20.89
XII	21-07-2011	1323	40	<b>3.02</b>
XII	20-08-2011	1323	159	12.02
XII	03-10-2011	1323	74	<b>5.59</b>
XII	28-01-2012	1323	189	14.29
XIII	22-07-2011	1547	40	<b>2.59</b>
XIII	21-08-2011	1547	164	10.60
XIII	03-10-2011	1547	84	<b>5.43</b>
XIII	26-01-2012	1547	176	11.38
XIV	13-08-2011	1769	76	<b>4.30</b>
XIV	03-10-2011	1769	97	<b>5.48</b>
XIV	26-10-2011	1769	197	11.14
XIV	26-01-2012	1769	197	11.14
XV	23-07-2011	1433	27	<b>1.88</b>
XV	13-08-2011	1433	205	14.31
XV	08-10-2011	1433	29	<b>2.02</b>
XV	28-01-2012	1433	205	14.31
XVI	23-07-2011	1596	17	<b>1.07</b>
XVI	14-08-2011	1596	160	10.03
XVI	07-10-2011	1596	21	<b>1.32</b>
XVI	26-01-2012	1596	161	10.09
XVII	23-07-2011	1537	20	<b>1.30</b>
XVII	13-08-2011	1537	207	13.47
XVII	03-10-2011	1537	36	<b>2.34</b>
XVII	28-01-2012	1537	212	13.79
XVIII	23-07-2011	1485	19	<b>1.28</b>
XVIII	14-08-2011	1485	151	10.17
XVIII	05-10-2011	1485	44	<b>2.96</b>
XVIII	28-01-2012	1485	188	12.66
XIX	22-07-2011	1449	156	10.77
XIX	14-08-2011	1449	164	11.32
XIX	05-10-2011	1449	155	10.70
XIX	28-01-2012	1449	161	11.11
XX	22-07-2011	1426	29	<b>2.03</b>
XX	06-08-2011	1426	153	10.73
XX	07-10-2011	1426	155	10.87
XX	31-01-2012	1426	154	10.80
XXI	23-07-2011	1607	17	<b>1.06</b>
XXI	20-08-2011	1607	216	13.44
XXI	09-10-2011	1607	66	<b>4.11</b>
XXI	31-01-2012	1607	186	11.57
XXII	20-08-2011	1527	153	10.02
XXII	08-10-2011	1527	53	<b>3.47</b>
XXII	28-01-2012	1527	216	14.15

XXIII	23-07-2011	1440	42	2.92
XXIII	21-08-2011	1440	174	12.08
XXIII	04-10-2011	1440	47	3.26
XXIII	29-01-2012	1440	197	13.68

Note: The figure with red colour shows the Gram Sabha held without quorum

Source: Data collected from the office of the Nedumbana Gram Panchayat

**Annexure 2.i: SFC award to Chempilode Gram Panchayat (Rs.)**

Year	Date	General	SCP	Total Amount
2009-2010	18-06-2009	721700	44400	766100
2009-2010	25-07-2009	721700	44400	766100
2009-2010	18-08-2009	721700	44400	766100
2009-2010	07-09-2009	721700	44400	766100
2009-2010	2-11-2009	721700	44400	766100
2009-2010	3-12-2009	721700	44400	766100
2009-2010	15-12-2009	721700	44400	766100
2009-2010	19-01-2010	721700	44400	766100
2009-2010	25-01-2010	721700	44400	766100
2009-2010	12-03-2010	721700	44400	766100
2010-2011	09-06-2010	794100	48800	842900
2010-2011	19-07-2010	794100	48800	842900
2010-2011	02-08-2010	794100	48800	842900
2010-2011	28-08-2010	794100	48800	842900
2010-2011	30-10-2010	794100	48800	842900
2010-2011	26-11-2010	794100	48800	842900
2010-2011	31-01-2011	794100	48800	842900
2010-2011	10-03-2011	794100	48800	842900
2010-2011	10-03-2011	794100	48800	842900
2010-2011	29-03-2011	794100	48800	842900
2011-2012	06-07-2011	717600	54100	771700
2011-2012	04-08-2011	717600	54100	771700
2011-2012	03-09-2011	717600	54100	771700
2011-2012	04-10-2011	717600	54100	771700
2011-2012	24-11-2011	717600	54100	771700
2011-2012	24-11-2011	717600	54100	771700
2011-2012	12-01-2012	717600	54100	771700
2011-2012	12-01-2012	717600	54100	771700
2011-2012	25-02-2012	717600	54100	771700
2011-2012	19-03-2012	717600	54100	771700
2012-2013	26-09-2012	672600	60600	733200
2012-2013	01-11-2012	672600	60600	733200
2012-2013	01-11-2012	672600	60600	733200
2012-2013	19-12-2012	672600	60600	733200
2012-2013	17-01-2013	672600	60600	733200
2012-2013	17-01-2013	672600	60600	733200

2012-2013	17-01-2013	672600	60600	733200
2012-2013	16-02-2013	672600	60600	733200
<b>Total</b>		<b>2,77,14,800</b>	<b>1957,,800</b>	<b>2,96,72,600</b>

Source: Data collected from the Chempilode Gram Panchayat

**Annexure 2.ii: SFC award to Cherpu Block Panchayat. (Rs.)**

<b>Year</b>	<b>Date</b>	<b>General</b>	<b>SCP</b>	<b>Total Amount</b>
2009-2010	27-05-2009	457000	436300	893300
2009-2010	30-06-2009	457000	436300	893300
2009-2010	25-08-2009	457000	436300	893300
2009-2010	30-09-2009	457000	436300	893300
2009-2010	12-10-2009	457000	436300	893300
2009-2010	04-11-2009	457000	436300	893300
2009-2010	22-01-2010	457000	436300	893300
2009-2010	28-01-2010	457000	436300	893300
2009-2010	28-01-2010	457000	436300	893300
2009-2010	04-03-2010	457000	436300	893300
2010-2011	01-06-2010	502800	479800	982600
2010-2011	28-08-2010	502800	479800	982600
2010-2011	02-09-2010	502800	479800	982600
2010-2011	24-09-2010	502800	479800	982600
2010-2011	04-11-2010	502800	479800	982600
2010-2011	30-11-2010	502800	479800	982600
2010-2011	31-01-2011	502800	479800	982600
2010-2011	25-03-2011	502800	479800	982600
2010-2011	25-03-2011	502800	479800	982600
2010-2011	25-03-2011	502800	479800	982600
2011-2012	09-06-2011	731700	536800	1268500
2011-2012	25-06-2011	731700	536800	1268500
2011-2012	10-08-2011	731700	536800	1268500
2011-2012	13-09-2011	731700	536800	1268500
2011-2012	24-10-2011	731700	536800	1268500
2011-2012	03-11-2011	731700	536800	1268500
2011-2012	21-11-2011	731700	536800	1268500
2011-2012	28-12-2011	731700	536800	1268500
2011-2012	23-01-2012	731700	536800	1268500
2011-2012	16-03-2012	731700	536800	1268500
2012-2013	14-09-2012	763200	601200	1364400
2012-2013	08-10-2012	763200	601200	1364400
2012-2013	12-11-2012	763200	601200	1364400
2012-2013	12-12-2012	763200	601200	1364400
2012-2013	12-12-2012	763200	601200	1364400
2012-2013	12-12-2012	763200	601200	1364400
2012-2013	14-01-2013	763200	601200	1364400
<b>Total</b>		<b>22257400</b>	<b>18737400</b>	<b>40994800</b>

Source: Data collected from the Cherpur Block Panchayat

**Annexure 2.iii: SFC award to Kasargode District Panchayat (Rs.)**

<b>Year</b>	<b>Date</b>	<b>General</b>	<b>SCP</b>	<b>TSP</b>	<b>Amount</b>
2009-2010	26-05-2009	7469400	2213300	1683200	11365900
2009-2010	19-06-2009	7469400	2213300	1683200	11365900
2009-2010	27-07-2009	7469400	2213300	1683200	11365900
2009-2010	22-08-2009	7469400	2213300	1683200	11365900
2009-2010	29-09-2009	7469400	2213300	1683200	11365900
2009-2010	21-10-2009	7469400	2213300	1683200	11365900
2009-2010	23-11-2009	7469400	2213300	1683200	11365900
2009-2010	30-12-2009	7469400	2213300	1683200	11365900
2009-2010	11-01-2010	7469400	2213300	1683200	11365900
2009-2010	20-02-2010	7469400	2213300	1683200	11365900
2010-2011	24-05-2010	8215400	2434200	1849800	12499400
2010-2011	25-06-2010	8215400	2434200	1849800	12499400
2010-2011	24-07-2010	8215400	2434200	1849800	12499400
2010-2011	26-08-2010	8215400	2434200	1849800	12499400
2010-2011	17-09-2010	8215400	2434200	1849800	12499400
2010-2011	26-10-2010	8215400	2434200	1849800	12499400
2010-2011	27-11-2010	8215400	2434200	1849800	12499400
2010-2011	20-12-2010	8215400	2434200	1849800	12499400
2010-2011	31-01-2011	8215400	2434200	1849800	12499400
2010-2011	26-03-2011	8215400	2434200	1849800	12499400
2011-2012	25-05-2011	10534100	2661800	1383900	14579800
2011-2012	30-06-2011	10534100	2661800	1383900	14579800
2011-2012	16-07-2011	10534100	2661800	1383900	14579800
2011-2012	24-08-2011	10534100	2661800	1383900	14579800
2011-2012	29-09-2011	10534100	2661800	1383900	14579800
2011-2012	19-11-2011	10534100	2661800	1383900	14579800
2011-2012	15-12-2011	10534100	2661800	1383900	14579800
2011-2012	24-01-2012	10534100	2661800	1383900	14579800
2011-2012	02-02-2012	10534100	2661800	1383900	14579800
2011-2012	22-03-2012	10534100	2661800	1383900	14579800
2012-2013	13-08-2012	10986600	2981200	1550000	15517800
2012-2013	11-09-2012	10986600	2981200	1550000	15517800
2012-2013	29-09-2012	10986600	2981200	1550000	15517800
2012-2013	15-10-2012	10986600	2981200	1550000	15517800
2012-2013	19-10-2012	10986600	2981200	1550000	15517800
2012-2013	15-11-2012	10986600	2981200	1550000	15517800
2012-2013	07-12-2012	10986600	2981200	1550000	15517800
2012-2013	31-12-2012	10986600	2981200	1550000	15517800
2012-2013	15-01-2013	10986600	2981200	1550000	15517800
<b>Total</b>		<b>361068400</b>	<b>99923800</b>	<b>63119000</b>	<b>524111200</b>

Source: Data collected from the Kasargode District Panchayat



**Annexure .3.i . Available Fund and Expenditure of Gram Panchayats in the year 2010-11 (Rs.)**

Name of the GP	Revenue Transferred by State	Own Revenue	Plan Grant transferred by State tied	Non Plan Grant transferred by State tied	Loan	Others	Total	Expenditure
Muriyad	304800	3482000	9006500		240000		13033300	39448922
Adat		9483773	14664000	5932834		3500000	33580607	43290107
Karimkunnamm	1600000	1742070	6023000	2104000	4060000		15529070	23348977
Chottanikkara	5186164	7062043	2854000		7705000		22807207	29138506
Pulamanthole		3389901	12310000	16970427	3000000		35670328	47705348
Chempilode	3829541	9562038	11587000	6404785		3506684	34890048	34890048
Chelora	4112000	11898458	15020149	8547626		2904663	42482896	30182400
Nedumbana	4201873	46170665	24138760	14442120		14884736	103838154	102179969
Nanmanda	3103000	4454412	19799280	10054629		20792218	58203539	44067841
Olavanna	4401296	55198144	33133093	12395334		23317447	128445314	96512879
<b>Total</b>	<b>26738674</b>	<b>152443504</b>	<b>148535782</b>	<b>76851755</b>	<b>15005000</b>	<b>68905748</b>	<b>488480463</b>	<b>490764997</b>

Source: Data collected from the respective Gram Panchayats in Kerala

**Annexure 3.ii. Available Fund and Expenditure of Gram Panchayats in the year 2011-12**

Name of the GP	Revenue Transferred by State	Own Revenue	Plan Grant transferred by State tied	Non Plan Grant transferred by State tied	Loan	Others	Total	Expenditure
Muriyad	4080000	4680631	16280000		665000		25705631	41499657
Adat		8184954	23231000	9438216			40854170	65052665
Karimkunnamm	2028000	2168342	3659000	3229000	928000	1179292	13191634	13807152
Chottanikkara	10593717	7585342	4498000		300000		22977059	30010979
Pulamanthole		3994495	15167000	21336264			40497759	47908298
Chempilode	3566173	4575319	12528615	22677193		6387850	49735150	34816594
Chelora	5496000	14290534	22108544	11248551		8106305	61249934	43701874
Nedumbana	7607000	4201873	28060000	16304173		15091024	71264070	74011563
Nanmanda	4105000	3209279	12967000	11273320	625000	37969719	70149318	53065862
Olavanna	4206000	40315230	30019326	12684078		18903655	106128289	62337589
<b>Total</b>	<b>41681890</b>	<b>93205999</b>	<b>168518485</b>	<b>108190795</b>	<b>2518000</b>	<b>87637845</b>	<b>501753014</b>	<b>466212233</b>

Source: Data collected from the respective Gram Panchayats in Kerala

**Annexure .4.i. Available Fund and Expenditure of Block Panchayats in the year 2010-11 (Rs.)**

Name	Revenue	Own	Plan Grant	Non Plan	Loan	Others	Total	Expenditure
Lalam	295325		12205036	1808077		33469624	47778062	39227945
Idukki	1177000	32960	32051000		28161000	142696908	204118868	160352050
Cherpu	2722911		11177177	44198264		94092	58192444	54513286
Vaikom	2700428		20681173	100015675		30589475	153986751	126635254
<b>Total</b>	<b>6895664</b>	<b>32960</b>	<b>76114386</b>	<b>146022016</b>	<b>28161000</b>	<b>206850099</b>	<b>464076125</b>	<b>380728535</b>

Source: Data collected from the respective Block Panchayats in Kerala

**Annexure 4.ii. Available Fund and Expenditure of Block Panchayats in the year 2011-12 (Rs.)**

Name of the BP	Revenue Transferred by State	Plan Grant transferred by State tied	Non Plan Grant transferred by State tied	Others	Total	Expenditure
Lalam	670077	14012392	1584739	33611960	49879168	58655089
Idukki	1500000	29421000		168793803	199714803	193795519
Cherpu	3360948	14221795	52542600	131729	70257072	68029752
Vaikom	1946151	22979000	156170318	32029006	213124475	182617856
<b>Total</b>	<b>7477176</b>	<b>80634187</b>	<b>210297657</b>	<b>234566498</b>	<b>532975518</b>	<b>503098216</b>

Source: Data collected from the respective Block Panchayats in Kerala

**Annexure .5.i. Available Fund and Expenditure of District Panchayats in the year 2010-11 (Rs.)**

Name of the DP	Revenue Transferred by State	Own Revenue	Plan Grant transferred by State tied	Non Plan Grant transferred by State tied	Other	Total	Expenditure
Pathanamthitta			173668870	31480752		205149622	247324802
Thrissur	8557000	14442930	369992000	9592552	2001424	404585906	405765087
Kasargod	8557000	27157790	188953115		336879901	561547806	522075936
<b>Total</b>	<b>17114000</b>	<b>41600720</b>	<b>732613985</b>	<b>41073304</b>	<b>338881325</b>	<b>1171283334</b>	<b>1175165825</b>

Source: Data collected from the three District Panchayats in Kerala

**Annexure .5.ii. Available Fund and Expenditure of District Panchayats in the year 2011-12 (Rs.)**

Name of the DP	Revenue Transferred by State	Own Revenue	Plan Grant transferred by State tied	Non Plan Grant transferred by State tied	Others	Total	Expenditure
Pathanamthitta			278895722	150847441		429743163	366429245
Thrissur	12499999	14590198	363648637	7980874	2436005	401155713	515233008
Kasargod	12499999	19844943	285352458		408316922	726014322	643402252
<b>Total</b>	<b>24999998</b>	<b>34435141</b>	<b>927896817</b>	<b>158828315</b>	<b>410752927</b>	<b>1556913198</b>	<b>1525064505</b>

Source: Data collected from the three District Panchayats in Kerala