



# STUDY TO ASSESS THE ACTUAL STATUS OF DEVOLUTION IN THE UNION TERRITORY OF LAKSHADWEEP

Submitted to

The Ministry of Panchayati Raj, Government of India

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# Acknowledgement

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This report is the result of a significant commitment by numerous individuals over the past few months. In particular, the officials of the Ministry of Panchayati Raj, Govt. of India and the Officials of Union Territory of Lakshadweep have provided extensive support to the development of the Report. Centre for Rural Management (CRM) recognizes the effort of all those who contributed relevant information that are found in this case study. In addition, CRM would like to thank all of the individuals who responded to the original call for report on the actual status of devolution in the Union Territory of Lakshadweep. During the evolution of the report several individuals have provided insightful comments and feedback.

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**Jos Chathukulam**  
Director, Centre for Rural Management (CRM)

## **AIM of the Study**

Through the study the Ministry of Panchayati Raj, Government of India tries to assess the actual status of devolution in the Union Territory of Lakshadweep

## **Objectives of the Study**

The primary objectives of the study are as follows:

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

## **APPROACH AND METHODOLOGY**

The main methodology for the study was qualitative in nature. This was in the form of focus groups discussions (FGDs) for stakeholders, and interviews with the PRI officials. The qualitative tools enabled the research team to gather in depth knowledge of the situation. State level and PRI level reporting formats were used. One District Panchayat and 4 village panchayats are selected for the evaluation purpose. Technical reports, information available from existing literature, and websites were referred for designing various tools for the work. Village (Dweep) Panchayats, District Panchayat office and transferred departments were contacted for information and focus group discussions (FGDs) were conducted among the local communities. Discussions were held with various committees. A two member team who are well acquainted with the theory and practice of local governance has spent number of days for the assignment of data collection and interaction with the functionaries. And in some cases the team has made a second visit also. The MoPR has developed a detailed questionnaire/marking sheet for assessing the different tiers of Panchayati Raj Institutions based on certain crucial indicators. Since each tier has different sphere of functions, deployment of functionaries and flow of finance columns were ensured. By keeping the objective of the study in mind only a few direct questions were posed to the direct stakeholders at the UT level for assessing the impact of the scheme on different States.

### **TOOLS USED**

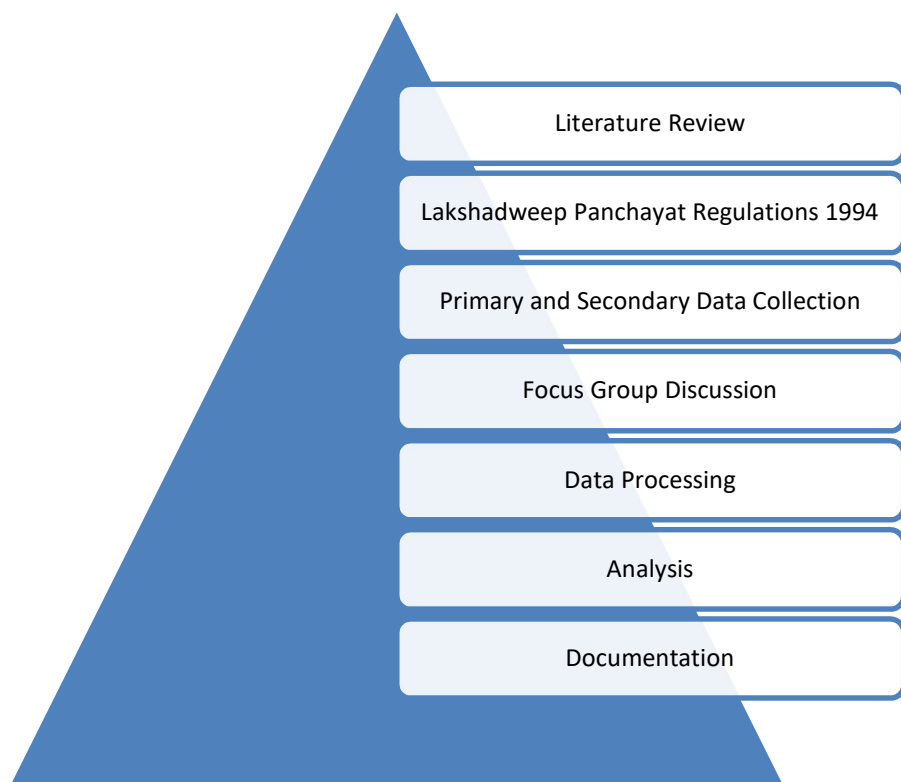
UT Level Questionnaire

District Level Questionnaire

DPC Questionnaire

Village (Dweep) Level Questionnaire

## METHODOLOGY FLOWCHART



## List of PRI's

DISTRICT	GRAM PANCHAYATS
Lakshadweep District Panchayat	Agatti
	Amini
	Kavarathi
	Kadamat

## CHAPTER 1:

# INTRODUCTION

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### Lakshadweep - Profile

Lakshadweep, formerly known as Laccadives are an archipelago of 26 exquisitely coral islands, with untouched beaches and verdant coconut groves, scattered off the Kerala coast in the Arabian Sea. Covering an area of 32 sq. km Out of 26 small islands, only ten are inhabited and they are Andrott, Amini, Agatti, Bitra, Chetlat, Kadmath, Kalpeni, Kavaratti, Kiltan and Minicoy. These islands form the smallest of the Union Territories of India and are the country's only coral islands. The main islands are Kavaratti, Minicoy, Andrott and Amini. Kavaratti is the headquarters of these islands, while Bitra is the smallest of all, with a nominal population. Far from the chaos of mundane world, as we know it, they represent a rather magical realm of existence. Each island is densely covered with coconut palms, and serenely set in a sea, the waters of which range from palest aquamarine and turquoise, to deepest sapphire and lapis lazuli. About 93 percent of the people in Lakshadweep are Shafi School Muslims of the Sunni sect, and they speak Malayalam, except in Minicoy where they speak Mahal. Though Lakshadweep is this smallest in the whole of the country in terms of the area it is one of the largest in terms of the economic zones and territorial waters. The Exclusive economic zone comes to around 4,00000 square kilometers. This makes the island very much important from the economic point of view. The nearby port are Calicut (346 Km), Cochin (404 km) and Mangalore (352 km). Airport of Lakshadweep is located in Agatti. Lakshadweep is one of the densely populated territories in India. Among the states Kerala is the most highly dense state. High density makes the governments more responsible in its responsibility to provide the basic minimum amenities for living. High density also often results in higher commercial use of land and high pressure on the land use. Compared to the 1951 census and the 2001 census the union territory has shown tremendous growth in terms of its

population density. Agriculture is one among the economically important sectors with coconut as the lead crop. This sector functions as an important livelihood source for the people in the island. However, the lead crop coconut is not efficiently used and post harvest processing of coconut could probably provide alternative employment to many along with fetching better prices to the coconut. There is also a hidden potential for practicing intercropping and multi cropping which could not only increase the productivity of land but could influence income level of the people. Lakshadweep is India's largest producer of coconuts. About 2,598 hectares are under coconut cultivation and the productivity per hectare is 22,310.

Fishery resources are concern, Lakshadweep is situated in an advantageous position in Arabian Sea of west coast of India. The islands are scattered in sea miles away from one another. Southernmost Island Minicoy situated west to Thiruvananthapuram and northern most territory Manjal par situated west to Batkal of Karnataka state. Total atoll area of Lakshadweep is 4,232 Sq. Kms which include reefs and submerged banks. It has an area of large territorial waters. Exclusive Economic Zone (EEZ) around Lakshadweep is approximately 46 percent of total EEZ of west coast of India. Inhabitants of Lakshadweep are sea farers and many of them traditionally depend on fish for their livelihood. The waters around Lakshadweep are rich with fishery resources. At present a small fishing industry has been developed in Lakshadweep. There has been a steady growth of fish production, which once stood at 500 tonnes during 1950s crossed 12,000 tonnes in recent years. However compared to fishery potential of this area, present yield is only about 10 percentage. The main fishery in Lakshadweep is tuna. Main variety of tuna caught in Lakshadweep is Skip jack. The pelagic tuna Skipjack is caught by Pole and line method with 25 to 40 feet size wooden open type boats. About 350 such boats are operating in different islands for fishing. About 80 percent of fish caught in Lakshadweep is tuna. About 1350 tonnes of Masmeeen is produced in Lakshadweep annually. There are 11 fish landing islands (10 inhabited islands and one uninhabited islands) in Lakshadweep. The islanders do fishing mainly for livelihood. For construction of boats, they have to bring boat building materials like wood etc from mainland by



paying high freight charges. All the materials have to be transported from mainland which is time consuming and expensive. The islanders are skilled in construction of fishing vessels. But financial assistance is required to make them construct more fishing units to exploit more fishery resources available in the area. As reef areas are rich for fishery resources, islanders traditionally use country crafts with oars and sails for propulsion for doing fishing in the vicinity areas. At present fish is caught from 3 areas a) in the vicinity areas of inhabited islands and uninhabited islands like Suhali b) from reef areas like Baliapani, Cheriapani and Perumul par and c) from banks like Elikalpeni, Manjal par, Mankunnu etc. which are far away from inhabited islands.

The inhabited islands are Kavaratti, Agatti, Bangaram, Amini, Kadmat, Kiltan, Chetlat, Bitra, Andrott, Kalpeni and Minicoy. These islands lie about 220 to 440 kilometers away from the coastal city of Kochi in Kerala and are between 8° and 12° Latitude above the equator and 71° and 74° East Longitude. It is a single district Union Territory with an area of 32 Sq.km. It has a very high population density 1894 per sq km (according to the 2001 census). Lakshadweep has total lagoon area of 4,200 Sq km, Large Territorial Waters (about 20000 Sq.Kms) and a huge exclusive economic zone. The socio-economic profile of the UT shows that in terms of key indicators like infant mortality rate and literacy level, Lakshadweep has performed better than the national average. It has 1 district, 1 district Panchayat and 10 **village Panchayats**.

## **Governance Structure & Decentralized Governance**

### **Administrative Setup**

The entire Union Territory of Lakshadweep is considered as one district. Earlier the district was divided into four Tehsils. At present there are 10 Sub Divisions. While the Sub Divisional Officers coordinate development activities in **8 islands, in Minicoy and Agatti the Sub Division is under a Deputy Collector**. Administration Secretariat was shifted from Kozhikode to Kavaratti in March 1964. With increase in various plan schemes and fund allocation, the necessity of decentralization of department was felt

and accordingly in 1972 new offices was created. Though the departmental offices are working separately, Administration Secretariat and District Administration are functioning from the Secretariat Building as compact unit under a single file system.

Matters coming under District Administration, such as revenue, land settlement, law and order are under the purview of the Collector cum Development Commissioner who is also the District Magistrate. Consequent upon the appointment of an officer of Indian Administrative Service as the Managing Director of Lakshadweep Development Corporation Limited (LDCL) and creation of the post of Secretary, Pay and Accounts, the development departments have been allotted among these senior officers including Collector cum Development Commissioner and they are also designated as Secretaries of allotted departments.

The District Magistrate is assisted by one Additional District Magistrate and Ten Executive Magistrates with respect to enforcement of law and order. Lakshadweep Police is under the command and control of Administrator in his capacity as Inspector General of Lakshadweep Police. The Lakshadweep Police has sanctioned strength of 349 personnel for 9 Police Stations, 2 Police Out Posts and 1 Police Aid Post. Superintendent of Police is the head of the force. For maintenance of law and order in addition to Police force, Union Government have raised a company of India Reserve Battalion exclusively for Lakshadweep, Dadra & Nagar Haveli and Daman and Diu. 355 personnel of IRB are stationed in various islands of Lakshadweep. Lakshadweep Marine Police and Lakshadweep Home Guards have also been raised in the recent years to further strengthen the law and order machinery. Naval Detachment & Coast Guard Units are set up in Kavaratti. A Naval Detachment is functioning in Minicoy island also.

For the purpose of implementing community development schemes the territory is divided into five Community Development Blocks with Kavaratti, Amini, Andrott, Minicoy and Kiltan as block head quarters. To bring Administration closer to the

people there are eight Sub Division Officers and two Deputy Collectors posted on all inhabited islands except Bangaram which is part of Agatti Sub Division. They also function as Block Development / Additional Block Development officers of concerned islands.

The union territory is administered by an Administrator appointed Ministry of Home Affairs, Govt. of India. Lakshadweep is under the jurisdiction of the High Court of Kerala at Ernakulam. The Territory also elects one member to the Lok Sabha. The Panchayat Raj system is implemented in the islands. There are Village Dweep (island) Panchayats (VDPs) and District Panchayat; each Village Dweep Panchayat has its own elected chairperson.

The entire Lakshadweep Island is classified as rural and so there is no local urban government but only Panchayat Raj institutions in a two tier structure. The entire union territory comes under one district. There is one district Panchayat in the whole of the territory and 10 Village Dweep Panchayats, one for each of the inhabited island. Many of the functions have been transferred to these local governments. The local governments are empowered to accept taxes but are not very efficient in mobilizing taxes at the local level by the local governments. Panchayats are closer to the people since many of the Village Dweep Panchayats are smaller in size and function like a small unit unlike the same in the rest of the country.

The members of the Village Dweep Panchayats and District Panchayat are directly elected. The Chairperson of the Village Dweep Panchayats shall be members of the District Panchayat by virtue of their position as Chair person. The Panchayat are responsible for discharging their functions as provided in the Lakshadweep Panchayat Regulation 1994 and schedule III & IV of the said Regulations. The table no.1.3 suggests the status of the local governance in Lakshadweep and the number of elected representatives in the local governments of the island. The greater public citizens accountability of the public institutions make the island more unique which too is an outcome of the small size of the island. The public accountability and the seriousness in the

development interest of the island administration make the development trend in the island entirely unique compared to that of the other parts of the country.

Table: No.1: Local Governance Structure

<i>Particulars</i>	<i>Village Panchayats</i>	<i>(Dweep) District Panchayat</i>
Number of Panchayats	10	1
Total Panchayat Member	86	25
Women	33	9
Women Chair Person	4	0

**Source :** Directorate to Panchayat, Lakshadweep Administration, Kavaratti

## History of Panchayat System in the Union Territory

This territory was earlier known as "Laccadive Aminidivi and Minicoy group of Islands" was formed into a Union Territory in 1956 and renamed as Lakshadweep in the year 1973. Kavaratti is the headquarter of this territory. Malayalam is spoken in all the islands except Minicoy where people speak Mahl. It has a high literacy rate of 87%. The health parameters are also remarkably better than the national average. The entire indigenous population because of **their economic and social backwardness** and geographical isolation has been classified as Scheduled Tribes. The islanders are Muslims by religion. Lakshadweep was accorded special status under the administrative arrangements established by the British Raj. Even currently, it retains its unique heritage primarily on account of its strategic location and environmentally sensitive nature. The origins of Lakshadweep are shrouded in mystery. However, various travelers' accounts, legends and reports of the inspecting officers of the earlier European colonizers reveal that the first settlement of these islands refers to the period of Cheraman Perumal, King of Kerala. Tippu Sultan of Mysore also seized control of the area and then it came under the British rule.

In the absence of any written history of the Lakshadweep islands it is not possible to trace

out the type of administrative system that was prevailing there. It is mentioned that during the days of the rule of Hindu Raja of Chirakkal, the islands were administered locally by the people themselves. However, it seems that on the advent of the rule of the Muslim house of Arakkal of Cannore around the middle of the 16th century, a mainlander was appointed in each of the islands as Karyakar (administrator). Leading islanders were appointed as jurors to assist the Karyakar and they belonged to the high **case** koyas. Later on, based on the agreements between the Tipu Sultan and Cannanore Bibi of Arakkal, five islands of Amini group came under **Tipu Sultan and Cannanore Bibi of Arakkal, five islands of Amini group came under Tipu Sultan and the rest** under Arakkal ruler. In 1854, the Islands under the Arakkal ruler were handed over to the East India company for administration. This company appointed an Amini (the trustee) as the administrator of each island. It was observed that only the landlords (Koyas) could become Amin. Thus the administration of the **Kayakara** who came from the mainland was stopped.

When all the islands under Tipu Sultan were taken over by the East India company after the last battle of Seringapatnam, the groups of islands controlled by him were brought under the collector of Mangalore. By 1908, the other group of islands were also brought under the control of British and were administered by the Malabar collector stationed at Calicut. And this arrangement of having these islands under the Madras Presidency continued even after independence. The Union Territory was formed on 1st November 1956 and it was named as Lakshadweep in 1973. Meanwhile the headquarters of the administration was shifted from Calicut (Kerala) to Kavaratti islands in March, 1964.

### **Revenue Administration**

The entire group of islands have been considered as one District and **divided into four Tahsils and each Tahsil is under the control of a Tahasildar except in Minicoy where a Deputy Collector has been appointed in August 1978. The lowest revenue official in each island is known as Amini.**

## General Administration

The Administrator appointed by the President of India under Article 239 of the Constitution is the head of this Union Territory. A District Collector-Cum-Development Commissioner-Cum-District Magistrate is in-charge of matters relating to the District Administration, law and order and Development Programmes and he is functioning under the administrative control of the Administrator. A senior officer of the IAS has been appointed as Managing Director of Lakshadweep Development Corporation in 1992. This officer functions under the control of the Administrator and he happens to be the ex-officio Secretary of a few major departments **such as Fisheries. Industries. Public works, Medical and Public Health Services.**

All the inhabited islands along with their attached islands and islets have **been divided into nine sub-division / additional sub divisions in 1983 and are head by a sub Divisional officer-cum- Executive Magistrate-cum-Block Development Officer/Additional Block Development Officer.** Apart from these there is one Additional District Magistrate. These sub divisional officers exercise the administrative powers for Local Administration and headed the official wing of the Island councils and Block Level Committees in their areas. Scope for people's participation in the administration was very much limited due to the absence of democratic institutions. Earlier to the formation of citizens committee in 1965-66 they were known as 'Karnavans' Committee in Laccadive and Minicoy groups of islands and 'Mukthassors' committee in Amindivi Islands group. They were consulted in matters relating to local problems in their islands. An Advisory Council and an Advisory Committee to advise the Administrator and the Home Ministry (at the Centre) respectively were brought in on the formation of this Union Territory in 1956. However, it is reported that these institutions of Advisory Council and Citizens Committee which continued till 1988 could provide for participation of 'window-dressing type'.

It is natural that there were demands for setting up of representative institutions aimed at popular participation. The visit of Late Shri. Rajiv Gandhi to these islands in December 1986 proved to be the stimulant in this direction. Immediately after this, two regulations, Lakshadweep (Administration) Regulation, 1988 (No.3 of 1988) and Lakshadweep island

Councils Regulation, 1988 (No.4 of 1988) were promulgated to form island councils at the island level and Pradesh Council at the Union Territory level respectively. The Island Councils were constituted in ten island groups. The size of these councils in terms of their number of members varied depending upon the population of the island groups. These members were directly elected from the territorial constituency in each island group.

These island councils which replaced the citizens committees at the island level were assigned with the responsibilities of sanitation and public health, public works, planning and development, administration and social welfare. Sanitation and public health covered sanitation and conservancy, removal of rubbish and keeping the areas of the island in a clean condition, maternity and child welfare, family planning, construction and maintenance of public latrines and regulating, checking and abating of offensive or dangerous trade or practice. Lighting of island and establishment and maintenance of public utility places forms part of public works. Planning and development encompassed preparation and implementation of plans for the development of agriculture, animal husbandry, fisheries, island industries and co-operatives especially (a) distribution of improved seeds, manure and fertilizers (b) promoting the use of improved agriculture implements and making such implements easily available (c) improvement and general care of livestock and promotion of poultry keeping (d) providing for organization, management and development of cottage and small scale industries.

Administration of island council property, numbering of premises, maintenance and upkeep of island council records and registration of births and deaths were the activities specified under the head administration. Social welfare included relief to the crippled and the destitute, preventive and relief measures in times of natural calamity, promotion of moral and social welfare activities and assisting voluntary organizations and agencies engaged in such activities. The Island councils were empowered to levy a tax on the owners or occupiers of buildings, a tax on vehicles kept within the jurisdiction of the Island council, a lighting tax, a drainage tax, an establishment tax, octroi, a tax on boats kept within the jurisdiction of the Island council including the lagoons attached thereto for fishing or for carrying goods or passengers, a license fee for boats maintained for

public transport of goods or passengers and fee for providing protection of crops in the island council area.

Though the list of functions to be performed by the Island councils and their taxation powers were matching with those of the Panchayats in the mainland, these councils could not exercise powers in a reasonable manner for various reasons that have been plaguing the Panchayats of the mainland. The reasons that have been attributed for the failure of these councils are, though many of the schemes were transferred to the island councils, due to the reluctance on the part of the bureaucrats to share the powers with the democratic institutions, many of the functions could not be carried out. Secondly, the elected representatives were not having any experience in coping with the powers and functions entrusted to them. Finally, it was felt that the absence of training to the elected members in governance has been cited as the other reasons. A study conducted by Jos Chathukulam and V K Kurien observes that ‘the Island Council’ has only very limited functions. Careful reading of the Island council regulation act reveals that the council has only advisory functions on health education and matters relating to social and economic well being of the people in the islands. The political leadership in the council are convinced that the various provisions in the Act are designed and incorporated to put the bureaucrats in the apex on the one side and control the democratic desire of the people on the other side. A considerable majority of the members in the council are not satisfied with the schedules in the Act.

Thus it could be concluded that even though the constitutions of the island councils was an improvement over the previous system of citizens committee, these councils have not measured up to the expectations of the people and their representatives. However, the silver lining in this exercise was election of the representatives by the people themselves rather than that of appointment on the recommendation of the Administrator as in the case of citizens committee.

### **Pradesh Council**

The Pradesh Council was constituted for the entire Union Territory. It consisted of 21 members who were indirectly elected by the Island councils, the sitting member of



Parliament representing the Lakshadweep in the Lok Sabha, the Administrator of the Union Territory and the **collector-cum-Development commissioner**. The administrator was the Chairman and in his absence, the Vice Chairman, the collection used to preside over the meetings. The major difference between the erstwhile Advisory Council and this Pradesh Council was that while the members of the former were appointed on the recommendation of the Administrator, in the later membership was based on the indirect election by the Island Councils. However, it continued as an advisory body without much executive functions.

The Administrator had powers to nominate one woman member if no woman got elected **to the Pradesh Council**. Further he was empowered to appoint three counsellors from the 21 elected members of this council. Except the matters concerning the service including all matters relating to persons, police and public order, vigilance, judiciary, election, all matters relating to foreign nationals and all matters relating to restriction on entry and residence in Lakshadweep, the business of the administration was allocated to these three counselors at the discretion of the Administrator. The provisions of the regulation based on which Pradesh council was constituted made it essential to have **at least** two meetings of the council in a year. The representation at the Pradesh council is also shown in the Table 3 as follows.

It may **be** noted that even after the constitution of the Island councils and Pradesh Council, the Advisory Committee attached with the Ministry of Home Affairs existed but with the directly elected members from the Pradesh Council.

Table No.2. Composition of Island Council is and representation of Island in the Pradesh Council

<b>Name of the Island/ Island Council</b>	<b>Number of Members in the island Council</b>	<b>Number of members represented in the Pradesh council</b>
Bitra	3	1
Chetlat	6	1
Kiltan	6	1

Agatti	8	2
Kadmat	8	2
Kalpeni	8	2
Kavaratti	10	3
Amini	10	3
Androt	10	3
Minicoy	10	3
<b>Total</b>	<b>79</b>	<b>21</b>

**Source:**

The indirect election of the members of Pradesh Council by the Island Councils and the indirect election of members of the advisory committee of the Ministry of Home Affairs provided a vertical linkage among all the three institutions. However reducing these bodies as advisory in effect have dampened the spirits of the elected representatives. Further, the Administrator was made as the Chairman of the Pradesh Council **which is the principles of democracy. It was argued that there was very scope for the people to shape their urge for self realization and self determination.**

### **Lakshadweep Panchayats Regulation, 1994**

Panchayat in Lakshadweep are far closer to the people than those in the rest of the country, primarily owing to the smallness of the area and population. This proximity enhances the levels of the expectation of the people while the smallness makes it difficult to take unpopular decisions. Prior to the introduction of Panchayati Raj in the territory, there existed Citizen Councils in the islands and a Citizen Committee for the entire islands. There was An Administrators Advisory Council represented by members from all islands. The Seventy third Amendment to the Constitution led to the promulgation of Lakshadweep Panchayats Regulation, 1994. Then Village (Dweep) Panchayats in all the 10 inhabited islands with **79 elected members** and a District Panchayat for the entire territory with **22 elected members** were constituted in December, 1997 and January, 1998

respectively. The present Village (Dweep) Panchayats and District Panchayat are the third such bodies, which were constituted during December 2008 and January 2009.

The salient features of the Lakshasweep Panchayats Regulation 1994 are listed as under:

- A Regulation provides for the establishment of Village (Dweep) Panchayats and District Panchayat in the Union Territory of Lakshadweep and for matters connected therewith.
- It extends to the whole of the Union territory of Lakshadweep
- Gram Sabha shall consist of persons registered in the electoral rolls relating to an Island or group of Islands comprising the area of Village (Dweep) Panchayat. The prescribed authority under the superintendence, direction and control of the Election Commission shall cause to be prepared an electoral roll in the prescribed manner. Such electoral roll shall, among other things, contain the names of all persons entitled under section 3 to be the members of the Gram Sabha and such electoral roll shall be revised at least once in a financial year in the prescribed manner. Every Gram Sabha shall hold general meetings in each financial year, one before the harvesting of the crop and the other after the harvesting of the crop
- With effect from such date as the Administrator may, by notification appoint in this behalf, there shall be constituted for the purpose of this Regulation, a Village (Dweep) Panchayat on each of the Island specified in the First Schedule and a district Panchayat for a Union territory. Subject to the provisions of this Regulation, a Panchayat shall consist of such number of seats to be filled by persons ;chosen by direct election from territorial constituencies in the Panchayat are, as may be notified, from time to time, by the Administrator
- Every Panchayat shall, by the name specified by the Administrator in this behalf, be a body corporate having perpetual succession and a common seal and shall, subject to such restrictions and conditions imposed by or under this Regulation, and shall have power to acquire, hold, administer or transfer property, both

movable and immovable, and to enter into any contract and shall, by the said name sue or be sued.

- At the first meeting of a Village (Dweep) Panchayat to be called on a date fixed by the Administrator after each general election, the members of the village (Dweep) Panchayat shall elect, from amongst themselves, a Chairperson and a Vice-Chairperson and the offices of the Chairperson shall be reserved for the Scheduled Tribes and women
- The Administrator may appoint a Government Officer to act as Executive Officer for every village (Dweep) Panchayat, and as Chief Executive Officer for the district Panchayat.
- It shall be the duty of every village (Dweep) Panchayat and of a District Panchayat so far as its funds allow to make reasonable provision within its jurisdiction, in regard to the matters specified in the Third Schedule in case of Village (Dweep) Panchayat and in regard to the matter specified in the Fourth Schedule in case of the district Panchayat.
- There shall be a Panchayat Fund for each Panchayat and the same shall be utilized for carrying out the duties and obligations imposed upon the Panchayat by this Regulation.
- The administrator shall exercise his control over the Panchayats either directly or through such officer or officers as he may, by general or special order, appoint for the purpose.
- The authorized officer may authorize any officer to enter on and inspect, or cause to be entered on and inspected, at all reasonable times, any immovable property occupied by any panchayat or any work in progress under its direction and also to enter or cause to be entered the office of such panchayat and inspect or cause to be inspected any record, register or other document kept therein and such panchayat shall comply with the inspection notes, if any, made by the person making such inspection.

- Every rule and every bye-law made under this Regulation shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and it, before the expiry of the session immediately following the session or the successive sessions aforesaid, both House agree in making any modification in the rule or bye-law or both Houses agree that the rule or bye-law should not be made, the rule or bye-law shall thereafter have effect only in such modified form as may be of effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or bye-law.
- Every Panchayat shall prepare every year in such form as may be prescribed a development plan for the area under its jurisdiction for the next year and submit it to the District Planning Commission constituted under this Regulation, before such date as may be prescribed.
- With effect from such date as the President may, by notification, specify the Election Commission constituted under section 185 of the Andaman and Nicobar Islands (Panchayat) Regulation, 1994 shall also be the Election Commission for the superintendence direction and control of the preparation of electoral rolls for, and the conduct of all elections to, the Panchayats in the Union territory of Lakshadweep.

## **Rules Framed**

- The Lakshadweep (Election to Panchayats) Rules 23.01.1995
- The Lakshadweep Panchayats (Business) Rules 19.02.1997
- The Lakshadweep Panchayats (Finance and Accounts) Rules:24.04.1997
- The Lakshadweep Panchayats (Taxation and Appeal) Rules :19.08.1997
- The Lakshadweep Panchayats (Grant-in-Aid) Rules :24.04.1997
- The Lakshadweep Panchayats (Service) Rules :24.04.1997

- The Lakshadweep Panchayats Servants (P and A) Rules :24.04.1997
- Lakshadweep District Panchayat (Procedure for consultation with PCC and VPCCs

The First Schedule annexed to the Lakshadweep Panchayats Regulation, 1994 details the names of islands for which Village (Dweep) Panchayats are to be constituted. They are the 10 inhabited islands in the Union Territory with the number of members as mentioned in table No.

Table No. 3:

S No.	Island	Number of members
1	Agatti	8
2	Amini	10
3	Andrott	10
4	Bitra	3
5	Chetlat	6
6	Kadmat	8
7	Kalpeni	8
8	Kavaratti	10
9	Kiltan	6
10	Minicoy	10

**Source:**

The first Village (Dweep)Panchayats for these islands were constituted in December, 1997. The present Panchayats are the 2nd which came into being on 19<sup>th</sup> December, 2012. These Panchayats have been constituted with the number of members as prescribed in the Table under Section 8(2)of Lakshadweep Panchayats Regulation, 1994. Accordingly the Village (Dweep)Panchayats have the number of members as detailed against each Panchayat above.

The Elections to these Panchayats were conducted on 14.12.97 initially and on 16.10.02 subsequently. The candidates for these elections were sponsored by major political

parties of the islands viz. Indian National Congress, Samata Party and Bharatiya Janata Party. Some candidates have also fought the elections as independent candidates. The Village (Dweep) Panchayats are duty bound to make reasonable provisions within their jurisdiction in their budgets, as far as its funds allow with regard to the matters specified in the Third Schedule of Lakshadweep Panchayats Regulation, 1994. Further, the Administrator, Union Territory of Lakshadweep can transfer any of the schemes and programmes under any of the subjects in the Third Schedule formulated by the Administration to these local bodies along with funds, if any and personnel as may be necessary to these Panchayats to implement the scheme. The Administrator, Union Territory of Lakshadweep has transferred a large number of developmental schemes to the Village (Dweep) Panchayats which are presently being implemented by them along with other developmental schemes evolved by these Panchayats themselves. Infact 40% of the budget provisions for developmental schemes of Lakshadweep Administration is with the Panchayats now. The Village (Dweep) Panchayats are also implementing different schemes of District Rural Development Agency which are entrusted to these bodies for implementation.

#### **Panchayat Raj Institutions in Lakshadweep:**

No. of Village(Dweep) Panchayats – 10

No. of District Panchayat – 1

No. of Members of the Village (Dweep) Panchayats - 85

#### **Constitution of District Panchayat**

No. of Directly elected members – 22

No. of Chairpersons of the Village (Dweep) Panchayats – 10

Member of Parliament representing Lakshadweep – 1

#### **Women Participation in Panchayat Setup**

No. of Women members in the Village (Dweep) Panchayats – 32

No. of Women chairpersons in the Village (Dweep) Panchayats – 4

No. of Women members in the District Panchayat – 9

**Gram Panchayats or** Village (Dweep) Panchayats in Lakshadweep are responsible for preparation of their annual budgets for the schemes entrusted to them by the U.T Administration for operation and also for preparations of its own Development Plan. The annual budget and the Development Plan of the Village Panchayats and the District Panchayats are presented om the District Panchayat meeting and with the recommendation of the District Panchayat.

### **VILLAGE (DWEET) PANCAHAYAT**

A **village** (Dweep) Panchayat will be constituted in each of the following islands . Amini, Andrott, Kavarathy, Minicoy , Agatti , Kadmat, Kalpeni, Chetlat , Kitlan , and Bitra . Based on the criteria fixed for number of seats in the panchayaths , **Minbicoy**, Andrott , **Kavarthy** will have 11 members each since their population are between six and ten thousands . **Minicoy**, Amini and Agatti will consist of 10 members each as their population within the ranges of six thousand and three thousand five hundred. Kalpeni, **Kadamath and Kilthan** have 8 members and **Chethlath** have six members as their population fall within the group of not less than two thousand but not more than three thousand five hundred. **Bithra** have 3 members. The panchayath of Bitra will be the smallest panchayath in terms of its population.

Reservation for scheduled tribe and women in memberships as well as in positions in chairperson have been ensured in accordance with the constitutional (73) amendment. While the election of members of village (Dweep) panchayath is directly by the people, the chairperson ( pradhan) and vice – chairperson (up-pradhan) will be directly elected , ie., among and by the members of village panchayath . this is likely to create a piquant situation in case every small pancahayath such as Bitra where there will be only three members. One of them become the chairperson and the other will be the vice – chairperson. If the imagination is **stretched** a little , at the time of absence of chairperson , vice- chairperson have to preside over the meeting to be attended by the lone member . What type of deliberation will take place therein? Considering the compact nature of the islands and their respective population, it is suggested that the election of the chairperson



may be direct. Apart from helping in overcoming the problem of paucity of members, it may be arouse greater interest in the pancvhayath affairs as more leadership positions will be created.

There is no clear cut definition of quorum for a meeting and the number of meeting to be conducted within the year. Details have to be worked out in this regard. Similarly the staff to be allocated to the Panchayath has to be specifically mentioned before conducting the elections to the Panchayats

## **DISTRICT PANCHAYAT**

The district panchayath for whole territory has been proposed. This district panchayath will consist of directly elected members at the rate of one for every two thousand five hundred of population of a village panchayath. However at least one seat has been allotted to a village panchayath and this will facilitate representation of smaller village pancahayaths such as Chetlat and Bitra in district panchayath. In addition to these, the pradhans of **village panchayaths** and member of the house of people representing the union territory have also been made as members of district panchayath will voting rights

The president-cum chief counselor and two vice- president –cum- counselors shall be elected by and among the directly elected members and pradhans of **village panchayaths** . Who happen to be the ex-officio members of the district panchayath.

Such provisions will enable a strong structural village between the **village panchayath** and District Panchayath, it is learnt that the creation of two vice president-cum counselor positions has its origin in the composition of the erstwhile Pradhan council. However , it is suggested that to provide more freedom to the president-cum chief counselor , he may be directly elected by the people of entire union territory in view of the above mentioned facts and the smallness of the union territory itself. Further the reasons advanced for direct election of pradhan of **village panchayath** are applicable to the position of president-cum-chief counselor too.

## POWERS AND FUNCTIONS

The function of the erstwhile island councils have been transmitted to the **village panchayaths** . however, the panchayath may make provisions for carrying out any other work or measure which is likely to promote the healthy, safely , comfort or convenience , social .economic, or cultural well being and education of the residents of the islands . Apart from that the Administrator of the union territory may entrust to the panchayath the execution, maintenance or repair of any work including implementation of schemes of economic development and social justice. Similarly the district panchayath has been assigned the responsibility of implementing the matters specified in the fourth schedule (eleventh schedule of 73<sup>rd</sup> amendment) of Lakshadweep panchayath regulation.

As per section 61 of the regulation , where the functions and duties assigned to **village panchayath** relate to the same subject , then in order that the functions and duties may not overlap or that the responsibility for performing any such **function** or duty is not shifted by one panchayath to another on account of any ambiguity or misunderstanding , the administrator may from time to time , by an order in writing , issue to all or any of the panchayaths , such as directions , as he may think necessary , for avoiding any such overlapping of functions , or shifting of the responsibility and panchayaths shall be bound to exercise their powers and perform their functions and duties in conformity with such powers. Though this above mentioned clause may be useful in resolving the conflicts between the panchayaths at different levels it may be better to clearly demarcate the areas of operation of these panchayaths to ensure their effective functioning and accountability.

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## CHAPTER 2:

# DECENTRALIZED PLANNING

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### **Introduction:**

The UT of Lakshadweep is claimed to have been passing through the fifth phase of devolution since the constitutional amendment. The Lakshadweep Panchayat Regulation, 1994 provides adequate space for the grassroots level planning. An attempt is made in this chapter to analyze the provisions in the Regulation, Panchayat Business Rules, Notifications, Circulars, Guidelines and office Orders relating to the planning exercise in the islands. The unique characteristics of the UT, in practicing two streams; (i) the Panchayat Plans and (ii) the Departmental Plans, in the preparation of development plans are also analyzed in detail. The data from the lone District Panchayat and four sample Village (Dweep) Panchayats out of the total 10 are collected for detailed analysis of the strength and weakness of the decentralized planning in the UT.

### **Preparation of the Development Plan: As Per the Regulation**

Section 84 of the Regulation describes the preparation of development plans. It says “Every Panchayat shall prepare every year in such form as may be prescribed a development plan for the area under its jurisdiction for the next year and submit it to the District Planning Committee constituted under this Regulation, before such date as may be prescribed”. A ‘development plan’ in the context denotes “a development plan for economic development and social justice in relation to matters entrusted to the Panchayat”. While listing the powers to the Village (Dweep) Panchayats in the Third Schedule of the Regulation, planning and development is being placed as a major functional domain. Under the head ‘planning and development’ it is the duty of the Village (Dweep) Panchayat to prepare and implement plans for the development of agriculture, animal husbandry, fisheries, island industries, and co-operatives. .Special

emphasis is mentioned as follows :- (i) distribution of improved seeds, manure, and fertilizers,(ii) promoting the use of improved agriculture implements, and making such implements easily available,(iii) improvement and general care of livestock and promotion of poultry keeping , and (iv) providing for organizations ,management and development of cottage and small scale industries . The context the ‘decentralized planning’ has to be interpreted and analyzed in the background of the chapter five on “Powers, Duties and Functions of Panchayas” and matters specified in the third and fourth schedules of the Regulation.

### **Structure for Decentralized Planning**

**National Planning Commission:** Since the UT is not having any legislature of its own , the budget is passed in the Parliament. Plan proposals are compiled by the Member Secretary, National Planning Commission for incorporating in the budget proposals. Every year by January, the Member Secretary calls for proposals for the annual plan. The official documents reveals that the Member Secretary (vide letter D.O No.M-13048/38/2011-Sp- Co. dated 25<sup>th</sup> November2011) had invited plan proposals for Annual Plan (2012-2013), and as per the letter the last date stipulated for submission of Annual Plan document (2012-2013) by the UT to the Planning Commission was 15<sup>th</sup> January 2012 .

**Administrator:** The Secretary (Planning/Panchayat) approves the Annual and Five year Plan document and forwards to the Administrator. The Administrator finalizes the plan incorporating the suggestions and proposals obtained in the meetings of the Administrator’s Advisory Council (AAC). The final document is presented before the Planning Commission by the Administrator. It is observed that the Island Specific Development Plan of all the 10 islands prepared by the concerned Village (Dweep) Panchayats and The UT Development Plan prepared by the District Panchayat for the year 2012-2013 worked out at Rs. 1304 Crores .The Administrator has projected the proposals only to Rs.500 Crores subject to the availability of funds.

**The Secretary Planning:** The Secretary Planning regulates the preparation of Annual Plan and Five Year Plan by acting as a connecting link between the Planning Commission and the Plan Implementing Officers (PIOs). The consolidated plan proposals of the PRIs forwarded by the PIOs are scrutinized, approved and forwarded to the Administrator.

**Directorate of Planning:** The Department of Planning and Statistics headed by the Director of Planning prepares the Annual Plans and Five year Plans by consolidating the Plan proposals of the PRIs and departmental plans. Adherence to the guidelines is ensured at this step. Being the only supporting structure for planning in the UT, the Directorate of Planning has a pivotal role in the process of planning. The directorate of planning is assisted by two Assistant Directors (Planning -1, Statistics -1) and supported by both technical and ministerial staff.

**District Planning Committee (DPC):** The Administrator shall constitute a District Planning Committee to consolidate the plans prepared by the Village (Dweep) Panchayats and District Panchayat and prepare a draft development plan for the Union territory as a whole.

The District Planning Committee shall consist of-

1. The Member of Parliament representing the Union Territory;
2. The President-cum-Chief Counsellor of the District Panchayat.;
3. Such number of person, not less than four-fifth of the total number of members of the Committee, as may be prescribed by the Administrator, elected by, in the prescribed manner, and form amongst, the elected members of the District Panchayat;
4. The Administrator or such other officer as may be designated by him shall be its *ex-officio* Chairman.
5. The District Magistrate, Director of Panchayats, Manager of the lead Bank in the District headquarters and an officer of the Planning Department of the

Administration to be nominated by the Administrator shall be permanent invitees to the meetings of the District Planning Committee.

- The District Planning Committee shall, while preparing the draft development plan (i) have to matters of common interest among the Panchayats including spatial planning and other physical and natural resources, the integrated development of infrastructure and environmental conservation, (ii) the extent and type of available resources whether financial or otherwise, (iii) consult such institutions and organization as the Administrator may, by order, specify., and (iii) the Chairman of the District Planning Committee shall forward the development plan to the Administrator.

**District Panchayat:** The District Panchayat consolidates the plan proposals placed by the Village (Dweep) Panchayats with the department proposals and own proposals which forms the District plan proposals. The District plan proposals are forwarded to the DPC for discussion and approval.

**Village (Dweep) Panchayat:** Village (Dweep) Panchat consolidates Gram Sabha proposals with the suggestions of the elected authorities and places before the Panchayat Committee. The Panchayat Committee, after having discussed the proposals in detail finalizes the Annual Plan and Five Year Plan and forwards to the District Panchayat.

**Gram Sabha:** The Gram Sabha meetings discuss the draft proposals prepared by the Panchayats. Provisions for approval, rejection, fresh proposals and modifications are ensured. Selection of beneficiaries and social audit are also done.

### **Field Situation**

The present District Planning Committee constituted on 20 May 2013 for the purpose of consolidating the development plans prepared by the Panchayats (Notification FNo.5/26/2012-DOP) is the fourth one in the UT. According to the official records the first and second District Planning Committees were constituted on 5 November 1998 and 17 March, 2003, respectively. The third DPC was constituted on 5 November, 2009

(Notification No.5/4/2008-DOP). As per the notification there are 20 members including two ex- officio members (Member of the Parliament representing UT of Lakshadweep and the President –cum- Chief Counsellor) and three permanent invitees (Director Planning & Statistics, Manager Syndicate Bank and the Director of Panchayats). The Collector –cum- Development Commissioner is designated as the *ex-officio* Chairman whereas the Director of Panchayats is the Member Secretary of the DPC. As per the provisions in the Regulation, 16 members (four-fifth) of the total number of 20 members of the Committee are from the District Panchayat.

### **Details of the Planning Calendar**

There is no document as ‘planning calendar’ issued by any agency for the Administration. However, analogous to a planning calendar, is reflected in one Circular and Office Order. As per the Circular(F.No1/1/2011-Plg, Dated 02/11/ 2011 ) issued by the Secretary Planning and Panchayat, the whole exercise (the Preparation of the 12<sup>th</sup> Five Year Plan 2012-2017 and Annual Plan2012-2013) was to be completed by 25<sup>th</sup> November and a consolidated Island Development Plan is to reach in the Planning Department ,Secretariat by 30<sup>th</sup> November 2011. The Office Order (F.No.1/1/2011-Plg) issued on 8 November, 2011 by the Director (Planning & Panchayat) reinforced the same date as it was mentioned in the first circular. It says “Island Development Plan for all the islands signed by the Chairpersons and DSOs shall reach to the Directorate of Planning, Secretariat on or before 30<sup>th</sup> November 2011”. It also directs “the Nodal Officer deputed to District Panchayat shall provide all guidance and support to the President- cum -Chief Counsellor so as to complete the task by 25<sup>th</sup> November 2011”. In another Notification (F.No.5/26/2012-DOP dated 29 -05 -2012) it was stated that “the District and Village (Dweep) Panchayas shall prepare development plan every year for the area under its jurisdiction for the next year and submit it to the District planning Committee by 30<sup>th</sup> April of every year. In another Circular issued by the Director of Panchayats on 24<sup>th</sup> June, 2012 stated that “all the Panchayats are requested to formulate and submit the project proposals along with budget estimates for the consideration of District Planning Committee, a meeting of which is proposed to be held in the last week of June, 2012”.

Again the Notification (F.No.5/26/2012-DOP dated 29 -05 -2012) indicates that the “District Planning Committee shall submit the Draft Development Plan adapted by them to the Administrator by 31 July of every year”. The Secretary (Planning / Panchayat) issued an Office Memorandum (F.No.1/4/2011-Plg dated 26 December 2011) addressed to the PIOs and it says, “ Sectoral Plan in respect of your Sector (s) should be submitted to the planning Department both in soft copy and hard copy by 5th January 2012”.

### **Salient Features of the Guidelines for the Decentralized Planning**

The guidelines related to the decentralized planning in the UT can be classified under Notifications, Circulars, and Office memorandums and office orders published /issued by the ‘higher authorities’ to all levels of planning and implementing officers. An attempt is made to analyze these communications and its impact in the process of decentralized planning.

#### **First Communication**

*(Circular F.No 3/08/2011-DOP dated 14 September 2011 of the Director of Panchayats):* The Circular was for inviting schemes / proposals from the Panchayats for the preparation of 12<sup>th</sup> Five Year Plan 2012-2017.

#### **Second Communication:**

*(Circular F. No.1/1/2011-Plg dated 2 November 2011 of the Secretary Planning & Panchayat):* This Circular was in continuation with the first one inviting grass root level proposals for projecting outlay for 12<sup>th</sup> Plan Scheme. The Circular stated the urgency of having an outlay of the schemes proposed in the 12<sup>th</sup> Plan for the proposed meeting with the Planning Commission and the National Development Council (NDC). It is also mentioned that before the proposed meeting, the UT administration has to finalize proposals for the 12<sup>th</sup> Five Year Plan and Annual Plan 2012-2013. A statement showing scheme wise outlay for Annual Plan 2011-2012 and anticipated outlays for Annual Plan 2012-2013 and 12<sup>th</sup> Plan 2012-2017 worked out on a rough basis is attached along with the Circular. It is mentioned that population is the criteria for the allocation of plan schemes followed by the Planning Commission and the same is applied for the island wise allocation for each sector of development. The Circular also asked the Panchayats to



work out the need of various schemes of the concerned Islands as per the specific requirements under each scheme including new schemes. The Panchayats are advised to consult the developmental department of the Islands. In this context, the Deputy Collectors / Sub Divisional Officers (SDOs) in the islands are directed to co-ordinate and organize meetings of concerned Members from the Village (Dweep) panchayats. The need for Gram Sabha participation was also mentioned in the Guidelines. The Panchayats are asked to work out the methodology for implementation of the schemes. It is directed that the whole exercise to be completed by 25<sup>th</sup> November and the consolidated Island Development Plan to be reached the Secretariat of the Planning Department by 30<sup>th</sup> November 2011.

**Third Communication:**

*(Office Memorandum F. No.1/1/2011-Plg dated 3 November 2011 of the Secretary Planning & Panchayat):* This Office Memorandum was issued for further action of the first and second communications towards the preparation of 12<sup>th</sup> Five Year Plan 2012-2017 by the Panchayats. The District Panchayat and the Village (Dweep) Panchayats of all the islands have been asked to prepare schemes under each and every sector of the 12<sup>th</sup> Five Year Plan 2012-2017 and Annual Plan 2012-2013 by grass root level participation. The Office Memorandum directed all plan implementing officers and their representatives in the islands to co-operate and extend all support to Panchayati Raj Institutions in the formulation process of schemes for 12<sup>th</sup> Plan and Annual Plan. It also asked that Director of Panchayats, Chief Executive Officer (CEO) of the District Panchayat and the executive Officers of the Village (dweep ) Panchayat to convey the importance of formulation of the 12<sup>th</sup> plan and annual plan in the developmental process of the islands and ask them to complete the task within the stipulated time frame. The Office Memorandum also asked the officials to co-ordinate with various departments and Panchayats in the task.

**Fourth Communication:**

*(Office Order F.No.1/1/2011-P dated 8 November 2011 of Director of Planning and Statistics):* This Office Order was in continuation of the second communication. The

Officer Order states “It is the first time the UT Lakshadweep Administration is resorting to prepare Island Specific Five Year Plan and Annual Plan. Also, the Panchayati Raj Institutions are assigned with the task of formulation of Plan schemes is in first time. Thus it is necessary to give proper guidance and advice to the PRIs on the preparation of Plan schemes. As of now, officers in the statistical discipline working in different department are responsible for preparing plan of their departments. Considering their expertise and experience, Administrator, UT of Lakshadweep, Kavartti is placed to designate the following Nodal Officers and deputed to the PRIs noted against the PRIs in the Plan formulation process.”

**Table No.2.1: Details of the Nodal Officers Deputed for assisting the PRIs in the Plan Preparation**

S. No.	Name, Designation & Office of the Officer	Name of PRI
1.	Shri. P.P. Atta, Research Officer (AC)	District Panchayat , Kavaratti
2.	Shri. P. Abdul Samad, Statistical Officer, Directorate of Planning & Statistics, Kavaratti	Village (Dweep) Panchayat , Agatti
3.	Shri.P. Abdul Jabbar, Statistical Officer, Directorate of Fisheries, Kavaratti	Village (Dweep) Panchayat , Amini
4.	Shri. K. Mohammed Nazir, Junior Employment Officer, Department of Employment & Training, Androth	Village (Dweep) Panchayat , Androth
5.	Shri. K. Mohammed Musthafa, Statistical Assistant, ICDS Unit, Kadamath	Village (Dweep) Panchayat , Bitra
6.	Shri. C.K. Badarudheen, Statistical Assistant, ICDS Unit, Amini	Village (Dweep) Panchayat , Chetlat
7.	Shri. B.K.C. Muthukoya, Statistical Investigator, Directorate of Animal Husbandry, Kavaratti	Village (Dweep) Panchayat , Kadmat
8.	Shri. P.P. Koya, Statistical Investigator, Directorate of Animal Husbandry, Kavaratti	Village (Dweep) Panchayat , Kalpeni
9.	Shri. P. Pookoya, Statistical Officer, Directorate of Planning & Statistics, Kavaratti	Village (Dweep) Panchayat , Kvaratti
10.	Shri. C.N. Kuttiyammad, Statistical Investigator, Directorate of Medical & Health Services, Kavaratti	Village (Dweep) Panchayat , Kiltan
11.	Shri. H.B. Mohammed Saleem, Research Assistant, Directorate of Education, Kavaratti	Village (Dweep) Panchayat , Minicoy

Source: Office Order F.No. 1/1/2011-Plg, Dated 08/11/2011 UT of Lakshadweep.

As per the Office Order, the officers deputed to different Islands are directed to proceed to their respective Islands and to report to the President –cum – Chief Counsellor, District Panchayat and the Chairpersons of the Village (Dweep) Panchayats as the case may be.

They are further directed to brief about the importance of Plan preparation from grass root level in the developmental process of an area to the PRIs. A format has been developed to bring uniformity for the Island Development Plan submitted by all the Village (Dweep) Panchayats and enclosed along with the Officer Order. The Village (Dweep) Panchayats are to follow the procedure given below to prepare the Island Specific Plan.

1. The Chairpersons may hold an urgent meeting of Village (Dweep) Panchayat Members, District Panchayat Members and Administer's Advisory Council (AAC) Members from the island, DC/SDO and Head of the institutions in the islands and other relevant persons to discuss and asses the present infrastructure available, gap existing thereon, the working of present schemes, potential for various schemes etc. After making through assessment of above factors, the relevant projects and schemes are identified suitable to the island which may be framed under each and every sector based on the tentative budget allocated.
2. Secondly, Gram Sabha meetings may be convened to discuss the draft plan schemes framed in the above meetings and invite any positive suggestions.
3. Thirdly, a meeting as provided at above may be held again to consider the suggestions that came from Gram Sabha and to finalize the Island Development Plan schemes.
4. Island Development Plan finalized by the Village (Dweep) Panchayats should be arranged to be made in this format by the Nodal officers. For this process Chairperson and SDO may render necessary staff and support to the Nodal Officers.
5. Island Development Plan for all the Islands, duly signed by the Chairpersons and SDOs shall reach to the Directorate of Planning, Secretariat on or before 30<sup>th</sup> November 2011.

As the Village (Dweep) Panchayats have been assigned to prepare Island Development Plan for their respective Islands, District Panchayat may prepare common projects for overall development of Lakshadweep. The President –cum- Chief Counsellor after consulting all stakeholders and assessing the requirements of all islands shall prepare

vital and crucial projects/programmes providing rational importance to each and every island. A simple format developed for this purpose is to be attached with every project. The Nodal Officer deputed to the District Panchayat shall provide all guidance and support to the President-cum- Chief Counsellor so as to complete the task by 25<sup>th</sup> November every year. Project proposals from District Panchayat, duly signed by the President—cum –Chief Counsellor , shall reach to the Planning Directorate by 30<sup>th</sup> November 2011 positively. The Office Order clearly stated the nature of assignment of the Nodal Officer. It says, “the Nodal officers are deputed to render necessary guidance, advice, support, etc. to the PRIs in the formulation of the Plan scheme and not to intervene in any of the policy decisions of PRIs ,nor to dictate programmes to them” .

**Fifth Communication:**

*(Office Memorandum F.No.1/4/2011-Plg dated 26 December 2011 of the Secretary Planning/Panchayat):* The Office Memorandum acknowledged the receipt of the Island Specific Development Plan of all islands prepared by the concerned Village (Dweep) Panchayats and UT Development Plan prepared by District Panchayat. (A hard copy of the relevant portion along with soft copy of full set of proposals). It says, “Total out lay projected by PRIs for Annual Plan 2012-2013 is Rs. 1304 Crore whereas Hon’ble Administrator has ordered to project a reasonable out lay of Rs.500 Crore for the next Annual Plan, which is about 29 per cent increase over the current Plan outlay. As Planning Commission is now asked only for the Annual Plan Proposals, Plan Implementing Officers (PIOs) are directed to focus on the formulation of Annual Plan (2012-2013) only and formulation of 12<sup>th</sup> Five Year Plan can be taken up at later stage.” The Office Memorandum instructed that all PIOs should consolidate Plan proposals from PRIs as per the guidelines and it should be submitted to the Planning Department by 5<sup>th</sup> January 2012. An enclosure on ‘*Guidelines for Preparing Annual Plan (2012-2013)*’ was also attached in the Office Memorandum and they are as follows: - (i) It has been decided to formulate Annual Plan (2012-2013) and 12<sup>th</sup> Five Year Plan on Island Specific Basis so as to ensure balanced development in all islands. This is for first time; the UT of Lakshadweep is formulating Island Specific Development Plans. (ii) Accordingly, all

Village (Dweep) Panchayats have prepared and Gram Sabha has concurred Island Development Plan in respect of their islands and District Panchayat has prepared UT Development Plan. As it is for first time doing this, there may be shortcoming in their proposals and departments have to make up this. For example some PRIs have not made any proposals for certain Sectors, concerned department to project schemes for such Islands, which are missed by PRIs. (iii) Two statements showing Sector- wise projections made by the PRIs for Annual Plan (2012-2013) and 12<sup>th</sup> Plan are attached as Annexure-AI and Annexure-A2, respectively. Total outlay projected by PRIs for Annual Plan (2012-2013) comes up to Rs. 1304 Cr and for 12<sup>th</sup> Plan it is Rs.6345 Cr. It is simple to see that the Sectors which are missed by the PRIs, as the row against the Sector are blank. (iv) Relevant portion of Island Development Plan from VDPs and UT Development Plan from DP in respect of Sector (s) controlled by the PIO to be attached along with a CD containing full set of all the Island Development Plans and UT Development Plan. (v) It has been noted that certain scheme components are proposed to Sectors, which are not relevant. In such case, PIOs are requested to identify components that are not relevant to them and projected in their Sector by oversight/ mistake by PRIs and details of such components may be communicated to the PIOs of concerned Sector, under intimation to Planning Department, with request to include such components in their Sectoral Plan so as to ensure that any of the items proposed by PRIs are not dropped. A format has been developed for preparing Annual Plan (2012-2013), which is slightly different from the earlier ones. PIOs shall thoroughly scrutinize the Island Specific Plan from VDPs and UT Development Plan from DP in respect of their Sector (s). PIOs have to bring the proposals from PRIs to the prescribed format for Annual Plan (2012-2013). (vii) It has been decided that under each Sector there shall be separate scheme of all the islands covering all the activities under the Sector for the Island in the specified scheme of that Island. All the activities proposed by VDP, or DP or Department there should be Schemes for each Island viz. Development of Crop Husbandry at Agatti Island, Development of Crop Husbandry at Amini Island and like that for all the 10 Islands. The objective of formulating Island-wise schemes is to monitor that how much fund is

spent for a particular island under Crop Husbandry Sector and for what component. (viii) While following above methodology there shall be some difficulties. For example under fisheries sector there is an ongoing programme for acquisition of mother vessel and it will be confusing under which island plan this component is to be included. For such Programme PIOs can formulate separate Scheme viz. Development of Fisheries for UTL and such common components can be included in this schemes. Acquisition of passenger/ cargo ships, dedicated berth at mainland, transit accommodation at mainland, etc. are few examples of common programme. But it should be noted that programmes for uninhabited islands should be reflected under the scheme of concerned Main Island. Example programme for Bangaram should be under the scheme for Agatti, programme for Cheriyam should be with Kalpeni, Suhali with Kavaratti, etc. (ix) Even though total projection made by PRIs for Annual Plan 2012-2013 is Rs. 1304 Cr., it has been decided to limit this to a reasonable figure of Rs. 500 Cr. Considering the allocations made in 11<sup>th</sup> Plan as well as taking the need of the present requirements, Sector-wise outlay for Annual Plan 2012-2013, limiting the total projection to Rs.500 Cr. has been prepared and attached as Annexure-B to the annual plan . Further, outlay under each Sector has been distributed to the islands and a general reserve provision has been made to meet common projects. A statement to this effect is attached as Annexure-C to annual plan. (x) Plan Implementing Officers shall scrutinize the proposals from PRIs and make necessary rectifications, where required. It is to reiterate that PIOs shall not dilute the aspirations of PRIs. (xi). After scrutiny, PIOs shall bring the proposals from PRIs into the given format of Annual Plan (2012-2013). All Sectors should have separate schemes for 10 islands and one scheme for common programmes, thus making a total of 11 schemes under each sector. Total financial outlay for each island scheme should not exceed the limit prescribed as per Statement Annexure-B to annual plan . While scaling down the financial outlay it should be taken care to include all the items proposed by the PRIs at least by providing token provision. (xii). Correct Head of Account for each component should be noted against the Column provided for the purpose. (xiii) Plan should be prepared in MS Word format in A4 size paper with 1” margin on all the sides (Top,

Bottom, Left, Right sides). Arial Font with font size 10 should be used. In the Plan document amount should be used in all places in Rupees in Lakhs.

#### **Sixth Communication:**

(Notification *F.No 5/26/2012-DOP, dated 20 May 2013 by Director of Panchayat*):  
*As per the Notification*): As per the notification the following eight instructions were given regarding the content, mode preparation, scrutiny and time limit for the preparation and submission of the development plans. (1) DPC has to consolidate the plans prepared by the Village (Dweep) Panchayats and the District Panchayat and to prepare a Draft Development Plan for the economic development and social justice in relation to the matters entrusted to the Panchayats . (2) The District and Village (Dweep) Panchayats shall prepare development plan every year for the area under its jurisdiction for the next year and submit it to the District Planning Committee by 30<sup>th</sup> April of every year. (3) The Development plan drawn by the Panchayats every year should be for economic development and to provide Social Justice to the people residing within the jurisdiction of the Panchayats. (4) The Development plan so prepared by the Panchayats should bring out the social and economic benefits proposed to be extended to the people residing in the Panchayat area through the implementation of the schemes included in the Development plan of each Panchayat. (5) While preparing Development Plans, the Panchayats should consider matters of common interest among the Panchayats including spatial Planning and availability of physical and natural resources. Again, while preparing the Development Plans, the Panchayats should aim for integrated development of infrastructure and environmental conservation. The District Planning Committee while preparing the draft Development Plan for the Union Territory as a whole for each year should have to the matters explained above. (6) The ongoing Schemes entrusted by the Developmental Departments shall not be included in the Development Plans prepared by the Panchayats for each year. All matters relating to modification, review, extension of these schemes and providing of sufficient funds for implementation of the schemes by the Panchayats should be taken up by the concerned Administrative Departments in

consultation with the Panchayats which are implementing these schemes. (7) The District Planning Committee should conduct at least two meetings in a year. The 1<sup>st</sup> meeting shall prepare the Draft Development Plan for the Panchayats. The subsequent meetings shall carry out review of the implementation of the approved programmes included in the Development Plan. (8) The District Planning Committee shall submit the draft Development Plan adapted by them to the Administrator by 31<sup>st</sup> July of every year.

### **Comments**

While analyzing the communications following defects are observed. (i) The content of almost all notifications are repetitive in nature,

- (i) Role clarity for different actors/institutions are not specifically mentioned in any of them,
- (ii) All the steps to be followed in a decentralized planning exercise are not covered in any these communications,
- (iii) The communications are focused on the activities to be undertaken by the officials at different levels,
- (iv) No similar communications are seen addressed to the elected authorities of the Panchayats , and
- (v) They are silent on the capacity building and training (CB &T) for the functionaries attached to the planning exercise.

### **Ground Realities**

None of the communications are seen routed through the District Planning Committee /or even marked to them for information. References on the role and responsibilities of the DPC in plan formulation are made. But in the absence of a functional DPC, the directions contained in the communications are not followed. Nodal officers from the statistics domain deputed to Panchayats on their 'expertise and experience 'reduced the planning exercise in to a mere financial statement .The essential tools for mining the felt needs /wish lists of the local community were totally ignored . As a result, the plans prepared by the nodal officers are nothing but a conventional departmental plan. The directions given to the nodal officers for 'not to intervene in any of the



policy decisions of the Panchayats nor to dictate programmes' were violated in many cases. The elected authorities expressed their discomfort on the performance of the nodal officers.

### **Criteria for Releasing Untied Grant for the Preparation of Panchayat Plans (Stream One)**

As per the Circular issued by the Director of Panchayats on 24<sup>th</sup> June, 2013, the Directorate of Panchayat had released a sum of Rs. 113.60 Lakhs as Untied Grant for formulating own programmes (Annual Plans) of the Panchayats. Criteria had been worked for the distribution of the untied grant and as such the amount is divided as Rs 2.00 .00 lakhs to the District Panchayat and Rs 5.00 lakhs per each Village (Dweep) Panchayat. The remaining amount is proportionately distributed on population among the Village (Dweep) Panchayats giving a lump sum of Rs .10 .00 lakhs to the District Panchayat. The Circular has directed to the Panchayats to take up the following points while formulating the programmes. (1) The proposals submitted must be economically viable and must be submitted along with detailed project reports which should bring out objectives, propose expenditure both recurring and non-recurring, expected income, social benefits, and span of implementation etc. (2) The proposals submitted must be within the eligible amount of the Panchayat under the schemes of the department of Panchayats. (3) The Panchayats can submit project proposals for schemes utilizing the revenue generated by them. In such cases the Panchayats should, invariably see that not less than 1/10<sup>th</sup> of normal income is retained as balance. (4) The proposals should be within the jurisdiction of the Panchayats and they should be as per the Lakshadweep Panchayats Regulation 1994 and Rules made there under. (5) It is also pointed out that, as per the Regulation and Rules, the Panchayats are not permitted to incur any expenditure unless they are included in the budget estimates. (6) The Panchayats are further directed to submit the details of ongoing schemes, schemes wise balance available with them, and revenue generated by way of tax and fees and also by implementing

income generating schemes, if any. (7) The schemes and programmes submitted without following these guidelines are liable to be rejected out rightly.

**Two Commendable Initiatives under Decentralized Planning:** In the area of decentralized planning two commendable initiatives had taken in Lakshadweep and they are the following. **(First):** On 23 and 24 January, 2012 a conference of the elected representatives of Panchayati Raj Institutions in Lakshadweep was held at Kavaratti Island to prepare a vision document for the Lakshadweep Development Plan. The cited objective of the conference was “to deliberate on various socio economic issues related to the well being of the islanders and to come out with suggestions and plan proposals, so that they could be dovetailed with the draft development plan. The members were divided in to nine groups under nine sectors (education, health & sanitation, welfare of women & development, tourism development, agriculture, animal husbandry, fishers, social sector issues and environment conservation). One sector were allotted to each group .and it was assisted by the respective head of the department It is documented that the “response was unprecedented and overwhelming”. It is widely claimed that in the background of devolution of powers to the Panchayats and decentralized planning, the conference has assumed greater significance. **(Second):** In November 2012, Integrated Island Management Plans (IIMP’s) for Lakshadweep islands was prepared in accordance with the guidelines of the Island Protection Zone (IPZ) Notification, 2011 of the Ministry of Environment and Forests, Government of India. Locational information of the islands such as dwelling units including the infrastructural facilities was collected by using both the participatory planning techniques and global positioning system (GPS). Areas indicating the dwelling units including the infrastructure projects were mapped with the involvement Village (Dweep) Panchayats and local citizens. The conservation and preservation zones were mapped separately. The entire islands including the lagoon aquatic areas has been considered for the plan preparation .Considering the spatial features of the islands the maps were prepared in 1:4000 scale for clarity of the local plans .It is suggested that these maps once approved can also be enlarged at 1:2000 scale

for each Village (Dweep) Panchayat ward of the islands for offering mapped clarity to the local citizens .As per the Integrated Island Management Plans(IIMPs) ,the Lakshadweep Administration shall grant permission / licence for development activities only after receiving clearance from Lakshadweep Coastal Zone Management Authority (LCZMA) and no objection certificate from the Village (Dweep) Panchayat /Gram Sabha . It is argued that the digital data base on cadastral scale maps of the IIMPs will incentivize the decentralized planning process in Lakshadweep.

### **The Process of Planning**

There are two parallel streams in the decentralized planning process in Lakshadweep islands. Both the streams are participatory in nature and designed to accommodate the total involvement of the stake holder's consultations, Gram Sabha and Panchayat. Some degree of iterative consultations and discussions are visible in the exercise. The process is equipped with people's participation and planning techniques.

**Stream One (The Panchayat Plans):** The Directorate of Panchayat (DoP) releases untied grant for formulating development projects/schemes under Annual Plans of the Village (Dweep) Panchayats and it is based mainly on population . The plan preparation process is initiated and co-ordinated at the Village (Dweep) Panchayat level. The constant contact of the elected authorities with the local citizens provides for the formulation of a 'package of demands' which are discussed in the Committee. The draft proposals generated in the committee are placed before the Gram Sabha for discussions suggestions, modifications and approval. The proposals approved by the Gram Sabha are to be placed again in the committee for approval. The development Plan for every year is to be placed before the District Planning Committee (Section 84 of the Regulation, 1994.) The DPC after analyzing the feasibility, economic viability, jurisdiction etc approves and consolidates the plans and submit to the administrator in a prescribed format, through the Secretary Planning. The District Panchayat also prepares every year a development plan for the area under its jurisdiction and submits it to the District Planning Committee.

During the field survey it is observed that no regular meetings of the DPC were held for the last two years. It was revealed that all the steps prescribed for the formulation of the development plans of the Village (Dweep) Panchayat are not followed. In the absence of a functional DPC, Development plans of the District Panchayat and Village (Dweep) Panchayat are directly forwarded to the Director of Panchayat (DoP) who consolidates and forward to the Administrator through the Secretary Planning. After the formal approval of the plan by the DPC, the concerned Panchayats are entitled to implement it. But in actual practice, in the absence of DPC the Panchayats are implementing plans after having approved by the Director of Panchayat.

**Stream Two (The Departmental Plans):** There is another stream in which the departmental plans and it is being prepared with the total involvement of Panchayats. Funds are distributed to the islands according to area, population, fish landing and coastal length. As per the direction of the Department of Planning, all the Plan Implementing Offices (PIO) extended necessary co-operation and support to the Panchayats for formulation process of the plans for the annual plan(2012-2013 and 12<sup>th</sup> Five Year Plan (2012-2017). In addition to this, Nodal Officers with statistical background were deputed to the District Panchayat and Village (Dweep) Panchayats to assist in the preparation of departmental planning. These officers were asked to follow five steps in the preparation of plans. **(First Step):** Conducting meetings of the members of the concerned Village (Dweep) Panchayats, Members of the District Panchayat and Members of the Administrator's Advisory Council (AAC), Deputy Collector (DC)/Sub Divisional Officers (SDO) from the concerned island, Head of Institutions and other relevant persons in the island to discuss and asses the felt needs will take place in the first step . It is also expected to frame draft plan of schemes and projects suited to the island specific conditions. **(Second Step):** Placing the draft plan of schemes and projects in the Gram Sabha for information, discussion, suggestions and recommendations may be the assigned activity under step two. **(Third Step):** Conducting the meeting again as it is mentioned in the first step for incorporating the suggestions and recommendations of the

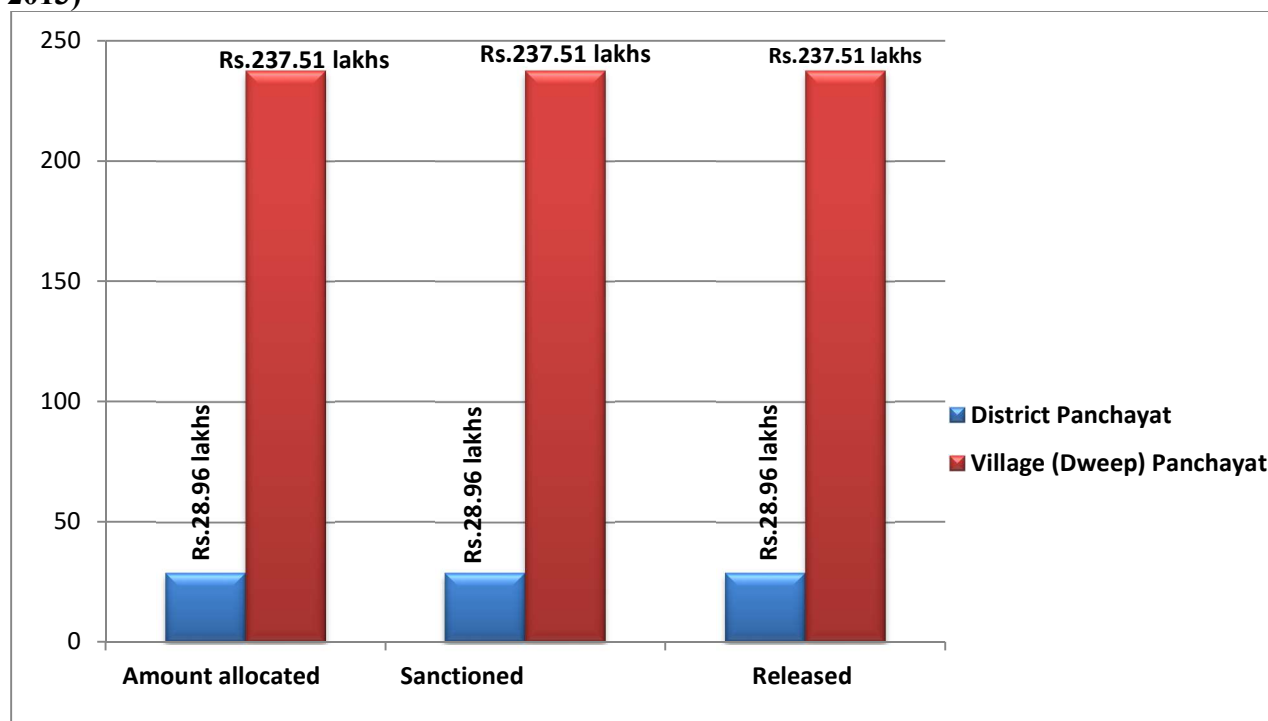
Gram Sabha is visualized. **(Fourth Step):** The planning exercise in this step is the systematic arrangement and tabulation of schemes and projects in the common format to ensure uniformity for the plan document. The staff and office support of the concerned Chairperson and DC/SDO to the Nodal Officer is expected at this stage. **(Fifth Step):** Concurrence of the plan by the Village (Dweep) Panchayat and submission of plan document duly signed by the Chairperson and DC/SDO of the concerned to the Directorate of Planning is listed as the final step. During the field survey it was revealed that all the above mentioned five steps prescribed for the formulation of the departmental plans were not followed. However, the evidence from the District Panchayat and the four samples Village (Dweep) Panchayats suggested that the departmental plans were prepared in a non conventional mode with the involvement of stake holder consultations, Gram Sabha and Panchayats. While finalizing the draft annual plan for the Union Territory of Lakshadweep, the Directorate of Planning and Statistics will incorporate the schemes and projects emerged under the decentralized planning process of the second stream. (The Annual Plan Outlay for UT of Lakshadweep the year 2011-2012 and Projected Outlay Annual Plan for the year 2012-2013 are given in the Appendix 1). After the approval of the Departmental Plans prepared at District Panchayat and Village (Dweep) Panchayat level by the Administrator, the concerned Panchayats are assigned to implement the plan.

### **Amount Allocated, Sanctioned and Released to Panchayats**

The resources available for planning for the year 2012-2013 were indicated to the Panchayats. However, no resources are available at the plan preparation process. The proposal was discussed on Panchayat committee and the plan was discussed in Gram Sabha. There is a proper formula for allocation of funds for decentralized planning. Fund distribution depends on the sector wise allocation provided in advance. It is reported that an amount of Rs. 28.96 Lakhs was allocated, sanctioned and released to the District Panchayat for decentralized planning. The corresponding figure to the 10 Village (Dweep) Panchayat was Rs. 237.51 Lakhs. Out of the total allocation, around 11 percent was given to District Panchayat and the remaining amount was distributed among the

Village Dweep Panchayats. While distributing the amount population was taken the major criteria. The highest amount ( Rs 38.49 lakhs) had given to the Village(Dweep) Panchayat , Kavaratti whereas the lowest(Rs.6.00Lakhs ) to Village (Dweep) Panchayat Bitra. The amount allocated to the Village (Dweep ) Panchayat had been distributed among sector wise and there are four sectors such as (i) development grant (ii) sanitation, (iii) infrastructure (iv) capacity building& training. Infrastructure grant was allocated only to Village (Dweep) Panchayat Kalpeni .The highest amount was distributed to sanitation sector with 56.23per cent and followed by development grant with 32.09 per cent. However, the amount allocated for capacity building and training (Rs.25 lakhs) had not been distributed among the Village (Dweep) Panchayats. In the case of the District Panchayat there was no sector wise allocation. Detailed plan proposals were made only for the amount allocated under development grants.

**Diagram No 2.1: Amount Available with the Panchayats for Decentralized Planning (2012-2013)**



Source: Directorate of Panchayats Lakshadweep Administration

**Table No 2.2: Amount Available for Decentralized Planning (Panchayat Wise) 2012-2013**

Name of the Panchayats	Amount in Lakhs				
	Development Grant	Sanitation	Infrastructure	Capacity Building & Training	Scheme Total
1.District Panchayat (DP)	28.96	0	0	0	28.96
Total under DP	28.96				28.96
1.Village (Dweep) Panchayat (VDP), Agaii	6.14	15.80	0	0	21.94
2.Village (Dweep) Panchayat (VDP), Amini	6.14	15.15	0	0	21.29
3.Village (Dweep) Panchayat (VDP), Andrott	8.02	18.90	0	0	26.92
4.Village (Dweep) Panchayat (VDP), Bitra	3.00	3.00	0	0	6.00
5.Village (Dweep) Panchayat (VDP), Chetlat	3.60	6.90	0	0	10.50
6.Village (Dweep) Panchayat (VDP), Kadmat	4.25	17.02	0	0	21.27
7.Village (Dweep) Panchayat (VDP), Kalpeni	5.25	11.42	6.11	0	22.78
8.Village (Dweep) Panchayat (VDP), Kavaratti	8.02	30.47	0	0	38.49
9.Village (Dweep) Panchayat (VDP), Kiltan	4.10	12.55	0	0	16.65
10.Village (Dweep) Panchayat (VDP), Minicoy	8.02	18.65	0	0	26.67
Sub Total	56.54	149.86	6.11		212.51
Administrative Training Institute	0	0	0	25.00	25.00
Sub Total	0	0	0	25.00	25.00
Total under VDP	56.54	149.86	6.11	25.00	237.51
Total under Panchayat	85.50	149.86	6.11	25.00	266.47

Source: Directorate of Panchayats, Lakshadweep Administration

### Features of the District Panchayat Plan

The Directorate of Panchayats had allocated Rs. 28.96 Lakhs under ‘Development Grant’ to the District Panchayat for preparing schemes and projects under decentralized planning. However, the actual plan size was of Rs. 96.94 Lakhs. The amount was accumulated over the years since the amount for scheme / projects of the preceding years were kept unspent. It was known as ‘spill over and continuing’ activities. All the nine

proposed activities were under the category of ‘spill over and continuing activities’. It is noticed that the same type of activities were repeated since 2009-2010 without any change. The Table No. 2.1 and Diagram No. 2.2 show the activities proposed, their respective amount budgeted proposed and source of budget for the year 2012-13 by the District Panchayat .

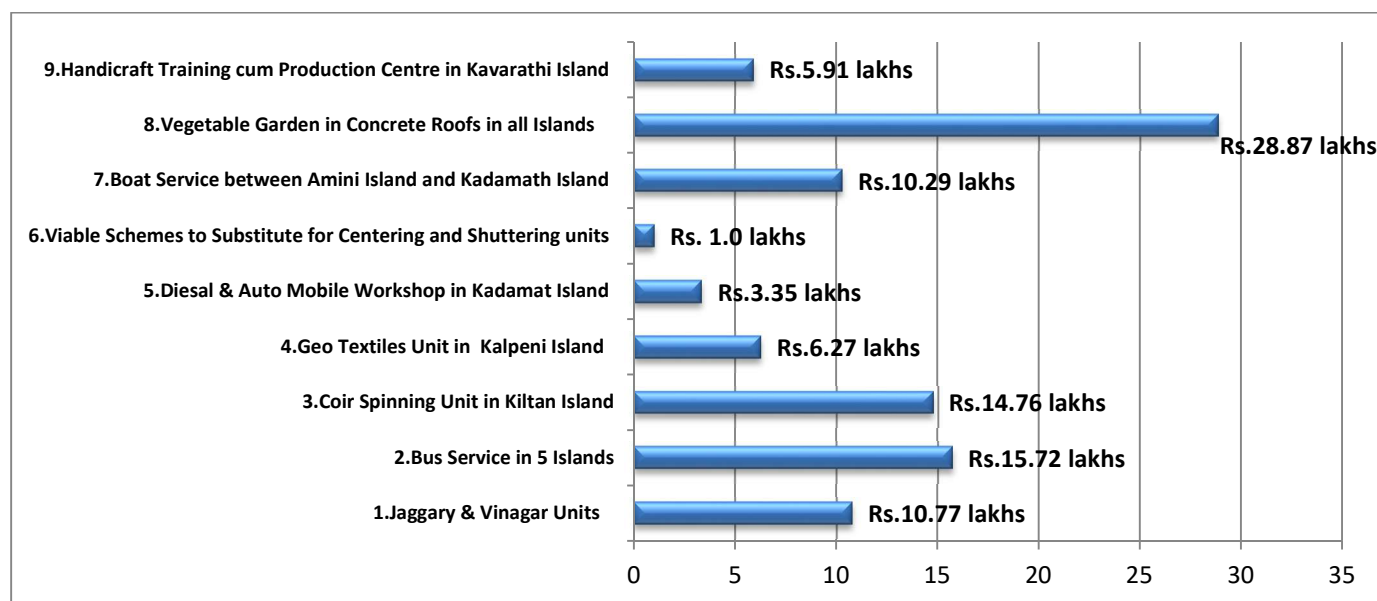
**Table No. 2.3: Features of the Plan by the District Panchayat (2012-2013)**

Sl No	Activities Proposed	Budgeted Amount (Rs. in Lakhs)	Sources of Budget
1	Jaggary & Vinagar Units (Spillover & Continuing Project)	10.77	Development Fund (Untied Grant )
2	Bus Service in 5 Islands(Spillover & Continuing Project)	15.72	Development Fund (Untied Grant )
3	Coir Spinning Unit in Kiltan Island(Spillover & Continuing Project)	14.76	Development Fund (Untied Grant )
4	Geo Textiles Unit in Kalpeni Island (Spillover & Continuing Project)	6.27	Development Fund (Untied Grant )
5	Diesal & Auto Mobile Workshop in Kadamath Island(Spillover & Continuing Project)	3.35	Development Fund (Untied Grant )
6	Viable schemes to substitute for centering and shuttering units (Spillover & Continuing Project)	1.00	Development Fund (Untied Grant )
7	Boat Service between Amini Island and Kadamath Island (Spillover & Continuing Project)	10.29	Development Fund (Untied Grant )
8	Vegetable garden in concrete roofs in all Islands (Spillover & Continuing Project)	28.87	Development Fund (Untied Grant )
9	Handicraft training cum production centre in Kavarathi Island (Spillover & Continuing Project)	5.91	Development Fund (Untied Grant )
	Total	96.94	

Source: Office of the District Panchayat, Lakshadweep Administration



**Diagram No. 2.2 Features of the Annual Plan of District Panchayat (2012-2013)**



Source: Table Number 2.3

### **Features of the Sample Village (Dweep) Panchayat Plan**

The Directorate of Panchayats had allocated Rs. 56.54 Lakhs under ‘Development Grant’ to all the 10 Village (Dweep) Panchayats for preparing schemes and projects under decentralized planning. The details of the sample Village (Dweep) Panchayat is analysed, here. **(i) Village (Dweep) Panchayat, Agathi:** The Village (Dweep) Panchayat, Agathi had received Rs. 6.14 lakhs whereas the plan was prepared for Rs. 12.00 lakhs. In other words, the plan size was almost double of the actual allocation to the Panchayat. The amount was accumulated over the years since the amount for scheme / projects of the preceding years were kept unspent. It was known as ‘spill over and continuing’ activities. Out of the six proposed activities four were under the category of ‘spill over and continuing activities’. It is noticed that the same type of activities were repeated over the years. There were two new projects (project on informatics centre and project on coconut climbing). **The Table No. 2.4 and Diagram No. 2.3** show the activities proposed, their respective amount budgeted and source of budget for the year 2012-13 by

the Village (Dweep) Panchayat. **(ii) Village (Dweep) Panchayat, Amini:** The allocation of development grant to the Panchayat was Rs.6.14 lakhs whereas the plan was prepared for Rs.47.89 lakhs . In other words, the plan size was almost double of the actual allocation to the Panchayat. As in the case of other Panchayats, a portion of the previous years' amount was also accumulated over the years since some amount for scheme / projects of the preceding years were kept unspent. Out of the six proposed activities four were under the category of 'spill over and continuing activates'. It is noticed that the same type of activities were repeated over the years .There were two new projects (construction of individual toilet and purchase of concrete mixture machine). **The Table No. 2.5 and Diagram No. 2.4 show** the activities proposed, their respective amount budgeted and source of budget for the year 2012-13by the Village ( Dweep) Panchayat.

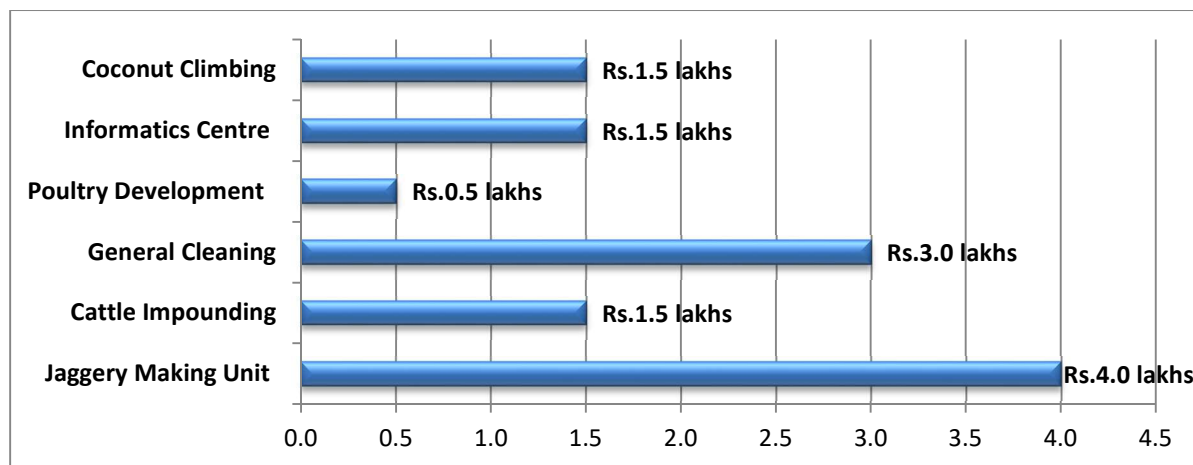
**(iii) Village (Dweep) Panchayat, Kadamath:** The allocation of development grant to the Panchayat was Rs.4.25 lakhs whereas the plan was prepared more than the allocation and the plan size was Rs.6, 27 lakhs. Out of the six proposed activities four were under the category of 'spill over and continuing activates'. Two new projects were seen and they were (i) coconut development project and (ii) running maintenance of vehicle. **The Table No. 2.6 and Diagram No. 2.5 show** the activities proposed, their respective amount budgeted and source of budget for the year 2012-2013 by the Village ( Dweep) Panchayat.

**(iv) Village (Dweep) Panchayat, Kavarathi:** The Panchayat had prepared a plan document with the size of 12.02 though the allocation of development grant to the Panchayat was only Rs.8.02 lakhs . As in the case of other Village (Dweep) Panchayat the amount was also accumulated over the years since the amount for scheme / projects of the preceding years were kept unspent. The Panchayat had proposed only one activity which was under the category of 'spill over and continuing activity'. **The Table No. 2.7 and Diagram No. 2.6 show** the activities proposed, their respective amount budgeted proposed and source of budget for the year 2012-13by the Village (Dweep) Panchayat

**Table No. 2.4: Annual Plan of the Village (Dweep) Panchayat, Agathi (2012-2013)**

Sl No	Activities Proposed	Amount Budgeted (Rs in Lakhs)	Sources of Budget
1	Jaggery Making Unit (Spillover & Continuing Project)	4.00	Development Grant
2	Cattle Impounding (Spillover & Continuing Project)	1.50	Development Grant
3	General Cleaning(Spillover & Continuing Project)	3.00	Development Grant
4	Poultry Development(Spillover & Continuing Project)	0.50	Development Grant
5	Informatics Centre (New Scheme)	1.50	Development Grant
6	Coconut Climbing(New Scheme)	1.50	Development Grant
	<b>Total</b>	<b>12.00</b>	

Source: Office of the Village (Dweep) Panchayat, Agatti , Lakshadweep Administration

**Diagram No. 2.3 Features of the Annual Plan,Village (Dweep) Agathi (2012-2013)**

Source: Table Number 2.4

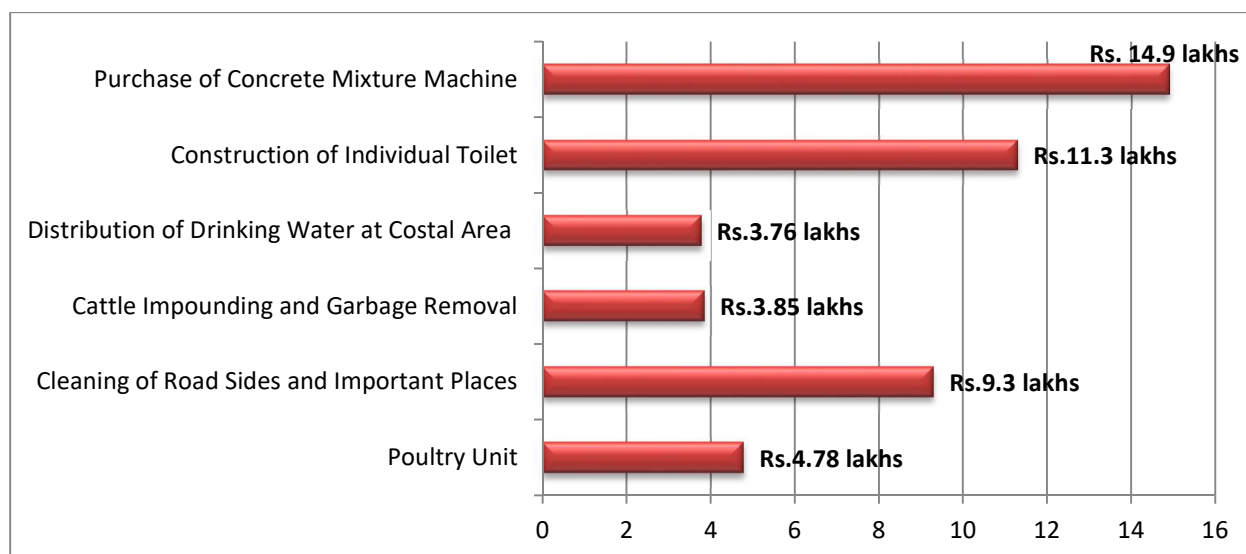
**Table No. 2.5 Annual Plan of the Village (Dweep) Panchayat, Amini (2012-2013)**

Sl No.	Activities Proposed	Amount Budgeted (Rs in Lakhs)	Sources of Budget
1	Poultry Unit(Spillover & Continuing Project)	4.78	Development Grant
2	Cleaning of Road Sides and Important Places(Spillover & Continuing Project)	9.30	Development Grant
3	Cattle Impounding and Garbage Removal(Spillover & Continuing Project)	3.85	Development Grant
4	Distribution of Drinking Water at Costal	3.76	Development Grant

	Area (New Scheme)		
5	Construction of Individual Toilet (New Scheme)	11.30	Development Grand
6	Purchase of Concrete Mixture Machine(New Scheme)	14.90	Development Grand
	Total	47.89	

Source: Office of the Village (Dweep) Panchayat, Amini, Lakshadweep Administration

**Diagram No. 2.4 Features of the Annual Plan,Village (Dweep) Amini (2012-2013)**



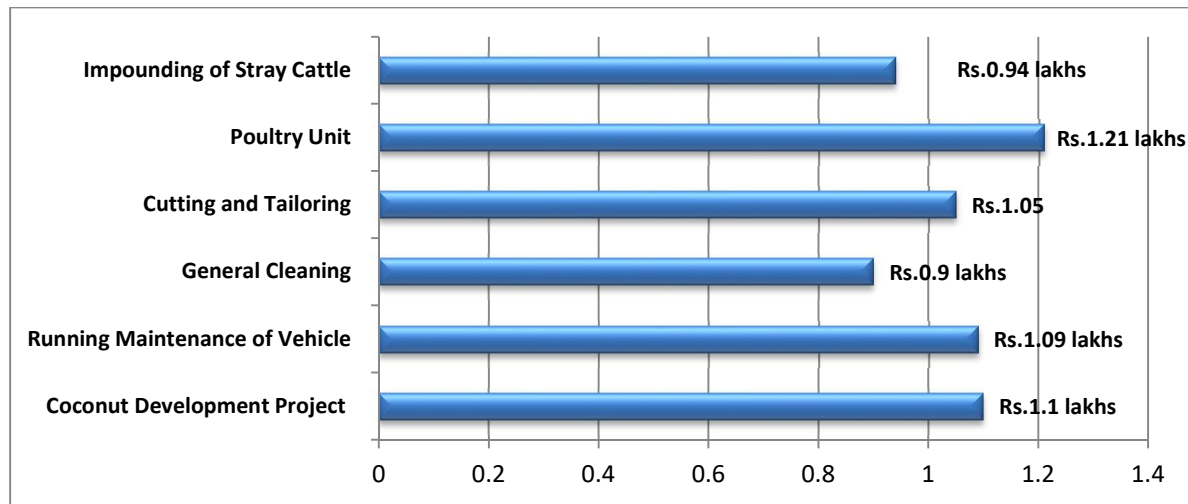
Source: Table Number 2.5

**Table No. 2.6 Annual Plan of the Village (Dweep) Panchayat, Kadamath (2012-2013)**

Sl No	Activities Proposed	Amount Budgeted (Rs in Lakhs)	Sources of Budget
1	Coconut development project(New Scheme)	1.10	Own Fund
2	Running maintenance of vehicle (New Scheme)	1.09	Own Fund
3	General Cleaning (Spillover & Continuing Project)	0.90	Development Grant
4	Cutting and Tailoring (Spillover & Continuing Project)	1.05	Development Grant
5	Poultry Unit (Spillover & Continuing Project)	1.21	Development Grant
6	Impounding of Stray Cattle (Spillover & Continuing Project)	0.94	Development Grant
	Total	6.27	

Source: Office of the Village (Dweep) Panchayat, Kadamath , Lakshadweep Administration

**Diagram No. 2.5 Features of the Annual Plan of the Village (Dweep) Kadamath (2012-2013)**



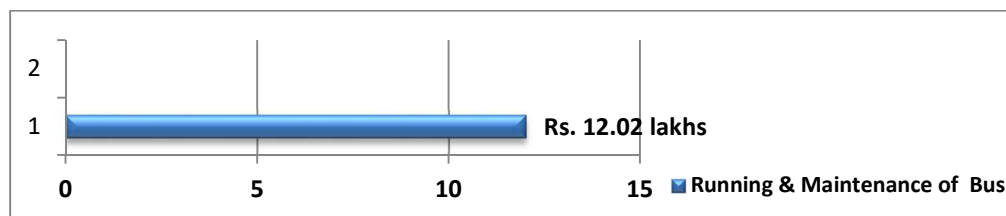
Source: Table Number 2.6

**Table No. 2.7 Annual Plan of the Village (Dweep) Panchayat, Kavarathi (2012-2013)**

Activities Proposed	Amount Budgeted (Rs in Lakhs)	Sources of Budget
Running & Maintenance of Bus (Spillover & Continuing Project)	12.020	Development Grant

Source: : Office of the Village (Dweep) Panchayat, Kavarathi , Lakshadweep Administration

**Diagram No2.6: Annual Plan of the Village (Dweep) Panchayat, Kavarathi (2012-2013)**



Source: Table No.2.7

## Features of the Departmental Plans

In 2012-2013, the Directorate of Planning issued directions to prepare departmental plans with the total involvement of Gram Sabha, Panchayats and Departmental Staff. All the Plan Implementing Officers (PIO) extended necessary co-operation and support to the Panchayats for formulation process of the annual plan (2012-2013) and 12<sup>th</sup> Five Year Plan (2012-2017) . The departmental Plans were prepared at two levels, (i) District Panchayat and (ii) Village (Dweep) Panchayat levels.

### Features of the Departmental Plans at District Panchayat Level

The departmental annual plan was prepared at the District Panchayat level with the involvement of members and officials of the District Panchayat, members of the Administrator's Advisory Council (AAC) and heads of the institutions at the district level. It is noticed that the departmental annual plan at the district Panchayat level with the size of Rs.10202.80 lakhs was prepared by covering 10 sectors, in 2012-2013. The sectors were (i) agriculture, (ii) fisheries, (iii) animal husbandry, (iv) general education, (v) health, (vi) arts & culture, (vii) environment & forest (viii) women & child development (ix) small scale industries and (x) social welfare & tribal affairs. The preparation of plan process was supported by the Plan Implementing Officers and a Nodal Officer assigned to the work at the District Panchayat. The departmental plan was forwarded to the Directorate of Planning with the concurrence of the District Panchayat by the Nodal Officer.

**Table No.2.8: Sectoral/Scheme Outlay of the Departmental Plan at the District Panchayat Level (2012-2013)**

Sl. No	Name of the Scheme	Amount (Rs in Lakhs)
	<i>I. Agriculture</i>	
1.	Coconut Development Programme	267.59
2.	Organic Framing Programme	57.01
3.	Horticulture Development Programme `	122.70
4.	Integrated Pest Management	91.46
5.	Human Resource Development	19.35

6.	Information Communication Technology	10.94
7.	Livelihood Support Service	51.95
8.	Natural Resource Management	119.00
9.	Civil Works	160.00
	Sub Total	900.00
	<i>II. Fisheries</i>	
1.	Non Plan Salary and Other Expense	848.46
2.	Strengthening of Fishing Fleets & Improvement of Crafts	183.81
3.	Development of off shore, deep sea fisheries & fishing technology	114.90
4.	Development of post harvest fish processing facilities and marketing	15.00
5.	Fisheries co-operatives	20.50
6.	Human resource development	9.86
	Sub Total	1192.53
	<i>III. Animal Husbandry</i>	
1.	Poultry Development Programme	229.45
2.	Goat Development Programme	98.67
3.	Cattle Development Programme	136.00
4.	Veterinary Services & Animal Health	72.00
5.	Training & Technical Assistance Programme	13.88
6.	Civil Works	240.00
7.	Disease Diagnosis Centre/Feed Mixing Unit	110.00
	Sub Total	900.00
	<i>IV. General Education</i>	
1.	Early Childhood Care & Education	321.49
2.	Primary Education	484.61
3.	Secondary & Pre-Vocationalization of Education	316.70
4.	Senior Secondary Education	510.20
6.	Social & Audit Education	14.00
7.	Grant-in-aid to NGOs/Madarassas	12.00
8.	Technical Education	50.00
9.	Civil Works	2500.00
	Sub Total	4209.00
	<i>V. Health</i>	
1.	Expansion & Modernization of Health Care Facility	170.00
2.	Procurement & Supply of Allopathic Medicine	184.35
3.	Procurement of Equipment	450.00
4.	Strengthening of ISM & Homeopathy	131.90
5.	Strengthening of Public Health Activities/PH Lab	16.65
6.	Financial Assistant & Patients	68.75
7.	Training & Continuing Education	10.20

8.	Bio- Waste Management	32.00
9.	Civil Works	800.00
10.	Rajiv Gandhi Specialty Hospital / Nursing School	735.00
	Sub Total	2598.85
	<i>VI. Arts &amp; Culture</i>	
1.	Expansion of Library & Information Services in the Islands	6.50
	Sub Total	6.50
	<i>VII. Environment &amp; Forest</i>	
1.	Social Forestry	120.00
	Sub Total	120.00
	<i>VIII. Women &amp; Child Development</i>	
1.	Indira Gandhi Matritia Shayug Yojana (IGMSY)	20.02
	Sub Total	20.02
	<i>IX. Small Scale Industry</i>	
1.	Transport Subsidy Scheme to SSI units	5.80
2.	Human Resource Development Programme	3.70
3.	Promotion to handicraft in Lakshadweep	2.00
4.	Entrepreneurs Development Programme	8.00
5.	Lakshadweep Khadi & Village Industries Board	95.00
	Sub Total	114.50
	<i>X. Social Welfare &amp; Tribal Affairs</i>	
1.	National Policy Scheme	5.00
2.	Pension Scheme	121.40
3.	State Hajj	15.00
	Sub Total	141.40
	Grant Total	10202.80

Source: Directorate of Planning and Statistics, Department of Planning, Lakshadweep Administration.

### **Features of the Departmental Plans at Village ( Dweep ) Panchayat Level**

The departmental annual plan was also prepared at the Village ( Dweep) Panchayat level with the involvement of Gram Sabha ,Village Dweep Panchayat, the members of the Administrator's Advisory Council (AAC),DC/SDO, and heads of the institutions at the concerned island . It is noticed that the departmental plan at the island level with the involvement of peoples' participation was prepared in all the ten islands and it was forwarded to the Directorate of Planning by the respective Nodal Officers with the concurrence of the Village (Dweep) Panchayat. Out of the four sample Village ( Dweep) Panchayats , departmental plans were available only in three Village( Dweep ) Panchayats. (The departmental plan which was prepared at the Village (Dweep)



Panchayat, Kavarathi was reported as missing). The departmental plans at the three sample Village ( Dweep) Panchayats were analyzed in detail (Table No .2.).

**1. Departmental Plan at Village (Dweep) Panchayat Level, Agatti:** It is noticed that the departmental annual plan at the level of the Village ( Dweep) Panchayat, Agatti with the size of Rs.94.73 lakhs was prepared by covering eight sectors, both plan and non plan . The sectors were (i) other rural development programme, (ii) labour and employment (iii) electricity, (iv) environment & forest, (v) water supply & sanitation, (vi) social justice & empowerment, (vii) pwd , and (xii) women &child development .

**2. Departmental Plan at Village ( Dweep) Panchayat Level, Amini:** The size of the departmental annual plan at the level of the Village ( Dweep) Panchayat, Amini was worked out at Rs. 174.54 lakhs. It had covered eight sectors under plan and non plan. The sectors were (i)other rural development programme (ii) labour and employment, (iii) electricity, (iv) environment & forest, (v) water supply & sanitation (vi) social justice &empowerment , (vii) pwd and (viii) women & child development.

**3. Departmental Plan at Village ( Dweep) Panchayat Level, Kadamath :** As per the official records the size of the departmental annual plan at the level of the Village ((Dweep) Panchayat, Kadamath was Rs. 191.38 lakhs. It was prepared by covering 10 sectors of plan and non plan. The sectors were (i)other rural development programme (ii) agriculture (iii) animal husbandry,(iv) labour and employment , (v) electricity ,(vi) environment & forest ,(vii) water supply & sanitation (viii) (x) social justice & empowerment (ix) pwd, and (x) women &child development. Since in the absence of the heads of the two departments (agriculture and animal husbandry) in the island (Kadamath), the plan and non plan amount had been allotted in the departmental plan.

**Table No.2.9: Sectoral/Scheme Outlay of the Departmental Plan at the Village (Dweep) Panchayat Leve, Agatti (2012-2013)**

Sl. No	Name of the Scheme	Amount (Rs in Lakhs)
	<i>I. ORDP (Non Plan)</i>	
1.	Salary to VDP Staff	10.20
2.	Remuneration	2.44
3.	OE	2.25
4.	Sitting Fee	0.16
5.	Meeting Expense	0.13
6.	Rent of Building	0.93
	Sub Total	16.11
	<i>II. ORDP(Plan)</i>	
1.	Infrastructure Development	0.02
2.	Public Health & sanitation	16.79
3.	Jaggery Making Unit	4.00
4.	Cattle impounding	1.50
5.	General Cleaning	3.00
6.	Poultry Development	0.50
7.	Informatics Centre	1.50
8.	Coconut Climbing	1.50
9.	Matching Grant	0.31
	Sub Total	29.12
	<i>III. Labour &amp; Employment (Non Plan)</i>	
1.	Salary/Wage/TA/OE	5.60
	Sub Total	5.60
	<i>IV. Labour &amp; Employment (Plan)</i>	
1.	Training to SC/ST	0.40
2.	Career Guidance	0.54
	Sub Total	0.94
	<i>V. Electricity (Non Plan)</i>	
1.	Salary/Wage/TA/OE	4.63
	Sub Total	4.63
	<i>VI. Electricity (Plan)</i>	
1.	Street Light Maintenance	1.31
	Sub Total	1.31
	<i>VII. Environment &amp; Forest (Plan)</i>	
1.	Waste Management	5.35
	Sub Total	5.35
	<i>VIII. Water Supply &amp; Sanitation (Non Plan)</i>	
1.	Salary	4.99
	Sub Total	4.99
	<i>IX. Water Supply &amp; Sanitation ( Plan)</i>	

1.	Wages	3.61
	Sub Total	3.61
	<i>X. Social Justice &amp; Empowerment (Non Plan)</i>	
1.	Wages	0.79
	Sub Total	0.79
	<i>XI. PWD(Plan)</i>	
1.	Maintenance of Roads	0.90
	Sub Total	0.90
	<i>XII. Women &amp; Child Development (Plan)</i>	
1.	Additional Honorarium to AWW/AWH	3.48
2.	Special Nutrition Programme	12.79
3.	Cooking & Fire Wood Charges	0.15
4.	SABLA Scheme	4.17
5.	Aganwadi Building Rent	0.79
	Sub Total	21.38
	Total	94.73

Source: Office of the Village (Dweep) Panchayat, Agatti, Lakshadweep Administration

**Table No.2.10: Sectoral/Scheme Outlay of the Departmental Plan at the Village (Dweep) Panchayat Level, Amini (2012-2013)**

Sl. No	Name of the Scheme	Amount (Rs in Lakhs)
	<i>I. ORDP (Non Plan)</i>	
1.	Salary to VDP Staff	14.75
2.	Medical Reimbursement	0.25
3.	Salary to VDP Functionaries	0.95
4.	OE	2.07
5.	Sitting Fee	0.30
6.	Meeting Expense	0.76
7.	Rent of Building	1.60
	Sub Total	20.68
	<i>II. ORDP(Plan)</i>	
1.	Infrastructure Development	3.70
2.	Public Health & sanitation	15.84
3.	Poultry Unit	4.78
4.	Cleaning of road sides and important places	9.30
5.	Cattle impounding and garbage removal	3.85
6.	Distribution of Drinking Water	3.76
7.	Construction of Individual Toilet.	11.30
8.	Purchase of concrete mixture machine	14.90
9.	Matching Grant	0.31
	Sub Total	67.74
	<i>III. Labour &amp; Employment (Non Plan)</i>	

1.	Salary/Wage/TA/OE	6.45
	Sub Total	6.45
	<i>IV. Labour &amp; Employment (Plan)</i>	
1.	Training to SC/ST	0.03
2.	Career Guidance	0.04
	Sub Total	0.07
	<i>V. Electricity (Non Plan)</i>	
1.	Salary/Wage/TA/OE	5.23
	Sub Total	5.23
	<i>VI. Electricity (Plan)</i>	
1.	Street Light Maintenance	1.10
	Sub Total	1.10
	<i>VII. Environment &amp; Forest-(Plan)</i>	
1.	Waste Management	14.07
2.	Rent	2.69
	Sub Total	16.76
	<i>VIII. Water Supply &amp; Sanitation(Non Plan)</i>	
1.	Salary	12.40
	Sub Total	12.40
	<i>IX. Water Supply &amp; Sanitation( Plan)</i>	
1.	Rain Water Harvesting Structure	12.00
	Sub Total	12.00
	<i>X. Social Justice &amp; Empowerment (Non Plan)</i>	
1.	Wages	1.15
	Sub Total	1.15
	<i>XI. PWD(Plan)</i>	
1.	Maintenance of Roads	12.59
	Sub Total	12.59
	<i>XII. Women &amp; Child Development (Plan)</i>	
1.	Additional Honorarium to AWW/AWH	3.46
2.	Special Nutrition Programme	8.39
3.	Cooking & Fire Wood Charges	1.33
4.	Aganwadi Building Rent	5.19
	Sub Total	18.37
	Total	174.54

Source: Office of the Village (Dweep) Panchayat Amini, Lakshadweep Administration

**Table No.2.11: Sectoral/Scheme Outlay of the Departmental Plan at the Village (Dweep) Panchayat Leve, Kadamath (2012-2013)**

Sl. No	Name of the Scheme	Amount (Rs in Lakhs)
	<i>I. ORDP (Non Plan)</i>	
1.	Salary/staff/OE/Meeting Expenses	10.20
2.	Rent	2.00
3.	Matching Grant	3.51
4.	Purchase of Equipments	0.25
5.	Numbering of Houses	0.036
	Sub Total	16.00
	<i>II. ORDP(Plan)</i>	
1.	Infrastructural	1.20
2.	General Cleaning	0.90
3.	Cutting & tailoring	1.05
4.	Poultry Unit	1.21
5.	Impounding of Stray Cattle	0.90
6.	Public Health & Sanitation	18.43
	Sub Total	23.69
	<i>III. Agriculture (Non Plan)</i>	
1.	Salary/Wage/TA	41.97
2.	Other Expense	0.88
3.	Wage	4.61
	Sub Total	47.46
	<i>IV. Agriculture (Plan)</i>	
1.	Fruit Cultivation	0.15
2.	Vegetable Cultivation	0.09
3.	Tuber Crops Cultivation	0.08
4.	Meera Tapping	0.21
5.	Pulse Crop Cultivation	0.04
6.	Coconut Development Programme	2.64
	Sub Total	3.21
	<i>V. Animal Husbandry (Non Plan)</i>	
1.	Salary/Wage/TA/OE	32.01
	Sub Total	32.01
	<i>VI. Animal Husbandry (Plan)</i>	
1.	Subsidy for Cattle Shed	0.53
2.	Subsidy for Goat Shed	0.66
3.	Deep Litter Shed Poultry	0.12
4.	Deep Litter Shed Poultry (More than 500)	0.35
5.	Deep Litter Shed Poultry (100 to 200 capacity))	0.42
6.	Deep Litter Shed Poultry (250 capacity))	0.55
	Sub Total	2.63
	<i>VII. Labour &amp; Employment (Non Plan)</i>	
1.	Salary/Wage/TA/OE	6.23

	Sub Total	6.23
	<i>VIII. Labour &amp; Employment (Plan)</i>	
1.	Incentive Aid	0.13
2.	Career Guidance	0.27
	Sub Total	0.40
	<i>IX. Electricity (Non Plan)</i>	
1.	Salary/Wage/TA/OE	3.48
	Sub Total	3.48
	<i>X. Electricity (Plan)</i>	
1.	Street Light Maintenance	0.89
	Sub Total	0.89
	<i>XI. Fisheries-(Non Plan)</i>	
1.	Salary/Wage/TA/OE	5.41
	Sub Total	5.41
	<i>XII. Environment &amp; Forest-(Plan)</i>	
1.	Waste Management	6.70
2.	Rent	0.20
	Sub Total	6.90
	<i>XIII. Water Supply &amp; Sanitation(Non Plan)</i>	
1.	Salary/Wage/TA/OE	19.78
	Sub Total	19.78
	<i>XIV. Social Justice &amp; Empowerment (Plan)</i>	
1.	Pension to Destitute	7.90
	Sub Total	7.90
	<i>XV. PWD(Plan)</i>	
1.	Maintenance of Road	7.42
	Sub Total	7.42
	<i>XVI. Women &amp; Child Development (Plan)</i>	
1.	Rent of Building	0.64
2.	Additional Honorarium to AWW/AWH	2.00
3.	Special Nutrition Programme	5.33
	Sub Total	7.97
	Total	191.38

Source: Office of the Village ( Dweep ) Panchayat, Kadamath, Lakshadweep Administration

### Conclusion

As part of the fifth phase of devolution which came in to effect from 1<sup>st</sup> April 2012, five major departments viz, education, health, fisheries, agriculture and animal husbandry had been transferred to the District Panchayat. However, in proportionate to the level devolution of functions/subjects had not made any reflection in the planning domain of the UT of Lakshadweep in general and decentralized planning process of the Panchayats. This is evident from the constitution and working of the District Planning Committee (DPC). The Collector –cum- Development Commissioner is the designated as the ex-

*officio* Chairman of the DPC whereas the President and Chief Counsellor is only a member. The DPC is not equipped with any support structure or resources in terms of expertise and finance. The DPC also lacks proper legislative and administrative framework. The DPC has not yet structurally and functionally been integrated with the planning machinery of the Lakshadweep, the Department /Directorate of Planning and Statistics. Two streams of decentralized planning ( Panchayat plans and departmental plans) may be one of the unique features in the UT of Lakshadweep. Since both the streams are placed and allied under the ‘decentralized planning kitty’ it has deceiving feature .When it was succeeded to disaggregate the two streams, the deficit of ‘Panchayat Plans’ became very palpable. The volume / size and the features of the plans prepared by the Panchayats (District Panchayat and Village (Dweep) Panchayats) were not reflected the felt needs /wish lists of the community of the concerned spatial planning units. Only very insignificant amount under development grant were available with both the District Panchayat and Village ( Dweep) Panchayats for the decentralized planning exercise. On the other side, under the ‘departmental plans’ significant amount of resources in the form plan fund had been driven to islands under sectoral plans and it is distributed to the islands according to area, population, fish landing and costal length. This had been brought to sectoral plan, providing allocation for each island by the departments under the local parlance, ‘Island Specific Annual Development Plans’. It was also observed that ‘non plan expenditure’ was continued in the annual plan under the second stream Replication of the same old components for all the islands were also noticed. These uncomfortable zones in the planning domain had defeated the very purpose of the decentralized planning process and made a voluminous Draft Annual Plan Document with more than 2000 pages under three volumes. The major rhetoric was that the departmental plans at different levels had been made with intensive consultations with Gram Sabha, Panchayats, public representatives and officials both at islands and UT level. It was claimed that the departmental plans were prepared by ensuring grassroots level participatory planning exercise and while scaling down the financial outlay certain care was taken to include all the items proposed by the Panchayats at least by providing

token provision. However, in practice, the only one credit was that some level of consultations had been made with the Panchayats. Nevertheless, it could not be treated as ‘decentralized planning by the Panchayats’. If one takes away the ‘departmental plan’ from the decentralized planning kitty, there is nothing substantial as ‘Panchayat Plans’ in the UT of Lakshadweep. Moreover, the absence of a planning board at the UT level exerts external pressure to the planning process and in turn may defuse the existing decentralized planning initiatives.

#### Appendix 2.1: Annual Plan Outlay 2011-2012 & Projected Outlay Annual Plan 2012-2013

Sl No	Sector/Major Head	Annual Plan 2011-2012		Annual Plan 2012-2013	
		Outlay	% of Total	Agreed Outlay	% over Total
1	Agriculture	800.00	2.06%	900.00	2.25%
2	Animal Husbandary	800.00	2.06%	900.00	2.25%
3	Fisheries	1050.00	2.70%	1050.00	2.62%
4	Co-Operation	600.00	1.54%	300.00	0.75%
5	ORDP(Panchayath Raj)	400.00	1.03%	500.00	1.25%
5-A	Rural Development	75.00	0.19%	150.00	0.37%
6	Anti Sea Erosion	300.00	0.77%	500.00	1.25%
7	Power	2000.00	5.14%	1300.00	3.25%
8	NRSE	550.00	1.41%	500.00	1.25%
9	Industries	300.00	0.77%	350.00	0.87%
10	Port	14900.00	38.32%	9000.00	22.47%
11	Roads & Bridges	1200.00	3.09%	1600.00	3.99%
12	Road Transport	100.00	0.26%	150.00	0.37%
13	Scintific Research	2000.00	5.14%	1000.00	2.50%
14	IT & EGovernance	1500	3.86%	1800.00	4.49%
15	Ecology & Environment	300.00	0.77%	350.00	0.87%
16	Forestry & Wild life	100.00	0.26%	120.00	0.30%
17	Sect. Eco Services	7.00	0.02%	8.00	0.02%
18	Tourism	440.00	1.13%	1000.00	2.50%
19	Census, Surveys & Statistics	40.00	0.10%	50.00	0.12%
20	Civil Supplies	445.00	1.14%	500.00	1.25%
21	OGES Legal Metrology	3.00	0.01%	4.00	0.01%
22	General Education	2200.00	5.66%	4425.00	11.05%
23	Sports & Youth Services	300.00	0.77%	1000.00	2.50%
24	Art & Culture	330.00	0.85%	450.00	1.12%
25	Medical & Public Health	1400.00	3.60%	2600.00	6.49%
26	Water Supply	2000.00	5.14%	1200.00	3.00%



27	Housing	2000.00	5.14%	4000.00	9.98%
28	Urban Development	1500.00	3.86%	2000.00	4.99%
29	Information & Publicity	150.00	0.39%	500.00	1.25%
30	Labour & Employment	200.00	0.51%	229.00	0.57%
31	Social Welfare	150.00	0.039%	150.00	0.37%
32	Women & Child	120.00	0.31%	400.00	1.00%
33	Nutrition	43.00	0.11%	50.00	0.12%
34	Stationery & Printing	200.00	0.51%	225.00	0.56%
35	Fire Protection & Control	1.00	0.00%	200.00	0.50%
36	Police	375.00	0.96%	600.00	1.50%
		38879.00	100.00	40061.00	100.00

Source: Annual Plan, Union Territory of Lakshadweep

## CHAPTER 3:

# DEVOLUTION OF FUNCTIONS

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### Introduction

The trend of devolution in the Union Territory of Lakshadweep has been linear one. Though it is secluded from the mainland the Lakshadweep islands have been impervious to developments that took place in other parts of the country in the field of Panchayat Raj. Introduction of the Lakshadweep Island Councils Regulation, 1988 paved way for constitution of Island Councils in all the islands with elected members. Until 1988, the UT of Lakshadweep had experienced different forms ‘advisory of local governance’ with aboriginal characteristics of traditional and modernity and therefore the philosophy and practice devolution of functions was not extraterrestrial to the Islands. There were silver linings even before the Lakshadweep Panchayat Regulation 1994 which could lay strong foundations of democratic governance in the Islands. However, the first major step towards effective devolution of functions with the support of a two tier structure of Panchayat Raj was taken in 1994 when the Lakshadweep Panchayat Regulation 1994 (No.4 of 1994) was passed by the Indian Parliament. The Regulation empowers the Administrator to transfer functions, funds and personnel to the District Panchayat and Village (Dweep) Panchayats. Five Executive Orders at different period of time by the Administrator had reflected the ‘philosophy of incremental / graduated approach’ in devolving major functions to Panchayats. The recent devolution initiative on 2012 which is known as the Fifth Phase of Devolution has transferred five departments ‘in totality’ to the District Panchayat and Village (Dweep) Panchayats. In this chapter an attempt has been made to understand the functions devolved to Panchayats based on the Regulations, Activity Mapping, the Executive Orders and actual field operations. While doing the exercise, a special attention is made to understand whether the two tiers are equally

benefited by the devolution and if not what are the terms of trade between two tiers. The chapter makes an attempt to discuss these issues.

**First Phase- July, 1998**

**Second Phase-April, 2001**

**Third Phase –June, 2006**

**Fourth Phase –December, 2009**

**Fifth Phase -April, 2012**

Article 243G of the Constitution authorizes the State/ Union Territory administration, by law to endow the Panchayat with such powers and authority as may be necessary to enable them to function as institutions of self governance and such law may contain provisions for the devolution of powers and responsibilities upon Panchayats, at the appropriate level, subject to such conditions as may be specified therein, with respect to

- (a) The preparation of plans for economic development and social justice;
- (b) The implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule

**Functions Assigned to District Panchayat & Village (Dweep) Panchayats per the Lakshadweep Panchayat Regulation, 1994**

**District Panchayat:** The verbatim of 11<sup>th</sup> Schedule (Article 243G) of the Constitution is reflected in the LakshawEEP Panchayat Regulation, 1994. The Fourth Schedule of the LakshawEEP Panchayat Regulation, 1994 gives the list 29 subjects to the District Panchayat. In addition to this, Chapter V, (Section 44) deals with powers, duties and functions of a Panchayat and it is a common domain for both the District Panchayat and Village (Dweep) Panchayat (Table No 3.1).

**Village (Dweep) Panchayat:.** As per the provision of the Third Schedule of the LakshawEEP Panchayat Regulation, 1994 five broad subject domain has been given to the Village (Dweep) Panchayat and they are (i) sanitation and public health, (ii) public works, (iii) planning and development.(iv)administration and (v) social welfare .The detail analysis of the above five broad subject domain contains 12 items from the list of 29 subjects appeared in the 11<sup>th</sup> Schedule of the Constitution . Four regulatory functions are also included in the Third Schedule. They are (i) regulating, checking and abating offensive or dangerous trade or practice, (ii) numbering of premises, (iii) registration of births and deaths and (iv) preventive and relief measures in times of natural calamity. In addition to this, Chapter V, (Section 44) deals with powers, duties and functions of a Panchayat and it is a common domain for both the District Panchayat and Village (Dweep) Panchayat (Table No 3.1).

**Table No.3.1: List of Functions Assigned as per the Lakshadweep Panchayat Regulation, 1994**

<b>Chapter V: Powers ,Duties and Functions of a Panchayat, Section 44 of the Regulation (<i>Common for both the District Panchayat and Village (Dweep) Panchayat</i>)</b>
(1)It shall be the duty of every Village (Dweep) Panchayat and of a District Panchayat so far as its funds allow to make reasonable provision within its jurisdiction, in regard to the matters specified in the Third Schedule in case of Village (Dweep) Panchayat and in regard to the matter specified in the Fourth Schedule in case of the District Panchayat.
(2) The scheme programmes under any of the subject incorporated in Third Schedule or the Forth Schedule under sub-section (1) may be transferred, from time to time, along with funds, if any and such personnel as may be necessary to Panchayat by the Administrator on such conditions as may be prescribed.
(3) The Panchayat may also make provision for carrying out within its jurisdiction any other work or measure which is likely to promote the health, safety, comfort or convenience, social, economic or cultural well-being and education of the residents of the Islands.
(4) The Administrator may, from time to time, consult the President-cum-Chief Counsellor or the Vice-President-cum-Counsellor or any matter relating to the administration of the Union Territory, as specified in the Fifth Schedule, and ay views expressed by the President-cum-Chief Counsellor or the Vice-President-cum-Counsellor on such matters shall be recommendatory in nature.
(5) The Administrator shall follow such procedure for consultation under sub-section (4) as may be prescribed.

<b>District Panchayat</b> <i>The Fourth Schedule</i>	<b>Village (Dweep) Panchayat</b> <i>The Third Schedule</i>
<p>(1)Agriculture including agricultural extension.  (2)Land improvement, implementation of land reforms, land consolidation and soil conservation.  (3)Minor irrigation, water management and watershed development.  (4) Animal husbandry, dairying and poultry.  (5)Fisheries.  (6)Social forestry and farm forestry.  (7)Minor forest produce.  (8)Small scale industries, including food processing industries.  (9)Khadi, village and cottage industries.  (10)Rural housing.  (11) Drinking water  (12)Fuel and fodder.  (13)Roads, culverts, bridges, ferries, waterways and other means of communication.  (14)Rural electrification including distribution of electricity.  (15)Non-conventional energy sources.  (16)Poverty alleviation programme.  (17)Education, including pre-primary, primary and secondary schools.  (18)Technical training and vocation education.  (19)Adult and non-formal education.  (20)Libraries  (21)Cultural activities.  (22)Markets and fairs.  (23)Health and sanitation including hospitals, primary health centres and dispensaries.  (24)Family welfare  (25)Women and child development.  (26)Social welfare, including welfare of the handicapped and mentally retarded.  (27)Welfare of the weaker section, and in particular, of the women and scheduled Tribes.  (28)Public distribution system.  (29)Maintenance of community assets.</p>	<p><b>I. Sanitation and Public Health:</b>  (1)Sanitation and conservancy (23)  (2)Removal of rubbish and keeping the area of the Island in clean condition (23).  (3)Maternity and child welfare (24)  (4)Family planning.(24)  (5)Construction and maintenance of public latrines (23).  (6)Regulating, checking and abating offensive or dangerous trade or practice.</p> <p><b>II. Public Works:</b>  (1)Lighting of Island (14).  (2)Establishment and maintenance of public utility places (29).</p> <p><b>III. Planning and Development:</b>  Preparation and implementation of plans, for the development of agriculture (1), animal husbandry (4), fisheries(5), Island industries(8) and cooperatives and especially-  (1)Distribution of improved seeds, manure and fertilizers (2).  (2) Promoting the use of improved agriculture implements and making such implements easily available (1):  (3)Improvement and general care of livestock and promotion of poultry keeping (4):  (4)Providing for organizations, management and development of cottage and small scale industries (9) &amp; (8).</p> <p><b>IV. Administration:</b>  (1)Administration of Panchayat property (29).  (2)Numbering of premises.  (3)Preparation, maintenance and upkeep of Panchayat records.  (4)Registration of births and deaths.</p> <p><b>V. Social Welfare:</b>  (1)Relief to the crippled and destitute (26).  (2)Preventive and relief measures in times of natural calamity.  (3)Promotion of moral and social welfare activities and assisting voluntary organizations and agencies engaged in such activities (27).</p>

Source: Lakshadweep Panchayat Regulation, 1994

## Functions Assigned to District Panchayat & Village (Dweep) Panchayats per the Activity Mapping

**District Panchayat:** Only five subjects are assigned to the District Panchayat as per the activity mapping and they are (i) agriculture, (ii) animal husbandry (iii) education (iv) fisheries and (v) medical and health services. Among the subjects, different activities are identified and roles are clearly assigned to the District Panchayat (Table No .3.2).

**Village (Dweep) Panchayat:** As in the case District Panchayat, five subjects are assigned to the Village (Dweep ) Panchayats and they are (i) agriculture, (ii) animal husbandry (iii) education (iv) fisheries and (v) medical and health services. Among the subjects, different activities are identified and roles are clearly assigned to both the Village Dweep Panchayats. As per the activity mapping, the assigned role of the Village (Dweep) Panchayat is to assist the district tier (Table No3.2).

**Table No. 3.2: Functions Assigned as per the Activity Mapping**

	Activities of District Panchayat	Activities of Village (Dweep) Panchayat
<b>I. Agriculture</b>	<ol style="list-style-type: none"> <li>1. Insurance for coconut climbers</li> <li>2. Procurement for free distribution of fruit saplings/seeds</li> <li>3. Purchase of materials/implements</li> <li>4. Agriculture extension services/exhibition/seminars/farmers tour/training printing/publishing/tableaux etc</li> <li>5. Organic certification farming</li> <li>6. Coastal Plantations</li> </ol>	<ol style="list-style-type: none"> <li>1. Agriculture demonstration units</li> <li>2. Coconut development programme,</li> <li>3. Organic farming programme,</li> <li>4. Horticulture development programme,</li> <li>5. Integrated pest management, cultivation</li> <li>6. Maintenance of vegetable gardens,</li> <li>7. Botanical gardens at Govt. House,</li> <li>8. Coconut value added units</li> </ol>
<b>II. Animal Husbandry</b>	<ol style="list-style-type: none"> <li>1. All kinds of purchase of feed fodder, vaccines, medicines, equipment under poultry development programme,</li> <li>2. Goat development programme,</li> <li>3. Cattle development programme,</li> <li>4. Veterinary services,</li> <li>5. Extension activities under training &amp; technical/financial assistance programme/veterinary services, entrepreneur development programme etc</li> </ol>	<ol style="list-style-type: none"> <li>1. The general functioning &amp; control,</li> <li>2. Animal health,</li> <li>3. Production of milk,</li> <li>4. Production of eggs,</li> <li>5. Hatchery units,</li> <li>6. Slaughter units at all islands</li> </ol>
<b>III. Education</b>	<ol style="list-style-type: none"> <li>1. Primary, Secondary,</li> <li>2. Senior secondary,</li> <li>3. Technical and social and adult education,</li> <li>4. Grant- in- aid to NGOs/<i>Madrassas</i> for starting aided schools,</li> <li>5. Pre- vocationalization of education,</li> <li>6. Centrally Sponsored Schemes (CSS) civil work in consultation</li> </ol>	<ol style="list-style-type: none"> <li>7. Pre- Primary Schools</li> </ol>

	with the directorate etc.	
<b>IV. Fisheries</b>	<ol style="list-style-type: none"> <li>1. Assistance to fisherman for construction /renovation/repair of fishing boats and country crafts under subsidy</li> <li>2. motorization of fishing boats and supplying of marine safety and life saving appliances</li> <li>3. Supply of fishing gear materials</li> <li>4. Extension of financial assistance to SHG/other voluntary organizations including Panchayats for production of value added fishery products and fish wastes utilization with 30 % subsidy</li> <li>5. Subsidies under RKVY</li> <li>6. Introduction of Maldivian type larger pole and line vessels above 50 feet</li> <li>7. Fishermen training Centre</li> </ol>	<ol style="list-style-type: none"> <li>1. Deployment /maintenance and monitoring of FADs</li> <li>2. Purchase of kerosene for sales to fisherman</li> <li>3. Running and maintenance of cold chain infrastructure</li> <li>4. Establishment , running and maintenance of community mass making units</li> <li>5. Supply of insulated fish/iceboxes on subsidy</li> <li>6. Financial assistance to fisherman co-operative societies</li> <li>7. Working capital contribution to fisherman co-operative societies, loan and subsidy etc</li> </ol>
<b>V. Medical and Health Services</b>	<ol style="list-style-type: none"> <li>1. All functions of medical,</li> <li>2. Health and sanitation including hospitals,</li> <li>3. Primary health centers &amp; dispensaries,</li> <li>4. Family welfare and</li> <li>5. Public health activities except <i>Indira Gandhi Hospital</i>,</li> <li>6. Kavaratti and <i>Rajiv Gandhi Specialty Hospital</i> Agatti</li> <li>7. NRHM and other Centrally Sponsored Schemes (CSS)</li> </ol>	<ol style="list-style-type: none"> <li>1. The island level management committee to look after the overall functioning of the hospital</li> </ol>
	8.	2.

Source: Directorate of Panchayat (DoP), Lakshadweep Administration, Kavaratti

### The Mechanism and Process of Transfer of the Subjects

We have already seen the functions assigned to District Panchayat & Village (Dweep) Panchayats per the Lakshadweep Panchayat Regulation, 1994 and the Activity Mapping exercise. In this section an attempt is made to understand the mechanism and process of transfer of subjects to District Panchayat and Village (Dweep) Panchayats.

The Lakshdweep Panchayats Regulation, 1994 (No. 4 of 1994) empowers the Administrator, U.T of Lakshadweep to transfer schemes and programmes to District and Panchayat and Village ( Dweep ) Panchayats under any of the subjects incorporated in the III<sup>th</sup> Schedule (matters within the jurisdiction of Village (Dweep) Panchayats) and IV<sup>th</sup> Schedule (matters within the jurisdiction of District Panchayat under Sub Section (2) of Section 44 read with Section 46 of the Regulation in a phased manner and subject to such rules notified under the said Regulation and such other conditions as the Administrator may think fit to impose . In addition to implementing its own schemes for economic development , social justice and other programmes which are likely to promote the culture, the cultural well being and education , the Administrator , Lakshadweep is also empowered to transfer schemes and programme under any of the subjects incorporated in the IV<sup>th</sup> Schedule under Sub Section (1) of Section 44 to the Panchayats from time to time along with funds, if any and such personnel as may be necessary on such conditions as ,may be prescribed for its operation for the Panchayats.

As per the above mentioned powers, the Administrator of UT of Lakshadweep had already transferred schemes and programmes along with employees to the District Panchayat and Village ( Dweep) Panchayast in five phases at different point of time.(Table No .3.1).The following are the details.

**Table No.2.3: Phases of Devolution with Order Numbers**

<b>Phase</b>	<b>Date</b>	<b>Administrator's Order Number</b>
First Phase	17 July .1998	F.No.4/2/97-DOPdated 17-71998
Second Phase	4 April 2001	F.No.7/4/2000-DOP&RDdated 9-4-2001
Third Phase	28 June 2006	F.No.2/8/2006-DOP&RDdated 28-6-2006
Fourth Phase	29 December 2009	F.No.2/14/2009-DOPdated 29-12-2009
Fifth Phase	7 March 2012	F. No. 2/1/2012-DOPdated 7-3-20012

Source: The Lakshadweep Gazette Vol.XLV.No.71 Dated 4<sup>th</sup> January 2010 &

Notification F.No.2/1/2012-DOPdated 07/03/2012 of the Secretary (Panchayat )



**First Phase: (F.No.4/2/97-DOP, Dated 17-7-1998)**

As per the Order, the details of programmes transferred to both the District Panchayat and Village (Dweep) Panchayats were given separately. Out of the 29 subjects mentioned in the Fourth Scheduled, 17 schemes and programmes of seven subjects were transferred to the District Panchayats. They are (i) agriculture, (ii) fisheries, (iii) small scale industries including food processing industries, (iv) khadi and village industries (v) education including primary education (vi) libraries and (vii) cultural activities. In the case of Village (Dweep) Panchayats, 22 schemes and programmes of six subjects of (i) agriculture including agriculture extension, (ii) animal husbandry, dairying & poultry, (iii) fisheries, (iv) poverty alleviation programmes and (v) health & sanitation & including hospitals, primary health centres, dispensaries and (vi) family welfare were transferred to Village (Dweep) Panchayat.

**Second Phase: (F.No.7/4/2000-DOP&RD, Dated 9-4-2001)**

In the second phase, steps were taken to transfer six schemes and programmes of (i) social forestry, (ii) small scale industries, (iii) technical training & vocational education, and (iv) women & child development to District Panchayat. Whereas three schemes and programmes of three subjects, (i. social forestry, ii. drinking water and iii. technical training & vocational education) were transferred to Village (Dweep) Panchayats.

**Third Phase: (F.No.2/8/2006-DOP&RD, Dated 28-6-2006)**

Under the third phase nine subjects were covered. Committee formation for implementation, capacity building & training, monitoring and supervision of certain schemes and programmes were handed over to the District Panchayats. The subjects were (i) agriculture including agriculture extension, (ii) minor irrigation, water management and watershed development, (iii) social forestry & farm forestry (iv) small scale

industries including food processing industries (v) khadi village & cottage industries (vi) education, (vii) adult & non formal education, (viii) technical training & vocational education, (ix) health & sanitation (x) family welfare (xi) women & child development (xii) social welfare including welfare of the handicapped and (xiii) public distribution system . Schemes and programmes under six subjects were handed over to Village (Dweep) Panchayats under the phase. The subjects were (i) animal husbandry, (ii) fisheries, (iii) drinking water, (iv) roads, culverts, bridges, ferries, waterways, & other means of communication, (v) rural electricity including distribution of electricity and (vi) maintenance of community assets .

#### **Fourth Phase: (F.No.2/14/2009-DOP, Dated 29-12-2009)**

Under the phase seven subjects were covered and eight schemes and programmes were handed over to the District Panchayats. The subjects were (i) small scale industries including food processing industries (ii) khadi & village industries (iii) rural housing (vi) poverty alleviation programmes (v) technical training & vocational education (vi) social welfare including welfare of the handicapped and (vii) welfare of weaker sections & in particular of the scheduled tribes. As per the Order, 12 schemes and programmes under 11 subjects were handed over to Village (Dweep) Panchayats under the fourth phase. The subjects were (i) minor irrigation, water management , watershed development (ii) animal husbandry, dairying & poultry, (iii) drinking water, (iv) fuel and fodder (v) roads, culverts, bridges, ferries, waterways, & other means of communication, (vi) rural electricity including distribution of electricity, (vii) non conventional energy sources, (viii) education including primary education, (ix) adult & non formal education (x) technical training & vocational education, (xi) and women & child development.

#### **Fifth Phase: (F.No. 2/1/2012-DOP, Dated 7-3-20012)**

The schemes and programme transferred along with the functionaries and funds under the four phases had been reviewed by the Administration as to examine whether the devolved

activities have been transferred to the Panchayats in the right spirit of the devolution and whether additional scheme and programmes are to be transferred to the Panchayats. Therefore, a committee had been constituted by the Administrator vide Order F.No.1/11/2011-CDC dated 18-10-2011. The Committee representing the elected authorities of the Panchayats and senior officers was convened by Director of Panchayats. The final sitting of the committee was convened on 28 March 2011 and a report submitted to the Administrator on 22 May 2011.

Based on this review and in exercise of powers conferred on the Administrator under section 44 of Lakshadweep Panchayat Regulation, 1994, and read along with the Section 46 of the said Regulation and provision contained in the Constitution ( 73 Amendment ) Act and in continuation to the executive orders referred devolution process , the Administrator had transferred all the schemes/ programmes of five departments viz,(i) agriculture ,(ii) animal husbandry ,(iii) education , (iv) fisheries and (v) health & sanitation along within all plan schemes and non plan components to the District Panchayat and Village (Dweep) Panchayats

The entire plan and non plan budget required for the above schemes transferred were given a grant- in -aid to District Panchayat and Village ( Dweep) Panchayats from directorates of concerned department for which detailed instruction were issued separately from the Finance Department. The Executive Order stated, “The Village (Dweep) Panchayats and District Panchayats will function independently within their sphere of delegation but in co-ordination for effective implementation of activities. All the grant released to the Panchayats shall be spent strictly according to the Lakshadweep Panchayat Regulation, 1994, Lakshadweep Panchayat (Finance & Accounts) Rules, 1997 and General Financial Rules (GFR) of Central Government. The department concerned will be issuing specific details, including schematic budget, on which activities the funds released shall be spent by the Panchayats . The Panchayats are not permitted to make any

diversion and the grant shall be used for the specific purpose it has been earmarked and allotted in the budget”. The buildings of the directorate are transferred to the District Panchayat whereas all the buildings of the field level units and other infrastructure in which different units of these apartments are presently functioning are also transferred to the Village (Dweep) Panchayats . The District Panchayat, based on the demands of Village (Dweep) Panchayats is proposed the civil construction works for the devolved functions in consultation with the concerned Directorate and the construction is executed by the public works department.

The Administrator , in exercise of power conferred under Section 39,40, and 41 of Lakshadweep Panchayat Regulation , 1994, transferred the entire establishments of agriculture , animal husbandry , fisheries , education and medical . The Order also stated that “the Directorates along with their staff of these five departments will function from separate building” However, no such attempt has been initiated till date .It is noticed that the two wings (the transferred establishment and the directorate of the concerned Department ) are functioning in the same building with a functional and spatial division . Since both the wings are functioning in the same building it does give any external appearance of the independent ownership to the District Panchayat. The District Panchayat has not yet put any name board to indicate the ownership over them.

All centrally sponsored scheme (CSS) are also transferred to the District Panchayat with all the assets and staff including those engaged on contract basis in CSS and departmentally. The tenure of contract staffs can be extended only with the prior approval of the concerned directorates based on performance. These schemes are implemented by the District Panchayat in accordance with the guideline of the central government and decisions on policy matters taken by the Administration.

The procurement wings of the concerned departments at Kochi are transferred to the District Panchayat to facilitate the centralized procuring by the District Panchayat for distribution to all islands based on the intent from Village ( Dweep) Panchayats.

There are separate mentions in the Order regarding the status on the five subjects which are fully transferred to the Panchayats, under the fifth phase. Assets of the five departments are also fully transferred to the District Panchayat. **(1). Agriculture:** All agriculture demonstration units through which the programmes of coconut development, organic farming, livelihood support service, horticulture development, integrated pest management, maintenance of gardens, govt. house are implemented had hitherto been transferred to Village (Dweep) Panchayats in addition to the schemes which are implemented by VDPs under grand-in-aid. However the procurement of all items are with District Panchayats in addition to insurance to climbers, extension services, coastal plantations, and organic certifications. **(2). Animal Husbandry:** All kinds of purchase of feed, fodder, vaccines, medicines, equipments under poultry development programme, goat development programme, cattle development programme, veterinary services, extension activities under training technical assistance programme are with District Panchayat. The general functioning and control, production and distribution of milk, eggs, hatchery units at island level are with Village (Dweep) Panchayats. **(3). Education::** All schemes and programmes of Primary and Secondary, Higher Secondary (from 1 and 12 standard of education sector) and technical education are transferred to District Panchayat. However the pre-primary section continues to function under Village (Dweep) Panchayats. The Senior Administrative Officer, Department of Education, is re-designed as Joint Director (Administration) and placed under the District Panchayat. All the buildings and other infrastructure in which these schools function except pre-primary are transferred to District Panchayat. The entire establishment of teaching and non technical staff of education sector except those mentioned is transferred to District Panchayat. However, the conduct of examination has not been transferred to the District Panchayat and it remains the responsibility of Directorate of Education. **(4). Fisheries:** As per the records, almost all the schemes were already transferred to Village (Dweep) Panchayats and District Panchayats under the devolution of functions in the previous four phases. All such schemes are retained with the Panchayats at Island level and District level. The Fishermen Training Center, Extension, Fisheries Section, Kochi,

museum and marine aquarium are transferred to District Panchayat. As per the Order, the designation of the Assistant Director is changed in to the District Fisheries Officer.

**(5).Medical and Health Services:** All schemes of health and sanitations including, hospitals primary health centers & dispensaries, family welfare and public health activities are transferred to the District Panchayat . Accordingly all the hospitals, community health centers and primary health centres except Indira Gandhi Hospital, Kavarathi and Rajiv Gandhi Specialty Hospital, Agatti, along with all plan schemes and non plan components are transferred to the District Panachayat . The entire of medical and para medical establishment are transferred to the District Panchayat. As per the Order, the District Panchayat is responsible, among other duties, to look after the case of evacuation from islands to specialty centers at Agatti and mainland.

#### **Activates Undertaken By the Panchayats**

**District Panchayat:** As mentioned earlier, five departments are handed over to the District Panchayat by the administrative order. The detail analysis of five departments shows that the District Panchayat has covered activities under eight subjects in ‘full. For example, there are two subjects under agriculture department and they are (i) agriculture, including agricultural extension and (ii) land improvement, implementation of land reforms, land consolidation and soil conservation. In the case of education department, there are three subjects such as (i) education, including Primary and Secondary Schools, (ii) technical training and vocational education, and (iii) adult and non formal education. Partially, the District Panchayat has project activities under another ten subjects. The field situation shows that the District Panchayat has activities covering 18 subjects (Table No 3.4).

**Village (Dweep) Panchayat:** As per the field situation the Village (Dweep) Panchayat has activities covering 19 subjects. It has full domain control over two subjects (poverty alleviation and rural housing) and partial over 17 subjects. In majority cases,

**Table No. 3.4: Activities Undertaken at District Panchayat & Village (Dweep) Panchayats as per the order issued by the Lakshadweep Administration.**

Subject & Major Activities	Subject/Activities by the District Panchayat	Subject/Activities by the Village (Dweep) Panchayats
<b>1. Education Activities</b>		
<b>1. Salary to teachers &amp; staff</b>	Release	Nil
<b>2. Midday meals</b>	Sanction	Supervise along with SMCs
<b>3. Uniforms</b>	Procurement	Distribution
<b>4. Text book</b>	Procurement	Distribution
<b>5. Identity card</b>	Procurement & Distribution	Nil
<b>6. Stationery</b>	Procurement	Distribution
<b>7. Lab articles</b>	Procurement	Distribution
<b>8. Furniture</b>	Procurement	Distribution
<b>9. Kitchen utilities</b>	Procurement	Distribution
<b>10. Other articles</b>	Procurement	Distribution
<b>11. CIC requirements</b>	Procurement	Distribution
<b>12. Library books</b>	Procurement	Distribution
<b>13. Education tour</b>	Sanction	Nil
<b>14. Scholarships</b>	Sanction	Nil
<b>15. Examination</b>	Conducting	Nil
<b>16. In service courses for teachers</b>	Conducting	Nil
<b>17. School inspection and academic supervision.</b>	Conducting	Nil
<b>2. Agriculture Activities</b>		
<b>1. Insurance for coconut climbers</b>	Consolidation/selection/ finalization of beneficiaries/ Release of final benefits/ Overall supervision	Receipt of applications/ Identification beneficiaries/ Recommending eligible for the consideration to District Panchayat/ Collection and remittance of premium
<b>2. Procurement of seeds for the distribution of fruit saplings</b>	Procurement / Distribution to VDPs	Assessment of requirements/ Identification of beneficiaries
<b>3. Purchase of farm materials/ implements</b>	Procurement / Distribution to VDPs	Assessment of requirements/ Identification of beneficiaries
<b>4. Agriculture extension services/exhibition/seminars/farmers tours/training/printing/publishing/tableaux</b>	Arranging exhibitions/farmers/ tours/training/publicity	Identification of beneficiaries
<b>5. Organic certification/farming</b>	Applying for certification / obtaining certificates in close association with the department.	Nil
<b>6. Coastal Plantation</b>	Procurement and supply of seedling to the VDPs for plantation	Identification of area for plantation/Carrying out the plantation engaging labourers from the labour list strictly according to the guidelines

		issued by Administration from time to time/ Furnishing requirements to the District. Panchayat
<b>7. Agriculture Demonstration Units</b>	Procurement and supply of materials to VDPs	Management of Agriculture demonstration units/ Coconut development programme/Organic farming programme/Horticulture development/ Integrated pest management /Cultivation and maintenance of vegetable gardens / botanical gardens /maintenance of gardens in government house (Kavaratti VDP)/Maintenance of coconut value added units /Furnishing requirements to DP
<b>8. Integrated Pest management Programme</b>	Procurement and supply of materials to VDPs	Control of hairy caterpillar/ mealy bug, other pests/ <i>Manadari</i> control programme /Rat hunting programme
3. Animal Husbandry Activities		
1. Procurement of materials required for implementation of all the programmes transferred to the VDPs	Procurement	Assessment /furnishing of requirements to District Panchayats
2. Award for best goat farmer	Award to the best famer at UT level	Selection of beneficiaries / award to the best farmer at island level / recommendation for the best farmer UT level
3. Provision for non officials deputing for procurement of goats	Deputing non officials for procurement	Nil
4. Milk Production	Nil	Management of farms/ distribution of milk
5. Award for best milking cows	Award to the best famer at UT level	Selection of beneficiaries/ award to the best farmer at island level/ recommendation for the best farmer UT level
6. Provision for non officials deputing for procurement of milking cows	Deputing non officials for procurement	Nil
7. Financial assistance for cattle shed	Nil	Selection of beneficiaries/ providing financial assistance
8. Veterinary services and animal health programme	Purchase of lab equipment/ medicines/ vaccines	Furnishing requirements to the District Panchayat
9. Farmers tour/training for farmers and para vets	Conduct of tour/training	Identification and recommendation to the District Panchayat



10. Awareness programmes, entrepreneur development programme for students and youth	Nil	Conduct of awareness programmes
11. Veterinary council	Nil	Establishment/ running and maintenance
4. Fisheries Activities		
1. Assistance to fisherman for construction	Providing assistance	Identification, and recommendation to District Panchayat
2. Renovation/repair of fishing boats and country crafts under subsidy	Providing assistance	Identification, and recommendation to District Panchayat
3. Motorization of fishing boats and supplying of marine safety and lifesaving appliances	Providing assistance	Identification, and recommendation to District Panchayat
4. Supply of fishing gear materials	Providing assistance	Identification, and recommendation to District Panchayat
5. Extension of financial assistance to SHG/other voluntary organizations for production of value added fishery products & fish wastes utilization with 30 % subsidy	Providing assistance	Identification, and recommendation to District Panchayat
6. subsidies under RKVY	Providing assistance	Identification, and recommendation to District Panchayat
7. introduction of maladivian type larger pole and line vessels above 50 feet, fishermen training centre etc.	Providing assistance	Identification, and recommendation to District Panchayat
8. Deployment/maintenance and monitoring of FADs, 9. Purchase of kerosene for sales to fisherman,	Providing assistance	Establishment, maintenance and implementation of all the functions. Assessment and submission of list of materials requires for implementation
10. Running and maintenance of cold chain infrastructure,	Procurement of materials required for implementation	Establishment, maintenance and implementation of all the functions. Assessment and submission of list of materials requires for implementation

11. Establishment, running and maintenance of community mass making units,	Procurement of materials required for implementation	Establishment, maintenance and implementation of all the functions. Assessment and submission of list of materials requires for implementation
12. Supply of insulated fish/iceboxes on subsidy.	Procurement of materials required for implementation	Establishment, maintenance and implementation of all the functions. Assessment and submission of list of materials requires for implementation
13. Financial assistance to fisherman co-operative societies, working capital contribution to fisherman co-operative societies, loan and subsidy etc.	Procurement of materials required for implementation	Establishment, maintenance and implementation of all the functions. Assessment and submission of list of materials requires for implementation
5. Medical & Health Services Activities		
1. Management of hospitals, community health centers and primary health centers	All functions of Medical/ Health and sanitation including hospitals/primary health centres and dispensaries/ family welfare and public health activities except Indira Gandhi Hospital/ Kavaratti and Rajiv Gandhi Specialty Hospital Agatti and NRHM and other centrally sponsored schemes.	Nil
2. Monitoring the functioning of hospitals	Initiate action to rectify the defects/shortcomings pointed out the committee and work for improvement.	Oversee/overall functioning of the hospitals and proposing improvements to the District Panchayat.

Source: Order issued by the Directorate of Panchayat (DoP), Lakshadweep Administration

**Table Number 3.5: Functions Devolved to District Panchayat & Village (Dweep) Panchayats**

Sl No	Subjects	Extent of Devolution to District Panchayat (Full/ Partial)	Extent of Devolution to Village (Dweep) Panchayat (Full/ Partial)
1.	Agriculture, including Agricultural Extension	Full	Partial
2.	Land Improvement, Implementation of Land Reforms, Land consolidation and Soil Conservation.	Full	Partial
3.	Minor Irrigation, Water Management and Watershed Development.	Nil	Nil

4.	Animal Husbandry, Dairying and Poultry.	Full	Partial
5.	Fisheries	Full	Partial
6.	Social Forestry and Farm Forestry.	Partial	Partial
7.	Minor Forest Produce	Nil	Nil
8.	Small Scale Industries, including Food Processing Industries.	Partial	Nil
9.	Khadi, Village and Cottage Industries.	Partial	Nil
10.	Rural Housing.	Full	Partial
11.	Drinking Water	Partial	Partial
12.	Fuel and Fodder.	Nil	Nil
13.	Roads, Culverts, Bridges, Ferries, Waterways and other Means of Communication.	Nil	Partial
14.	Rural Electrification, including Distribution of Electricity.	Nil	Partial
15.	Non-Conventional Energy Sources.	Nil	Partial
16.	Poverty Alleviation Programme.	Nil	Full
17.	Education, including Primary and Secondary Schools.	Full	Partial
18.	Technical Training and Vocational Education.	Full	Nil
19.	Adult and Non-Formal Education.	Full	Nil
20.	Libraries.	Partial	Partial
21.	Cultural Activities.	Partial	Partial
22.	Markets and Fairs.	Nil	Nil
23.	Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries.	Full	Partial
24.	Family Welfare.	Nil	Nil
25.	Women and Child Development.	Partial	Partial
26.	Social Welfare, including Welfare of the Handicapped and Mentally Retarded.	Partial	Partial
27.	Welfare of the Weaker Sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.	Partial	Partial
28.	Public Distribution System.	Nil	Nil
29.	Maintenance of Community Assets.	Partial	Partial

**Source: District Panchayat & Village (Dweep) Panchayats Lakshadweep Administration**

**Table No. 3.6: Field Situation of Functional Devolutions to the Panchayats (District Pannchayat & Village (Dweep) Pabnchayat**

FUNCTIONS	DP	VDP
1. Agriculture, including Agricultural Extension.	✓	✓
2. Land Improvement, Implementation of Land Reforms, Land consolidation Conservation.	✓	×
3. Minor Irrigation, Water Management and Watershed Development.	×	×
4. Animal Husbandry, Dairying and Poultry.	✓	✓
5. Fisheries.	✓	×
6. Social Forestry and Farm Forestry.	✓	✓
7. Minor Forest Produce.	×	×
8. Small Scale Industries, including Food Processing Industries.	✓	×
9. Khadi, Village and Cottage Industries.	✓	×
10. Rural Housing.	×	×
11. Drinking Water.	×	✓
12. Fuel and Fodder.	×	×
13. Roads, Culverts, Bridges, Ferries, Waterways and other Means of Communication.	×	✓
14. Rural Electrification, including Distribution of Electricity.	×	✓
15. Non-Conventional Energy Sources.	×	×
16. Poverty Alleviation Programme.	✓	✓
17. Education, including Primary and Secondary Schools.	✓	×
18 Technical Training and Vocational Education.	✓	×
19. Adult and Non-Formal Education.	✓	×
20. Libraries.	✓	×
21 Cultural Activities.	×	×
22. Markets and Fairs.	×	×
23. Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries.	✓	✓
24. Family Welfare.	×	×
25. Women and Child Development.	✓	✓
26. Social, including Welfare of the Handicapped and Mentally Retarded.	✓	✓
27. Welfare of the Weaker Sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.	✓	✓
28. Public Distribution System.	×	×
29. Maintenance of Community Assets.	×	✓

Source: the Directorate of Panchayat (DoP) , District Panchayat& Village (Dweep) Panchayat, Lakshadweep Administration

### Field Situation of Functions at the District Panchayat

1. **Agriculture, including Agricultural Extension:** During 2012-2013, total 161 works were under taken by the District Panchayat and Rs. 832.30 was the estimated cost under the sector. The activities under agriculture were covered in all the 10 islands. Each activity in one island was treated as one work. The major activities are (i) coconut development programmed,(ii) livelihood support base

- .(iii)horticulture development programmes,(iv) integrated pest management, human resource management,(v) information communication technology ,and (vi) civil construction .
2. **Land improvement, Implementation of Land Reforms, Land consolidation and Soil Conservation:** Under this sector 60 works were included towards an estimated cost of Rs.67.70 lakhs. Since there is no separate department for soil conservation, the projects under the head are with the administrative jurisdiction of agriculture department.
  3. **Minor Irrigation, Water Management and Watershed Development:** There is little scope for works under the sector in the landscape of the islands. Therefore no works were undertaken.
  4. **Animal Husbandry, Dairying and Poultry:** Total 378 works were under taken by the District Panchayat and Rs. 900.00 lakhs was the estimated cost under the sector. The activities under animal husbandry, dairying and poultry were covered in all the 10 islands. Each activity in one island was treated as one work. The major activities were(i) all kinds of purchase of feed fodder, vaccines, medicines, equipment under poultry development programme, (ii)Goat development programme,(iii)Cattle development programme,(iv)veterinary services,(v)extension activities under training & technical/financial assistance pogramme/veterinary services, entrepreneur development programme etc. .
  5. **Fisheries:** As per the records, 386 works were covered under the fisheries sector with an estimated cost of Rs 1050.00 lakhs. It is quite natural that fisheries sector had received the highest attention in terms number of activities and financial allocation. The major activities were (i) assistance to fisherman for construction /renovation/repair of fishing boats and country crafts (ii) supply of fishing gear material, (iii) extension of financial assistance (iv) assistance to fisher community for taking up projects under RKVY and (v) introduction of Maldivian type larger pole and line vessels.
  6. **Social Forestry and Farm Forestry:** Only one work at a cost of Rs.120.00 lakhs was covered under the sector. The title of the work is ‘social forest’ and units of social forestry had been developed in the all the ten islands
  7. **Minor Forest Produce:** No work is undertaken under the sector and there in little scope in the islands.
  8. **Small Scale Industries, including Food Processing Industries:** There were three schemes under the subject and they are (i) transport subsidy scheme to SSI units,(ii) human resource development programme and (iii) entrepreneurs development programme. As per the official records, Rs. 17.50 lakhs had been utilized.
  9. **Khadi ,Village and Cottage Industries:** Three schemes under the subject were undertaken and they are (i) handicraft training cum production centre(ii) transport subsidy scheme to SSI units,(ii) human resource development programme and (iii) promotion to handicraft in Islands, and (iii) schemes under Lakshdweep Khadi & Villages Industries Board. Rs. 102.91 lakhs had been utilized under this sector
  10. **Rural Housing:** During 2012-2013 there was no work under the sector. However, in the previous years, rural housing were under taken by the District Panchayat and implemented by the Village (Dweep) Panchayats .
  11. **Drinking Water:** No work is undertaken under the sector. It is under the control of the line department(PWD)
  12. **Roads, Culverts, Bridges, Ferries, Waterways and other Means of Communication:** No work is undertaken under the sector. It is under the control of the line department (PWD).
  13. **Fuel and Fodder :** No work is undertaken under the sector
  14. **Rural Electrification, including Distribution of Electricity:** No work is undertaken under the sector. It is under the control of the line department (Electricity Department).
  15. **Non-Conventional Energy Sources:** No work is undertaken under the sector
  16. **Poverty Alleviation Programme:** District Rural Development Agency (DRDA) was transferred to the District Panchayat. All the rural development programmes including poverty alleviation

programme are under the administrative control of the District Panchayat. During 2012-2013, Rs. 161.85 lakhs were utilized under MGNREGA and Rs.12.20 lakhs under SGSY/NRLM . However, no amount had been spent on IAY and rural other schemes during the period.

17. **Education, including Primary and Secondary Schools:** Total 375 works were under taken by the District Panchayat and Rs. 2552.77 lakhs was the estimated cost under the sector. The activities under the sector were covered in all the 10 islands. Each activity in one island was treated as one work. The major activities were (i) in service training, (ii) supply of furniture, play material, uniform, books, computer, kitchen utensil/ mid day meal plates, (iii) land acquisition,(iv), state share to SSA , (v) state share to RMSA , (vi) conduct of common annual exam, (vii) visit of teachers to various educational institution , (viii) mid day meals , (ix) conduct of school kalolsavam , (x) grant in aid to DIET , (xi) assistance to EDUSAT , (xii) salary to teachers, (xiii) science exhibition and merit scholarship, (xiv) universalization of secondary education, (xv) construction of two nursery school, (xvi) construction of new girls high school, etc..
18. **Technical Training and Vocational Education:** Under the sector, 155 works were under taken t and Rs. 1244.27 lakhs was the estimated cost. The activities were covered in all the 10 islands.. The major activities were (i) in service training, (ii) supply of furniture, study materials, books/library books , computer, lab articles (iii) salary to teachers, (iv) science exhibition and merit scholarship, (v) re construction of vertical e expansion of senior secondary school, etc.
19. **Adult and Non-Formal Education:** Only five works were under taken and Rs. 25.00 lakhs was the estimated cost. The major activities were (i) conduct of adult education programme to door to door in islands and (ii) supervision of work and supply of honorarium to Prerak, Teachers and Assistance.
20. **Libraries:** Only work (expansion of library and information services in the Islands) was under taken by the District Panchayat during 2012 2013and Rs. 6.50 lakhs was the estimated cost.
21. **Cultural Activities:** No work is undertaken under the sector
22. **Markets and Fairs:** No work is undertaken under the sector
23. **Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries:** As per the official records, 193 works were under taken and Rs. 2600.00 lakhs was the estimated cost. The activities were covered in all the 10 islands. The major activities were (i) expansion & modernization of health care facilities , (ii) procurement and supply of medicines, equipments and other items, (iii) strengthening of ISM & Homeopathy , (iv) strengthening of public health activities/PH labs , (v) financial assistance to patients, (v) training and continuing education , (vi) bio waste management,(vii) civil works ,etc.
24. **Family Welfare:** No work is undertaken under the sector
25. **Women and Child Development:** Only work was under taken by the District Panchayat during 2012- 2013 and Rs. 20.02 lakhs was utilized for .the implementation of the Indira Gandhii Matritia Yojana (IGMSY) .
26. **Social, including Welfare of the Handicapped and Mentally Retarded:** Only one work was under taken and Rs. 5.00.lakhs was utilized for distributing wages for differentially abled labourers under National Policy Scheme. .
27. **Welfare of the Weaker Sections, and in particular, of the Scheduled Castes and the Scheduled Tribes:** Under the sector only work was under taken by the District Panchayat during 2012-2013 and Rs. 121.40 lakhs was utilized for implementing pension scheme
28. **Public Distribution System:** No work is undertaken under the sector
29. **Maintenance of Community Assets:** No work is undertaken under the sector.

**Table No3.7: Functions/Activities (Subject Wise) Performed & Amount Spent by the District Panchayat,– 2012-2013**

Sl.No.	Name of the Subjects	No. Functions /Activities Performed
1.	Agriculture, including Agricultural Extension.	161(1)
2.	Land Improvement, Implementation of Land Reforms, Land Consolidation and Soil Conservation.	60(2)
3.	Minor Irrigation, Water Management and Watershed Development.	0
4.	Animal Husbandry, Dairying and Poultry.	378 (3)
5.	Fisheries.	386 (4)
6.	Social Forestry and Farm Forestry.	1 (5)
7.	Minor Forest Produce.	0
8.	Small Scale Industries, including Food Processing Industries.	3 (6)
9.	Khadi, Village and Cottage Industries.	3(7)
10.	Rural Housing.	0
11.	Drinking Water.	0
12.	Fuel and Fodder.	0
13.	Roads, Culverts, Bridges, Ferries, Waterways and other Means of Communication.	0
14.	Rural Electrification, including Distribution of Electricity.	0
15.	Non-Conventional Energy Sources.	0
16.	Poverty Alleviation Programme.	DRDA was transferred to the District Panchayat. Since all the activities are undertaken by the District Panchayat, the exact number of activities is not available
17.	Education, including Primary and Secondary Schools.	375 (8)
18.	Technical Training and Vocational Education.	155 (9)
19.	Adult and Non-Formal Education.	5 (10)
20.	Libraries.	1 (11)
21.	Cultural Activities.	0
22.	Markets and Fairs.	0
23.	Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries.	193 (12)
24.	Family Welfare.	0
25.	Women and Child Development.	1 (13)
26.	Social Welfare, including Welfare of the Handicapped and Mentally Retarded.	1
27.	Welfare of the Weaker Sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.	1 (14)
28.	Public Distribution System.	0
29.	Maintenance of Community Assets.	0
30.	Others	9 (15)
<b>G.Total</b>		<b>1732</b>

Source: Data Collected from District Panchayats & Other Departments of Lakshadweep Administration

**Table No3.8: Functions/Activities (Subject Wise) Performed by the District Panchayat,– 2012-2013**

Sl.No.	Name of the Subjects	Amount(In Lakhs)
1.	Agriculture, including Agricultural Extension.	832.30 (1)
2.	Land Improvement, Implementation of Land Reforms, Land Consolidation and Soil Conservation.	67.70 (2)
3.	Minor Irrigation, Water Management and Watershed Development.	0.00
4.	Animal Husbandry, Dairying and Poultry.	900.00 (3)
5.	Fisheries.	1050.00 (4)
6.	Social Forestry and Farm Forestry.	120.00 (5)
7.	Minor Forest Produce.	0.00
8.	Small Scale Industries, including Food Processing Industries.	17.50 (6)
9.	Khadi, Village and Cottage Industries.	102.91 (7)
10.	Rural Housing.	0.00
11.	Drinking Water.	0.00
12.	Fuel and Fodder.	0.00
13.	Roads, Culverts, Bridges, Ferries, Waterways and other Means of Communication.	0.00
14.	Rural Electrification, including Distribution of Electricity.	0.00
15.	Non-Conventional Energy Sources.	0.00
16.	Poverty Alleviation Programme.	0.00
17.	Education, including Primary and Secondary Schools.	2552.77 (8)
18.	Technical Training and Vocational Education.	1244.27 (9)
19.	Adult and Non-Formal Education.	25.00 (10)
20.	Libraries.	6.50 (11)
21.	Cultural Activities.	0.00
22.	Markets and Fairs.	0.00
23.	Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries.	2600.00
24.	Family Welfare.	0.00
25.	Women and Child Development.	20.02 (12)
26.	Social Welfare, including Welfare of the Handicapped and Mentally Retarded.	5.003
27.	Welfare of the Weaker Sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.	121.40 (13)
28.	Public Distribution System.	0.00
29.	Maintenance of Community Assets.	0.00
30.	Others	81.76 (14)
<b>G.Total</b>		

Source: Data Collected from District Panchayats & Other Departments



## Field Situation of Functions at the Village ( Dweep) Panchayats

1. **Agriculture, including Agricultural Extension:** During 2012-2013, all the selected four Village (Dweep) Panchayats had performed 'partial works' under agriculture sector .For example (i)identification of beneficiaries for fruit, vegetable, pulses crops and tuber crops cultivation,(ii) *neera* tapping, (iii) jiggery making and (iv) coconut development programmes including coconut climbing, etc . In one of the selected VDPs (Kadamath) during 2012-2013, Rs.3.21 laths was utilized for conducting six works under the agriculture sector. Since agriculture was fully transferred to the District Panchayat, the role of the VDP is supportive and supplementary in nature. However, some spillover programmes are still continuing.
2. **Land improvement, Implementation of Land Reforms, Land consolidation and Soil Conservation:** Under this sector no work was included in any of the selected Village (Dweep) Panchayats. Moreover, there is no separate department for soil conservation in the Islands. Generally, works under the head are with the administrative jurisdiction of agriculture department.
3. **Minor Irrigation, Water Management and Watershed Development:** No work was undertaken. There is little scope for works under the sector in the landscape of the islands.
4. **Animal Husbandry, Dairying and Poultry:** In all the selected four Village (Dweep) Panchayats had works under the sector .The Kadamath, Village (Dweep) Panchayat had utilized Rs.4.74 lakhs for eight works under the sector. Out of the eight works, two of them were financed towards the amount received from the Directorate of Panchayats and the remaining works were from the carry over amount of the previous years. The major activities were (i)identification and distribution of subsidy for cattle shed, goat shed, deep litter poultry and impounding of stray cattle ,etc, The role of the VDP is supportive and supplementary in nature as the sector was fully transferred to the District Panchayat.
5. **Fisheries:** Since fisheries sector is fully transferred to the District Panchayat, no work was undertaken by the Village (Dweep) Panchayat . Moreover, no amount was found with the selected VDPs in the account of the previous years to cover activities under the sector. No spillover projects were also seen. However, Dstrict Panchayat was supported by the VDPs in carrying out the activities .
6. **Social Forestry and Farm Forestry:** Two works at a cost of Rs.6.90. lakhs was covered under the sector in the Village Dweep Panchayat, Kadamath . The same work was carried out in other Village ( Dweep) Panchayats .
7. **Minor Forest Produce:** No work was undertaken.
8. **Small Scale Industries, including Food Processing Industries:** No work was undertaken
9. **Khaki, Village and Cottage Industries:.** No work was undertaken
10. **Rural Housing:** On work is undertaken under the sector. No work was undertaken during 2012-2013. However, works under the sector had been covered in the previous years .
11. **Drinking Water:** One work was undertaken under the sector in Viilage Dweep Panchayat, Kadamath. Rs.19.78 lakhs was spent under the work . the similar activities were also covered In other Village Dweep Panchayats.
12. **Fuel and Fodder:** On work is undertaken under the sector.
13. **. Roads, Culverts, Bridges, Ferries, Waterways and other Means of Communication:** As per the official records , Rs.7.42 lakhs were utilized for one work (maintenance of road ) in one of the selected Village Dweep Panchayats (Kadamath ) .In other selected Village (Dweep) Panchayats also were undertaken the similar works .
14. **. Rural Electrification, including Distribution of Electricity:** All the four selected Village (Dweep) Panchayats had one work each under the sector .The nature of the work was the maintenance of street lights,.
15. **Non-Conventional Energy Sources:** There was no work during 2012-2013 under the sector, However, the Village (Dwee) Panchayat had under taken works( installation of solar lights) during the previous years .

16. **Poverty Alleviation Programme: Under MGNREGA, works were undertaken by all the selected the Village (Dweep) Panchayats .**
17. **Education, including Primary and Secondary Schools.** On work is undertaken under the sector.
18. **Education, including Primary and Secondary Schools** On work is undertaken under the sector.
19. **Adult and Non-Formal Education** On work is undertaken under the sector.
20. **. Libraries.** On work is undertaken under the sector.
21. **Cultural Activities** No work is undertaken under the sector.
22. **. Markets and Fairs** No work is undertaken under the sector.
23. **Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries:** All the selected Village (Dweep) Panchayats had projects under the health sector. During 2012-2013, the Village (Dweep) Panchayat ,Kadamath had two works and utilized an amount of Rs .19.33 lakhs.
24. **. Family Welfare:** No work is undertaken under the sector.
25. **Women and Child Development:** The entire selected four Village (Dweep) Panchayats had projects under the sector. Take the case of Village (Dweep) Panchayat Kadamath, where additional honorarium was given to workers and helpers of aganwadi .An amount of Rs.2.00 lakhs was utilized for the purpose. Special Nutrition Programme (SNP) was also implemented by the Panchayat and an amount of 5.33 lakhs was spent.
26. **Social, including Welfare of the Handicapped and Mentally Retarded.** Out of the four selected Village (Dweep) Panchayats only Kavaratti had distributed Rs.3.42 lakhs as wages for handicapped persons.
27. **Welfare of the Weaker Sections, and in particular, of the Scheduled Castes and the Scheduled Tribes:** All the four selected Panchayats had projects under the sector and the project was the distribution of pension for destitutes. An amount of Rs. 7.90 lakhs was utilized under the head in the Village dweep Panchayat ,Kadamath .
28. **Public Distribution System:** No work is undertaken under the sector.
29. **Maintenance of Community Assets:** It was seen that all the four selected Panchayats had undertaken projects for maintenance of community assets. An amount of Rs. 1.20 lakhs was spent in the Village (Dweep) Panchayat ,Kadamath
30. **Other Subjects:** There is a separate department in Lakshadweep administration known as 'labour and employment'. It was noticed that all the Village (Dweep) Panchayats had projects under the department. There are two projects in the Village (Dweep) Panchayat,Kadamath and they are (i) career guidance and(ii) incentive aid . An amount of Rs.0.40 lakhs was utilized for the two projects

**Table No 3.9: Functions/Activities (Subject Wise) Performed& Amount Spent by the Village (Dweep) Panchayat (Kadamath) – 2012-2013.**

Sl.No.	Name of the Subjects	No. Functions /Activities Performed
1.	Agriculture, including Agricultural Extension.	6 (1)
2.	Land Improvement, Implementation of Land Reforms, Land Consolidation and Soil Conservation.	0
3.	Minor Irrigation, Water Management and Watershed Development.	0
4.	Animal Husbandry, Dairying and Poultry.	8 (2)
5.	Fisheries.	0
6.	Social Forestry and Farm Forestry.	2 (3)
7.	Minor Forest Produce.	0
8.	Small Scale Industries, including Food Processing Industries.	0
9.	Khadi, Village and Cottage Industries.	0
10.	Rural Housing.	0

11.	Drinking Water.	1 (4)
12.	Fuel and Fodder.	0
13.	Roads, Culverts, Bridges, Ferries, Waterways and Other Means of Communication.	1 (5)
14.	Rural Electrification, including Distribution Of Electricity.	1 (6)
15.	Non-Conventional Energy Sources.	0
16.	Poverty Alleviation Programme.(MGNREGS)	1 (7)
17.	Education, including Primary and Secondary Schools.	0
18.	Technical Training and Vocational Education.	0
19.	Adult and Non-Formal Education.	0
20.	Libraries.	0
21.	Cultural Activities.	0
22.	Markets and Fairs.	0
23.	Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries.	2 (8)
24.	Family Welfare.	0
25.	Women and Child Development.	3 (9)
26.	Social Welfare, including Welfare of the Handicapped and Mentally Retarded.	0
27.	Welfare of the Weaker Sections, and in Particular, of the Scheduled Castes and the Scheduled Tribes.	1(10)
28.	Public Distribution System.	0
29.	Maintenance of Community Assets.	1 (11)
30.	Others (Labour & Employment)	2 (12)
G.Total		

Source: Data Collected from Village (Dweep) Panchayat (Agatti, Amini, Kadamath & Kavarathi)

**Table No.3.10: Functions/Activities (Subject Wise) Performed by the Village (Dweep) Panchayat (Kadamath) – 2012-2013.**

Sl.No.	Name of the Subjects	Amount(In Lakhs)
1.	Agriculture, including Agricultural Extension.	3.21 (1)
2.	Land Improvement, Implementation of Land Reforms, Land Consolidation and Soil Conservation.	0
3.	Minor Irrigation, Water Management and Watershed Development.	0
4.	Animal Husbandry, Dairying and Poultry.	4.74 (2)
5.	Fisheries.	0
6.	Social Forestry and Farm Forestry.	6.90 (3)
7.	Minor Forest Produce.	0
8.	Small Scale Industries, including Food Processing Industries.	0
9.	Khadi, Village and Cottage Industries.	0
10.	Rural Housing.	0
11.	Drinking Water.	19.78 (4)
12.	Fuel and Fodder.	0
13.	Roads, Culverts, Bridges, Ferries, Waterways and Other Means of Communication.	7.42 (5)
14.	Rural Electrification, including Distribution Of Electricity.	0.89 (6)
15.	Non-Conventional Energy Sources.	0
16.	Poverty Alleviation Programme.(MGNREGS)	1.05 (7)
17.	Education, including Primary and Secondary Schools.	0
18.	Technical Training and Vocational Education.	0

19.	Adult and Non-Formal Education.	0
20.	Libraries.	0
21.	Cultural Activities.	0
22.	Markets and Fairs.	0
23.	Health and Sanitation, including Hospitals, Primary Health Centres and Dispensaries.	19.33 (8)
24.	Family Welfare.	0
25.	Women and Child Development.	7.33 (9)
26.	Social Welfare, including Welfare of the Handicapped and Mentally Retarded.	0
27.	Welfare of the Weaker Sections, and in Particular, of the Scheduled Castes and the Scheduled Tribes.	7.90 (10)
28.	Public Distribution System.	0
29.	Maintenance of Community Assets.	1.20 (11)
30.	Others (Labour & Employment)	0.40 (12)
G.Total		

Source: Data Collected from **Village (Dweep) Panchayat** (Agatti, Amini, Kadamath & Kavarathi)

**TableNo.3.11: Functions as per Regulation, Activity Mapping & Field Situation**

Functions	DP	VDP
As per Lakshadweep Panchayat Regulation	29	12
As per Activity Mapping	5	5
Actual Field Situation	18 (8 full and 10 partial)	19 (2 full and 17 partial)

**Source:** Kerala Panchayat Raj Act 1994, Activity Mapping of Local Self Government in Kerala and Field Survey

## Conclusion

The Union Territory of Lakshadweep has its own specific features in the domain of devolution. Being a Union Territory without a legislature of its own, the executive power is vested with the Administrator and it is overtly reflected in the Lakshadweep Panchayat Regulation 1994. Though the provisions in the Regulation are in concurrence with the main framework of the 73<sup>rd</sup> and 74<sup>th</sup> constitutional amendments, it is the Administrator who is empowered to transfer ‘schemes and programmes’ to District and Panchayat and Village (Dweep) Panchayat. As per the Regulation, the Administrator is expected to transfer functions in a phased manner and fit to the subjective conditions in the Islands. Therefore, applying the philosophy of incremental / graduated approach’ has seen in the context of Lakshadweep Islands. It is reflected in the five executive orders at different period of time by the Administrator and known as ‘five phases of devolution’. The detailed analysis of the five executive orders /five phases of devolution have revealed that only ‘schemes and programmes’ are transferred but not the very power to prepare them as per the decisions and aspirations of the elected authorities/ local community . A careful reading of the Regulation gives an impression that the District Panchayat is loaded with the list 29 subjects, a verbatim of 11<sup>th</sup> Schedule (Article 243G) of the Constitution whereas the Village (Dweep) Panchayat is disarmed with only 12 subjects .The exercise of activity mapping which was expected to ratify the feeble provisions in Regulation works against the purpose and limited the functional domain of the Panchayats. However, the astuteness of the elected authorities and the state of affairs the islands has enlarged the functional sphere of presence in to 18 subjects as in the case of District Panchayat and 19 in Village (Dweep) Panchayats . Though the executive order stated, that “and the District Panchayat and the Village (Dweep) Panchayats will function independently within their sphere of delegation” ,all the executive orders in general and the fifth one in particular have treated both the tiers as one ‘entity’. If one applies the dissection analysis, the power relations within the ‘entity’ may correspond to various levels of spatial organization in the centre- periphery model. Using the language of political geography, the District Panchayat is being treated as the symbolic space of ‘centre’ and the Village (Dweep) Panchayats as that of ‘periphery’.

The elected authorities of the Village (Dweep) Panchayats have expressed their discomfort of being pushed to the periphery with little domain of functional devolution. Being a legislation of two decades old, the Lakshadweep Panchayat Regulation 1994 urgently needs legislative reforms to accommodate the new dimensions of devolution of functions.

## CHAPTER 4:

# PANCHAYAT FINANCE

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This chapter is an attempt to examine the Panchayat finance in the UT of Lakshadweep. Special emphasis is made to look in to the fiscal devolution process in the Islands and Panchayat finance from the legal provisions of the Regulation, rules and implementing institutions. Any meaningful observation on Panchayat finance has to validate with compiling the actual fiscal data at the two tiers of Panchayats. The data on the lone District Panchayat and four sample Villages (Dweep) Panchayats has been analysed and discussed in this chapter.

### **Finance, Property, and Accounts as per the Regulation**

**Panchayat Fund:** Chapter VI of the Lakshadweep Panchayats Regulation deals with ‘finance, property and accounts’. As per Section 48 there shall be a ‘Panchayat Fund’ for each Panchayat and the same shall be utilized for carrying out the duties and obligations imposed upon the Panchayats by this Regulation.

**Sources of Panchayat Fund:** The following ten items shall be credited to and form part of the Panchayat Fund namely:-(i) The proceedings of any tax or fee imposed by or assigned to the Panchayat under the Regulation or any other law and transferred to the Panchayat Fund,(ii)The grants or contributions made by the Government or any person, (iii) The income from securities in which the Panchayat fund is invested, (iv)All sums received by way of loans or gifts, (v)The income from or proceeds of any property of the Panchayat, (vi) Sums assigned to the Panchayat Fund by any general or special order of the Administration, (vii) All sums received in aid of or for expenditure of any institution or service maintained or financed from the Panchayat Fund or managed by the Panchayat, (viii) Any amount received for the management of community properties, (ix) All other

sums ordered by a court to be placed at the credit of the Panchayat Fund, and (x) The sale proceeds of all dust, dirt, dung, refuse, or carcasses of animals, except in so far as any person is entitled to the whole or a portion thereof.

**Assistance to the Panchayats:** The Regulation also gives provisions for administering two types of assistance to the Panchayats in the form of (i) grants and (ii) general purpose grants.

- (i) **Grant :** The Regulation says, “Where any functions have been entrusted to a Panchayat under Section 44 and no tax is being levied by the Panchayat under section 51, the Administrator may make grant to the Panchayat so as to enable it to discharge such functions” ( Section 49.1).
- (ii) **General Purpose Grant :** It also adds, “In addition to the grant mentioned in sub-section (1), the Administrator may, subject to such conditions as he may deem fit to impose, make grants to a Panchayat for general purpose or for the improvement of the area within its jurisdiction and the welfare of the residents therein”.

### **Taxes of Village ( Dweep) Panchayats**

According to Section 51(1) of the Regulation, the Village (Dweep) Panchayat can levy (i) tax on the owners or occupiers of buildings and lands , (ii) tax on vehicles (other than mechanically propelled vehicles) kept within the jurisdiction of the Panchayat, (iii) lighting tax, (iv) drainage tax, (v) entertainment tax, (vi) octroi (vii) pilgrim tax (viii) tax on boats (mechanically) propelled or otherwise kept within the jurisdiction of the Panchayat and (ix) fee for temporary erection, on, or putting up projections over, or temporary occupation of, any public street or place.

### **Taxes of District Panchayat**

The District Panchayat is empowered to levy , (i) tax on professions, trade, callings and employments,(ii) duty on transfer of immovable property in the form of surcharge on the



duty imposed under the Indian Stamps Act, 1899, (iii) theatre tax, that is a tax in respect of every theatre cinema and other place of entertainment to which persons are ordinarily admitted on payment for performances or shows held or conducted there at and (iv) fees on the registration of vehicles; including boats or sailing vessels. It is also mentioned that the above taxes “shall be imposed, assessed and realized in such manner and at such time as may be prescribed”. There are provisions for appeal, suspension and recovery against levy of taxes and fees.

### **Non Taxes Revenue of Panchayats**

A close observation on the sources of revenue collected by the Panchayats of the Islands reveal certain indicators operational only in the island specific conditions. While a majority of items on which the Panchayats can impose, assess and levy taxes is left outside the tax net, almost all chances for levying fees /user charges are utilized. Civic friendly services offered by the Panchayats in the islands bring revenue to the Panchayat as well as the delivery of public goods. Many of the services offered by the Panchayats cannot be initiated by private entrepreneurs as they may not be economically viable due to the size and population of the islands. Certain services like septic tank cleaning, canopy rent, rent for conference hall, automobile workshop etc. demonstrate the civic necessities originated due to the urbanization. Services like medical ambulance, photo copying, coconut plucking services, mobile mortuary, concrete slabs for burial are highly beneficial to the local community. Means of transport including buses and ferry boats, sales units etc. aiming at the welfare of the local citizen have made additional significance to the service side and forms a new stream of the non tax revenue of the Panchayats .

## **Accounts, Budgets Audit and Annual Administrative Report**

**A. Accounts:** There are specific provision in the Regulation which empower the District Panchayat and Village ( Dweep) Panchayat to prepare and maintain accounts of income and expenditure. It shall be balanced annually on the first day of the financial year and audited (Section 56).

**B. Budget:** As per section 57 of the Regulation, every Panchayat shall prepare annually a budget estimate of its income and expenditure for the next financial year. The Village (Dweep) Panchayat has to submit it to the District Panchayat for its observation and recommendations. Whereas the District Panchayat shall discuss and approve the annual budget estimate on or before 31 Of Marche very year and a copy shall be forwarded to the prescribed authority. A Panchayat at any time can prepare a revised or supplementary budget estimate following the same procedures for passing the original budget estimate.

**C. Audit:** The accounts of every Panchayat shall be audited annually by such manner as may be prescribed (Section 58.1). The Panchayat accounts of the UT are audited by the Comptroller and Audit General of India (AG, Kerala), chartered accounts and social audit team. While the CAG is auditing the Panchayat accounts in full, the chartered accounts aand the social audit team are attending to MGNREGA. The copies of the audit report shall be forwarded to the prescribed authority as well as the concerned Panchayats within one month of the completion of the audit. The prescribed authority after considering the audit report and after making such enquiry if necessary shall proceed against the person for making any illegal payment for recovery.

**D. Annual Administrative Report:** Every Panchayat is expected to prepare a report on the administration of the Panchayat during the previous year .The Chairperson has to prepare the report in the case of the Village (Dweep) Panchayat whereas it is the President- cum- Chief Counsellor in the case of the District Panchayat(Section 59).

**Ground Reality:** *All Panchayats are maintaining their accounts in the prescribed format in the Lakshadweep Panchayats (Finance and Accounts) Rules, 1997. The annual*

*budget documents are seen prepared by every Panchayat. Audit of the accounts of the Panchayats are seen done, regularly. Consolidated audit reports up to and including 2011-2012 has been submitted. However, action taken reports (ATRs) are not prepared and maintained . Annual administration reports are also not prepared and forwarded regularly.*

### **Fiscal Transfer to Panchayats**

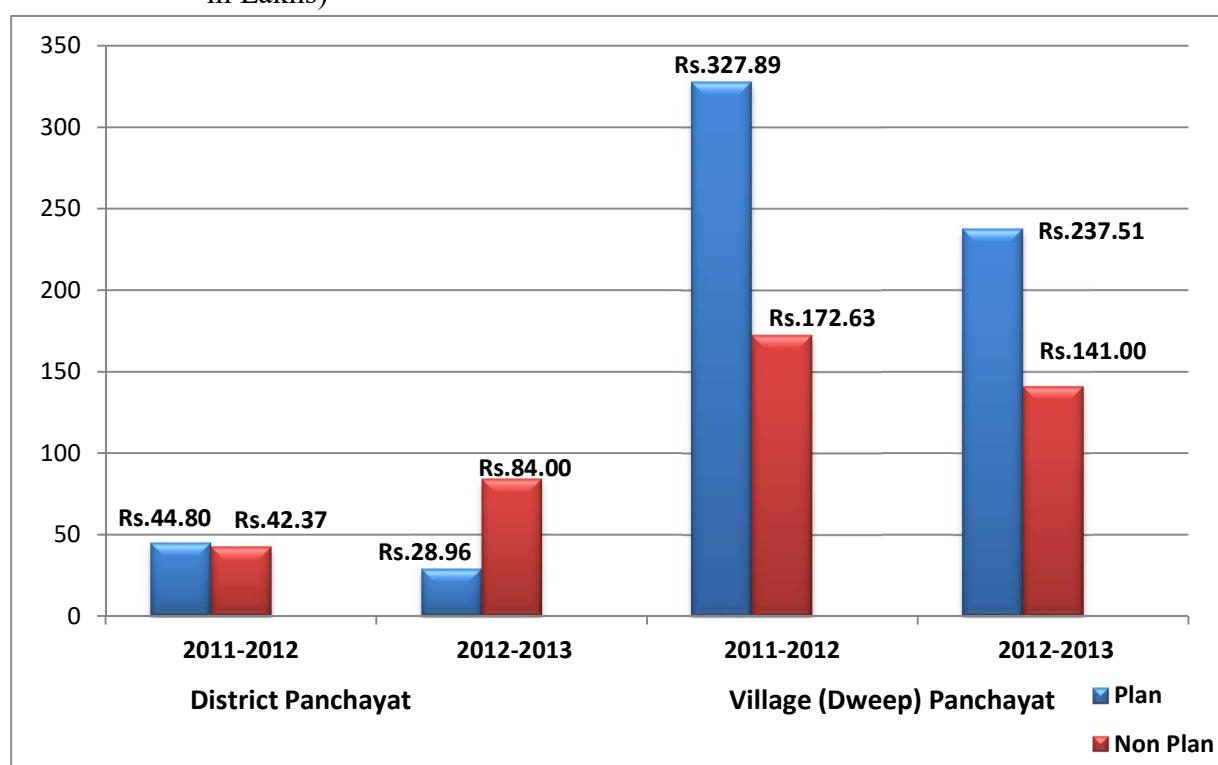
There are two streams of fiscal transfer to Panchayats. The first stream is from the Directorate of Panchayat which is being the amount transferred to the Panchayats under two heads; they are (i) Plan and (ii) Non Plan. (Table No 4.1 & Diagram No.4.1).The second stream of fiscal transfer is resulted by the fifth phase of devolution. It is known as scheme based transfer to the District Panchayat. As a result, of the recent decentralization initiative (2012-2013), five departments (agriculture, fisheries, animal husbandry, education and health) have been ‘almost fully transferred’ to the District Panchayat. Subsequently, all the functionaries and assets are also handed over to the Panchayas. Since all the financial commitments of the staff (including salary) and schemes are with the District Panchayat, the fiscal transfer of the five departments are almost full. The Directorate (the Director and a few supporting staff) of the respective five departments are remaining with the UT Administration. The entire amount for running the departments is transferred to the joint account of the Head of the district level Officer of the respective five departments and the President -Cum –Chief Counsellor of the District Panchayat. The District Panchayat in turn transfers the amount to the Village (Dweep) Panchayats as per the requirements. In the transfer mechanism, under the second stream, the full amount is treated as ‘tied fund’ (Table No .4.2). In addition to this, there are another five departments which were transferred partially to the District Panchayat during the earlier phase and these departments are, i. Social Welfare & tribal Affairs, ii .Art & Culture iii. Environment & Forests, iv. Small Scale Industry and v. Women & child Development)

**Table No. 4.1: Fiscal Transfer (plan & non plan) to Panchayats 2011-2012 & 2012-2013 (Rs in lakhs)**

Year	Item	Amount to District Panchayat	Amount to Village (Dweep) Panchayat	Total Amount
<b>2011-2012</b>	1. Plan	44.80	327.89	372.69
	2. Non Plan	42.37	172.63	215.00
	<b>Total</b>	<b>87.17</b>	<b>500.52</b>	<b>587.69</b>
<b>2012-2013</b>	1. Plan	28.96	237.51	266.47
	2. Non Plan	84.00	141.00	225.00
	<b>Total Amount</b>	<b>112.96</b>	<b>378.51</b>	<b>491.47</b>

Source: Directorate of Panchayat ,UT of Lakshadweep

**Diagram No. 4.1: Fiscal Transfer (Plan & Non Plan) to Panchayats 2011-2012 & 2012-2013 (Rs in Lakhs)**



Source: Table No.4.1

**Table No.4.2: Transfer Schemes from the Line Departments to District Panchayat**

<b>Scheme Based Transfers</b>	<b>Nature of Transfer (Tied/Untied)</b>
<b>1. Agriculture</b>	
a. Agriculture (Plan)	Tied
b. Agriculture (Non Plan )	Tied
c. Agriculture (Non Plan Salary)	Tied
<b>2. Fisheries</b>	
a. Fisheries (Plan)	Tied
b. Fisheries (Non Plan )	Tied
c. Fisheries (Non Plan )Salary	Tied
d. Fisheries (Plan ) Salary	Tied
<b>3. Animal Husbandry</b>	
a. Animal Husbandry (Plan)	Tied
b. Animal Husbandry (Non Plan )	Tied
c. Animal Husbandry (Non Plan-Salary)	Tied
<b>4. Education</b>	
a. General Education (Plan )	Tied
b. General Education (Non Plan)	Tied
c. General Education (NP) Salary	Tied
d. General Education (Plan) Salary	Tied
e. Expenditure on Mid Day Meals(MDM)	Tied
<b>5. Health</b>	
a. Health (Plan ) Salary	Tied
b. Health (Plan) Salary	Tied
c. Health (Non Plan )	Tied
d. Health (Plan)	Tied
<b>6. Social Welfare *</b>	
a. Social Welfare (Non Plan )	Tied
b. Social Welfare (Plan)	Tied
<b>7. Art &amp; culture*</b>	
a. Art & Culture( Plan)	Tied
<b>8. Environment &amp; Forest *</b>	
a. Environment & Forest(Plan)	Tied
<b>9. Small Scale Industries *</b>	
a. Small Scale Industries (plan)	Tied
<b>10. Women &amp; Child Development*</b>	
a. Women & Child Development (Plan)	Tied

\*Transferred earlier

Source: Office of the District Panchayat, UT Lakshadweep

1. **Thirteenth Finance Commission (TFC) Grants- in –Aid:** There is no Grants –in- Aid for the Union Territory of Lakshadweep under TFC. Since the Finance Commission awards are not covering the UTs, the Ministry of Statistics and Programme Implementation has recommended for a special grant to the UTs for strengthening of data basis of UTs at the district level. As such, the Ministry has recommended the grant- in- aid of Rs.1.00 Crore to the UT of Lakshadweep( Vide Letter No.N.115039/24/2011-Plg.Cell, Government of India, Ministry of Home Affairs, Dated 5 November 2011). However, that the amount has not been utilized so far, due to lack of sufficient staff.
2. **State Finance Commission (SFC) Grants –in- Aid:** It is reported that no amount had been transferred to the Panchayats under the SFC grants.
3. **Backward Regions Grant Fund (BRGF):** Backward Region Grants Fund (BRGF) is not allotted to the Union Territory of Lakshadweep.
4. **Plan Fund:** As per the official document, in 2011-2012 the District Panchayat had received Rs. 44.80 lakhs whereas it was Rs. 327.89 lakhs by the Village (Dweep) Panchayast. In 2012-2013, it was Rs.28.96 lakhs and Rs.237.51lakhs, respectively (Table No.4.1& Diagram No.4.1).
5. **Non - Plan Fund:** Under non- plan fund head for the year 2011-2012, the District Panchayat had received an amount of Rs.42.37 lakhs . The corresponding amount was Rs.172.63 lakhs as in the Village (Dweep) Panchayats. In 2012-2013 there was an increase of the amount under District Panchayat and it was Rs.84.00 lakhs. In the case of Village (Dweep) Panchatyats, the amount was reduced in to Rs.141.00 lakhs (Table No.41. & Diagram No.4.1).
6. **Others (Subvention Grants):** No amount had been transferred to the Panchayats under the subvention grants for both the years (2011-2012 &2012-2013).

**Comments:** The Director of Panchayats had transferred the amount to the Panchayats. There is no prescribed time schedule for the transfer of the amount as it depends upon the availability of funds. In 2011-2012, around 88 percent of the total amount under plan

fund had been distributed to the Village (Dweep) Panchayats and the remaining 12 per cent to the District Panchayat. In the case of non- plan fund, 80:20 is the ratio of allocation between Village (Dweep) Panchayats and District Panchayat. In 2012-2013, more or less the same ratio was seen maintained in the allocation of plan funds between the Village (Dweep) Panchayats and the District Panchayat. However, the ratio in the non- plan fund allocation had been changed in favour of the District Panchayat and it was increased from the 20 per cent to 37 per cent. However, over a period of one year----- per cent reduction of amount in the fiscal transfer to Panchayats has been noticed.

### **State Level Revenue Scenario**

The State level revenue of Panchayats for the financial year 2012-2013 could be seen in the Table No 4.3 and the corresponding Diagram No. 4.2. There are three items- (A) Tax, (B) Non Tax, and (C) Fiscal Transfer.

- A. **Tax:** The State level revenue of the Panchayat under 'Tax' comes very marginal and it works out only to Rs. 7.70 lakhs .
- B. **Non Tax:** There are three items under the head Non Tax. They are (i) user charges, (ii) royalty for minerals and (iii) income from the remunerative assets. The total collection under this item is Rs.41.03 lakhs which is only 0.5 per cent of the total revenue of the Panchayats. Among the three items, the share from the user charges is the highest (62.56%). The remaining percentage has been more or less equally shared between receipt from the royalty for minerals and income from the remunerative assets.
- C. **Fiscal Transfer:** More than 99 per cent of the state level revenue of the Panchayat is from the head under 'fiscal transfer'. There are different sub items under the main head. More than 86 per cent of the fiscal transfer is directly related to 'grants for departmental staff salary'. Though the MP LAD is not directly under the control of the Panchayats, the pronouncement of the Panchayat is acknowledged in many cases.

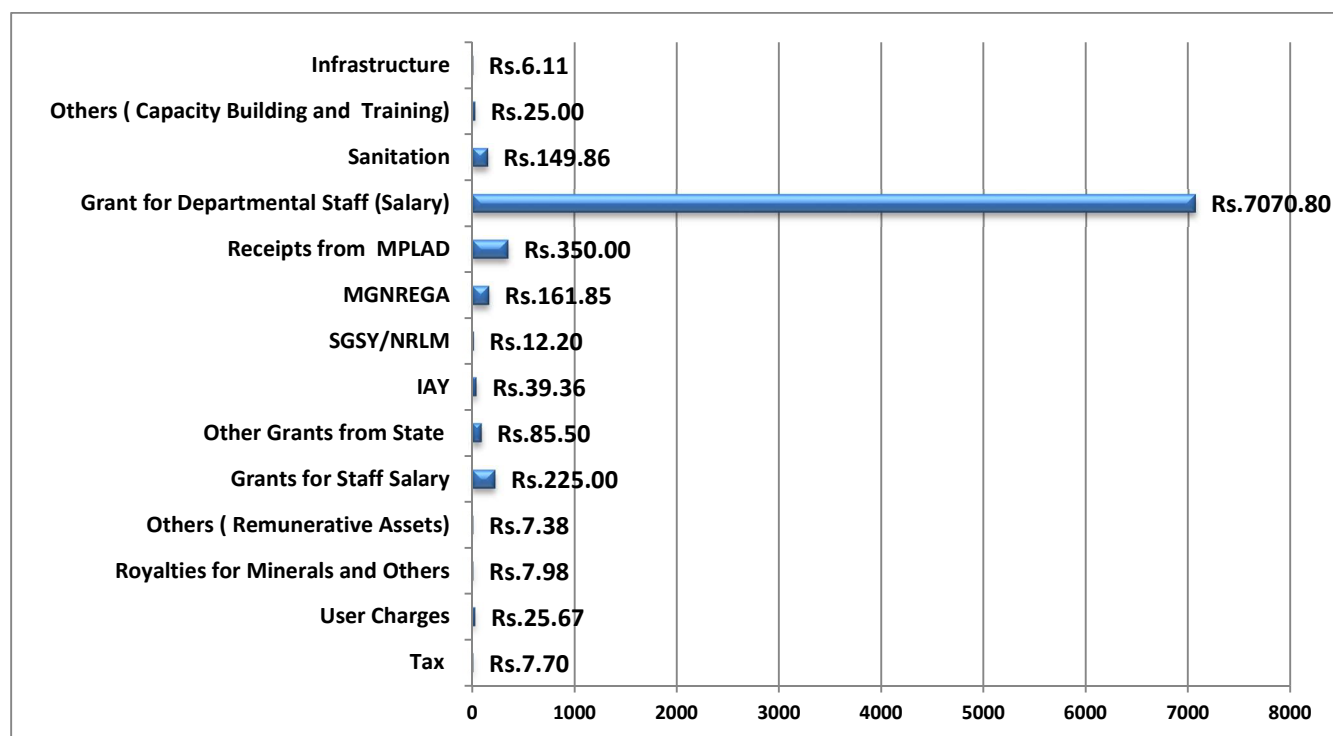
**Table No. 4.3: State Level Revenue of Panchayats in 2012-2013 (Rs. in lakhs)**

Source	Amount of Revenue Collection	Percentage of Revenue Collection
<b>A .Tax</b>		
Tax	7.70	0.09
<b>Sub Total (A)</b>	<b>7.70</b>	<b>0.09</b>
<b>B. Non Tax</b>		
User Charges	25.67	0.31
Royalties for Minerals and Others	7.98	0.10
Others ( Remunerative Assets)	7.38	0.09
<b>Sub Total (B)</b>	<b>41.03</b>	<b>0.5</b>
<b>C. Fiscal Transfer</b>		
Revenue received from Thirteenth Finance Commission	Nil	0.00
Revenue received from State [including State Finance Commission (SFC)]	Nil	0.00
Grants for Staff Salary	225.00	2.75
Other Grants from State	85.50	1.05
IAY	39.36	0.48
SGSY/NRLM	12.20	0.15
MGNREGA	161.85	1.98
SECC (Socio-Economic and Caste Census)	0.00	0.00
BRGF Grants	Nil	0.00
Receipts from MPLAD	350.00	4.28
Grant for Departmental Staff (Salary)	7070.8	86.50
Sanitation	149.86	1.83
Others ( Capacity Building and Training)	25.00	0.31
Infrastructure	6.11	0.07
<b>Sub Total Fiscal Transfers (C)</b>	<b>8125.68</b>	<b>99.40</b>
<b>Total Revenue Receipts (A+B+C)</b>	<b>8174.41</b>	<b>100</b>

Source: Directorate of Panchayats, District Panchayat & Line Departments, UT of Lakshadweep



**Diagram No 4.2: State Level Revenue of Panchayats in 2012-2013 (Rs.in lakhs)**



Source .Table No .4.3

### State Level Expenditure Scenario

The State level expenditure of Panchayats for the financial year 2012-13 could be seen in the table number 4.4 and the corresponding diagram number 4.2.

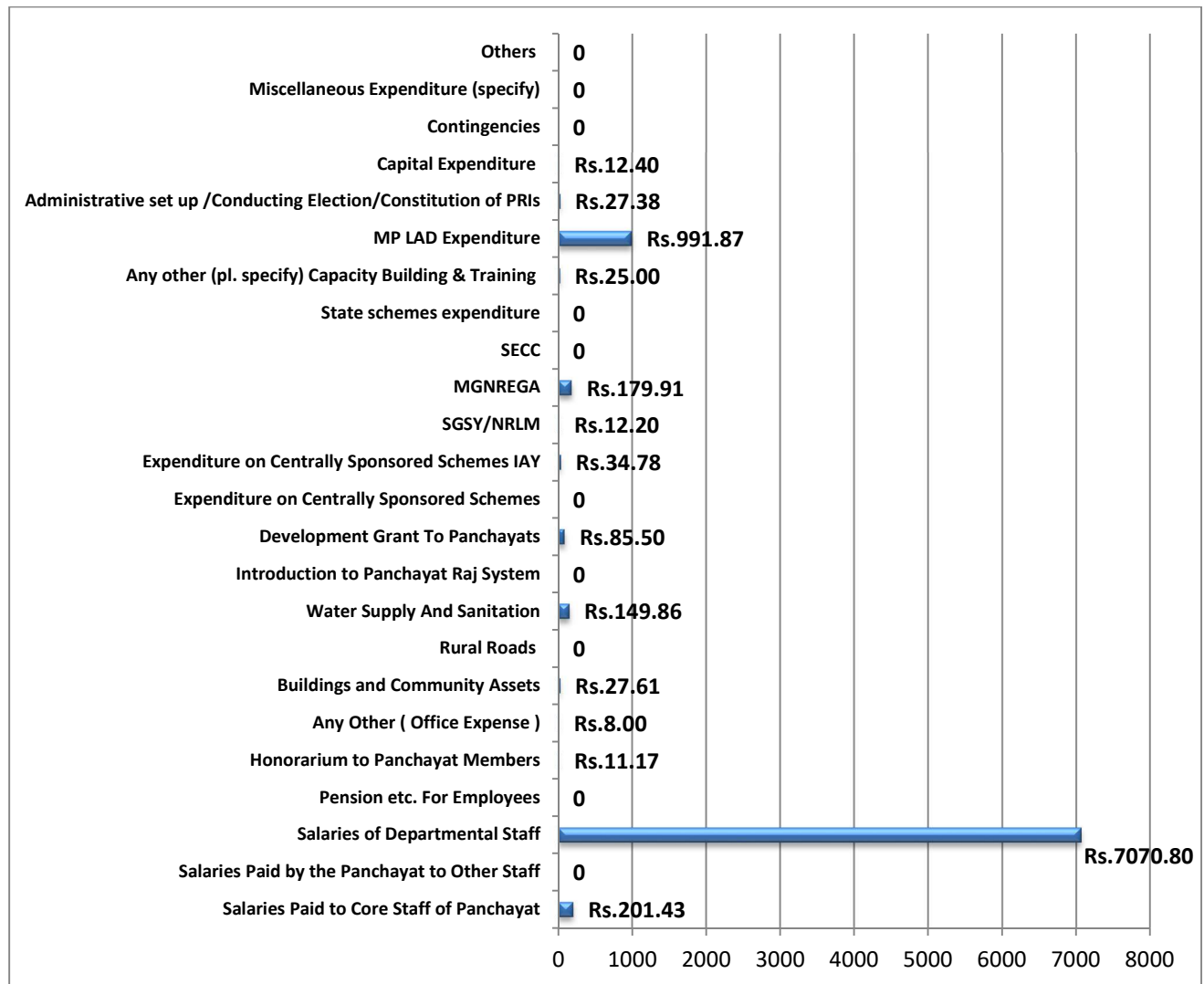
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**Table No.4.4: State Level Total Expenditure of the Panchayats for the Year 2012-2013(Rs. in lakhs)**

	Source	Amount of Expenditure	Percentage of Expenditure
<b>I</b>	<b>Current Expenditure</b>		
	<b>A.Establishment:</b>		
<b>1</b>	Salaries Paid to Core Staff of Panchayat	201.43	2.28
<b>2</b>	Salaries Paid by the Panchayat to Other Staff	0.00	0.00
<b>3</b>	Salaries of Departmental Staff	7070.80	80.01
<b>4</b>	Pension etc. For Employees	0.00	0.00
<b>5</b>	Honorarium to Panchayat Members	11.17	0.13
<b>6</b>	Any Other ( Office Expense )	8.00	0.09
	<b>Sub Total</b>	<b>7291.4</b>	<b>82.50</b>
	<b>B. Operations &amp; Maintenance:</b>	0.00	0.00
<b>7</b>	Buildings and Community Assets	27.61	0.31
<b>8</b>	Rural Roads	0.00	0.00
<b>9</b>	Water Supply And Sanitation	149.86	1.70
<b>10</b>	Introduction to Panchayat Raj System	0.00	0.00
<b>11</b>	Development Grant To Panchayats	85.50	0.97
	<b>Sub Total</b>	<b>262.97</b>	<b>2.98</b>
	<b>C.Welfare and Developmental Expenditure:</b>	0.00	0.00
<b>12</b>	Expenditure on Centrally Sponsored Schemes	0.00	0.00
<b>13</b>	Expenditure on Centrally Sponsored Schemes IAY	34.78	0.39
<b>14</b>	SGSY/NRLM	12.20	0.14
<b>15</b>	MGNREGA	179.91	2.04
<b>16</b>	SECC	0.00	0.00
<b>17</b>	State schemes expenditure	0.00	0.00
<b>18</b>	Any other (pl. specify) Capacity Building & Training	25.00	0.28
<b>19</b>	MP LAD Expenditure	991.87	11.22
<b>20</b>	Administrative set up /Conducting Election/Constitution of PRIs	27.38	0.31
	<b>Sub Total</b>	<b>1271.14</b>	<b>14.38</b>
<b>1</b>	<b>Total Current Expenditure (A +B+ C)</b>	<b>8825.51</b>	<b>99.86</b>
<b>2.</b>	<b>Capital Expenditure</b>	12.40	0.14
<b>3</b>	<b>Contingencies</b>	0.00	0.00
<b>4</b>	<b>Miscellaneous Expenditure (specify)</b>	0.00	0.00
<b>5</b>	<b>Others</b>	0.00	0.00
		0.00	0.00
<b>Total Expenditure(1 to 5)</b>		<b>8837.91</b>	<b>100.00</b>

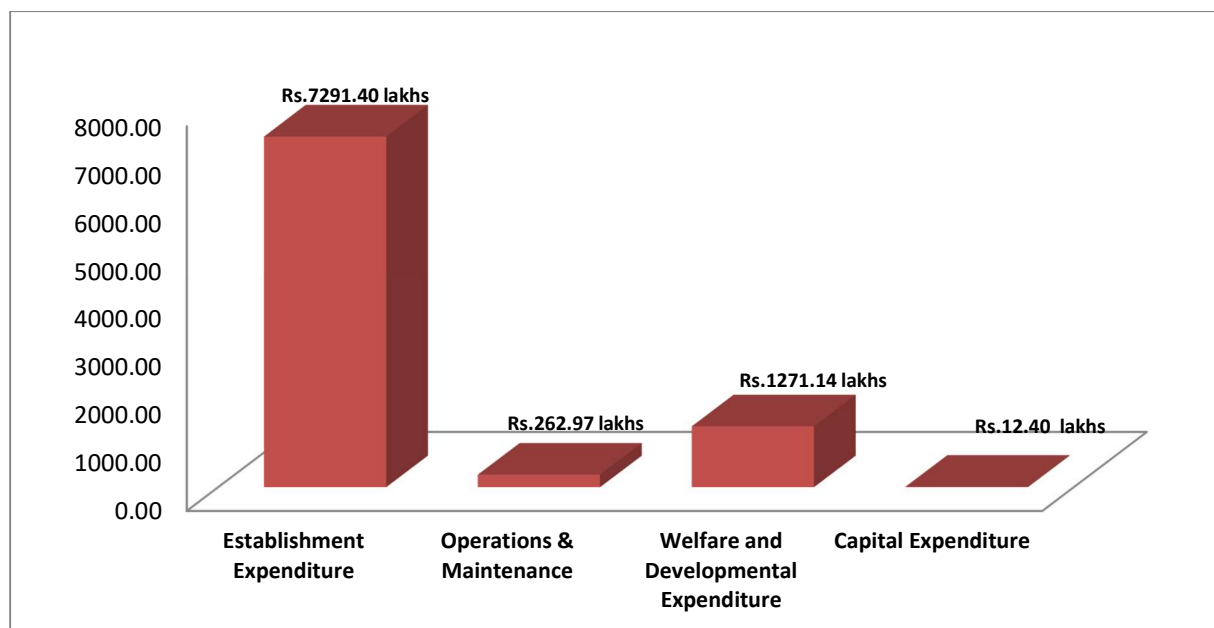
Source: Directorate of Panchayats & District Panchayat & Line Department UT of Lakshdweep

**Diagram No.4.3: State Level Total Expenditure of the Panchayats for the Year 2012-13**



Source: Table No .4.4

**Diagram No.4.4: State Level Total Expenditure of the Panchayats for the Year 2012-2013**



Source: Table No .4.4

### **Tax and Non Tax Assignments to the Panchayats**

**Table No.4.5: Sources of Tax and Non-Tax Assignments to Panchayats:**

Name of Sources of Revenue (Tax & Non Tax )	VDP	DP	UT
<b>Tax</b>			
1.Octori ( <i>It is mentioned Section 51, sub section, (f) of the Regulation.</i> )	✓		
2.Tax on Manju ( <i>Tax on mechanically propelled locally made traditional vessels for transporting materials</i> )	✓		
3.Boat Tax ( <i>Tax on mechanically propelled locally made traditional vessels for transport from one island to another )</i>	✓		
4.Employment Tax ( <i>Service tax collected from the employee )</i>		✓	

5.10 % Transfer Duty on Property( <i>When land is transferred from one person to another 10 % duty is paid</i> )		✓	
6. Panchayat Tax ( <i>Tax on mechanically propelled locally made traditional vessels for shipboard from island. It is known as 'Boat Tax'</i> )	✓		
<b>Non Tax</b>			
1. Farm Produce ( <i>Income from the farm owned by the Village (Dweep) Panchayat</i> )	✓		
2. Entrance Fee to Vessels ( <i>Entry fee for vessels from ports in mainland. Rs.100/-per trip is charged from per vessel.</i> )	✓		
3. Registration Fee of Vehicles ( <i>Registration of new vessels are being made by the Village (Dweep) Panchayat</i> )	✓		
4. RTI Fees ( <i>Panchayats are levied an amount for entertaining application under TRI</i> )	✓		
5. Cattle Pound Fee ( <i>Fine is charged against the individual /household who let their domestic animal loiter around public places. Fine is fixed by the concerned Village (Dweep) Panchayat. It is known as 'Fine for Stray Cattle'</i> )	✓		
6. Tender Form ( <i>Income from tender forms</i> )	✓		
7. Medical Ambulance ( <i>Village Dweep Panchayat provides medical ambulance service for lifting <b>patient</b> from house to helipad. Rs.50/-is charged per person per trip.</i> )	✓		
8. Pumping Charge ( <i>Some</i>	✓		

<i>Panchayats are providing facilities such as pump set and skilled labour for cleaning open wells and levied a nominal charge per well)</i>			
9. Photocopy ( <i>Some Panchayats are providing facilities of photocopying for public and levied minimum charge per copy)</i>	✓		
10. Fine for Stray Cattle ( <i>Fine is charged against the individual /household who let their domestic animal loiter around public places. Fine is fixed by the concerned Village (Dweep) Panchayat. . It is known as 'Cattle Pound Fee' )</i>	✓		
11. Coconut Climbing, Husking & Plucking ( <i>Panchayat are supplying skilled labour for coconut climbing ,husking and plucking for private agriculture farm owners and levied minimal charge per coconut tree)</i>	✓		
12. Clearance Fee ( <i>Entry fee for vessels from ports in mainland. Rs.100/-per trip is charged from per vessel. It is also known as 'Entrance Fee to Vessel')</i>	✓		
13. Home Registration ( <i>Rs.20/- is being charged for getting registration of house construction.</i> )	✓		
14. Solar Light ( <i>Power department supplies solar light to Panchayats . Pnchayats in turn distribute to the beneficiaries with a nominal margin)</i>	✓		

15. Park Collection ( <i>A few Panchayats are providing space for running coffee house in the parks and the collection of ground rent from the unit is listed as park collection. Rs.1000/- per month per shop is levied</i> )	✓		
16. Election Petition Fee ( <i>During last election one petition was filed against one candidate and Rs.500/- were charged for entertaining such a petition</i> )	✓		
17. Egg Sales ( <i>Income from the farm owned by the Village (Dweep) Panchayat</i> )	✓		
18. <b>Miscellanies</b>	✓		
19. Burial Slab ( <i>Some Village (Dweep) Panchayat, (for example Agatti) provide readymade slabs for the construction vault. Rs 2500/- is levied for 10 burial slab</i> ).	✓		
20. Canopy Rent ( <i>A few Panchayats are having materials for the temporary construction pavilion and supplies to private individual on rental basis.</i> )	✓		
21. Auction Amount ( <i>Amount received from auction of assets</i> )	✓		
22. License Renewal ( <i>Income from all types of license renewal</i> )	✓		
23. Fee for Birth and Death Certificate ( <i>Village (Dweep) Panchayat are entitled to issue birth &amp; death certificate and a nominal charge is levied per certificate</i> )	✓		
24. Drinking Water ( <i>Village (Dwee) Panchayat, Amini</i>	✓		

<i>supplies drinking water to public on Rs.1.00 per 10 lit.)</i>			
25. Fee for VDP Number (Panchayats issue number to every building and Rs. 50 /- is levied from per building )	✓		
26. Septic Tank Cleaning (machine and one labour one tank cleaning Rs.500/- (Some Panchayats are providing facilities, machine and skilled labour, of septic tank cleaning for public and levied Rs.500/- per tank )	✓		
27. Rent for Conference Hall (Majority of Panchayats are having conference hall facilities and provides the service for public on rental basis. )	✓		
28. Rent for Tiller (Some of Panchayats own tiller and provide the service for public on rental basis.	✓		
29. Rent for Freezer (Some of Panchayats own freezer to maintain dead bodies before entombment and provide the service for public on rental basis.)	✓		
30. Hair Cutting Saloon (Income from rent of the hair cutting saloon shop)	✓		
31. Barkath Bhavan Rent (Income from rent of the community hall owned by the Panchayat )	✓		
32. NOC (Rs. 100/- is charged per migrant employee from main land for a period of five month and a 'No Objection Certificate(NOC)' is issued by the concerned Village (Dweep)	✓		



<i>Panchayat)</i>			
33. Collection of Bus ( <i>A few buses services are being operated by the District Panchayat for a nominal charge from commuters</i> )		✓	
34. Ferry Boat Service ( <i>A boat service is being operated by the District Panchayat from Amini Island to Kadamath Island and back for a nominal charge from commuters. The collection is done by the Village (Dweep) Panchayat, Amini and remitted to the District Panchayat.</i> )		✓	
35. Cost of Sand ( <i>sand is being collected from sea shore by the islanders for the construction purpose, mainly. Rs.900/-per lorry is charged</i> ).	✓		
<b>36. Cost of drudged Material</b>	✓		
37. Hollow Bricks Making Unit ( <i>Panchayat own hollow bricks making units and profit is drawn to Panchayat fund</i> )	✓		
38. Handicraft Unit ( <i>Panchayat own handicraft units and profit is drawn to Panchayat fund</i>	✓		
<b>39. Panchayat Stage</b>	✓		
40. Sales of Jaggery ( <i>Panchayat own jiggery making units and profit is drawn to Panchayat fund</i>	✓		
41. Sales of Neera( <i>Panchayat own neera units and profit is drawn to Panchayat fund</i>	✓		
42. Sales of Coir Form( <i>Panchayat own coir form sales unit and profit is drawn to Panchayat fund</i>	✓		

43. Sales of Pickle (Panchayat own pickle making units and profit is drawn to Panchayat fund)	✓		
44. Tailoring (Panchayat own tailoring units and profit is drawn to Panchayat fund)	✓		
45. Coir Spinning Unit, Kiltan (District Panchayat owns coir spinning units and profit is drawn to Panchayat fund)		✓	
46. Geo Textiles Unit, Kalpeni (District Panchayat owns geo textile unit at geo textile and profit is drawn to Panchayat fund)		✓	
47. Centering and Shuttering Unit, Kiltan (District Panchayat owns a centering & shuttering unit at Kiltan and profit is drawn to Panchayat fund)		✓	
48. Furniture Rent (Income from rent of the furniture owned by the Panchayat. Rs.2/- & Rs 10/- is charged per chair and table, respectively.)	✓		
49. Auto Mobile Workshop, Kavarathi (District Panchayat owns a auto mobile workshop at Kavarathi and provides service for public on subsidized rate .The profit is drawn to Panchayat fund.		✓	
50. Vegetable Garden, Kavarathi (Income from the vegetable farm owned by the District Panchayat at Kavarathi )		✓	
51. Handicrafts Training Centre (District Panchayat owns a handicraft training unit at Kavarathi and profit is drawn		✓	

<i>to Panchayat fund</i>			
52. Jaggery and Vinegar Unit ( District Panchayat owns a jiggery & vinegar unit at Andrott and profit is drawn to Panchayat fund		✓	
53. Matching Grant (Village (Dweep) Panchayats Panchayats were given matching grant during 2010- 2011 and the unspent amount was drawn to the Panchayat fund.	✓		

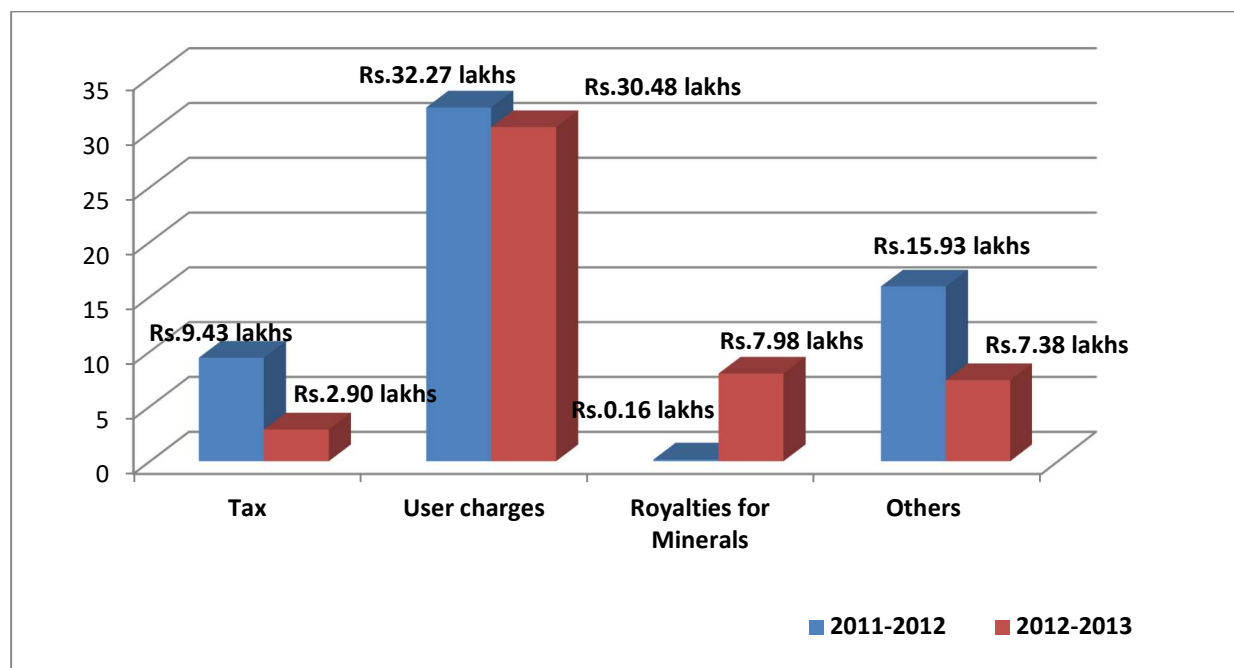
Source: Directorate of Panchayat , Office of the District Panchayats ,Offices of the 10 Village( Dweep) Panchayats, UT of Lakshadweep.

**Table No.4.6: UT Level Tax and Non-Tax Compliance of Panchayats in 2011-2012 & 2012-2013 (Rs. In Lakhs)**

<b>Name of Source of Revenue</b>	<b>Amount Collected in 2011-2012</b>	<b>%</b>	<b>Amount Collected in 2012-2013</b>	<b>%</b>
Tax	9.43	16.32	2.90	5.95
User Charges	32.27	55.84	30.48	62.54
Royalties for Minerals	0.16	0.28	7.98	16.37
Others	15.93	27.57	7.38	15.14
<b>TOTAL</b>	<b>57.79</b>	<b>100.000</b>	<b>48.74</b>	<b>100.00</b>

Source: Directorate of Panchayat, UT of Lakshadweep ,

**Diagram No.4.5: UT Level Tax and Non-Tax Compliance of Panchayats in 2011-2012 & 2012-2013 (Rs. In Lakhs)**



Source: Table No.4.6

## Revenue and Expenditure of the District Panchayat

### A. Revenue of District Panchayat for the Year 2012-2013

Table No.4.7 brings out the revenue of the solo District Panchayat . There are only two revenue sources for the District Panchayat and they are (i) Own Source Revenue (tax and non tax), Other Rural Development Programme (tied and untied) and (iii) Grants- in –Aid (tied and untied). Though there are specific legal provisions as per the Regulation, no tax compliance was recorded by the District Panchayat. It was reported that Rs. 22.50 lakhs was the revenue collection under the ‘non tax’ head which works out only very insignificant, less than one per cent of the total revenue of the District Panchayat. The revenue of the District Panchayat is mainly from the grants- in- aid (tied fund) of five line departments (in full) and the grants- in- aid (tied fund) of five line departments (in

partial) from the UT Administration. The maximum fund is available for general education which accounts mainly the salary of teachers (Diagram No ..

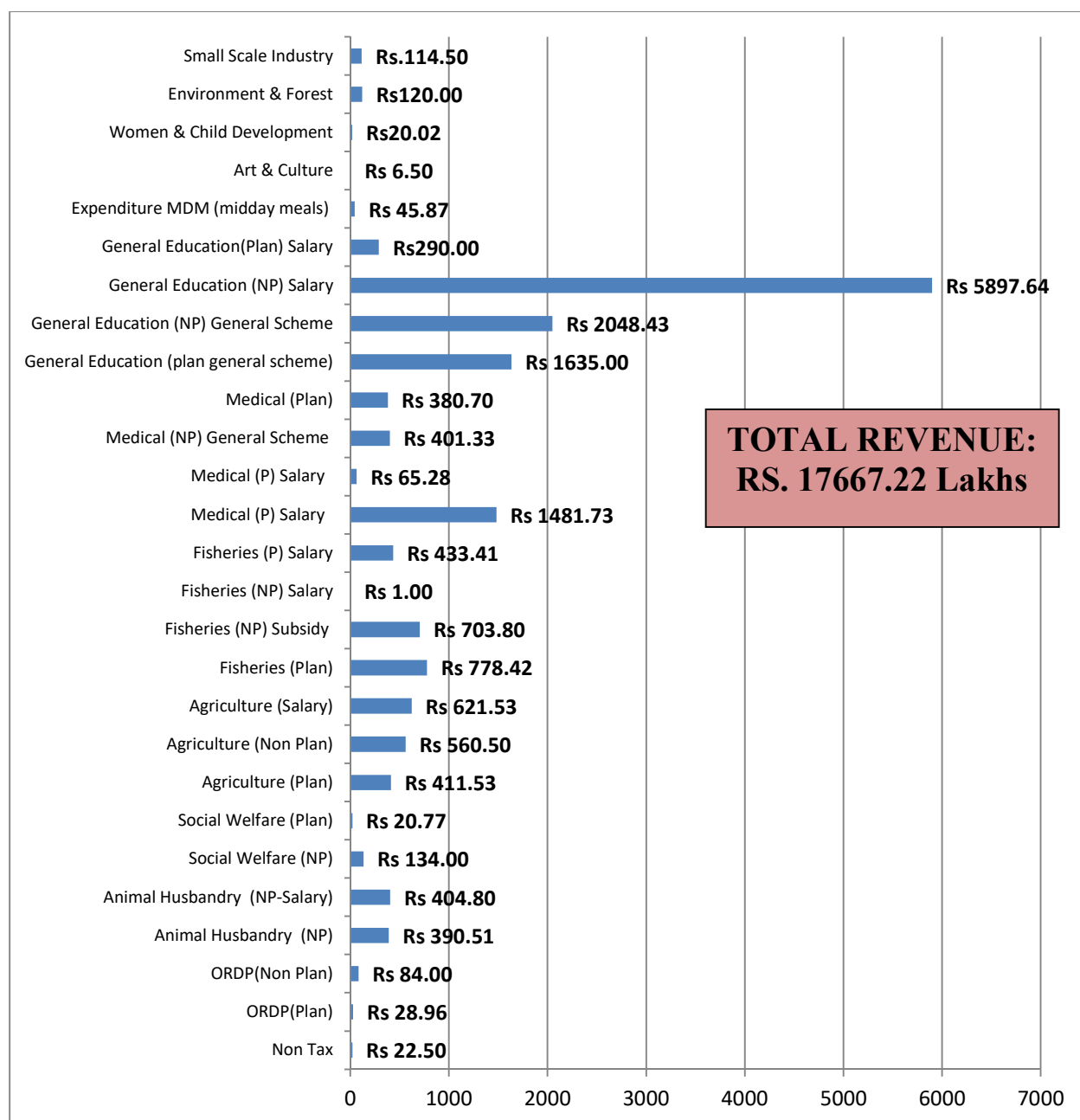
**Table No 4.7: Revenue Sources at the District Panchayat, Lakshadweep (2012-2013).**

SI No	Source	Amount (in lakhs)	%
<b>1.</b>	<b>Tax and Non Tax</b>		
1.i	Non Tax	22.50	0.13
	<b>TOTAL</b>	<b>22.50</b>	<b>0.13</b>
<b>2</b>	<b>ORDP</b>		
<b>2.i</b>	<b>ORDP(Plan)</b>	<b>28.96</b>	0.16
<b>2.ii</b>	<b>ORDP(Non Plan)</b>	<b>84.00</b>	0.48
		<b>112.96</b>	<b>0.64</b>
<b>3.</b>	<b>Grants- in -Aid Sector Wise (Tied)</b>		
<b>1.Agriculture</b>			
	a. Agriculture (Plan)	411.53	2.33
	b. Agriculture (Non Plan)	560.50	3.17
	c. Agriculture (Salary)	621.53	3.52
<b>2.Fisheries</b>			
	a. Fisheries (Plan)	778.42	4.41
	b. Fisheries (NP) Subsidy	703.80	3.98
	c. Fisheries (NP) Salary	1.00	0.01
	d. Fisheries (P) Salary	433.41	2.45
<b>3.Animal Husbandry</b>			
	a. Animal Husbandry (Plan)	564.49	3.20
	b. Animal Husbandry (NP)	390.51	2.21
	c. Animal Husbandry (NP-Salary)	404.80	2.29
<b>4.Education</b>			
	a. General Education (plan general scheme)	1635.00	9.25
	b. General Education (NP) General Scheme	2048.43	11.59
	c. General Education (NP) Salary	5897.64	33.38
	d. General Education(Plan) Salary	290.00	1.64
	e. Expenditure MDM (midday meals)	45.870	0.26
<b>5.Health</b>			
	a. Medical (P) Salary	1481.73	8.39
	b. Medical (P) Salary	65.280	0.37

	c. Medical (NP) General Scheme	401.33	2.27
	d. Medical (Plan)	380.70	2.15
<b>6.Social Welfare</b>			
	a. Social Welfare (NP)	134.00	0.76
	b. Social Welfare (Plan)	20.77	0.12
<b>7.Art &amp; Culture</b>			
	a.Art & Culture (Plan)	6.50	0.04
<b>8.Women &amp; Child Development</b>			
	a. Women & Child Development (Plan)	20.02	0.11
<b>9.Environment &amp; Forest</b>			
	a. Environment & Forest (Plan)	120.00	0.68
<b>10.Small Scale Industry</b>			
	a. Small Scale Industry	114.50	0.65
	<b>TOTAL</b>	<b>17531.76</b>	<b>99.23</b>
	<b>GRAND TOTAL</b>	<b>17667.22</b>	<b>100.00</b>

**Source:** District Panchayat, UT of Lakshadweep

Diagram No. 4.6: Revenue Sources at the District Panchayat, Lakshdweep for the year 2012-2013. (Rs. in Lakhs)



Source: Table Number 4.7

## Expenditure of District Panchayat for the Year 2012-2013

There are only three expenditure head for the District Panchayat and they are (i) expenditure from (i) Own Source Revenue (tax and non tax), Other Rural Development Programme (tied and untied) (iii) and (ii) Grants- in –Aid (tied and untied). It is noticed that Rs.21.02 is the expenditure of the available revenue collection (Rs. 22.50 lakhs) under the ‘non tax’ head which works out 93.42 per cent utilization. The major business of the District Panchayat is mainly depends on the grants- in- aid (tied fund) of five line departments from the UT Administration. The total revenue available at the District Panchayat under the head (grant –in- aid) was Rs. 17667.22Lakhs and the expenditure incurred was Rs. 16055.17 Lakhs. **This indicates that nearly full amount (90.88 %) was utilized in the year 2012-2013. Since the role of the District Panchayat is similar to that of a ‘post office’ the rate of utilization of the grant- in- aid has nothing to do with the achievement of its own.**

**Table No 4.8: Expenditure Incurred by the District Panchayat for the Year 2012-2013**

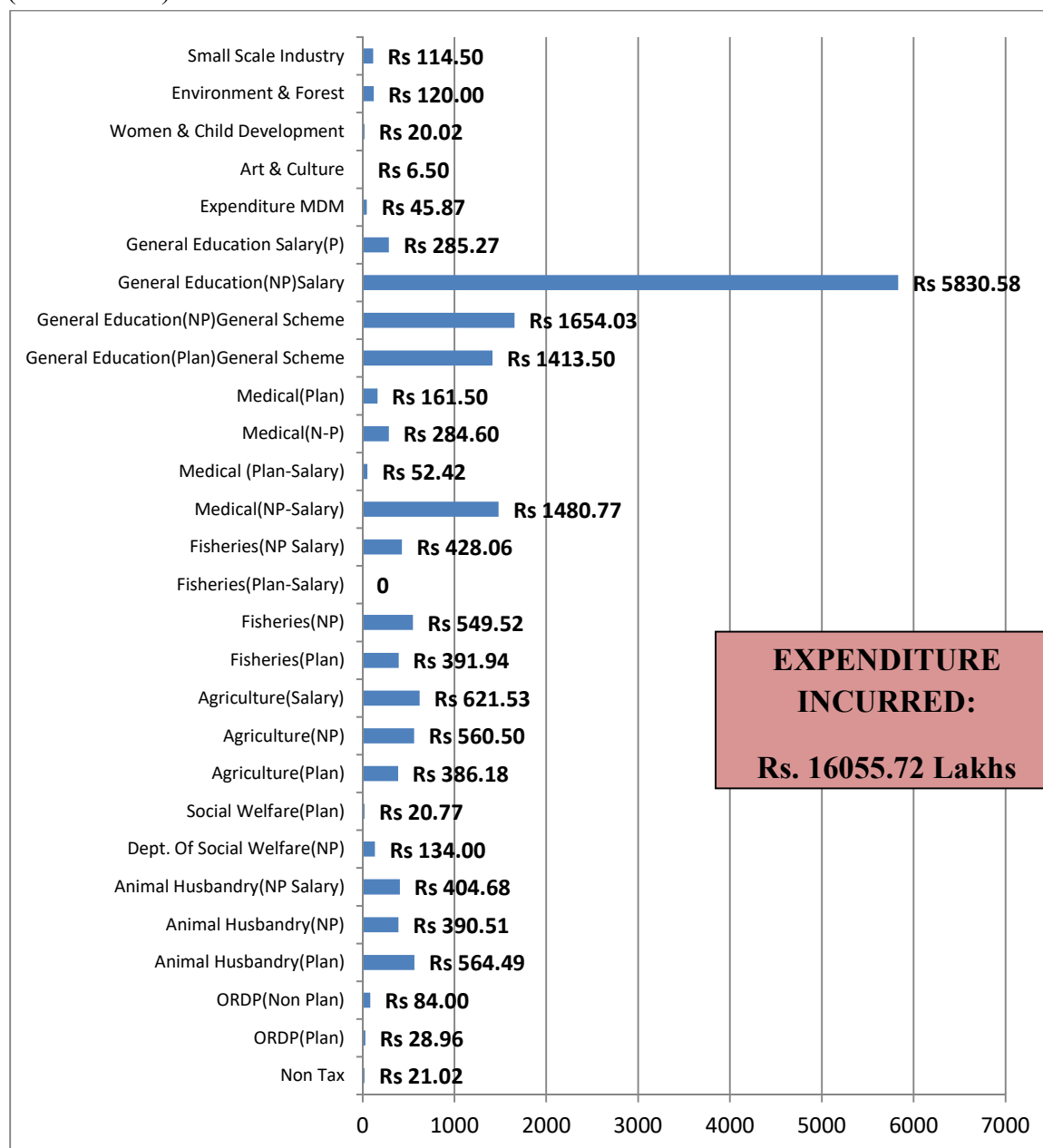
1.	Source	Amount (in lakhs)	%
<b>1.Tax and Non Tax</b>			
1.i	From Panchayat Own Revenue (spend for rural development and local economic development)	<b>21.02</b>	0.13
	<b>TOTAL</b>	<b>21.02</b>	<b>0.13</b>
<b>2. ORDP</b>			
2.i	<b>ORDP(Plan)</b>	<b>28.96</b>	0.18
2.ii	<b>ORDP(Non Plan)</b>	<b>84.00</b>	0.52
	<b>TOTAL</b>	<b>112.96</b>	<b>0.70</b>
<b>3.</b>	<b>Grants- in -Aid Sector Wise (Tied)</b>		
<b>1. Agriculture</b>			
	a. Agriculture(Plan)	386.18	2.41
	b. Agriculture(NP)	560.50	3.49
	c. Agriculture(Salary)	621.53	3.87
<b>2.Fisheries</b>			
	a. Fisheries(Plan)	391.94	2.44
	b. Fisheries(NP)	549.52	3.42



	c. Fisheries(Plan-Salary)	0.00	0.00
	d. Fisheries(NP Salary)	428.06	2.67
<b>3. Animal Husbandry</b>			
	a. Animal Husbandry(Plan)	564.49	3.52
	b. Animal Husbandry(NP)	390.51	2.43
	c. Animal Husbandry(NP Salary)	404.68	2.52
<b>4. Education</b>			
	a. General Education(Plan)General Scheme	1413.50	8.80
	b. General Education(NP)General Scheme	1654.03	10.30
	c. General Education(NP)Salary	5830.58	36.31
	d. General Education Salary(P)	285.27	1.78
	e. Expenditure MDM	45.87	0.29
<b>5. Health</b>			
	a. Medical(NP-Salary)	1480.77	9.22
	b. Medical (Plan-Salary)	52.42	0.33
	c. Medical(N-P)	284.60	1.77
	d. Medical(Plan)	161.5	1.01
<b>6. Social Welfare</b>			
	a. Dept. Of Social Welfare(NP)	134.00	0.83
	b. Social Welfare(Plan)	20.77	0.13
<b>7. Art &amp; Culture</b>			
	a. Art & Culture (Plan)	6.50	0.04
<b>8. Women &amp; Child Development</b>			
	a. Women & Child Development (Plan)	20.02	0.12
<b>9. Environment &amp; Forest</b>			
	a. Environment & Forest (Plan)	120.00	0.75
<b>10. Small Scale Industry</b>			
	a. Small Scale Industry (Plan)	114.50	0.71
	<b>TOTAL</b>	<b>15921.74</b>	<b>99.17</b>
	<b>GRAND TOTAL</b>	<b>16055.72</b>	<b>100</b>

**Source:** District Panchayat, UT of Lakshadweep

Diagram Number 4.7: Expenditure incurred at the District Panchayat for the year 2012-2013  
(Rs.in Lakhs)



Source: Table Number 4.2

### Revenue of Village (Dweep) Panchayat for the year 2012-2013

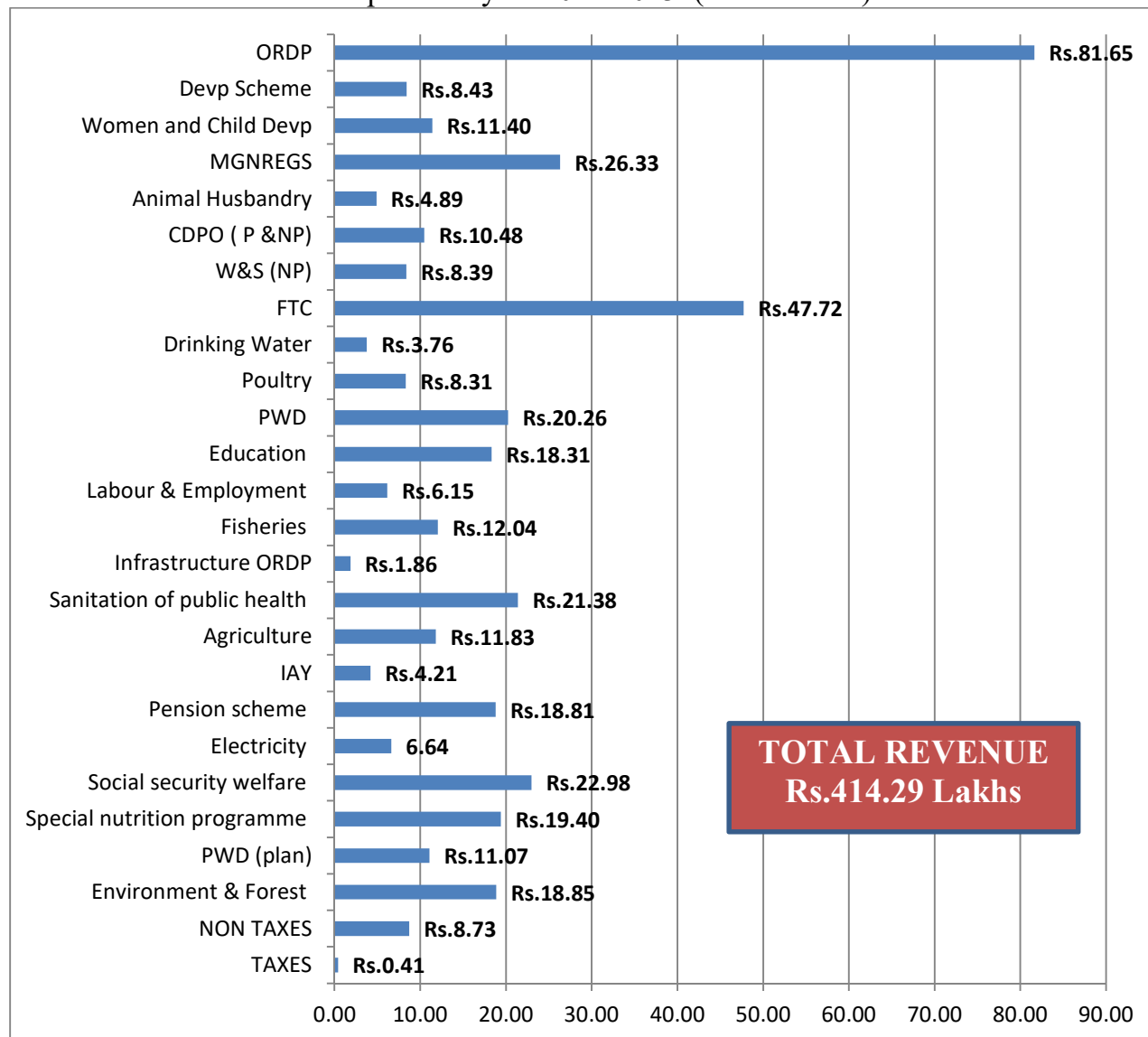
The table number 4.3 and diagram number 4.3 give the picture of the average revenue collected at the Village (Dweep) Panchayat level for the year 2012-13. The figure worked out is based on the average of the data on the sample panchayats.

**Table No 4.9: Average Revenue Sources at the Village (Dweep) Panchayat, Lakshdweep for the year 2012-2013.**

SI No	SOURCE	Average Amount (Rs.in lakhs)	%
<b>1.</b>	<b>TAX AND NON TAX</b>		
1.i	Taxes	0.41	0.10
<b>1.ii</b>	Non Taxes	8.73	2.11
	<b>Total</b>	<b>9.14</b>	<b>2.21</b>
<b>2.</b>	<b>TIDE FUND</b>		
2.i.	Environment & Forest	18.85	4.55
2.ii	PWD (Plan)	11.07	2.67
2.iii	Special Nutrition Programme	19.40	4.68
2.iv	Social Security Welfare	22.98	5.55
2.v	Electricity	6.64	1.60
2.vi	Pension Scheme	18.81	4.54
2.vii	IAY	4.21	1.01
2.viii	Agriculture	11.83	2.86
2.ix	Sanitation & Public Health	21.38	5.16
2.x	Infrastructure (ORDP)	1.86	0.45
2.xi	Fisheries	12.04	2.91
2.xii	Labour & Employment	6.15	1.49
2.xiii	Education	18.31	4.42
2.xiv	PWD	20.26	4.89
2.xv	Poultry	8.31	2.01
2.xvi	Drinking Water	3.76	0.91
2.xvii	Free Travel Concession ( FTC)	47.72	11.52
2.xviii	Water & Sanitation (NP)	8.39	2.03
2.xix	CDPO (P &NP)	10.48	2.53
2.xx	Animal Husbandry	4.89	1.18
2.xxi	MGNREGS	26.33	6.36
2.xxii	Women and Child Development	11.40	2.75
	<b>Total</b>	<b>315.07</b>	<b>76.05</b>
<b>3.</b>	<b>UNTIDE FUND</b>		
3.i	Development Scheme	8.43	2.03
3.ii	ORDP	81.65	19.71
	<b>Total</b>	<b>90.08</b>	<b>21.74</b>
	<b>Grand Total</b>	<b>414.29</b>	<b>100</b>

**Source:** Village (Dweep) Panchayats of Agatti ,Amini,Kadama and Kavarathi

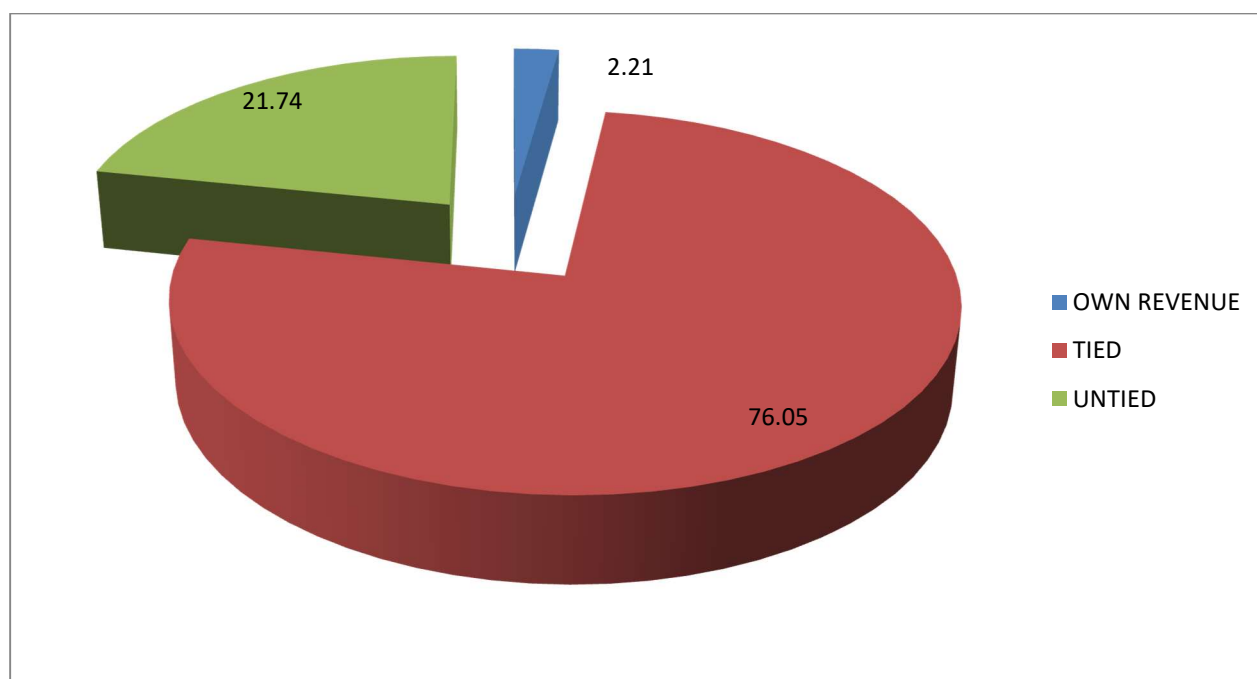
Diagram No 4.8 Average Revenue Sources at the Village (Dweep) Panchayat, Lakshdweep for the year 2012-2013. (Rs. in Lakhs)



Source: Table Number 4.9

The Diagram Number 4.9 given below reveals the revenue pattern at the village (dweep) panchayat level.

Diagram Number 4.4: Revenue pattern at the Village (Dweep) Panchayat level



**Source:** Table Number 4.3

The diagram indicates that the major portion of the revenue is from tied funds (76.05%) the details of which are available in table number 4.3. The untied fund amounts to about 21.74%. The untied funds include the development scheme and ORDP fund. The share of own revenue which include tax and non tax amount account to about 2.21%.

### **Expenditure of Village (Dweep) Panchayat for the year 2012-2013**

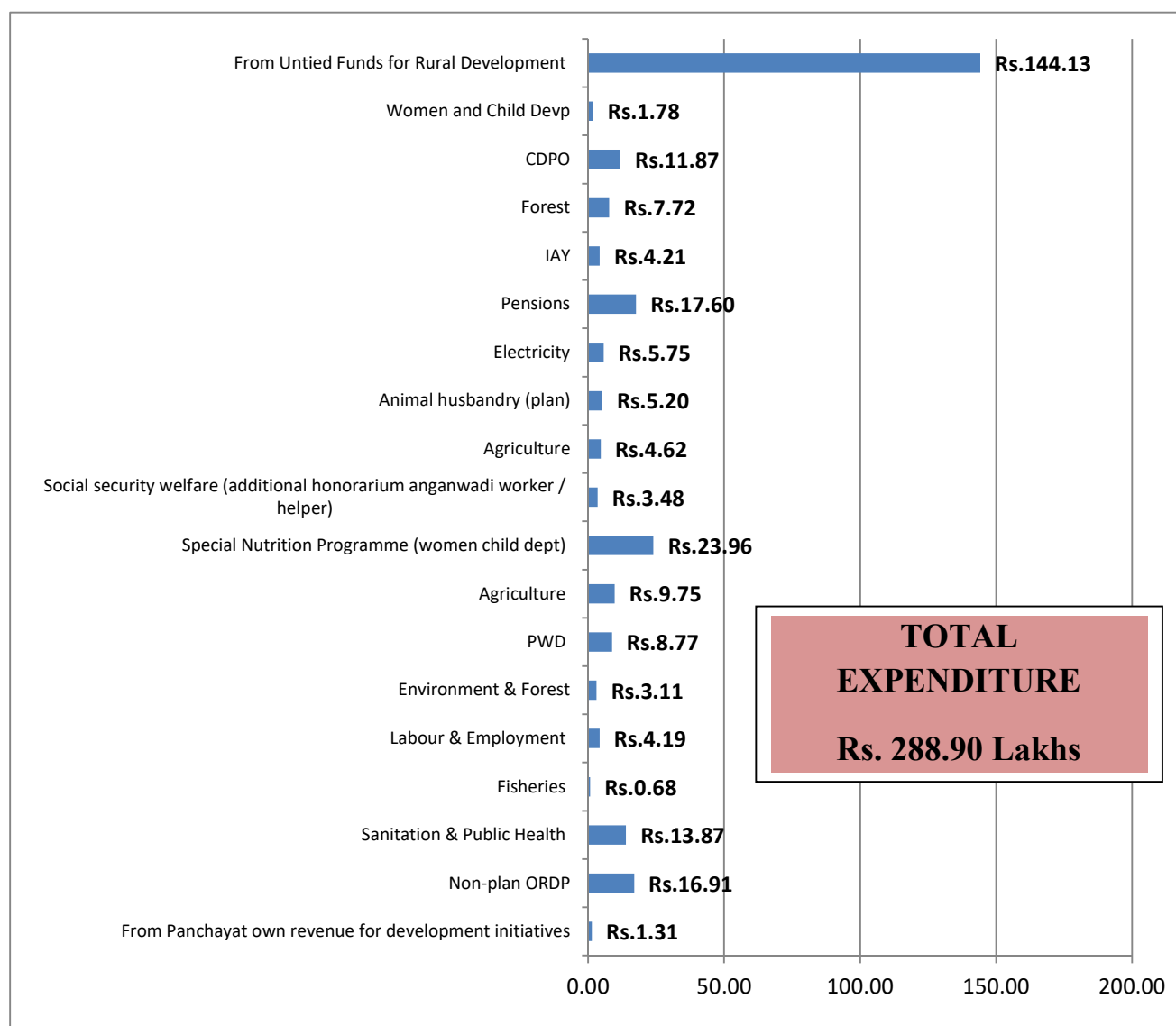
The table number 4.4 and diagram number 4.5 give the picture of the average expenditure collected at the Village (Dweep) Panchayat level for the year 2012-13. The figure worked out is based on the average of the data on the sample panchayats.

Table No 4.10 Average Expenditure incurred at the Village (Dweep) Panchayat, Lakshdweep for the year 2012-2013.

1.	SOURCE	Average Amount ( Rs.in lakhs)	%
<b>1. TAX AND NON TAX</b>			
1.i	From Panchayat own revenue for development initiatives	1.31	0.45
	<b>Total</b>	<b>1.31</b>	<b>0.45</b>
<b>2. TIDE FUND</b>			
2.i	<b>Non-Plan (ORDP)</b>	16.91	5.85
2.ii	Sanitation & Public Health	13.87	4.80
2.iii	Fisheries	0.68	0.23
2.iv	Labour & Employment	4.19	1.45
2.v	Environment & Forest	3.11	1.08
2.vi	PWD	8.77	3.03
2.vii	Agriculture	9.75	3.37
2.viii	Special Nutrition Programme (women child dept)	23.96	8.29
2.ix	Social Security Welfare (additional honorarium anganwadi worker / helper)	3.48	1.21
2.x	Agriculture	4.62	1.60
2.xi	Animal husbandry (plan)	5.20	1.80
2.xii	Electricity	5.75	1.99
2.xiii	Pensions	17.60	6.09
2.xiv	IAY	4.21	1.46
2.xv	Forest	7.72	2.67
2.xvi	CDPO	11.87	4.11
2.xvii	Women and Child Development	1.78	0.62
	<b>Total</b>	<b>143.47</b>	<b>49.66</b>
<b>3.UNTIDE FUND</b>			
3.i.	From Untied Funds for Rural Development	144.13	49.89
	<b>Total</b>	<b>144.13</b>	<b>49.89</b>
	<b>Grand Total</b>	<b>288.90</b>	<b>100</b>

**Source:** Village (Dweep) Panchayat Administration

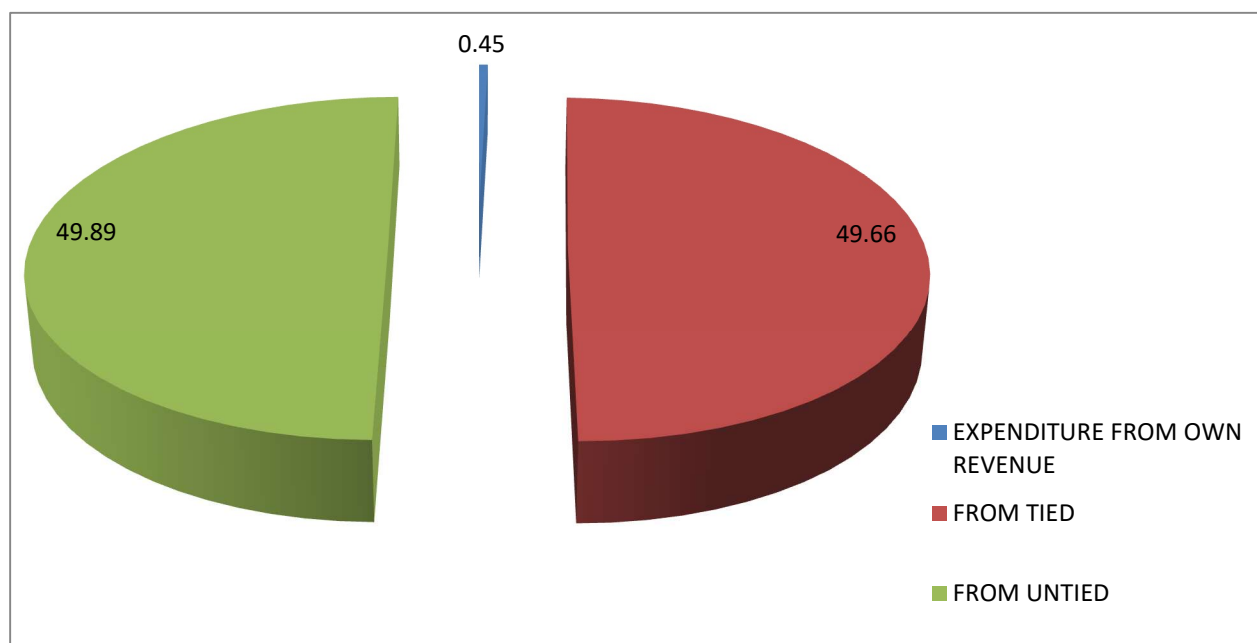
Diagram No 4.10: Average Expenditure incurred at the Village (Dweep) Panchayat, Lakshdweep for the year 2012-2013. ( Rs in Lakhs)



Source: Table Number 4.3

The Diagram Number 4.6 given below reveals the expenditure pattern at the village (dweep) panchayat level.

Diagram Number 4.11: Expenditure Pattern at the Village (Dweep) Panchayat level



Source: Table Number 4.3

The diagram indicates that the major portion of the expenditure is incurred from the untied and tied funds which account to about 49.89 and 49.66 percentages respectively. The expenditure from the panchayats own fund is very minimal which is 0.45 percentage.

The average income and expenditure for a Village( Dweep) Panchayat is Rs. 414.29 Lakhs and Rs. 288.90 Lakhs respectively. This indicates that nearly 70per cent of the funds were utilized for the year 2012-2013.

**Table No. 4.7 District PanchayatRevenue(Tax & Non Tax), Lakshdweep 2011-2012**

Sl No	Name of Revenues	Total Amount collected
1	Employment Tax	7.95
2	10% Transfer duty on Androth	0.35
3	Fee for Registration Vehicle	0.29
4	Collection of Bus	3.59
5	Jaggry & Vinegor Unit Androth	3.16



6	Coir spinning Unit Kiltan	0.53
7	Geo Textiles Unit Kalpeni	0.41
8	Centering & Shuttering Unit	0.37
9	Automobile Workshop Kilthan	0.64
10	Handicraft Training Centre Kadmatt	0.52
11	Ferry Boot Service Amini	3.59
12	Vegetable Garden, Kadamatt	0.006
	<b>Total</b>	<b>21.406</b>

## Remarks

It may be surprising to learn that no form of taxation was prevalent in Lakshadweep till 1988. However, a few of the Island councils that were constituted after 1988 levied a few taxes. As such it will be a difficult task for the District Panchayat and Village (Dweep) Panchayats to impose the taxes assigned to them as per the Regulation. While most of the taxes assigned for the Island councils were transferred to the Village Panchayats in toto a few items such as license fee for boats and fee for providing protection of crops in the Island council area had been dropped. The taxation of the District Panchayat covers a tax on professions, trade, callings and employments, a duty on transfer of immovable property in the form of surcharge on the duty imposed under the Indian Stamps Act, 1899 and a theatre tax in respect of every cinema theatre and other place of entertainment to which persons are ordinarily admitted on payment for performances or shows held or conducted thereat and fees on the registration of vehicles including boats or sailing vessels. However, as per the Section 53, the Administrator may, by notification, suspend the levy or imposition of any tax or fee and may at any time in like manner rescind such suspension. This is likely to have negative impact on the psyche of the people's representatives who are already considered to be averse to impose too many taxes on their citizens. The Panchayats in addition to the taxes and fees as mentioned above generate income from various other means like implementation of income generating schemes.

Section 51 of the Lakshadweep Panchayats Regulation, 1994 empowers the Panchayats to levy taxes and fees on the items indicated therein. Based on the recommendation of the Finance Commission for UT, a joint committee under the chairmanship of the President cum Chief Counsellor, District Panchayat was constituted to recommend a proper taxation proposal to the Panchayats. On this basis the Administrator has notified the rates and subjects on which a uniform rate of tax is to be imposed by the Panchayats.

### **Items on which tax can be levied**

#### **Village (Dweep) Panchayats**

- Owners or occupiers of the building or lands
- Vehicles (Other than mechanically propelled)
- Lighting tax
- Drainage tax
- Entertainment tax
- Octroi
- Pilgrim tax
- Boats(Mechanically operated or not)
- Fee for temporary erection on, putting up projections over or temporary occupation of any public street or place

## **District Panchayats**

- Tax on professions, trade, callings and employment
- Transfer of immovable property
- Theatre tax ,(Theature,Cinema and Other places of entertainment)
- Registration of vehicles including boats or sailing vessels

## **Items recommended for levying tax (District Panchayat )**

- Employment Tax
- Transfer Duty on immovable property
- Fee for registration of Vehicles including Boats & Sailing Vessels

## **Items recommended for levying tax (Village (Dweep) Panchayats)**

- Building Tax
- Tax on Boats and sailing vessels
- Octroi

Lakshadweep Administration have laid down procedure for levying of tax and fees by the Panchayats on the item specified under Section 51 of the Lakshadweep Panchayats Regulation,1994,in Lakshadweep Panchayats (Taxation & Appeal Rules)1997. As per the provision of the Regulation, the rate of tax and fee on each item and the date of imposing such taxes and fees are to be fixed by the Panchayats. To encourage the Panchayats, the Administration constituted a Joint Committee under the Chairmanship of the President-cum-Chief Counselor. The Joint Committee recommended a tax structure and authorized the Administrator to notify a uniform rate. The Administrator in exercise of powers conferred under provision to Sub Rule(1) of Rule 3 of the Taxation & Appeal Rules fixed a uniform rates of taxes to be imposed and levied by the Panchayats on 12.11.2001-

published in the Lakshadweep Gazette on 15.11.2001. A joint committee on taxation was constituted by the Administrator in the year 2001. The Chairman reiterates that the panchayats have to levy a minimum tax out of items prescribed under the regulation and the rules made there under so that each Panchayat will have its own resources in addition to funds received in aid from the Union Territory Administration to take up developmental activities and also to create sufficient infrastructure in the islands.

### **Ground Observations**

There exists a separate Notification for collection of Tax at the District Panchayat. No instances of privatization/outsourcing of tax collection were noted. No demand register could be noted. VDP has power to collect the building tax, but they are not interested to collect the tax from public. It could also be noted that the district treasury is not linked with the two tiers of Panchayat. Most of the Panchayats have started collection of these taxes and fees. However, since the Panchayat so far could not collect the sufficient fees and taxes to run the developmental activities the Administration has introduced a scheme to encourage resource mobilization.

The major source of revenue for the District Panchayat is the Government of India Aid which is a tied fund. The total revenue available at the District Panchayat for the year 2012-13 was Rs. 17531.76 Lakhs and the expenditure incurred was Rs. 15921.47 Lakhs. This indicates that nearly 90.82 per cent of the funds were utilized in the year 2012-2013.

At the Village (Dweep) Panchayat level the major portion of the revenue is from tied funds (76.05%). The untied fund amounts to about 21.74%. The untied funds include the development scheme and other rural development Programmes ORDP fund. The share of own revenue which includes tax and non tax accounts to 2.21 per cent. The major portion of the expenditure is incurred from the untied and tied funds which account to about 49.89 and 49.66 percentages respectively. The expenditure from the Panchayat's own fund is very minimal which is 0.45 percentage. The average income and expenditure for a

Village (Dweep) Panchayat is Rs. 414.29 Lakhs and Rs. 288.90 Lakhs, respectively. This indicates that nearly 70% of the funds were utilized for the year 2012-2013.

The Administrator may, if he deems fit, place all or any of the properties of the nature specified below and situated within the jurisdiction of a Panchayat under the direction, management and control of the Panchayat, namely:-

- Open sites, waste and vacant or grazing lands, not being private property;
- Public roads and street.
- Wells, ponds, tanks and any adjacent land (not being private property) appertaining thereto;
- Sewage, rubbish and offensive matter deposited on streets or collected by the Panchayat from streets, latrines, urinals, sewers, cesspools and other places, and

Public lamps, lamp posts and apparatus; connected therewith or appertaining thereto. The taxes and fees referred to in sub-sections (1) and (2) shall be imposed assessed and realized in such manner and at such times as may be prescribed. Any person aggrieved by the assessment, levy or imposition of any tax or fee may appeal to the prescribed authority within forty-five days of the date of receipt of the order imposing such tax or fee. The Administrator may, by notification, suspend the levy or imposition of any tax or fee and may at any time in like manner rescind such suspension. When any tax, or fee other sum has become due, a Panchayat shall with the least practicable delay, cause to be presented to the person liable for the payment thereof, a demand notice in the prescribed form for the amount due from him and require him to pay the amount within thirty days from the date of receipt of such notice. Every notice of demand under sub-section shall be served in such manner as may be prescribed. If the sum for which a notice of demand has been served is not paid within thirty days from the date of receipt of such notice such sum shall be recoverable as an arrear of land revenue. The salary and allowances of Chairperson and Vice Chairperson of a Village (Dweep) Panchayat and of a President-cum-Chief Counsellor and Vice-President-cum-Counsellor of the District

Panchayat shall be such as the Administrator may with the approval of the President by order determine. Every member of a Panchayat other than the Chairperson, Vice-Chairperson of a village (Dweep) Panchayat and President-cum-Chief Counsellor and Vice-President-cum-Counsellor of District Panchayat shall be entitled to receive, such sitting fee and allowances as may be prescribed. Every Panchayat shall maintain accounts of its income and expenditure in such form as may be prescribed and shall be balance annually on the 1st day of April every year. Every village (Dweep) Panchayat shall prepare annually, on or before such date and in such form as may be prescribed, a budget estimate of its income and expenditure for the next financial year and submit it to the District Panchayat for its observations and recommendations. Provided that the budget estimate shall be so prepared that at the end of the financial year, the concerned Panchayat shall have at its credit a balance of not less than such minimum amount as may be prescribed in this behalf. The District Panchayat shall, as soon thereafter ;as may be, consider the budget estimates and return it with such observations and recommendations as it may consider necessary to the concerned Panchayat which shall approve it, by not later than the 1st March of each year, with such modifications as it may think it having regard to the observations and recommendations made by the District Panchayat. A copy of the approved budget estimate shall be forwarded to the prescribed authority without delay.

The District Panchayat shall prepare annually, on or before such date and in such form as may be prescribed, a budget estimate of its income and expenditure for the next financial year. Provided that ;the budget estimate shall be so prepared that at the end of the year the Panchayat shall have at its credit a balance of not less than such minimum amount as may be prescribed in that behalf. The District Panchayat shall, as soon as may be, after the said date consider the budget estimate and approve the same on or before the 31<sup>st</sup>, March of the current year without without modification as it shall think fit. A copy of every budget estimate as finally approved shall be forwarded by the President-cum-Chief Counsellor without delay to the prescribed authority. Where the Panchayat has failed to

comply with the provisions of sub-section (4), it shall be lawful for the Administrator to form an opinion that the Panchayat is incompetent to perform the duties imposed on it or functions entrusted to it under the provisions of this Regulation. No expenditure shall be incurred by a Panchayat unless it is included in the budget estimates which have been approved by it.

A Panchayat may, at any time during the year for which annual budget estimate has been approved, cause a revised or supplementary budget estimate to be prepared which shall be considered and approved by the Panchayat in the same manner as if it were an original annual budget estimate. Provided that a copy of the revised or supplementary budget estimate shall be forwarded to the prescribed authority within such time as may be prescribed. The accounts of every Panchayat shall be audited annually in such manner as may be prescribed. The audit shall be carried out by such officer as the Administrator may appoint in this behalf and that officer shall, within one month of the completion of the audit, forward copies of the audit report to the prescribed authority and to the concerned Panchayat. The prescribed authority may after considering the report and after making such further inquiry as it may consider necessary, disallow any item which appears to it to be contrary to law and surcharge the same on the person making or authorising the making of the illegal payment, and shall-

Any person aggrieved by an order of the prescribed authority under sub-section (3), **My** within forty-five days of the date of the order, prefer an appeal to the Administrator whose decision on such appeal shall be final. Every Panchayat shall submit annually to the prescribed authority a report (including the annual statement of accounts) on the administration of the Panchayat during the previous year, in such form as may be prescribed. The report shall be prepared by the Chairperson in the case of a village (Dweep) Panchayat and by the President-cum-Chief-Counsellor in the case of the district Panchayat and after it is approved by the concerned Panchayat, it shall be forwarded to the prescribed authority with a copy of the resolution of the Panchayat thereon.

## **Joint Committee Report on Taxation**

Section 51(1) and (2) of the Regulation authorizes the Village Panchayat and District Panchayat respectively to impose and collect taxes and fees from within their jurisdiction and to credit to the Panchayat fund (vide section 48). But the elected authorities of the Panchayat were reluctant to impose any taxes from within their jurisdiction. The need for mobilization of local resources in addition to the grants-in-aid has been discussed at various levels of the administration. The discussion in this regard led to the constitution of a Joint Committee on Taxation vide order No.F.5/16/95-DPO dated 16.3.1999 of the Administrator. The twelve member Committee representing the elected authorities of the Panchayats and senior officers was headed by Dr. KK Mohammad Koya, the then President-Cum-Chief Counselor of the District Panchayat. The final sitting of the committee was convened on 28 March 2001 and a report submitted to the Administrator on 22 May 2001.

The committee has recommended for the posting of an Account Officer with minimum two ministerial staff at the District Panchayat, and one upper division clerk at the Village (Dweep) Panchayat. It has also recommended for initiating a confidence building exercise among the elected authorities of the Panchayats ensuring the acceptability among them.

## **Conclusion**

The provisions contained in the Regulation and the Rules give power and opportunity to the Panchayats of the Islands for the mobilization of the resources preparation of budgets, annual administrative reports and maintenance of accounts. Being a UT, the islands are not covered by the awards of the Central Finance Commissions. No funds from the SFC and BRGF are transferred to the Islands. Hence the Panchayats in the UT are fully depending on the grants-in-aid and a little income from the local revenue mobilization. The authority of the Panchayat to impose, assess and collect taxes is not exercised properly. The island specific conditions, absence of political will and the inertia of the elected authorities prevents the Panchayats from exploring the possibilities of taxation authorized



under Section 51. However, the appointment of a twelve member joint committee on taxation headed by the then President –cum-Chief Counsellor and their recommendations has created a new sense of responsibility and self confidence among the elected authorities in the Panchayats. Introduction of new methods in resource mobilization through fees /user charges is claimed to be a unique achievement. The acceptability of user charges /fees may gradually evolve to compliance of taxes. The percentage own resources works out hardly around one per cent of the grants- in- aid. However, the method of collection of user charges /fees has paved the way for a ‘culture of buying public goods from the Panchayats’, which also increased the efficacy and relevance. The existence of two streams in the fiscal transfer to Panchayats is another salient feature of the Panchayat finance.

## CHAPTER 5:

# ACCOUNTING AND AUDIT

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### Introduction

Lakshadweep Panchayat Regulation, 1994 has a separate chapter on ‘finance, property, and accounts’ which also deals with audit. Section 56 and 57 gives details on accounts whereas Section 58 on audit. A serious reading of the sections shows the provisions in each section and sub section are not adequately guarded and explained. There are many references on “by order determine”, as may be prescribed”, prescribed authority, etc. All these may be supplemented with the support of appropriate rules. Rules are operational guidelines and can be described as the procedure explaining a provision in the legislation. Any act/regulation at any level needs guidelines for conduct or an action. It is more applicable in the case of Lakshadweep where there is no legislature of its own to make necessary amendments for the provisions in the Regulation. The Section 81 of the Lakshadweep Panchayat Regulation, 1994 states “The Administrator may, by notification make rules to carry out the provision in this Regulation”. Accordingly, the Lakshadweep Panchayats (Finance and Accounts) Rules 1997 was made by the Administrator. In this chapter an attempt is made to examine the above rules and its significance in the overall context of financial discipline and code of conduct. The procedure for accounting & audit both at and de jure and defacto is also an area for detailed discussion in the chapter.

### **Salient Features of Lakshadweep Panchayats (Finance and Accounts) Rules, 1997**

In exercise of the powers conferred by Section 81 of Lakshadweep Panchayats Regulation, 1994, the Administrator made the rules to supplement mainly sections of 56, 57 and 58, namely “the Lakshadweep Panchayats (Finance and Accounts Rules, 1997)”. It came in to force in 24<sup>th</sup> April, 1997 and published in the Official Gazette of Lakshadweep. It has total nine Chapters, one schedule and 28 Forms. According to the Rules, every Panchayat shall follow the procedure described in the following rules in

regard to the receipt, custody and disbursement of money and the maintenance of accounts connected therewith. It is mentioned that three essential requirements have to be fulfilled while incurred financial transactions in the Panchayats.

- (i) Sanction order from the appropriate authority for incurring any expenditure other than salary and allowance
- (ii) Availability of funds, and
- (iii) authorization of the Panchayat to incur expenditure above Rs.25,000.00 in the case of District Panchayat and Rs.10,000.00 in the case of Village (Dweep) Panchayat

### **Receipt of Money**

The Rule states that all moneys received by or on behalf of Panchayat by cash, demand draft, cheque or otherwise shall be credited to savings bank account in a Bank. However, there is an exception in the case of Village ( Dweep) Panchayat , Bitra where money can be credited in the account maintained with the C -operative Supply and Marketing Society . The saving bank account shall be operated jointly by the Chairperson and Executive Officer(EO) in the case of the Village (Dweep) Panchayat .and President – cum- Chief Counsellor and Chief Executive Officer (ECO) in the case of District Panchayat . The pass book of the accounts shall with the CEO/EO and each transaction shall be entered in the pass book, ‘then and there’ as it is mentioned. A separate cash receipt is designed under form 1 for the purpose. The utilization of Panchayat fund shall be with the approval of the Panchayat subject to the provisions of the Regulation and the Rules.

### **Maintenance of Cash Book and Concerned Records**

The Rules requires that a cash book shall be maintained by Panchayat in form-2. All money transactions relating to receipt and or disbursement shall be entered in the cash book on the same day of transaction and checked by the CEO/EO, as the case may be. The cash book shall be closed daily and shall be written with great care in order to avoid

erasures, omissions and over writings. The CEO / EO shall be responsible for the proper maintenance of the cash book. The accounts of the Panchayats shall be maintained properly in prescribed forms and registers in accordance with the instruction contained in these Rules. It states that at the end of each month the cash balance shall be physically verified by the CEO/EO, as the case may be, and certificate to that effect recorded with dated signature. The balance with pass book and cash book shall be reconciled at the end of each month. As per the provisions in the Rule, all payments within the island other than towards wages of labourers, salaries and allowances shall be paid by means of crossed check and payment outside the island by means of crossed demand draft. All payments shall be made on receipt of supporting vouchers. The bills and vouchers which have been paid shall be consecutively numbered in the order of payment and paid voucher shall be cancelled under proper attestation.

### **Maintenance of Accounts**

As per the instructions contained in the Rules, the accounts of the Panchayats shall be maintained properly in the prescribed forms and registers. Altogether 17 forms and registers are proposed to maintain by the Panchayats and appended in the Rules itself. There are special references for maintenance of bills for monthly pay and allowances, arrears of pay, leave salary, allowance, contingent bill etc. It is stated that the drawer of a bill is primarily responsible for an overcharge. In the case of blameworthy negligence on the part of the authority the question of recovery from either of them shall be considered. The period of retention against 15 records connected with accounts is mentioned in the Rule. It is also stated that all audit objections shall be cleared with in the period.

### **Annual Estimate of Income and Expenditure**

It is stated that every Village (Dweep) Panchayat shall prepare annually, budget estimates of its income and expenditure (in form 26) for the next financial year on or before 31<sup>st</sup> December and submit it to the District Panchayat for its observations and recommendations. The District Panchayat shall forward its observations and

recommendations to the concerned Village (Dweep) Panchayat. The Village (Dweep) Panchayat shall rework the budget proposals based on the necessary suggestions of the District Panchayat, before 1<sup>st</sup> March. The final document again shall be forwarded to the District Panchayat and to the concerned departments. The District Panchayat also shall prepare annually a budget estimate of its income and expenditure (in form 26) for the next financial year on or before 31<sup>st</sup> December. The District Panchayat shall approve the budget before 31<sup>st</sup> March and a copy of the same shall be forwarded to the Director of Panchayat and to the departments concerned. In both the cases the concerned Panchayat shall have a balance at its credit of not less than one –tenth of its normal income. The importance of the budget preparation is highlighted and it is stated that, “if the Panchayat fails to comply with the budget provisions, it shall be lawful for the Administrator to form an opinion that the Panchayat is incompetent to perform the duties imposed on it or functions entrusted to it under the Regulation and the Rules”. Again it is stated that “The President –cum-Chief Counsellor or Chairperson as the case may be after estimation of income and expenditure has been presented at the meeting of the Panchayat shall allow such time as is necessary for general discussion and soon after its close, proceed to put to vote various head of expenditure separately. Voting shall be by show of hand. The expenditure under every head shall be deemed to have been approved if passed by majority of voters of those present and voting.” There is a provision for ‘supplementary budget estimate’ to be prepared as in the same as that of budget estimate. No expenditure shall be incurred by a Panchayat unless it is included in the budget estimate. A consolidated account showing the total receipts and payment under different heads during the previous month shall be prepared and placed before the every meeting of the Panchayat for approval.

## **Stores**

There is a separate chapter on ‘stores’ (articles and materials purchased or acquired for the use of Panchayats) in the Rules. It is stated that purchase of all items required for the implementation of various schemes and other items of works to be carried out by the

Panchayat shall be in accordance with the provision contained in the following rules and subject to the availability of funds.

### **Power of Purchase, Receipt and Issues of Store**

The power of purchase is vested with the President cum-Chief Counsellor and the Chairperson. All materials received shall be examined, counted, measured or weighed, as the case may be when delivery is taken and they shall be recorded in the appropriate stock register..

- (a) Purchase shall be in the most economical manner, and in accordance with the actual requirement of public use and for implementing various schemes. Where scales of consumption or limits of stores have been laid down by the Panchayat the officer authorized for ordering a supply shall certify on the purchase order that the prescribed scales or limits are not exceeded.
- (b) The physical verification of all stores shall be made at least once in a year and certificate to that effect with its result appended to the concerned stock register.
- (c) The discrepancy noticed at the time of verification shall be brought to account immediately so that the stores account may represent the true state of affairs and shortages and damage as well as unserviceable stores shall be immediately reported to the President- Cum-Chief Counsellor or Chairperson, as the case may be, for necessary action and the same placed before the Panchayat.

The Rules has also made provisions for condemnation, of unserviceable articles, defalcations and write off stores. Whenever stores became unserviceable, obsolete or surplus they shall be listed out separately and declared as such and disposed of as per the recommendations of the Condemnation Board. The President- Cum-Chief Counsellor or Chairperson shall be the chairperson of the Boards, as the case may be. The Condemnation Board is empowered to examine the status of the articles and materials, to make formal survey and make recommendations. The recommendations of the Board shall be placed before the meeting of the Panchayat and got approval before disposing the

articles. If the Panchayat holds that stores have become obsolete, surplus or unserviceable owing to negligence, fraud etc., on the part of individual servant of Panchayat, it will be necessary to fix responsibility for the loss and to device remedial measures to prevent recurrence of such cases

## **Works**

As it is stated works shall be commenced subjected to the conditions of approval of the Panchayat , detailed plan & estimate and availability of funds. The power to accord administrative approval and technical sanction is mentioned in the Rules. The sanctioning power of the competent authority is fixed against the proposed estimate of the work.

(i)For the purpose of according technical sanction, the competent authority (Engineering Wing) shall have the following powers.

- |       |                         |       |   |               |
|-------|-------------------------|-------|---|---------------|
| (i)   | Junior Engineer         | up to | : | Rs 25,000/-   |
| (ii)  | Asst. Engineer          | up to | : | Rs 50,000/-   |
| (iii) | Executive Engineer      | up to | : | Rs 2,00,000/- |
| (iv)  | Superintending Engineer | above | : | Rs.2,00,000/- |

Where the services of the Asst. Engineer or Executive Engineer or Superintending Engineer are not available the matter shall be referred to the Public Works Department (PWD) of Lakshadweep Administration

(i)For the purpose of according administrative sanction, the competent authority (the Panchayat) shall have the following powers.

(i) Village (Dweep) Panchayat

- |             |   |       |   |               |
|-------------|---|-------|---|---------------|
| Chairperson | : | up to | : | Rs. 25, 000/- |
| Panchayat   | : | above | : | Rs.25, 000/-  |

(ii) District Panchayat

- |                                |   |       |   |               |
|--------------------------------|---|-------|---|---------------|
| President-cum-Chief Counsellor | : | up to | : | Rs. 50,000/-  |
| Panchayat                      | : | above | : | Rs. 50, 000/- |

Work shall be started with proper work order and the Chairperson and President- Cum Chief- Counsellor, as the case may be, have the power to grant extension of time for performance beyond the time frame originally fixed .It is stated that as and when any doubt regarding works, the rules and instructions contained in the Central Public Works Account Code shall be consulted for guidance. All contracts shall have framed in such a way that which includes provision for recovery for liquidated damage for defaults on the part of the contractor. Every Panchayat, according to the provisions in the Rule shall maintain a register of sanction of works in form 14.

### **Audit of Accounts**

The accounts of every Panchayat shall be audited annually by the Comptroller and Auditor General of India. Copies of audit report shall be forwarded to concerned Panchayat and to the Administrator within one month of the completion of audit.

- The Auditors may in writing require the production of any document, the perusal or examination of which they believe necessary for the elucidation of the accounts.
- In writing require any person having the custody or control of any such document or accountable for it to appear in person before them.
- The Executive Officer or Chief Executive Officer, as the case may be, shall forthwith remedy any defects or irregularities that may be pointed out by the auditors and report the same to the Panchayat within two months of the receipt of the final statement of the audit. The Panchayat shall take steps forthwith to prevent reoccurrence of the irregularities and defects pointed out in the audit and shall submit its report .Within six months from the date of receipt of financial statement of audit a copy of the proceedings of the Panchayat on the statement of audit thereon shall be forwarded to the auditors with copy to the administrator .



### **Fees to be charged**

Certified copy of records other than those relating to service matters of employees of a Panchayat shall be supplied on application, by charging fee. The rate per page in plain paper and photo copy is mentioned in the Rules .The Administrator shall revise the rate of fee by notification.

### **Annual Reports and Its Contents**

The Panchayat may submit to the Administrator before the first day of May of each year, Annual Report of its work during the previous financial year. The report shall contain eight items of information and they are (i) notification constituting the Panchayat, (ii) a statement showing the grants, contribution, gifts and loans and their utilization, (iii) taxation showing demand, realization, remission and arrears, (iv) income derived from fines,(v) income from other sources(vi) expenditure (vii) steps taken by the Panchayats during the year under report to carry out the purposes mentioned in the Regulation and these Rules ,(viii) a statement showing the outstanding claims ,with an explanation for their nonpayment during the year,(ix)a statement showing the works of construction and major repairs completed during the year in progress and proposed for future ,(x) any other matter of importance.

### **Inspection of Works of Panchayats**

Any member or officer of the Panchayat or any person authorized by the Administrator in this behalf or any member of Gram Sabha may inspect any work undertaken at the expense of the Panchayat. The Chairperson or President cum-Counsellor ,as the case may be ,or any member of the Panchayat authorized by the Chairperson or the President – cum- Chief Counsellor ,as the case may be ,or any officer authorized by the Administrator may hold any inquiry in connection with the administration of a Panchayat and for that purpose summon witness and compel production of any document. . Subject to the rules, all administrative proceedings of the Panchayat shall be open to inspection by any member of Gram Sabha. It is stated that the inspection shall be

carried out before an officer authorized by EO and CEO ,as the case may be. A book called the Inspection Book in form 20 shall be kept by every Panchayat and every person desiring inspections shall fill in the particulars in columns one to four of the inspection book.

### **Field Situation**

The Account General (Kerala) Audits the account of District Panchayat and Village (Dweep) Panchayats. The accounts of the Panchayats shall be maintained properly in the prescribed forms and registers. As per the instructions contained in the Rules, altogether 17 forms and registers are proposed to maintain by the Panchayats and appended in the Rules itself. In the case of the District Panchayat and the four selected Village (Dweep) Panchayats have maintained all the 17 forms/registers except four items (Table NO.5.1). The forms registers which are not seen in the Panchayats are, (i) register of audit objection, (ii) register showing the details of budget estimates, (iii) forms of Bill for short-term advance, and (iv) forms of car/other motor conveyance/house building advance Bill. The pattern is similar in District Panchayat and all the selected Village (Dweep) Panchayats. In addition to this, there are another set of nine registers, the maintenance of which may be considered necessary by the Administrator in the day to day functions of the Panchayat (Table No.5.1). It is seen in all the selected Village (Dweep) Panchayats. However, Inspection books are not seen either in the District Panchayat or in selected Villages Dweep Panchayats . In the case of Condemnation Boards it was not constituted in both the levels of Panchayats. In the case of Village (Dweep) Panchayats, the MGNREGA documents are available in the internet. It is also found up to date and authenticated. It is reported that the Village ( Dweep) Panchayat Kadamat had been audited on 2008 and after that no audit has been done whereas in the case of the other three selected Panchayats are different. The Village ( Dweep) Panchayats of .of Agathi, Amini ,and Kavarathi were not audited in the year 2012-2013. Social audits are being conducted under MGNREGA by the Panchayats.

**Table No. 5.1: Status of Forms & Registers Maintained by the Selected Panchayats**

Sl No	Different Forms & Registers Maintained by Panchayats	District Panchayat	Name of the Selected Village (Dweep) Panchayats			
			Agatt i	Amini	Kadamath	Kavarathi
1	Pay Bill Register	✓	✓	✓	✓	✓
2	Contingent Bill Register	✓	✓	✓	✓	✓
3	Advance Bill Register	✓	✓	✓	✓	✓
4	Register of Advances and Recoveries.	✓	✓	✓	✓	✓
5	Register of Tax/Fee collection.	✓	✓	✓	✓	✓
6	Register showing the details of Grants-in-Aid received from various Departments	✓	✓	✓	✓	✓
7	Cash Book.	✓	✓	✓	✓	✓
8	Register of Cheque issued	✓	✓	✓	✓	✓
9	Acquaintance Roll.	✓	✓	✓	✓	✓
10	TA Bill Register.	✓	✓	✓	✓	✓
11	Register of Audit Objection.	×	×	×	×	×
12	Register of undisbursed pay and allowances etc.	✓	✓	✓	✓	✓
1	Receipt Book.	✓	✓	✓	✓	✓
14	Stock Register for a) Consumable b) Non-consumable articles	✓	✓	✓	✓	✓
		✓	✓	✓	✓	✓
15	Establishment Register.	✓	✓	✓	✓	✓
16	Register showing the details of Budget Estimates.	×	×	×	×	×
17	Register of valuables.	✓	✓	✓	✓	✓
18	Form of Broadsheet of the Provident Fund.	✓	✓	✓	✓	✓

19	Form of annual statement of Provident Fund account.	✓	✓	✓	✓	✓
20	Form of detailed pay bill of the establishment of the Panchayat Fund.	✓	✓	✓	✓	✓
21	Form of Fully vouchered Contingent Bill.	✓	✓	✓	✓	✓
22	Form of Abstract Contingent Bill.	✓	✓	✓	✓	✓
23	Form of Bill for Short-term advances	×	×	×	×	×
24	Form of Car/other motor conveyance/House Building Advance Bill	×	×	×	×	×
25	Form of annual estimate of income and expenditure	✓	✓	✓	✓	✓
26	Muster Roll	✓	✓	✓	✓	✓
27	Any other register, the maintenance of which may be considered necessary by the Administrator in the day functioning of a Panchayat	See Table No.5.1				

Source: Records from the District Panchayat and Village( Dweep) Panchayats of Agatti ,Amini , Kadamath and Kavarathi

**Table No. 5.2: Status of Additional Registers kept in the selected Village (Dweep) Panchayats ✓**

Sl No	Name of the any other register, maintenance of which may be considered necessary by the Administrator in the day functioning of a Panchayat o	Name of the Selected Village (Dweep) Panchayats			
		Agatt i	Amini	Kadamath	Kavarathi
1	IAY payment Register	✓	✓	✓	✓
2	Pension payment Register	✓	✓	✓	✓
3	License Register	✓	✓	✓	✓
4	File open Register	✓	✓	✓	✓
5	Members oath Register	✓	✓	✓	✓
6	Own Account Remittance Register	✓	✓	✓	✓
7	MGNREGA contingent Register	✓	✓	✓	✓
8	MGNREGA expenditure Register	✓	✓	✓	✓
9	NOC Register	✓	✓	✓	✓
		✓	✓	✓	✓

Source: Records from the Village ( Dweep) Panchayats of Agatti ,Amini , Kadamath and Kavarathi

## Conclusion

Though the provisions on accounting and audit of the Lakshadweep Panchayat Regulation 1994 is widely discussed under the chapter on finance, property and accounts there are serious ambiguity to operationalize it at the ground level . It was felt that the provisions of the Regulation have to adequately support with administrative frame work of Rules by the notification of the Administrator. As per the Regulation, the Administrator is empowered to make such rules to carry out the business details of the provisions of the Panchayats .in accord with the power to make rules, the Administrator made a comprehensive business guidelines known as the Lakshadweep Panchayats (Finance and Account) Rules ,1997. The major commendable achievement is that the document has been framed in the context of island specific conditions. No doubt, it has great relevance in the mid 90s. However, there was no further value addition with technological input. As a result, the provisions in the Rules have been started trailing back. Since both the Regulation and the Rules are about two decades old, two major flaws are noticed. One, many provisions in the Rule are obsolete in the nature. Second, new concepts and practices on accounting and audit are not given any space in the document. It is quite surprise to note that there are not even casual references on social audit, transparency, accountability, right to information, internet etc. in the Rules. However, it is seen that attempts are made strictly by the Panchayats to follow the provisions in the Rule. Moreover, new trends in accounting and audit (social audit and transparency) and the application of internet and other soft ware have been brought in to the Panchayats by introduction of MGNREGA. It has also made some positive impact in the overall accounting and audit system of the core governance of the Panchayats.

# CHAPTER

## PANCHAYAT FUNCTIONARIES

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### **Introduction**

As part of the overall process of devolution, the transfer of functionaries took place in the Union Territory of Lakshadweep and it has been a linear one. The trends and pattern of the devolution is more or less applicable in the case of the functionaries too. Therefore, the process of transfer of functionaries may be discussed in the backdrop of devolution. Introduction of the Lakshadweep Island Councils Regulation, 1988 paved way for constitution of Pradesh Council at the district level and Island Councils in all the islands with elected members and an administrative structure of slender functionaries. The first major step towards effective devolution of functions with the support of a two tier structure of Panchayat Raj was taken by the Lakshadweep Panchayat Regulation 1994. The Regulation empowers the Administrator to transfer functions, funds and functionaries to the District Panchayat and Village (Dweep) Panchayats. Five Executive Orders at different period of time by the Administrator had devolved functionaries along with the other two Fs (functions and finance). The recent devolution initiative on 2012 which is known as the 'Fifth Phase of Devolution' has transferred the full functionaries of five departments to the District Panchayat whereas it unloaded the functionaries from the Village (Dweep) Panchayats. The official pronouncement is that the transfer is total in terms of number and control and beyond the administrative structure of 'dual control' In this chapter an attempt has been made to understand the functionaries devolved to Panchayats based on the Regulations, the Executive Orders and actual field operations. While doing the exercise, it is made to understand whether the official claim is rhetoric or real. The chapter makes an attempt in this direction.

## **Functionaries of the Panchayats as Per the Regulation**

### **Appointment, Functions, Pay, Allowance and Allocation to Panchayats**

There is an exclusive chapter on ‘Executive Officer, Chief Executive Officer, Other Officers and Employees of the Panchayat ’ in the Lakshawep Panchayat Regulation ,1994 . Section 33 of the Regulation gives details on appointment, transfer, and removal of Executive Officer and Chief Executive Officer. It is stated that, the Administrator may appoint a Government Officer to act as Executive Officer for every Village (Dweep) Panchayat and as Chief Executive Officer for the District Panchayat. The Executive Officer (EO) and the Chief Executive Officer(CEO) appointed under sub-section (1) shall be paid such salary and allowances as may from time to time ;be fixed by the Administrator. The Administrator may, at any time, transfer an Executive Officer from one Village (Dweep) Panchayat to any other Village (Dweep) Panchayat. The Administrator may, at any time, remove an Executive Officer or Chief Executive Officer or institute disciplinary proceedings against him/her in accordance with the rules applicable for the employees of the Central Government.

The Regulation also stated the functions of the Executive Officer and the Chief Executive Officer and other employees .The EO and the CEO shall have the right to attend the meeting of the Panchayat and take part in the discussions but shall have no right to move any resolution or vote. They are also empowered to take steps to carry into effect the resolutions of that Panchayat. However, in certain cases they can refer the case to the ‘prescribed authority’.Control the officers and the employees of Village (Dweep) Panchayat and of the District Panchayat shall be subject to such rules as may be prescribed. The Administrator may authorize any Government Officer to exercise such of the functions of the EO or the CEO under the Regulation.

Every Village (Dweep) Panchayat and a District Panchayat shall have such other officers and employees as may be determined under this Regulation. They shall be appointed by such authority and their conditions of service shall be such as may be prescribed. The

officers and employees appointed under sub-section (1) shall, in the discharge of their functions and duties, exercise such powers as may be conferred on them by the Panchayat. For the purpose of bringing about uniform scale of pay and uniform conditions of service of persons employed in the discharge of functions and duties of Panchayats, persons shall be employed in connection with the affairs of Panchayats and they shall be distinct from the persons employed in connection with the affairs of the Administration. The persons employed in connection with the affairs of the Panchayats referred to as 'Panchayat employees'. The Administrator is empowered to determine all the details of the employees from time to time such as classes, cadres and posts and the initial strength of officers and employees in each category. In addition to the posts referred to in Sub-Section (2) a Panchayat may have such other posts as the Administrator may by general or special order determine. Such posts shall be called 'deputation posts' and shall be filled in accordance with the provisions of this Regulation.

The Regulation also gives the power to the Administrator for making rules regulating the mode of recruitment either by holding examination or otherwise and conditions of service of persons appointed to the Panchayats and the powers in respect of appointments, transfer and promotion of officers and employees in the Panchayats and disciplinary action against such officers or employees. Subject to rules which the Administrator may make in this behalf, the expenditure towards the pay and allowances of and other benefits available to, a Panchayat shall be met by that Panchayat from its own fund. The Administrator shall, by a general or special order, allocate to a Panchayat such officers employed in the Administration as may be necessary to enable the Panchayats to discharge efficiently their functions and duties under this Regulation. The officers allocated to a Panchayat under sub section (1) shall be taken over by such Panchayats in such cadre, on such tenure, remuneration and other conditions of service, as the Administrator may, by general or special order determine. Under Section 38 of the Regulation, the officers allocated to a Panchayat shall initially be provisional and it shall be lawful for the administration to review their allocation within a period of four years from such allocation, and if necessary to re-allocate by an order made in that behalf any



of such officer for the reasons prescribed by rules. Any officer, who is not re-allocated under Sub-Section (1) and continues in the service of a Panchayat immediately before the expiry of the aforesaid period of four years shall on such expiry, be deemed to be finally allocated to that Panchayat.

For the purpose of enabling the Panchayats to discharge their functions and duties under this Regulation, it shall be lawful for the administration to direct by a general or special order that such number of officers of the administration shall be posted under a Panchayat and for such period and subject to such conditions as may be specified in the order and accordingly the officers specified in the order shall be posted under such Panchayat. The pay and allowances of an officer posted in accordance with Sub-Section (1) shall, during the period of posting, be paid by the Panchayat from its fund. The procedure in respect of disciplinary action against any officer posted under Panchayat, the authorities competent to take such action and the powers of such authorities shall be such as may be prescribed. Any Panchayat may, subject to the rules made in this behalf, obtain the services of any officer of the administration on deputation. The allocation of any officer to the Panchayat shall not entitle such officer to any compensation under that Act or law and no claim for any such compensation shall be entertained by any court, tribunal or authority. A careful reading of the chapter gives an impression that the total sphere of administrative action of the functionaries are not with the Panchayats but with the Administrator or the prescribed authority.

### **Control of Functionaries Transferred to Panchayat**

There is another chapter on 'Control' in the Lakshadweep Panchayat Regulation, 1994. Section 60 of the Panchayat Regulation stated that the administrator shall exercise his/her control over the Panchayats either directly or through such officer or officers as he/she may, by general or special order, appoint for the purpose. The Administrator may from time to time, by an order in writing, issue to all or any of the Panchayats such direction, as he/she may think necessary, for avoiding any such overlapping of functions, or shifting of the responsibility. The Panchayats shall be bound to exercise their powers and perform

their functions and duties in conformity with such directions. The Regulation says the necessity of administrative sanction to works, schemes, grant- in- aid and acquisition of property. Any work or development scheme which a Panchayat intends to undertake as part of its functions and duties under this Regulation has to be approved by the panchayat and the plan thereof by the technical authority . No such work of development scheme shall be commenced and no grant-in-aid shall be made by a Panchayat from its fund unless previous sanction has been accorded thereon by such authority as may be prescribed by rules in this behalf. Subject to such exceptions as may be prescribed, no property shall, be acquired by a Panchayat unless previous sanction has been accorded thereto by such authority as may be prescribed.

### **The Mechanism and Process of Transfer of Functionaries**

We have already seen the process of appointment, transfer and removal of functionaries assigned to District Panchayat & Village (Dweep) Panchayats per the Lakshadweep Panchayat Regulation, 1994. In this section an attempt is made to understand the transfer of functionaries along with the five phases of devolution.

The Lakshadweep Panchayats Regulation, 1994 empowers the Administrator to transfer schemes and programmes along with funds and functionaries within the jurisdiction of Village (Dweep) Panchayats and District Panchayat under Sub Section (2) of Section 44 read with Section 46 of the Regulation in a phased manner ( emphasis added). As per the above mentioned powers, the Administrator of UT of Lakshadweep had already transferred schemes and programmes along with functionaries to the District Panchayat and Village ( Dweep) Panchayat in five phases at different point of time.

#### **First Phase: (F.No.4/2/97-DOP, Dated 17-7-1998)**

As per the above Order, the details of functionaries transferred to both the District Panchayat and Village (Dweep) Panchayats were given in Appendix No 1 & 2. Under the first phase only limited schemes and functionaries of seven departments (agriculture, animal husbandry, fisheries , education, health, libraries and art & culture) were

transferred. All together, 83 posts with 1055 functionaries were transferred to the Panchayats .As per the disaggregated figure, 56 post and 798 functionaries had with the District Panchayat whereas 27 posts and 257 functionaries with the Village (Dweep) Panchayat. Among the departments more functionaries were transferred from education,

**Second Phase: (F.No.7/4/2000-DOP&RD, Dated 9-4-2001)**

In the second phase, steps were taken to transfer 12 functionaries under four posts from two departments (small scale industries and labour & employment).Out this, three functionaries were transferred to the District Panchayat under three posts. In the case of Village (Dweep) Panchayat it was nine functionaries under one post (AppendixNo.3& 4).

**Third Phase: (F.No.2/8/2006-DOP&RD, Dated28-6-2006)**

Under the third phase, 20 functionaries of two posts were transferred Village (Dweep) from the electricity department (Appendix No.5). No functionaries were given to the District Panchayat.

**Fourth Phase: (F.No.2/14/2009-DOP, Dated 29-12-2009)**

Under the phase 21 functionaries and nine posts were transferred to Panchayats. it is seen that the District Panchayat had received 12 functionaries and two posts whereas the share of the Village (Dweep) Panchayat was nine functionaries and one post Appendix No. 6&7).

**Fifth Phase: (F.No. 2/1/2012-DOP, Dated 7-3-20012)**

A committee had been constituted by the Administrator vide Order F.No.1/11/2011-CDCdated18-10-2011 to review the transfer the schemes / programme along with the functionaries and funds under the four phases .It was to examine whether the devolved functions and functionaries have been transferred to the Panchayats in the right spirit of the devolution and whether additional scheme /programmes and functionaries are to be transferred to the Panchayats. The committee submitted the report to the Administrator on 22 May 2011.

Based on this review and in exercise of powers conferred on the Administrator under the Regulation and in continuation to the executive orders referred devolution process, the Administrator had transferred all the schemes/ programmes and all the functionaries of five departments viz,(i) agriculture ,(ii) animal husbandry ,(iii) education. (iv)fFisheries and (v) health & sanitation along within all plan schemes and non plan components to the District Panchayat. The Administrator transferred the entire establishments of the five departments. The Order also stated that “the Directorates along with their staff of these five departments will function from separate building”. The present status of the functionaries is given in Appendix No. 2. On the other side, as per the order (F.N2/1/2012-DOP/519 dated 19/05/2012) the Administrator & the Secretary ( Panchayats ) asked all the Chairpersons to relive the functionaries of the five departments who were transferred to the Village (Dweep) Panchayats under the four phases. In response to the above order the concerned the Chairpersons relieved the above mentioned functionaries to the District Panchayat .

### **Functionaries at the District Panchayat**

Here, an attempt has been made to assess the present position of the functionaries at the District Panchayat . There are two set of functionaries and they are (i) Core Functionaries of the District Panchayat (*not included departmental functionaries which are transferred to the District Panchayat*) and (ii) Departmental Functionaries which are transferred to the District Panchayat).

**Core Functionaries of the District Panchayat:** The Chief Executive Officer (CEO) is the administrative head of the district level functionaries of both core and departmental staff which are transferred to the District Panchayat. The CEO is a senior office from the non IAS cadre in the Lakshadweep Administration and under the direct administrative control of the District Panchayat through the President –cum -Chief Counsellor (PCC). Since the CEO is appointed by the Administrator, he/she is subjected to the Administrator for all official/administrative matters of disciplinary action, sanction of leave, transfer

and ACR writing. The relationship between PCC and the CEO is seen very cordial. It is observed that the CEO accepts the political legitimacy and leadership of the PCC without any bureaucratic haughtiness. Any amount of stress and strain is not seen between them. Evidence suggest that if there is any difference of opinion between the CEO and the PCC/ District Panchayat it would solved by the Administrator as per the decision of the latter. It would be interested to know the striving force behind the cordial relationship between them. Whether is it personal or institutionalized? .Or the hypothetical question is what type of relationship you can visualize when there is a change in the positions? The researchers have a feeling that the relationship may change in corresponding to the changes in the profiles. It also gives an impression that the structure is not yet institutionalized. The CEO is directly assisted by one Joint Executive Officer(JEC), one Superintend, one Accountant, four Upper Division Clerk(UDC) ,four Lower Division Clerk(LDC) ,ten Multi Skills(MSE). In addition to the above, there is some contractual staff (one Folk Dance Teacher, one Data Entry Operator, and ten Casual Labourers) to support the District Panchayat (Table No.6.1).

**Table No.6.1: The Core Functionaries of the District Panchayat**

Sl NO	Name of the designation	No of Post	Status and Protocol of the designation	Relations with Head of the Elected Authority(PCC)
1	CEO	1	Non IAS Cadre , but Senior Post/ DANICS	Cordial & Accepts the Political Legitimacy of the PCC.
2	JEC	1	Junior Post	Subordinate.
3	Superintend	1	Junior Post	Subordinate.
4	UDC	4	Clerical Post	Subordinate.
5	LDC	4	Clerical Post	Subordinate.
6	MSE	10	Lower post	Lower post
7	Contractual Staff			
	i. Folk dance teacher	1	Only on Contract	Only on Contract.
	ii. Data entry operator	1	Only on Contract	Only on contract.
	iii. Casual labourers	10	Only on Contract	Only ob Contract.

**Source:** District Panchayat, Lakshadweep Administration

### **Departmental Functionaries Transferred to the District Panchayat:**

As an outcome of the five phases of the devolution exercise ,the five departments (i) agriculture ,(ii) animal husbandry ,(iii) education , (iv) fisheries and (v) health & sanitation) along with all the functionaries had been transferred to the District Panchayat (Table No.6.2) .This process is the known as full ‘transfer’. Since all the functionaries from the five departments had been transferred, they are fully under the administrative jurisdiction of District Panchayat without the ‘dual control mechanism’. This seems to be a notable experience in the administrative structure of the post amendment scenario which needs further observation and analysis In addition to this, a few functionaries (76 functionaries) from other five departments viz,(i).environment & forests, (ii) social welfare & tribal affairs, (iii) libraries,(iv) art& culture and (v) industries) were also transferred (Table No.6.2). As it is mentioned only partial functionaries had been transferred from these departments. As the parent/line departments are intact, the transferred functionaries are only ‘partially under the administrative jurisdiction of the District Panchayat. In this case dual control mechanism is applicable. Altogether, 1904 functionaries from 10 departments (five departments in full and five in partial) were transferred to the District Panchayat .

**Table 6.2: The Functionaries Transferred to District Panchayat**

Sl No.	Name of the Departments where Functionaries were Fully Transferred	No. of Posts	No Employees of	Nature of Control by the DP
1.	Agriculture Department	12	213	Full (Dual Control is not applicable
2.	Animal Husbandry Department	33	215	Full (Dual Control is not applicable
3.	Fisheries Department	32	129	Full (Dual Control is not applicable
4.	Education Department	56	1015	Full (Dual Control is not applicable
5.	Health Department	47	256	Full (Dual Control is not applicable

	Name of the Departments where Functionaries were Partially Transferred			
6.	Department of Environment & Forests	6	20	Partial (Dual Control is applicable)
7.	Directorate of Social welfare & Tribal Affairs	2	3	Partial (Dual Control is applicable)
8.	Council of Libraries	7	31	Partial (Dual Control is applicable)
9.	Art & Culture Department	1	9	Partial (Dual Control is applicable)
10.	Industries of Department	10	13	Partial (Dual Control is applicable)
	Total	<b>206</b>	<b>1904</b>	

**Source:** Source: District Panchayat, Lakshadweep Administration

### **Functionaries at the Village (Dweep) Panchayat**

An attempt has been made to illustrate the present position of the functionaries at the Village (Dweep) Panchayat . There are (i) Core Functionaries) and (ii) Departmental functionaries who are transferred to the Village (Dweep) Panchayats

**Core Functionaries of the Village ( Dweep) Panchayat:** The Executive Officer (EO) is in charge of the administrative matters of the Village( Dweep) Panchayat. The EO is one of the junior officers in the concerned Village. There are Deputy Collectors for the bigger islands and Sub Divisional Officers (SDOs) for smaller islands who are the senior officers in the respective islands. These offices are seemingly the real power centers of the islands rather than the EO of the Village (Dweep) Panchayat .Village (Dweep) Panchayat being a political institution the EO is under the direct administrative control of the Village (Dweep) Panchayat through the Chairperson. There is no official post/cadre as EO in the administrative structure of Lakshadweep. The EO is appointed by the Administrator, among the junior officers in different departments. They are drawn either from the post of Superintends /Accounts from the Lakshadweep administration.. Therefore, the person who is appointed as EO may not be either necessarily trained for the post in advance or any previous experience similar to that of the designation as the

EO. There are number of evidences to cite that EOs are appointed without any previous experience suited to the post and problems caused by thereof for Panchayat Administration. It is also alleged that in many cases the EOs are less equipped with skills, experiences and knowledge domain to hold such post. and All official /administrative matters are being done by different authorities, appoint /selection by the Administrator ,checking attendance, day to day monitoring, leave sanction and ACR writing by the Director of Panchayats . The relationship between Chairperson and the EO is seen mixed situations and in many cases it is cordial but there are cases to cite otherwise. It is observed that generally the EOs acknowledge the political legitimacy and leadership of the Chairperson without any bureaucratic haughtiness but there are incidences of stress and strain. There are a few evidences to suggest that the Chairperson's socio-economic and political profile was given more emphasis than the designation. In an island specific situation proximity, intimacy and other primordial loyalties which shapes the relationship between the Chairperson and the EO. It also gives an impression that the images of both the designations are seen and interacted in the backdrop of formal relations also .It is understood that the official relationship is in the process of institutionalized. The EO is directly assisted by one UDC and one MSE (Table No.6.3). In general, Chairperson seems to be powerful in the island specific context of Lakshadweep .

**Table No.6.3: The Core Functionaries of One Village ( Dweep) Panchayat .**

Sl NO	Name of the designation	No of Post	Status and protocol of the designation	Relations with head of the elected authority
1	EO	1	Junior Functionary.	Cordial But Not Always & Not Always Accepts the Political Legitimacy of the Chairperson.
2	UDC	1	Clerical Post	Subordinate.
3	MSE	1	Lower Post	Subordinate

**Source:** Average Situation in the Selected Village (Dweep) Panchayats



### **Departmental Functionaries Transferred to the Village (Dweep) Panchayats:**

The Village (Dweep) Panchayat may be considered as an entity which lost considerable volume of posts and functionaries in the entire process of devolution. It was seen that in the initial stages of devolution the Village (Dweep) Panchayats were not in a disadvantages position in terms of the number of transferred functionaries. In the first phase of devolution, for example, 27 posts and 257 functionaries were transferred to the Village (Dweep) Panchayats and the same trend was followed in the subsequent phases. One post with nine functionaries and two posts with 20 functionaries were transferred to the Village (Dweep) Panchayats in the second and third phases, respectively. Under the fourth phase of devolution, nine functionaries of a single post were transferred to the Village (Dweep) Panchayats, again. As a result, since the beginning of the fifth phase the Village (Dweep) Panchayats had equipped with considerable volume of functionaries and posts. However, under the fifth phase the Administrator & the Secretary ( Panchayat) by order asked all the Chairpersons to relive the functionaries of the five departments of agriculture ,animal husbandry , fisheries, education and health & sanitation and the concerned the Chairpersons relieved the above mentioned functionaries to the District Panchayat . At present, only there are five posts and 208 functionaries with five posts from five departments are with the Village (Dweep) Panchayats (Table No.6.4). Out of the functionaries, all are subjected to a an administrative mechanism of ‘dual control’ except the functionaries of one post (type writing instructor) under the department of labour & employment.

**Table No. 6.4: The Functionaries Transferred to Village (Dweep) Panchayats**

<b>Sl No</b>	<b>Name of the Department</b>	<b>Name of the Post</b>	<b>Number of Employees</b>	<b>Nature of Control by the VDP</b>
1	PWD	Junior Engineer	10	Partial (Dual Control is applicable)
2	Electricity	Helper for Line Man	10	Partial (Dual Control is applicable)
3	Labour & Employment	Type Writing Instructor	9	Full (Dual Control is not applicable)

4	Women & Child Development	Anganwadi Workers & Helpers	174	Partial (Dual Control is applicable)
5	Art& Culture	Folk Dance Instructor	5	Partial (Dual Control is applicable)
	Total		208	

**Source:** Directorate of Panchayat, Lakshadweep

## Conclusion

The process of transfer of functionaries is seen in the overall backdrop of devolution. As part of the process of devolution, the transfer of functionaries also took place. The trends and pattern of the devolution is similar in the case of the functionaries too. As per the provisions in the Regulation the Administrator transfers functions, funds and functionaries to the District Panchayat and Village (Dweep) Panchayats. There is an exclusive chapter to deal with the governance of the functionaries of the Panchayat. The Chief Executive Officer (CEO) is the administrative head of the district level functionaries of both core and departmental staff which are transferred to the District Panchayat. The CEO is a senior office from the non IAS cadre in the Lakshadweep Administration and assisted by core team. The District Panchayat is being a political institution; the functioning of the ECO is directed by the District Panchayat through the President –cum -Chief Counsellor (PCC). The Regulation gives details on appointment, transfer, and removal of Executive Officer and Chief Executive Officer. The Executive Officer (EO) and the Chief Executive Officer (ECO) shall be paid such salary and allowances as fixed by the Administrator. The Administrator may transfer an Executive Officer from one Village (Dweep) Panchayat to any other Village (Dweep) Panchayat. The Executive Officer (EO) is in charge of the administrative matters of the Village (Dweep) Panchayat and the Eo is assisted by a UDcand a sub staff . The EO is one of the junior officers in the concerned Village. The removal an EO or CEO or institute disciplinary proceedings against him/her is also vested with the Administrator.

A careful reading of the chapter gives an impression that the total sphere of administrative domain of the functionaries are not with the respective Panchayats but with the Administrator or the prescribed authority. The Administrator had issued five

executive orders at different period of time which devolved functionaries along with functions and finance. The detail analysis of each order gives an impression that a 'graduated approach' was followed in devolution of functionaries to the Panchayats. The recent devolution initiative on 2012 which is known as the 'Fifth Phase of Devolution' has transferred the full functionaries of the first set of five departments (agriculture, animal husbandry, fisheries, education and health & sanitation) with full functionaries to the District Panchayat and in their case the 'dual control mechanism' is not applicable. The official position which asserts that the transfer is total in terms of number and control and beyond the administrative structure of 'dual control' are verified as affirmative. There are other set of second departments where only a few functionaries were transferred to the District Panchayat. The concerned parent/line departments still exercise some degree of control over the transferred functionaries from the second set of departments. Therefore of the 'dual control mechanism' is in operation over the functionaries of the second set of departments. On the other side, the functionaries of the Village (Dweep) Panchayats were taken back as per the same devolution initiative. Only a very slender layer of functionaries are with the Village (Dweep) Panchayats and they are subjected to 'dual control mechanism'. The devolution of functionaries has strengthened the Panchayats to some extent, in general. However, the tier wise analysis gives an impression that the devolution of functionaries has not equally benefited both the District Panchayat and Village (Dweep) Panchayats. The terms of trade (devolution) is in favour of the former and even at the cost of the latter. Of course, this is the reflection of the overall state of affairs of devolution in Lakshadweep islands.

## Appendix

**The Appendix No. 6.1: Details of Functionaries Transferred to District Panchayat under First Phase of Devolution (F.No.4/97-DOP, Dated 17-71998)**

Name of the Department & Staff	Posts	No of Employees
<b>I.Agriculture Department</b>		
1. Technical Assistant	1	1
2. Agriculture Field man	1	10
3. Power tiller Operator	1	1
4. Agriculture Maistry	1	5
5. Agriculture Mali	1	8
6. LD Clerk	1	1
7. Casual Labourers	1	29
<b>Total</b>	<b>7</b>	<b>55</b>
<b>II.Animal Husbandry Department</b>		
1. Accountant	1	1
<b>Total</b>	<b>1</b>	<b>1</b>
<b>III. Fisheries Department</b>		
1. Accountant	1	1
2. UD Clerk	1	1
3. LD Clerk	1	1
4. Peon	1	1
5. Watchman	1	1
6. Asst. Director of Fisheries	1	1
7. Junior Engineer	1	1
8. Supervisor BBY	1	1
9. Maistry BBY	1	2
10. Carpanter	1	2
11. Fisheries Inspector	1	1
12. Fisheries Inspector	1	1
<b>Total</b>	<b>12</b>	<b>14</b>
<b>IV. Education Department</b>		
1. Headmaster JBS	1	20
2. Primary School Teacher	1	364
3. Nursery Teacher	1	29
4. Language Teacher(Mal)	1	14
5. Language Teacher (Hindi)	1	13
6. Graduate Teacher	1	10
7. Junior Arabic Teacher	1	6
8. Peon	1	22
9. Assistant Educational Officer	1	2
10. PET	1	5
11. PTI	1	6
12. Language Teacher(Arabic)	1	26
13. Craft Teacher	1	12
14. Needle Craft Teacher	1	6
15. Dance cum Music Teacher	1	10
16. Drawing Teacher	1	1
17. Accountant	1	2
18. LDC	1	6
19. UDC	1	6
20. Cook	1	68
21. Ayahs	1	9
22. SEO	1	2

23. VEO	1	9
24. Mahal Translator	1	1
25. Assistant Director	1	1
26. Project Co ordinator	1	2
27. Accounts Clerk	1	1
28. Prerak	1	15
<b>Total</b>	<b>28</b>	<b>688</b>
<b>V.Libraries</b>		
1. LIA	1	9
2. Attendant	1	9
3. Helper	1	9
4. UDC	1	1
5. LDC	1	1
6. Nadappal	1	1
7. Caretaker	1	1
<b>Total</b>	<b>7</b>	<b>31</b>
<b>VI. Art &amp; Culture</b>		
1. FDI	1	9
<b>Total</b>	<b>1</b>	<b>9</b>

**Source:** Order No. F.No.4/2/97-DOP, Dated 17-7-1998

**The Appendix No. 6.2: Details of Functionaries Transferred to Village (Dweep) Panchayats under First Phase of Devolution (F.No.4/2/97-DOP, Dated 17-7-1998)**

<b>Name of the Department &amp; Staff</b>	<b>Posts</b>	<b>No of Employees</b>
<b>I.Agriculture Department</b>		
1. Plant Protection Assistant	1	1
2. Agriculture Demonstrator	1	1
3. Fertilizer Demonstrator	1	1
4. Horticulture Assistant	1	1
5. Agri Supervisor	1	3
6. Junior Tech. Assistant	1	1
7. Agri Fieldman	1	5
8. Power Tiller Operator	1	3
9. Field Instructor	1	6
10. Candy Instructor	1	2
11. Agri Maistry	1	12
12. Agri Mali	1	46
13. Nursery waterman	1	8
14. Labourers	1	57
<b>Total</b>	<b>14</b>	<b>147</b>
<b>II.Animal Husbandry Department</b>		
2. Stockman	1	10
3. Para Veterinary	1	10
4. MSE	1	10
5. Labourer	1	10
<b>Total</b>	<b>4</b>	<b>40</b>
<b>III. Fisheries Department</b>		
1. Fisheries Officer	1	1
2. Asst. Fisheries Officer	1	2
3. Mechanic Gr.A	1	9
4. Mechanic Gr. B	1	12
5. Fisheries Inspector	1	4
6. Field Assistant	1	6
<b>Total</b>	<b>6</b>	<b>34</b>

<b>IV. Health &amp; Sanitation</b>		
1. Health Inspector	1	9
2. Field Worker	1	17
3. ANM	1	10
<b>Total</b>	<b>3</b>	<b>36</b>

**Source:** Order No. F.No.4/97-DOP, Dated 17-7-1998

**The Appendix No. 6.3: Details of Functionaries Transferred to District Panchayat under Second Phase of Devolution (F.No.7/4/2000-DOP&RD, Dated 9-4-2001)**

Name of the Department & Staff	Posts	No of Employees
<b>I.Small scale Industries</b>		
1. Supervisor	1	1
2. Training Assistant	1	1
3. Master Craftsman	1	1
<b>Total</b>	<b>3</b>	<b>3</b>

**Source:** Order No. F.No.7/4/2000-DOP&RD, Dated 9-4-2001

**The Appendix No. 6.4: Details of Functionaries Transferred to Village (Dweep) Panchayat under Second Phase of Devolution (F.No.7/4/2000-DOP&RD, Dated 9-4-2001)**

Name of the Department & Staff	Posts	No of Employees
<b>I.Labour &amp; Employment</b>		
1. Type Writing Instructor	1	9
<b>Total</b>	<b>1</b>	<b>9</b>

**Source:** Order No. F.No.7/4/2000-DOP&RD, Dated 9-4-2001

**The Appendix No. 6.5: Details of Functionaries Transferred to Village (Dweep) Panchayat under Third Phase of Devolution (F.No.2/8/2006-DOP&RD, Dated 28-6-2006)**

Name of the Department & Staff	Posts	No of Employees
<b>I.Electricity</b>		
1. 1.Lineman	1	10
2. 2.Helper	1	10
<b>Total</b>	<b>2</b>	<b>20</b>

**Source:** Order No. F.No.2/8/2006-DOP&RD, Dated 28-6-2006

**The Appendix No. 6.6: Details of Functionaries Transferred to District Panchayat under Fourth Phase of Devolution (F.No.2/14/2009-DOP, Dated 29-12-2009)**

Name of the Department & Staff	Posts	No of Employees
<b>I.Small scale Industries</b>		
1.Executive Officer	1	1
2.Accountant	1	1
3.UDC	1	1
4.Financial Advisor	1	1
5.Salesman	1	4
6.Helper	1	1
7.Watchman	1	1
<b>Total</b>	<b>7</b>	<b>10</b>
<b>II. Social Welfare</b>		
1.Social Welfare Inspector	1	2
<b>Total</b>	<b>1</b>	<b>2</b>

**Source:** Order No. F.No.2/14/2009-DOP, Dated 29-12-2009

**The Appendix No. 6.7: Details of Functionaries Transferred to Village (Dweep) Panchayat under Fourth Phase of Devolution (F.No.2/14/2009-DOP, Dated 29-12-2009)**

Name of the Department & Staff	Posts	No of Employees
<b>I.Agriculture</b>		
1. Junior Engineer	1	9
<b>Total</b>	<b>1</b>	<b>9</b>

**Source:** Order No. F.No.2/14/2009-DOP, Dated 29-12-2009

**Appendix No.6.8: Functionaries in the Agriculture Department, District Panchayat**

	Name of the Posts	No of Employees
1	District Agriculture Officer	1
2	Technical Assistant	1
3	Agriculture Supervisor	12
4	Oil Engineer Mechanical	4
5	UDC	3
6	LDC	5
7	MSE	181
8	Casual Labors	1
9	Agriculture Officer	1
10	Power tiller Operator/oil engine mechanical	2
11	Field Man	1
12	Foreman	1
	<b>Total</b>	<b>213</b>

**Source:** Department of Agriculture, District Panchayat

**Appendix No. 6.9: Employees in Department of Animal Husbandry, District Panchayat**

	Posts	No of Employees
2.	Assistant Director	2
3.	Statistician	1
4.	Field Officer	1
5.	Statistical Investigator	1
6.	Accountant	5
7.	Lab Technician	1
8.	Farm Manager	4
9.	Enumerator	2
10.	UDC	2
11.	LDC	8
12.	Electrician	5

13.	Multi Skilled Laborer	1
14.	Temporary Status Labouror	1
15.	Skilled Labouror	1
16.	Labourers	107
17.	Veterinary Surgeon	12
18.	Veterinary Inspector	3
19.	Hatchery Manager	4
20.	Stockman	10
21.	Power tiller Operator	2
22.	Veterinary Attender	8
23.	Poultry boy	7
24.	Bell Attender	4
25.	SMM	1
26.	Milkman	2
27.	MSE	3
28.	Ministry	2
29.	NWC	13
30.	Fodder Development Assistant	2
	<b>TOTAL</b>	<b>215</b>

**Source :** Department of Animal Husbandry, District Panchayat

**Appendix No.6.10 : No of Employees in Department of Fisheries, District Panchayat**

	Posts	No of Employees
1.	District Fisheries Officer /Asst. Director of Fisheries	4
2.	Assistant Engineer (workshop)	1
3.	Fisheries Officer /Fisheries Extension Officer	2
4.	Assistant Fisheries Officer	5
5.	Jr. Engineer /Supply & Marketing Officer	3
6.	Fisheries Inspector & similar grades	10
7.	Mechanic Grade (A)(ELE)	2
8.	Field Assistant/Taxi Dermist /Aquarium keeper	14
9.	Attender	3
10.	Gardener cum Sweeper	1
11.	Maistry BBY	3
12.	Carpenter	3
13.	Bosun	3
14.	Engine Driver	3
15.	Driver Fishing Boat	3
16.	Fisherman Expert	2
17.	Sr. Fisherman	6
18.	Fisherman	14
19.	Superintend Accounts	1
20.	Accountant	1
21.	UDC	4
22.	LDC	7
23.	Staff Car Driver	1
24.	MSE	5
25.	Fisheries Officer/Supdt/FTC/Supdt.BBY	1



26.	Mechanic Grade B	17
27.	Ice plant Operator Gr.I/ RSW Operator	2
28.	Operator cum Mechanic	1
29.	Ice plant Operator Gr. II	7
	<b>TOTAL</b>	<b>129</b>

**Source :** Department of Fisheries District Panchayat

**Appendix No.6.11: No of Employees in Department of Education, District Panchayat**

	<b>Posts</b>	<b>No of Employees</b>
1.	Research Assistant	1
2.	Assistant EO	1
3.	Senior Statistical Officer	1
4.	Statistical Assistant	1
5.	Principal	9
6.	Lecturer	23
7.	H.M H.S	4
8.	Assistant H.M	9
9.	H.M SBS	7
10.	Subject Expert	3
11.	PGT	7
12.	Coach Athletic	1
13.	Coach Volleyball	1
14.	Coach Swimming	1
15.	Coach Football	2
16.	TGT	212
17.	Language Teacher Arabic	37
18.	Language Teacher PST Hindi	16
19.	Dance Teacher Classical	2
20.	Dance cum Music Teacher	8
21.	Music Teacher	1
22.	Drawing Teacher Gr. I	2
23.	Drawing Teacher Gr. II	8
24.	Coir Craft Teacher	24
25.	Fisheries Teacher	7
26.	Mechanical Instructor	12
27.	Needle Craft Teacher	13
28.	Craft Instructor (paper machine )	2
29.	Yoga Instructor	1
30.	Warden	2
31.	Matron	2
32.	Sports Organizer	1
33.	Social Education Organizer	2
34.	Physical Educational Teacher	51
35.	H.M JBS	22
36.	Nursery Training Teacher	50

37.	Lab Attendant Fisheries	4
38.	Lab attendant	1
39.	NCC Lascar	7
40.	Sports boy	14
41.	Care Taker	1
42.	Ship modify Instructor cum store keeper	1
43.	Mahal Translator	1
44.	Librarian	2
45.	Junior Librarian	9
46.	Lab Assistant	16
47.	Lab Attendant Vocation	3
48.	Typewriting Instructor	1
49.	Fisheries Instructor	9
50.	PST	386
51.	Gas plant Operator	2
52.	Pump Operator	1
53.	Helper	6
54.	Packer	1
55.	Fisherman	4
	<b>TOTAL</b>	<b>1015</b>

Source : Department of Education, District Panchayat

**Appendix No 6.12: Number of Employees in the Department of Health, District Panchayat**

	Posts	No of Employees
1.	District Health Officer	1
2.	Medical Officer	15
3.	Health Education Officer	1
4.	Chief Pharmacist	1
5.	Store Superintendent	1
6.	Public Health Nurse	1
7.	Staff Nurse	18
8.	Pharmacist	20
9.	Radiographer	10
10.	Assistant Entomologist	2
11.	Health Inspector Gr. I	1
12.	Technical Assistant	1
13.	Health Inspector	11
14.	Lady Health Visitor	1
15.	ANM	24
16.	MPHWs	2
17.	UDC	24
18.	LDC	13
19.	Staff Car Driver	8
20.	Dental Technician	3
21.	FNO	11
22.	MNO	11
23.	Dhobi	4

24.	Sevak	3
25.	Ayah	6
26.	Safaiwala	11
27.	Watch man	11
28.	Peon	11
29.	Field Worker	20
30.	Cook	4
31.	Insect Collector	2
33.	BCG Technician	1
34.	Mechanic	1
35.	MPHNs	2
	<b>TOTAL</b>	<b>256</b>

**Source :** Department of Health, District Panchayat

**Appendix No. 6.13: Number of Employees in Department of Environment and Forest, District Panchayat**

	Posts	No of Employees
1.	Environment Works	1
2.	Boat Driver	1
3.	Boatten Car	3
4.	HC/Plan	6
5.	LDC	1
6.	Warden	8
	<b>TOTAL</b>	<b>20</b>

**Source :** Department of Environment & Forest, District Panchayat

**Appendix No. 6.14 : Number of Employees in Department of Social Welfare and Tribal Affairs, District Panchayat**

	Posts	No of Employees
1.	SWI	2
2.	UDC	1
	<b>TOTAL</b>	<b>3</b>

**Source :** Department of Social Welfare & Tribal Affairs ,District Panchayat

**Appendix No6.15 : Number of Employees in the Department of Small scale Industries, District Panchayat**

	Posts	No of Employees
1.	Executive Officer	1
2.	Accountant	1
3.	UDC	1
4.	Financial Advisor	1
5	Salesman	4
6.	Supervisor	1
7	Training Assistant	1
8.	Master Craftsman	1
9.	Helper	1
10.	Watchman	1
	<b>TOTAL</b>	<b>13</b>

**Source :** Department of Small scale Industries, District Panchayat

**Appendix No 617: Number of Employees in the Department of Libraries, District Panchayat**

	Posts	No of Employees
1.	LIA	9
2.	Attendant	9
3.	Helper	9
4.	UDC	1
5.	LDC	1
6.	Nadappal	1
7.	Caretaker	1
8.	<b>TOTAL</b>	<b>31</b>

**Source:** Department of Libraries, District Panchayat

**Appendix No.6.18 :Number of Employees in the Department of Art & Culture, District Panchayat**

	Posts	No of Employees
1	FDI	9
	<b>TOTAL</b>	<b>9</b>

**Source :** Department of Art & Culture, District Panchayat

**Appendix No. 6.19: Number of Employees in Department of Social Welfare and Tribal Affairs, District Panchayat**

	Posts	No of Employees
1.	SWI	2
2.	UDC	1
	<b>TOTAL</b>	<b>3</b>

**Source:** Department of Social Welfare and Tribal Affairs, District Panchayat

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## CHAPTER 7:

# PANCHAYAT ADMINISTRATION

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### Introduction

Being a Union Territory of small population and without its own legislature, the Panchayat administration has its own significance in the context of the Lakshadweep islands. The administration of the Panchayat is guided by the Lakshadweep Panchayat Regulation, 1994 and the concerned business rules. The two tier structure of the Panchayat Raj System consists of one District Panchayat for the district of Lakshadweep comprising the entire Union Territory of Lakshadweep and ten Village (Dweep) Panchayat, each one at the inhabited island. The structure of the Panchayat Raj System has other two related institutions of Gram Sabha and District Planning Committee (DPC). As per the constitutional requirements there are State (UT) Election Commission and State (UT) Finance Commission. The executive powers of the Village (Dweep) Panchayat and the District Panchayat are vested with the Chairperson and President – cum -Chief Counsellor, respectively. In the Regulation no provision is seen which stands for constituting standing committees. However, steering and standings committees are in operation at the District Panchayat level whereas it is absent at the Village (Dweep Panchayat) .The working of the community based organizations /parallel organizations are noticed at the island level . It would be interested if one could discuss the role of such organizations in the local governance .The present chapter is an attempt to assess the potential of both the individual components of the system and its synergy in the overall Panchayat administration.

## **The Panchayat Regulation, 1994**

The Lakshadweep Panchayat Regulation, 1994 (no.4 of 1994) was passed by the Indian Parliament on 23 April 1994 as a conformity (compliance) legislation to the 73<sup>rd</sup> constitution amendment Act. The administration of the Panchayat is guided by the Lakshadweep Panchayat Regulation, 1994 and the concerned business rules. The Regulation has eight chapters and five schedules. All the constitutional requirements (mandatory provisions) are incorporated in the Regulation. Certain important optional provisions are also available in the Regulation. Since it was a Regulation passed by the Parliament it could not amend the Regulation to incorporate provisions of current issues on decentralization, governance and affirmative action.

In the Union Territory of Lakshadweep the District Panchayat has standing committees whereas **the Village (Dweep) Panchayat has no standing committees**. There are five Standing Committees in the District Panchayat viz.

<b>1. Standing Committee on Finance</b>
<b>2. Standing Committee on Development and Education</b>
<b>3. Stating Committee on Agriculture &amp; Animal Husbandry</b>
<b>4. Stating Committee on Medical ,Women &amp; Child Development, Social Welfare &amp; Tribal Affairs</b>
<b>5. Stating Committee on Fisheries, Industries &amp; Art &amp; Culture</b>

## **Functions of Standing Committees**

### **The Standing Committee for Finance**

- Supervise the utilization of budget, grants and watch carefully the timely assessment and collection of taxes, fees, rents and other sums due to the District Panchayat
- Inspect frequently the accounts of District Panchayat
- Watch carefully the release of grants from the Government and its proper utilization;

- Conduct monthly audit of accounts and check the monthly demand,
- Collection and balance and abstract of receipts and expenditure of the preceding month as furnished by the Secretary;
- Subject to such rules as may be prescribed, write off the sums due
- Scrutinize the annual accounts, demands, collection and balance
- Prepare and present the budget estimate
- Verify whether any amount proposed to be expended by the District Panchayat is within the budget provisions approved and whether there is sufficient fund for this purpose
- Enquire into the allegations against the employees

### **The Standing Committee for Development of Education**

#### **Expenditure details on previous years**

#### **Hsato work as a mediator of Calicut university ,**

#### **Implementation of the schemes on education reivew /education awareness for students ,**

- **The Standing Committee for Health and Education deal with matters of public health and health services, sanitation, education and sports**

### **The Standing Committee for Agriculture & Animal Husbandry**

- The Standing Committee for Agriculture & Animal Husbandry deal with matters on primary sector, especially agriculture and animal husbandry.

Plan schemes/raise of farm produces /posting the staff of dp farm /avoid in the delay payment of from the grant in Aid /review of plan schemes /expenditure of previous years evenue receipt details of the farm produce ,status report in the scheme implementation /disciss the action taken report and decision taken taken in the dp meeting sis island wise ege milk and palutary /dis the vacant post /progress of procegrement of materials

The Standing Committee for Medical, Women & Child Development Social Welfare and tribal affairs

- The Standing Committee for Medical ,Women & Child development Social welfare deals with deal with matters of Welfare of women and children, development of Scheduled Tribe, Social Welfare etc short of medicine of islands /phc/plan implementation of different schemes

#### **The Standing Committee for Fisheries, Industries & Art of culture**

- The Standing Committee for Fisheries, Industries & Act of culture deal with fisheries development, industrial development and decisions and cultural development in the islands.

The table and diagramsgiven below gives an indication of the average number of standing committee meetings held during the year 2012-13 in the District Panchayat.

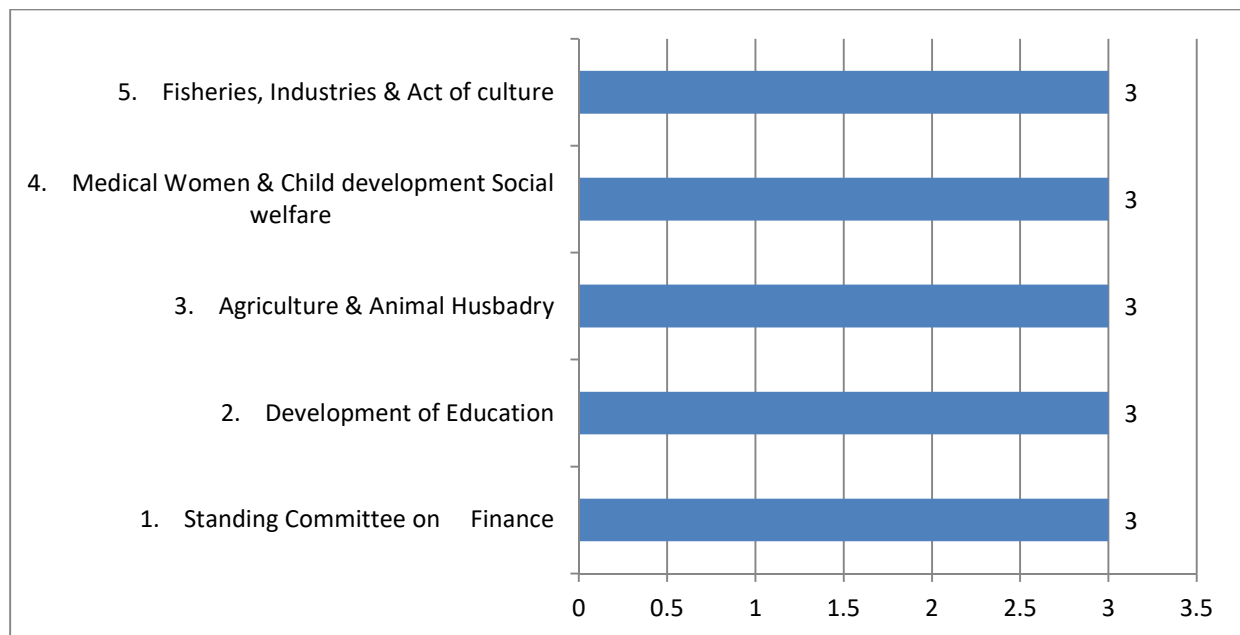
**Table Number 7.1: Standing Committee Meetings**

SL NO	STANDING COMMITTEES	NUMBER OF MEETINGS
1	Fisheries, Industries, Art and Culture	3
2	Medical Women and Child Development Social Welfare	3
3	Agriculture and Animal Husbandry	3
4	Development of Education	3
5	Standing Committees on Finance	3

Source: UT Level Questionnaire



Diagram Number: 7.1: Standing Committee Meetings



**Source:** Table Number

The number of meetings held during the year is 3 for all the standing committees. The list of attendants are 14, 13, 16, 14 and 16 respectively for fisheries (Fisheries, Industries & Art of culture), Medical (Medical Women & Child development Social welfare), Agriculture (Agriculture & Animal Husbandry), Education (Development of Education) and Finance (Standing Committee on Finance).

**The list of standing committees in the District Panchayats and the related information is provided in table number.**

Table Number 7.2: Details of Standing Committees Constituted in the District Panchayat

Name of standing committee	Chairperson (name & designation)	Members (designation)	Number of meeting held in 2012-13	List of attendants
<b>Standing Committee on Finance</b>	Mr. O.A.Kunjikoya Thangal	Member (Total 8 member including member secretary out of 8 member 2 female member	3	<b>14</b>
<b>Development of Education</b>	Mr. Shaikoya Ponnikkam	Member ( Total 7 member including member secretary out	3	<b>13</b>

		of 8 member 2 female member		
<b>Agriculture &amp; Animal Husbandry</b>	Mr. Jalaludheen Koya	Member ( Total 8 member including member secretary out of 8 member 3 female member	3	<b>16</b>
<b>Medical Women &amp; Child development Social welfare</b>	Mr. Yousaf .M	VPCC, ( Total 8 member PVS including member secretary out of 8 member 4 female member	3	<b>14</b>
<b>Fisheries, Industries &amp; Act of culture</b>	<b>Mr. Rahmathulla. P</b>	<b>Member(Total 8 member PVS including member secretary out of 8 member 2 female member</b>	<b>3</b>	<b>16</b>

**Source:**

## **Steering Committee**

There exists a steering committee in the District Panchayat. The steering committee comprises of all the Standing committee chairmen, and the President cum Chief Councilor. The CEO is the member secretary of the Steering Committee. The steering committee is formed to discuss and analyze the functions and decisions of the respective standing committees. The steering committees ensure the coordination of functions of standing committee and monitoring. It takes over the activities of standing committees if such a committee fails in its duties.

## **Remarks**

The standing committees on finance, education, agriculture & animal husbandry, social welfare and fisheries have turned out successful in the islands. The number of meetings held and the number of attendants are quite promising and encouraging as is evident from the data presented for the year 2012-2013. Each standing committee consists of 8 members (including member secretary). The finance committee, development &

education committee, fisheries, industries, art and culture have 2 two female members each whereas agriculture & animal husbandry have three female members, medical women and child development, social welfare and tribal affairs have 4 female members.

**The Steering Committee was found effective.**

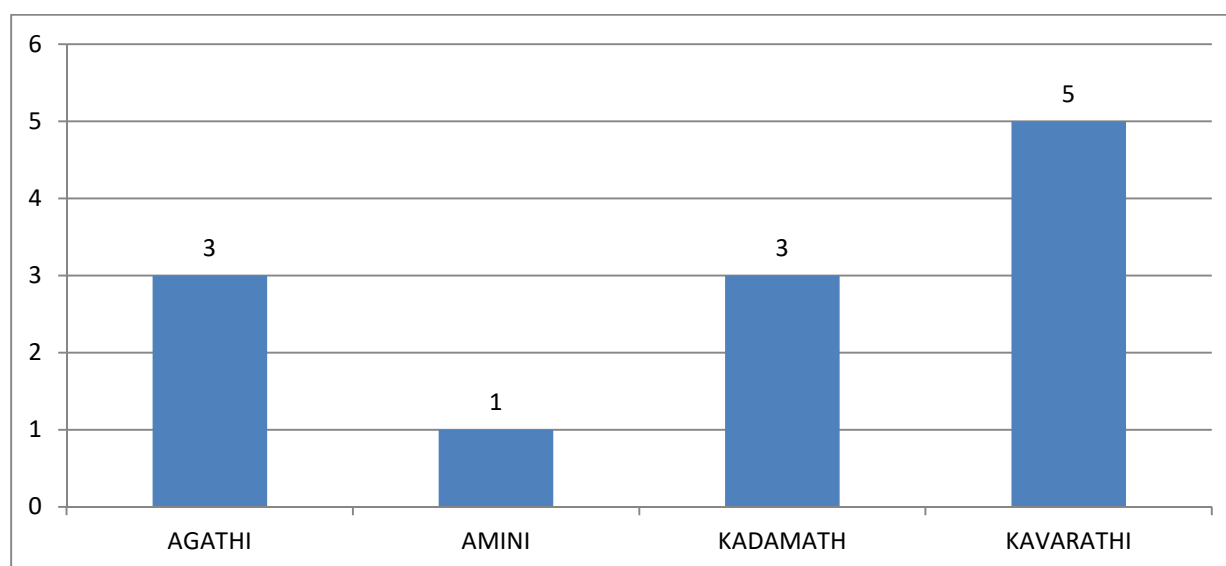
## **E –Governance in Service Delivery**

Lakshadweep Administration has implemented several e-governance projects with focus on delivering services virtually anywhere, as also to usher in transparency, accountability and efficiency in the extension of public services. Information and communication technology has helped digitally integrate the geographically dispersed islands in respect of several important needs of life. In the last two months this year, in recognition of the concerted and scientific efforts two of e-governance projects have been selected for prestigious awards. Some of the major projects undertaken by the Administration recently gave a flavor of the ICT endeavour. Web-enabled systems have been developed for consumer management, energy billing, complaints management, materials management and human resource management. The total digitization of employment services had facilitated online registration from any part of India or abroad, maintenance of seniority and online sponsoring of names to employers. Lakshadweep received the **Manthan award** for the best e-governance project instituted by a public-private body of information and communication technology professionals. Web-enabled ship ticketing system is another project undertaken by the Union Territory. All the 13 port offices of the administration are interconnected. The network has enabled web-based passenger and cargo booking. Ship schedules, ship ticket availability, status of ship tickets are now available on the Internet, providing transparency and easy access. Tickets, in any ship to any destination, can be booked from Kochi and Kozhikode also. The project had received Microsoft National e-governance award for ‘innovative project.’ A few of the other initiatives in e-governance include entry permit management system, student scholarship management system and medical inventory management system. The Dataquest e-Gov Champion award for Southern region has been awarded for the e-governance project initiatives

undertaken by the administration. The e-governance initiatives assume importance as the islands face lack of adequate transport facilities.

The number of Community based parallel bodies in the four selected Village (Dweep) Panchayats could be seen from the diagram given below.

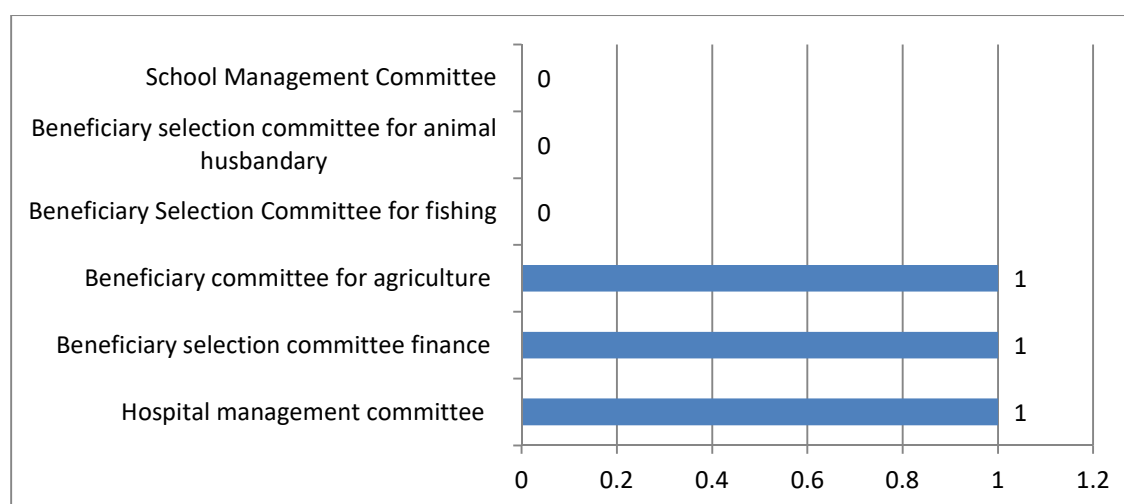
Diagram No. 7.2 Community based Parallel Bodies



**Source:**

The diagram no given below reveal the average number of activities undertaken by various committees in the year 2012-13 .

Diagram No. 7.3. Average number of activities undertaken



**Source:**

The table number given below represents a sample case from Agathi Village (Dweep) Panchayat

Table No.7.3 Community based bodies/parallel bodies in the Village (Dweep) Panchayat (sample case from Agathi)

Name of Community Based bodies *	How the committee is formed	Who is chairman	How is he appointed	Who are the members (including ex-officio members of panchayat)	Role of these bodies/committees	Activities undertaken in 2012-13	Whether panchayat supervise the activities	Role of Panchayat in these bodies/committees	Whether Accountable to Gram Sabha; if so, how	Whether funds to bodies/committees passed through panchayat	Whether any one from panchayat attend the meeting	In what ways these bodies/communities support panchayats
<b>I. Hospital management committee</b>	Govt	Chairperson VDP	Govt	9 members	Supervision	Cleaning	No	Chairperson in the Chairman	No	No	EO&Chairman	Cleaning work
<b>II. Beneficiary selection committee finance</b>	Govt	Chairperson VDP	Govt		Beneficiary selection	Beneficiary selection	Yes, Chairperson	Supervision	No	Yes	Yes Chairperson attended meeting	Committee visited all beneficiaries
<b>II. Beneficiary committee for agriculture</b>	Govt	Chairperson VDP	Govt	9 members	Selection	Farm work	No	Chairperson, Chairman	No	No	Chairman	Distribute farm products

**Source:**

## CHAPTER 8:

# GRAM SABHAS

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### Introduction

Gram Sabha is recognized as the forum that ensures direct and participatory democracy. It offers equal opportunities to all citizens to discuss, criticize, approve, and reject proposals for local economic development and social justice. The Gram Sabha has also the power to assess the performance of the Village (Dweep) Panchayat. The prime importance of the Gram Sabha in self governance, transparent and accountable functioning of the Village (Dweep) Panchayat is reflected in the article 234(A) of the Constitution through providing membership to all registered voters of the Village (Dweep) Panchayat. In the Lakshadweep islands, the powers and performance of the Gram Sabha are being equipped by the provisions of the Lakshadweep Panchayats Regulation, 1994 and the Business Rules, 1997 and 2000. An attempt is made in this chapter to analyze the provisions contained in the Regulation, 1994 and the functional relationship between the Gram Sabha and Village (Dweep) Panchayat. Attendance, agenda and minutes of the four sample Village (Dweep) Panchayats have been examined in detail. The process through the decentralized island specific development plans are emerged, participation of the local citizens in the decision making process, contribution of Gram Sabha in the proper functioning and strengthening of the Village (Dweep) Panchayat and the systems adopted in the Social audit are also analyzed in detail. The chapter is designed in two parts. Part one deals with the provisions in the Regulation and the ground realities are given in Part two.

### Importance of Gram Sabha in the Spatial Context of Lakshadweep

As per the Article 243 (A) of the 73<sup>rd</sup> Amendment of the Constitution, Gram Sabha, consisting of persons in the electoral rolls relating to a village comprised within the area

of Panchayat at the village level, many exercise such powers and functions at the village level as the Legislature of State may by law, provide. Even prior to the 73<sup>rd</sup> Amendment, provisions for Gram Sabha as an institution of direct democracy were there in a majority of Indian States. They were statutory in the cases of Assam, Bihar, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab, Uttar Pradesh and West Bengal. As per the Lakshadweep Regulation, 1994, the Gram Sabha shall consist of persons registered in the electoral rolls relating to an island or group of islands comprising the area of the village (Dweep) Panchayat. As Gram Sabha is considered as the only means of direct democracy where all important decisions have to be arrived at, it may serve the purpose of training ground for all people, especially the younger generation. Hence it is suggested that all those who are willing to attend the Gram Sabha meetings may be allowed to do so. However, the actual participation in deliberations may be left to the persons above 18 years of age in consonance with the voting age at Panchayat, Assembly and Lok Sabha elections. It may be recalled that one of the reasons for the failure of Island councils and Pradesh Councils was that the popular leadership was lacking experience. If the above mentioned suggestion is considered it may provide opportunity for everyone to observe and learn the administrative processes. The Gram Sabha has to meet at least twice in a year, one before the harvesting of the crop and the other after the harvesting of the crop. However, the Chairperson of the Village Panchayat can call an extra-ordinary meeting of the Gram Sabha upon a requisition in writing by not less than one-fifth of members of the Gram Sabha, within thirty days of the receipt of such a requisition. This provision is a novelty and it may be helpful in convening the Gram Sabha to consider any matter requiring its urgent attention. The quorum for a meeting of the Gram Sabha is fixed at one-tenth of its total membership and this has been considered reasonable. Some scholars observe that the Gram Sabha may be compared to the Legislature or Parliament and the Panchayat to the Council of Ministers. In such a proposition the Panchayat has to be accountable to the Gram Sabha consisting of all the people of that Panchayat area. In view of the following reasons the Gram Sabha in Lakshadweep is likely to function better than its counterparts in other parts of the country and emerge as a trend-setter in this

regard. The islands are small and compact. Secondly, the literacy rate is also very high. Finally, even though Gram Sabha did not exist earlier, there have been instances of mobilization of labour, especially women for the common purposes of the village (*Athiri*), as described in case of Minicoy Island.

### **Gram Sabha –As Per the Regulation, 1994**

In the Lakshadweep Panchayat Regulation, 1994 there is an exclusive chapter (Chapter II) on Gram Sabha which contains provisions regarding the membership, meeting, quorum, etc. There are many references in the chapter which necessitated rule making such as “by order determine”, as may be prescribed” and ‘prescribed authority’. All these are supplemented with the support of appropriate rules. According to the Section 3 of the Regulation a Gram Sabha shall consist of persons registered in the electoral rolls relating to an Island or group of Islands comprising the area of Village (Dweep) Panchayat. Provided that a person shall be disqualified for being a member of the Gram Sabha, if he/she (a) is less than 18 years of age; (b) is not a citizen of India; (c) is of unsound mind and stand so declared by a competent court; and (d) is not ordinarily a resident within the Island for which the Gram Sabha is established. A member of a Gram Sabha shall cease to be a member, if- (a) he/she is disqualified under section 12; or (b) the area where he/she resides has been excluded from the jurisdiction of the Gram Sabha; or (c) he/she ceases to be ordinarily resident within the jurisdiction of the Gram Sabha. Where any person ceases to be a member of a Gram Sabha under sub-section(1), h/she shall also cease to hold any office to which he/she may have been elected or appointed by reason of his/her being a member thereof. The prescribed authority under the superintendence, direction and control of the Election Commission shall cause to be prepared an electoral roll in the prescribed manner. Such electoral roll shall, among other things, contain the names of all persons entitled under section 3 to be the members of the Gram Sabha and such electoral roll shall be revised at least once in a financial year in the prescribed manner. Every Gram Sabha shall hold general meetings in each financial year,



one before the harvesting of the crop and the other after the harvesting of the crop. Provided that the Chairperson shall, upon a requisition in writing by not less than one-fifth of the numbers of members of the Gram Sabha, within thirty days of the receipt of such requisition, call an extra-ordinary general meeting of the Gram Sabha. The Chairperson or in his/her absence, the Vice Chairperson or in the absence of both, any person chosen by the Gram Sabha shall preside at such meeting. The notice of the time and place of all meetings of the Gram Sabha shall be given in the prescribed manner. The quorum for a meeting of the Gram Sabha shall be one-tenth of its total membership.

**As Per the Lakshadweep Panchayats Business Rules, 1997 & Lakshadweep Panchayats Business (Amendment) Rules, 2000**

In exercise of the powers conferred by Section 81 of Lakshadweep Panchayats Regulation, 1994, the Administrator made the rules to supplement the Chapter II on Gram Sabha, namely “the Lakshadweep Panchayats Business Rules, 1997”. It came in to force in 19<sup>th</sup> February, 1997 and published in the Official Gazette of Lakshadweep. The Business Rules were amended on 26<sup>th</sup> August and it is known as ‘Lakshadweep Panchayats Business (Amendment) Rules, 2000’

The meetings of the Gram Sabha shall be held in the location specified by the Chairperson within the Gram Sabha area. The Chairperson or in his/her absence Vice Chairperson shall convene meetings of the Gram Sabha and shall fix the date, time and exact place of meeting. The notice of the meeting shall (a) contain the date, time and exact place of the meeting and (b) be published by (i) affixing on the notice board of the Panchayat and at conspicuous place in the Gram Sabha area; (ii) public announcement in the Gram Sabha area; and (iii) any other manner as directed by the Administrator.

The Chairperson, or in his absence the Vice Chairperson may at any time, and shall on a written requisition signed by not less than one fifth of the members of Gram Sabha, within thirty days of the receipt of such requisition, convene a special meeting of the

Gram Sabha. The intervening period of two consecutive meetings of a Gram Sabha shall not be more than six months.

A notice of a meeting of Gram Sabha shall, inter-alia, state the nature of business to be transacted in the meeting. A brief draft proceeding of the last meeting shall be read and confirmed and then signed by the Chairperson, or the Vice Chairperson at the meeting of the Gram Sabha. The copies of circulars and orders relating to the Gram Sabha received from the Administrator and the Director of Panchayats shall be translated in to Malayalam or Mahal and read out in the meeting. The details of development work and proposed to be done in the Gram Sabha area shall be presented in the meeting. The list of beneficiaries selected by the Panchayat under various schemes of assistance from Panchayat, administration, Government of India or any other organization shall be presented in the meeting. Answers to questions and any other item, if any, required to be given under these Rules shall be taken up and answered. A Gram Sabha shall keep in Malayalam or Mahal a brief record of its meetings and proceedings in form I. Questions, resolution and propositions pertaining to the Gram Sabha alone will be discussed in the meetings of the Gram Sabha. The Chairperson and Vice Chairperson, as the case may be may disallow the moving or discussion of any resolution or proposition before the Gram Sabha which he/she considers to be beyond the scope or function of the Gram Sabha. The question, resolutions or proposition if not disallowed under Sub Rule (ii) shall be discussed and passed or rejected by a majority of others. The resolution or proposition passed by the Gram Sabha which has financial implementation shall be further discussed in the next meeting of the Village (Dweep) Panchayat to be convened immediately after the Gram Sabha meeting.

### **Mismatching in Nomenclature?**

A close observation of the provisions of the Lakshadweep Pannchayat Regulation, 1994 and the Business Rules, 1997 and 2000 brings out certain mismatching in nomenclature and activities proposed. The Section 2 (c) of the Regulation says the “Chairperson” and

“Vice Chairperson” mean respectively the Chairperson and Vice Chairperson of a Village (Dweep) Panchayat whereas the Section 2 (P) says “Pradhan” and “UP Pradhan” mean respectively the Pradhan and UP- Pradhan of a Village (Dweep) Panchayat. While dealing with the Gram Sabha in Chapter II the nomenclature “Pradhan” and “UP Pradhan” is seen used. The nomenclature, “Chairperson” and “Vice Chairperson” is absent in the Chapter II. Though both the nomenclatures are interchangeably used in the Regulation Business Rules, they are commonly addressed as “Chairperson” and “Vice Chairperson in the islands. It is alleged that it may be a technical mistake while drafting the Regulation. However, the general perception among the people in the islands is that the nomenclature of “Pradhan” and “UP Pradhan” might have been copied from the provisions of the Panchayati Raj Acts of the Hindi speaking States.

Again Section 6 (i) Says “Every Gram Sabha shall hold general meetings in each financial year, one before the harvesting of the crop and other after the harvesting of the crop”. The nature of crops, cropping pattern and cropping intensity in the islands have absolutely not suited for half yearly harvest. The Panchayat Business Rules have modified the provisions to the extent that “the intervening period of two consecutive meetings of a Gram Sabha shall not be more than six month”. Provisions for holding special Gram Sabha are also incorporated. The ten Village (Dweep) Panchayats area having own Gram Sabhas which meets twice a year, in an interval of six months. The Pradhan, or in his absence the UP Pradhan or in the absence of both any person chosen by the Gram Sabha provides the meetings. The quorum for a meeting of the Gram Sabha shall be one thenth of its total meetings include the date, time and place of meetings. Proceedings and resolution of the Gram Sabha are recorded either in Malayalam or M ahal as per the Business Rules. However, resolutions in English are also seen recorded.

### **Ground Observations**

The field experiences from the selected Village (Dweep) Panchayats reveal that the Panchayats in Lakshadweep hold regular meetings of Grama Sabha for planning, budget

preparation, social audit, and selection of work under MGNREGA, preparation of BPL list and preparation of beneficiary lists. It was also reported that there was hardly any instance where Gram Sabhas were postponed due to lack of quorum in the year 2012-2013. It is reported that the Village (Dweep) Panchayats are not able to conduct Gram Sabha with their own revenue.

### **Gram Sabha in the Village (Dweep) Panchayat, Agathi**

As per the records, one Gram Sabha was held on 3<sup>rd</sup> February 2013 at the public stage in front of the Village Dweep Panchayat, Agathi. The meeting was started at 4pm with welcome speech by Chairperson of the VDP, Agathi. There were 112 participants and all were recorded their name and signature. The single item listed in the agenda was on the Integrated Island Management Plans (IIMP's) for Agathi island. It would be interested to note the backdrop of the IIMPs. In November 2012, Integrated Island Management Plans (IIMP's) for Agathi island was prepared in accordance with the guidelines of the Island Protection Zone (IPZ) Notification, 2011 of the Ministry of Environment and Forests, Government of India. Locational information of the island such as dwelling units including the infrastructural facilities was collected by using both the participatory planning techniques and global positioning system (GPS). Areas indicating the dwelling units including the infrastructure projects were mapped with the involvement of Village (Dweep) Panchayat and local citizens. The conservation and preservation zones were mapped separately. The entire island including the lagoon aquatic areas has been considered for the plan preparation. Considering the spatial features of the islands the maps were prepared in 1:4000 scale for clarity of the local plans. It is suggested that these maps once approved can also be enlarged at 1:2000 scale for Agatti Village (Dweep) Panchayat ward of the island for offering mapped clarity to the local citizens. As per the IIMPs, the Lakshadweep Administration shall grant permission / licence for development activities only after receiving clearance from Lakshadweep Coastal Zone Management Authority (LCZMA) and no objection certificate from the Village (Dweep) Panchayat, Agatti /Gram Sabha. It is noticed that, the local citizens has made certain serious

reservations against the IIMPSs for Agathi island . In this context, the issue has been brought to the notice of the Gram Sabha and passed a resolution (Resolution-1/2013). The resolution is concluded that “in the light of the above, that the Panchayat /Gram Sabah, Agatti is pleased to pass unanimous Resolution requesting to the Director, Department of Science & Technology UT of Lakshadweep, Kavaratti that the above glaring facts for our urgent remedy in this regards. If any points will e implemented or finalized only after consultation/ deep discussion with Chairperson Village (Dweep) Panchayat, Agatti. (The full test of the Resolution is included in the Appendix No. 1) . As per the official records, three Gram Sabhas were conducted as against the mandatory requirement of two in the Village ( Dweep) Panchayat,Agathi in the financial year 2012-2013. The average participation per Gram Sabha was 186.

### **Gram Sabha in the Village (Dweep) Panchayat, Amini**

Generally, the conduct of Gram Sabha has two sessions. The first session deals with a formal function with an inauguration. As per the records, the Gram Sabha was held on 2<sup>nd</sup> October 2013at the Barkath Bhavan. Amini.The meeting was started at 11am with welcome speech by Vice Chairperson of theVDP, Amini. The Chairperson inaugurated the Gram Sabha. And it was chaired by the local Sub Divisional Officer (SDO).The two members of the District Panchayat, representing the Amini divisions made speeches. Another member from the VDP Amini made vote of thanks. Since it was held on Gandhi Jayanti Day all the speakers paid references to Mahatma Gandhi and mentioned his contributions for independence and nation building. All the 61 participants were recorded their name and signature. Though data on sex wise breakup of the participants was not available in the Gram Sabha minutes it is reported that women out numbered the men. Items listed in the agenda were (i) social audit, (ii) discussion and approval of labour budget for the year 2014-201, and (iii) list of schemes to be implemented under the MGNREGA. All the three agenda items were widely discussed among the participants. As per the request from the participants, the Chairperson made a detailed review of the scheme implementation with the proposals for the new financial year. There were

complaints against the poor performance of public services (local roads and health services) and service delivery of agriculture farm products for local community (vegetables, eggs and authenticated milk). The job cards, financial assistance to construct open wells and unemployment allowance, employment opportunities were demanded by the participants during the Gram Sabha meeting. As per the official records, three Gram Sabhas were conducted as against the mandatory requirement of two in the Village ( Dweep) Panchayat, Amini in the financial year 2012-2013. The average participation per Gram Sabha was 186.

### **Gram Sabha in the Village (Dweep) Panchayat, Kadamath**

As per the records, one Gram Sabha was held on 7<sup>th</sup> March 2013 at Kadamath Island. The meeting was started at 10.30am with welcome speech by Vice Chairperson of the VDP, Kadamath and chaired by the local Sub Divisional Officer (SDO). The Chairperson inaugurated the programme. The members of the District Panchayat, representing Kadamath divisions made their presence. Local member from the VDP Kadamath expressed vote of thanks. All the 163 participants were recorded their name and signature. The sex wise breakup of the participants was not available in the Gram Sabha minutes.. Items listed in the agenda were (i) social audit, (ii) discussion and approval of labour budget for the year 2014-2015, and (iii) list of schemes to be implemented under the MGNREGA, (iv) constitution of vigilance & monitoring committee (VMC), and (v) new projects for 2013-2014. All the five agenda items were discussed among the participants. As per the request from the participants, the Chairperson made a detailed review of the status of the scheme implementation of the previous year with the proposals for the new financial year. Suggestions were recorded on the area of local development, school education, PHC administration, scarcity of doctors in public health institutions etc. There were also complaints against the poor performance of the utilization scheme implementation .The job cards, financial assistance to construct houses and unemployment allowance, employment opportunities were demanded by the participants during the Gram Sabha meeting. As per the official records, four Gram Sabhas were

conducted as against the mandatory requirement of two in the financial year 2012-2013. In all the sittings officials had participated and their average participation was recorded as three. The average participation of local citizens in per Gram Sabha was 158.

### **Gram Sabha in the Village (Dweep) Panchaya, Kavarathii**

As per the records, Village (Dweep) Panchayat, Kavarathi conducted a Special Gram Sabha of citizens who have landholdings in the Suheli Island (*Vallakara and Chiriyakara*) on 22<sup>nd</sup> March 2013. The meeting was started at 4.30am and concluded at 7.30 pm .. The Chairperson, Vice Chairperson, Members of the District Panchayat representing Kavarathi divisions, Members and Executive Officer of the VDP were participated. Name and signature of 257 participants were recorded in the minutes. It is reported that men outnumbered the women though data on sex wise breakup of the participants was not available in the minutes of the Gram Sabha. Since it was a special Gram Sabha only single agenda was taken for discussion .and that was on the ‘encroachment of land in Suheli Island by the Lakshadweep Administration for the construction of a radar for Indian Coast Guard and other development issues in the Suheli Island. The Chairperson made a brief presentation on the situations prevailed in the Suheli Island.and it was followed by serious decisions among the participants. Six resolutions were passed unanimously by the Gram Sabha and they are following (i) resolution which requested the Lakshadweep Administration to stop all the encroachment of private land of the local citizens by the Indian Coast Guard, (ii) resolution which requested all the elected representatives from the island to visit the Suheli Island for capturing the field situation. And also requested the Chairperson to coordinate the activities, (iii) resolution which requested the Chairperson to organize a meeting of all political parties for getting their support on the issue and to conduct a discussion on the same, (iv) resolution which requested the Chairperson to draft a memorandum for submitting to the concerned ministry , Government of India ,New Delhi, and (v) resolution which requested to take action against the Secretary Panchayat for humiliating the Collector- cum- Development Commissioner Chairperson while discussing the issue on Suheli Island, and (vi )

resolution which requested the Chairperson to open an agriculture farm in the Suheli island .As per the official records, in addition to the Special Gram Sabha, two mandatory Gram Sabhas were conducted with an equal interval in the financial year 2012-2013.The average participation per Gram Sabha was more than 200.

## **Conclusion**

Though Gram Sabha is recognized as the forum to ensure direct and participatory democracy, the de jure provisions in the legislation to deal with its functioning appears to be fragile. This is reflected both in the Regulation, 1994 and the Business Rules, 1997 and 2000. The provisions on functions and responsibility of the Gram Sabha was absent in the legislative framework. However, it is seen that Gram Sabha has empowered itself and in many cases. In such a proposition the Panchayat has to be accountable to the Gram Sabha consisting of all the people of that Panchayat area. And it is proved that the Panchayat is accountable to Gram Sabha and vice versa. In view of the islands specific reasons the Gram Sabha in Lakshadweep is likely to function better than its counterparts in other parts of the country and emerge as a trend-setter in this regard. In many cases it has happened in the expected level as the evidence suggested from the selected Village (Dweep) Panchayats . The islands are small and compact. Secondly, the literacy rate is also very high. All the major mandatory provisions are fulfilled in terms of number of sittings, its interval, the quorum and business. In many cases, as per the empirical evidence, the quantitative performance was excelled against the mandatory requirements. The quality of the conduct of the business of the Gram Sabhas in the selected Village (Dweep) Panchayats is far super than the expected level. The two cases of Gram Sabhas in the Village (Dweep) Panchayats of Agathi and Kavarathi have proved its merits. In one case, the Gram Sabha passed resolution against the encroachment of private land by the Indian Coast Guard and the Lakshadweep administration. The other one was the resolution against the, Integrated Island Management Plan (IIMP) of the Agathi island. In both the cases the Gram Sabhas are acted as potent arms to protect the interest of the local citizens against the infiltration of the state machinery.



Finally, even though Gram Sabha did not exist earlier, there have been instances of mobilization of labour, especially women for the common purposes of the village (*Athiri*), as described in case of Minicoy Island.

It offers equal opportunities to all citizens to discuss, criticize, approve, and reject proposals for local economic development and social justice. The Gram Sabha has also the power to assess the performance of the Village (Dweep) Panchayat. The prime importance of the Gram Sabha in self governance, transparent and accountable functioning of the Village (Dweep) Panchayat is reflected in the article 234(A) of the Constitution through providing membership to all registered voters of the Village (Dweep) Panchayat . In the Lakshadweep islands, the powers and performance of the Gram Sabha are being equipped by the provisions of the Lakshadweep Panchayats Regulation, 1994 and the Business Rules,1997and 2000. An attempt is made in this chapter to analyze the provisions contained in the Regulation, 1994 and the functional relationship between the Gram Sabha and Village (Dweep) Panchayat .Attendance, agenda and minutes of the four sample Village (Dweep) Panchayats have been examined in detail. The process through the decentralized island specific development plans are emerged , participation of the local citizens in the decision making process, contribution of Gram Sabha in the proper functioning and strengthening of the Village (Dweep) Panchayat and the systems adopted in the Social audit are also analyzed in detail . The chapter is designed in two parts .Part one deals with the provisions in the Regulation and the ground realities are given in Part two.

## Appendix No 1

### **Resolution – 1/2013**

*The Gram Sabha , Agatti Village (Dweep) Panchayat has unanimously resolved to bring the following important issues for kind consideration of the Director, Department of Science & Technology UT of Lakshadweep, Kavaratti with a view to sort out practical/permanent solution.*

*The Gram Sabha was held on 3<sup>rd</sup> February 2013 in front of Village Dweep Panchayat Public stage at 4.00 p.m. in view of the public opinion to reintroduce of Integrated Island Management Plan (IIMP) published for public opinion and the following decisions are unanimously taken based on the following points.*

*Agatti is an inhabited Island northern broadest point having 5.6 kilometer long with 0.9 kilometer wide. The remained southern portion is having 3.4 kilometer long and hardly 110 meters width. Agatti in remarkable it possess no storm beach, the eastern shore is composed only of sand, rising from the level of reef flat, which is well exposed at low tides. As such there is no accountable erosion or delusion in the eastern shore. But in the western shore there may be some erosion at the item of south west monsoon. Sand so eroded may be deposited in the north western shore of the Island. After monsoon, and in fair season such deposited sand also flow to the southern portion of the Island. Above action of erosion and accretion is a quit natural. It can be very well proved from the map of Agatti Island published in the Book “A shore Account of the Laccadives Islands and Minicoy by R H Ellies. The map attached in the book is according to the survey of Madras in the year 1924. Similarly on verification of cadastral map of Agatti Island prepared during the preliminary survey of the Islands in 1959 by Honorable Administrator Mr.M. Ramunny, it can be seen there is no sand erosion in the western side of the Island. But some accretion is taken place gradually. For example in between 1924 to 15959 about 10 meters and in between 1959 to till data another 5 to 10 meter increased in the western side of the Island. From the above facts it is clear and concluded*

*that in Agatti Island concerned there is no erosion in the eastern shore of the Island. But in western shore some slight erosion is effecting due to action of waves in the monsoon period and eroded sand again depositing in the fair seasons.*

*The contention of draft IIMP Para 2 (2) is wrong that is density populated area, less populated area, in Agatti Island. At first population was centralized from the last three decades population is spreading in either side almost equally. For example presently 150 meters away from the airport there are several dwelling houses of local people. It is quit natural that there is plenty of area for residential constructions, there will be density of population.*

*Para 2 (3) it is highly objectionable that fixing of 35 meters from High Tide Level in the residential area. For the facts that in Agatti there are residential houses from north tip up to 150 meters from Airport so as now non development area for Agatti may be fixed as 5 meters at eastern side and 5 meter in the western side from High Tide Level. Otherwise next generation could not construct there residential houses. Fixing of 35 meters and 25 meters from HTL definitely cause difficulties, hardships and irreparable lose to the general public.*

*Para 3 (2):- Total area of Agatti Island is 270 Hector out of which 112.89 Hectors in with government is wrong. At Agatti government is having about 25 Hectors area. Remained area almost fully possessed and occupied by the private parties by way of their residential houses and coconut cultivation. In Agatti at present there is no Tharavad having more than one hector of land. All the Tharavad has been divided and separated and all houses have only small pieces of land. It will be very clear that if the possessed area of the Administration from total area of Island and reminded area divided among the total population of Agatti. Per capita area of possession will be a minimum possession of 20 or 30 sq meters of land with as individual.*

*Para 3 (3):- It is also wrong to state that there is more than one way of earnings for every household. In Agatti there is only 23.3 percent empty space at Agatti is less*

*average than other Islands. Considering the above aspect also NDZ should be fixed than that of other Islands. For the fact that criteria adopted for other Islands must be made applicable to Agatti also total no. of household is wrong presently there are 1815 householders in Agatti out of which 1490 APL Ration card holders 190 BPL card holders 132 AAY card holders and 3 Annapurna card holders. It is also untrue that over half of the house holders have at least one number who earns government salary.*

*Para 3 (5):- Last three years there is no fish catch at Agatti and earnings in fishing was very poor in Agatti there is no private fishermen having capacity to transport his processed fishes to mainland by Air. It is also doubtful to get facilities for Air transport of fish and ornamental fishes unless there is cargo planes Air Travel. But Aerodrome and flights are only meant for tourists and government officials. It is true that local islander only availing Air journey unavoidable circumstances for treatment. It is also state that 600 meters extension of runway and parking area. As proposed in the IIMP. There is only a proposal of 200 meters runway extension towards northern side of the Airport. This proposal objected by the concerned land owners due to scarcity of land, and also badly affected the local people residing near by the Airport i.e. away from 100 to 150 meters northern side of the present Airport (Runway)*

*Para 3 (7):- It is an admitted fact that according to the map of Agatti published in 1924 and present map of Revenue department there is no different in the area of the Island. It is deduced that there is slight sea erosion as well as accretion of shore going on simultaneously same can be concluded that there would be sea erosion from the south west monsoon on the western shore and sand so eroded get deposited on the north side of Agatti. As such it is wrong to state that 60 % of the coastal area has been effected sea erosion. The measures taken for shore protections are unscientific and in fenced. Therefore it has not been effective to control the erosion.*

*The tourism cultivation is the vital role of development of Agatti considering its geographical grounds. Therefore we are always welcomes its developments as the terms*

*and conditions stipulated in your letter. Moreover, any kind of tourism cultivation will be implemented Agatti/ Bangaram/ Thinnakara etc. by Society / Private parties only after the concurrence of Village (Dweep) Panchayat Agatti.*

*In Annexure VI C) i) it is also wrong to state that other Islands area allowed 12.5 meter height. Therefore this island may also be allowed 12.5 meter height from ground level.*

*Before concluding we once again requested that consideration the density of population of Agatti and on the basis of capita area possessed by indigenous poor schedule tribe people of this islands area of No Development Area may kindly be fixed as 5 meters in right through Agatti. And these NDZ areas must be keep as vacant to enable free axes area to the general public. Please consider above observations.*

*In the light of above, that the Panchayat Gram Sabha Agatti is pleased to pass unanimous Resolution requesting to the Director, Department of Science & Technology UT of Lakshadweep, Kavaratti that the above glaring facts for your urgent remedy in this regards. If any points will be implemented or finalized only after consultation/ deep discussion with Chairperson Village (Dweep) Panchayat, Agatti.*

## CHAPTER 9:

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# ASSESSMENT OF PANCHAYATS

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The local bodies are in the stages of development and need to be nurtured further to play a greater role in the development and growth of the island. While private investments in the economic activities are required, role of the government in the essential sectors of education, medical and healthcare, water supply and sanitation, besides transport to provide connectivity are vital and need to be doubled. The strategic and ecological sensitive character of Lakshadweep calls for continued involvement of government. Even though structure of Panchayats is conducive to create incentives for accountability in the provision of rural local public services and development activities there is need for a strong and fuller devolution in the UT. There is increasing recognition that the local community is given the opportunity to decide on the priorities and strategize implementation of plans. Gram sabhas were found effective in this regard. The panchayats to a larger extend are accountable to its citizens.

### Transparency and Anti Corruption

The Panchayats provide information to the public under RTI Act and at the District panchayat level the CEO is the Information Officer under RTI Act. All the 10 VDPs have submitted the Annual Report to their respective authorities in 2012-13. It could also be noted that there is no Citizens' Charter at district level. In the Village Panchayat the executive officer is the Information Officer under RTI Act. The **1st and 2<sup>nd</sup> Appellate Authority under RTI Act is DOP and EO, VDP respectively.** The village panchayat has submitted Annual Report to their respective authorities ( DOP) Quarterly and half yearly.

## Social Audit

Social Audit is applicable only in MGNREGA in the village (Dweep) panchayats. **It is reported that Social Audit is applicable only in MGNREGA.** As per the Letter F.No.11/12/2009-DPC (2) dated 07/09/2012 and Message dated 25/04/2013, Island Level Vigilance and Monitoring Committee (Kadamat) with nine members including chairperson has been formed. As per the records available in the office, two Social Audits had been conducted in Village (Dweep) Panchayat , Kadamat on 24 / 04 /2011 and 01/10/2012 . The format which is provided by the Ministry of Rural Development (MoRD), Government of India is applied for the purpose of Social Audit. However it is reported that reports of social audits & the ATR are not put in public domain. Separate training for VDP Chairperson, Executive Officer in conducting social audit is available. **At the village panchayat level the Social Audit reports and ATR are not in the public domain .It is sent to Department of Rural Development, UT of Kavarathi.** The training has been conducted by the Administrative and Training Centre. Kavarattti. The training was attended by Junior Engineers, Executive Officers, Chairpersons and MGNREGA staff from different Village Dweep Panchayats. Through Letters and Messages, the District Programme Coordinator (DPC) had insisted to constitute the Island Level Vigilance and Monitoring Committee in all the Village (Dweep) Panchayats.

## CHAPTER 10:

# BEST PRACTICES

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Lack of adequate transport facilities and deficiencies in communication in these islands pose a major challenge for the masses. It takes around eight days during normal season and fifteen days during monsoon to go to the headquarters island of Kavaratti and avail of important services and return to one's native island. To virtually integrate these far-flung islands, Lakshadweep Administration has implemented several e-governance projects with focus on delivering services virtually anywhere, as also to usher in transparency, accountability and efficiency in the extension of public services. Information and communication technology has helped digitally integrate the geographically dispersed islands in respect of several important needs of life. Lakshadweep is not lagging behind anymore. Some of the major projects undertaken by the Administration recently would give a flavour of ICT endeavour.

### Case Studies

#### **Total Digitization of Employment services**

This e-Governance project aims at safeguarding objectivity and transparency in providing employment and in facilitating dynamic utilization of human resource and bringing employment exchange services to the very doorsteps of the people of Lakshadweep. Employment Exchanges all over the country, we know, are infamous for their long and chaotic queues of desperate job seekers. Timely and systemic on-line registration from any part of India or abroad, maintenance of seniority and on-line sponsoring of names to employers/ government departments has been achieved under this project which goes a long way in bringing trust between government agencies and the unemployed persons and the numerous job seekers. Services are now virtually made available in all the islands.



## **Integrated e-Governance solution to Lakshadweep**

### **(Electricity Department Web-enabled ship ticket reservation System – PORTNET)**

This project is a total e-governance solution designed for the Department of Electricity, providing for “a digitally integrated Department where all the services to the consumers, employees and business are available online from anywhere”. All the offices of the department in the islands and mainland are interconnected through NICNET-VSAT facilities. Web-enabled work flow systems have been developed for all the public activities of the department, namely electricity consumer management, energy billing, complaints management, materials management, human resource management etc. It is notable that every household in every island is electrified in Lakshadweep; this is the first case of universalization of electricity. Under this project a consumer can prepare his own bill through self-reading of meters. This project has deservedly received the CSI-Nihilent e-Governance award in 2006-07 for the best e-governed department.

Integrated Child Development Services (ICDS) is a Central Scheme started functioning in the Union Territory Lakshadweep during 1978 79 .Then, the population was 35000. Initially, there were 50 Anganwadi Centres. At present, there are 87 Anganwadi Centres in this Union Territory for a population of 61,000 as per 2001 Census. Anganwadi Centres are functioning in all the 10 Islands. The 87 Anganwadi Centres will be converted to

Community Information Centres (CIC) for women, children and adolescent girls. The centres will be provided Computers with internet facility. Anganwadi workers can utilise Information Communication Technology (ICT) tools in all their activities including educating women and children with the help of multimedia and internet. Computer education will be given to women, Adolescent girls, school dropouts & pre-school children. he services under the ICDS touch the lives of needy women, adolescent girls and children of age group 0.6 6 years, in many ways. The scope of digitization is for

smoothening and expediting the implementation of activities under the ICDS and for improving the quality of services through Information Communication.

The geographical isolation of the islands comes in the way of smooth implementation will be dispensed with. Also, enjoy the benefits of ICT among the under-privileged and unreachable section in the society.

### **Video Conferencing Facilities**

Video Conferencing facilities have been installed this year in all the inhabited islands. This facility is provided through the NICNET-VSAT's installed in all the islands, including the smallest and remotest island of Bitra, having a population of less than 300 people. On the Independence Day of 2007, first time in the history of Lakshadweep, the Administrator interacted one-on-one with all the heads of the Village (Dweep) Panchayats and the Dy. Collectors / SDO's located in the remote islands through video conferencing. It has brought the islands closer and has definitely boosted the morale of the people.

## CHAPTER 11:

# BAD PRACTICES

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One of the negative instances of devolution in the Union Territory of Lakshadweep is that of the transfer of various departmental staff which affects the proper and day to day functioning of the schemes and concerned departments. The example cited here give once such instance. As a consequence on implementation of devolution of power to Panchayat Raj, the Secretary and Administrator, Union Territory of Lakshadweep has ordered vide F.No.2/1/2012-DOP/519 dated 19/05/2012 the various departmental staff working under Village (Dweep) Panchayat Agatti is transferred to the concerned department. Hence, the concerned staff is relieved from their duties from the Village (Dweep) Panchayat Agatti. Some of the staffs relieved include Nursery Trained Teacher; Medical Staff attached in Village (Dweep) Panchayat, fisheries staff etc. There are instances from other village (Dweep) Panchayats also. The Village (Dweep) Panchayats Administration raises concerns about the respective departments functioning due to this process.

## CHAPTER 12:

# CONCLUSION

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Prior to the introduction of Panchayati Raj in the territory, there existed Citizen Councils in the islands and a Citizen Committee for the entire islands. There was An Administrators Advisory Council represented by members from all islands. The Seventy third Amendment to the Constitution led to the promulgation of Lakshadweep Panchayats Regulation, 1994. Then Village (Dweep) Panchayats in all the 10 inhabited islands with 79 elected members and a District Panchayat for the entire territory with 22 elected members were constituted in December, 1997 and January, 1998 respectively. The present Village (Dweep) Panchayats and District Panchayat are the third such bodies, which were constituted during December 2008 and December 2012.

There is District Panchayat constituted for the entire territory consisting of 25 directly elected members and the Chairpersons of 10 Villages (Dweep) Panchayats. In addition the Member of Parliament representing Lakshadweep in the Lok Sabha is also a member of the District Panchayat. The District Panchayat holds its meetings once in three months. The District Panchayat is headed by a President Cum Chief Counselor and two Vice Presidents Cum Counselors and the Village (Dweep) Panchayats are headed by Chairpersons. The Lakshadweep Administration, in addition to transferring the developmental schemes to the Panchayats along with staff and funds, also provide Rs 1 crore to Panchayats as grant for the developmental schemes prepared by the Panchayats and as recommended by the District Planning Committee. Out of this Rs 30 lacs per annum is given to the District Panchayat and the balance of Rs 70 lacs are distributed among the Villages (Dweep) Panchayats. The Panchayats need to generate their own resources in accordance with the provisions of Lakshadweep Panchayats (Taxation and Appeal Rules), 1997. The Administrator has issued an order on 12.11.2001 fixing the rates of taxes. Based on the recommendation of the Finance Commission for UT, a joint committee under the chairmanship of the President cum Chief Counsellor, District

Panchayat was constituted to recommend a proper taxation proposal to the Panchayats. On this basis the Administrator has notified the rates and subjects on which a uniform rate of tax is to be imposed by the Panchayats. Most of the Panchayats have started collection of these taxes and fees. However, since the Panchayat so far could not collect the sufficient fees and taxes to run the developmental activities. The Administration has introduced a scheme to encourage resource mobilization. The Panchayats in addition to the taxes and fees as mentioned above generate income from various other means like implementation of income generating schemes.

The UT administration of Lakshadweep has set in motion devolution of funds and functions to the district and village Panchayats **with the transfer of twenty nine subjects** under the 11th schedule of the Lakshadweep Panchayat Regulation 1994. However, this has not satisfied the aspirations of the **Panchayati Raj member**. The President cum Chief Counsellor of the District Panchayat has done a detailed analysis of all schemes (letter at Annexure) and finds that **no more than 15 to 20 schemes and limited** staff have been transferred to the Panchayati Raj bodies. Most of the schemes are operated by the District Panchayat. The Lakshadweep Administration should release more funds and leave the implementation to the District and Village Panchayats. The Panchayats would like to be **allocated untied funds under both Plan and Non-Plan** based on budget proposals approved by the PRIs and the District Planning Committee so that the former are free to formulate their own schemes under any of the devolved subjects. The Panchayats would **like that 40% of the Plan and Non Plan funds are transferred to them for formulating their** own schemes and to implement them according to the pattern and procedures approved by various Committees. For creating infrastructure in the villages there needs to be specific capital fund allocation to the Panchayats for setting up office buildings, meeting halls, common facilities and super markets etc. Hence, additional funds are required for above mentioned facilities. The Lakshadweep Administration has created various types of community assets in the islands. The maintenance of these community assets is a subject of the District Panchayat. Therefore, all the community assets need to be

transferred to the District Panchayat for further maintenance and for better utilization by the people. For a wider and transparent distribution of the benefits of the schemes, the Lakshadweep Administration needs to transfer all the beneficiary oriented schemes along with funds and staff to the Panchayats. Monitoring of the schemes should be done by the administration to ensure they are working optimally.