

CHAPTER - 4

Government Policy and Programmes for Rural Development in Village Panchayat

4.0 INTRODUCTION

Panchayati Raj Institutions, the grass root units of local self government have been considered as instruments of socio economic transformation in rural India. Involvement of people at the grass root level is the most important means of bringing about socio-economic development. Panchayati Raj is identified as institutional expression of democratic decentralization in India. Decentralization of power to the panchayats is seen as a means of empowering people and involving them in decision making process. Local governments being closer to the people can be more responsive to local needs and can make better use of resources. The democratic system in a country can be ensured only if there is mass participation in the governance. Therefore, the system of democratic decentralization popularly known as Panchayati Raj is considered as an instrument to ensure democracy and socio-economic transformation.

4.1 VILLAGE PANCHAYAT IN PRE-BRITISH PERIOD

The word panchayat is derived from the word pancha panchasvanusthitah, has references in to the existence of Grama Sanghas or rural communities. The institution of Panchayati Raj is as old as Indian civilization itself. It was in existence since ancient periods, having an effective control over civil and judicial matters in the village community. The Rigveda, Manusamhita, Dharmashastras, Upanishads, Jatakas and others, refer extensively to local administration, i.e. the panchayat system of administration. In the Manusmriti and Shantiparva of Mahabharata, there are many references to the existence of Grama Sanghas or village councils.

In the Mouryan period, the village was the basic unit of administration. Villagers used to organize works of public utility and recreation, settle disputes, and act as trustees for the property of minors. But, they had not yet evolved regular councils. The village council appeared to have evolved into regular bodies in the Gupta period. They were known as Panchamandalas in central India and Grama janapadas in Bihar. These bodies negotiated with the government for concessions and settlement of disputes. The inscription of Chola dynasty shows the construction and functions of the village assembly and their executive committees. The village administrations were performed by the elected representatives forming village council.

During the medieval and Moghal periods, village bodies were the pivot of administration. In the Moghal period, particularly in the regime of Sher Shah, the villages were governed by their own panchyats.

Akbar accepted this system and made it an indispensable part of civil administration. In this period, each village had its own panchayat of elders.

It was autonomous in its own sphere and exercised powers of local taxation, administrative control, justice and punishment.

4.2 VILLAGE PANCHAYAT UNDER THE BRITISH PERIOD

The British came to India as traders, and before long established an inroad into the cultural nexuses of the land. The primary focus of the British Raj was much to do with trade and little to do with governance and development. The local governments were hardly their first priority. In fact till the advent of the British rule in India, the rural republic had flourished and thrived. With the emergence of the British Raj in India, panchayats ceased to play a role that it once played. But, local self government as a representative institution was the creation of the British.

In the initial days, the interest of the British was limited to the creation of local bodies with nominated members. These bodies were built around trading centers. Thus in the year 1687, a municipal corporation came to be formed in Madras. Set up on the British model of town council, this body was empowered to levy taxes for building guild halls and schools. As time passed, similar bodies were set up in other major towns and this model became prevalent, helping the British widen their taxation power. This model continued to comprise nominated members with no elected elements what so ever.

It was Lord Mayo, the then viceroy of India (1869 to 1872), who felt the need to decentralize powers in order to bring about administrative efficiency and in the year 1870 introduced the concept of elected representatives in the urban municipalities. The revolt of 1857 that had put the imperial finances under considerable strain and it was found necessary to finance local service

out of local taxation. Therefore it was out of fiscal compulsion that Lord Mayo's resolution on decentralization came to be adopted.

4.3 THE BENGAL CHOWKIDAR ACT OF 1870

The Bengal Chowkidar Act of 1870 marked the beginning of the revival of the traditional village panchayati system in Bengal. The Chowkidar Act empowered district magistrates to set up panchayats of nominated members in the villages to collect taxes to pay the chowkidars or watchmen engaged by them.

4.4 RIPON RESOLUTION (1882)

Lord Ripon made remarkable contribution to the development of Local Government. In 1882, he abandoned the existing system of local government by the officially nominated people. According to his local self government plan, the local boards were split into smaller units to achieve greater efficiency. In order to ensure popular participation, he introduced an election system for the local boards. The government resolution of 18th, May, 1882, stands as a landmark in the structural evolution of local governments. It provided for local boards consisting of a large majority of elected non-official members and presided over by a non-official chairperson. This is considered to be the Magna Carta of local democracy in India. This resolution proposed the establishment of rural local boards where 2/3rd of whose membership was composed of elected representatives. He brought in the concept of self-government in urban municipalities. He is treated as the founding father of urban local government. Ripon's resolutions followed a series of Committees, Commissions and Acts in this line. The Royal Commission on

Decentralization in 1909 elaborated further the principles of Ripon resolution. But this remained merely on paper. Ripon's scheme did not make much progress in the development of local self government institutions.

4.5 MONTAGU-CHELMSFORD REFORMS OF 1919

In this backdrop, Montagu Chelmsford reforms were passed in the year 1919. This reform transferred the subject of local government to the domain of provinces. The reform also recommended that as far as possible there should be a complete popular control in local bodies and the largest possible independence for them, of outside control. By 1925, eight provinces had passed village panchayat acts. However, these panchayats covered only a limited number of villages with limited functions. 105 But this reform could not get much result as far as democratization of panchayats was concerned and lead to a lot of organizational and fiscal constraints.

4.6 GOVERNMENT OF INDIA ACT (1935)

This is considered as another important stage in the evolution of panchayats in British India. With popularly elected government in the provinces, almost all provincial administrations felt duty bound to enact legislations for further democratization of local self government institutions, including village panchayats. Although the popular government in the provinces governed by the Congress vacated office following the declaration of Second World War in 1939, the position as regards local government institutions remained unchanged till August 1947, when the country attained independence.

Even though the British government did not have interest in the village autonomy, they were forced to do so, in order to continue their rule in India and moreover to meet financial necessities. The Indian rural republic had flourished till the advent of British. It received a set back during the British rule. Self-contained village communities and their panchayats ceased to get substance. They were replaced by formally constituted institutions of village administration. In the highly centralized system of British rule, village autonomy seems to have lost.

4.7 PANCHAYATI RAJ IN INDEPENDENT INDIA

The task of strengthening panchayati raj system fell on the Indian government formed after independence. It was clear that India a country of villages had to strengthen village panchayats to strengthen democracy. Mahatma Gandhi who strongly believed in Gram Swaraj pleaded for the transfer of power to the rural masses. According to him the villages should govern themselves through elected panchayats to become self sufficient. But surprisingly, the draft Constitution prepared in 1948 had no place for Panchayati Raj Institutions. Gandhi severely criticized this and called for immediate attention. It is thus, that panchayat finds a place in the Directive Principles of the State Policy. Article 40 of the Directive Principles of the State Policy states that ‘the states shall take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them function as units of self-governments’. The most important aspect to strengthen grass root democracy was neglected by the Constitution makers as Directive Principle of State Policy is not legally binding on the governments.

The first organized effort to tackle the problem of rural India was made through Community Development Programme in 1952 and National Extension Service in 1953. The programme was based on an integrated approach to the various aspects of rural development.

The leader of the panchayat was generally called the mukhiya a position which is elected. Various Committees on Panchayat Raj :

1. Balwant Rai Mehta : Estd 1957
2. V.T. Krishnamachari : 1960
3. Takhatmal Jain Study Group: 1966
4. Ashok Mehta Committee : 1977
5. G.V.K Rao committee : 1985
6. Sarkaria Commission : 1986
7. Dr.L.M.Singhvi Committee: 1987

4.8 RECOMMENDATIONS OF BALWANT RAI MEHTA COMMITTEE

The Balwant Rai Mehta Committee, headed by MP Balwantrai Mehta was a committee appointed by the Government of India in January 1957 to examine the working of the Community Development Programme (1952) and the National Extension Service (1953) and to suggest measures for their better working. The recommendations of the committee were approved by NDC in January 1958 and this set the stage for the launching of Panchayati Raj Institutions throughout the country.

The committee laid down five fundamental principles.

1. There should be three tier structures of local self government bodies from village to the district level and these bodies should be linked together.

2. There should be genuine transfer of power and responsibility to these bodies to enable them to discharge their responsibility.
3. Adequate resources should be transferred to these bodies to enable them to discharge their responsibilities.
4. All welfare and developmental schemes and programmes at all three levels should be channeled through these bodies, and
5. The three tier system should facilitate further devolution and disposal of power and responsibility in future.

The committee envisaged three tier system of panchayats known as Zilla Parishad, Panchayat Samiti and Gram Panchayat and recommended encouragement of peoples' participation in community work, promotion of agriculture and animal husbandry, promoting the welfare of the weaker sections and women through the panchayats.

4.9 ASHOK MEHTA COMMITTEE (1977)

In this backdrop in 1977, the Janata government appointed a Committee with Ashok Mehta as chairman and was entrusted with the task of enquiring into the causes responsible for the poor performance of Panchayati Raj Institutions. It was also asked to suggest measures to strengthen Panchayati Raj Institutions. The committee suggested two tier system of Panchayati Raj consisting of Zilla Parishads at the district level and Mandal Panchayats at the grass root level as against three tier system suggested by the Balwantraji Mehta Committee. The committee recommended constitutional protection to the Panchayati Raj Institutions and further decentralization of power at all levels. Mathew George, 2000, op.cit, pp.6. Singh Samsher Malik, The New Panchayati Raj, Rural Transformation in the State of Haryana, Aalekh

Publication, Jaipur, 2002, p p. 4-5. A noteworthy feature of the report is that it recommended regular elections to these bodies and open participation of political parties.

The Ashok Mehta Committee Suggested:

1. Reservation of seats for the weaker sections
2. Two seats for women
3. Adequate financial resources for the panchayats
4. Requirement of Constitutional sanctions
5. To extend people's participation in developmental activities.

4.10 73RD AMENDMENT ACT, 1992-1993

Prime Minister of India, introduced the 64th Amendment bill on local government on the 15th May, 1989 in the Parliament, but it failed to get the required support. A second attempt was made in September 1990 to pass the bill in the Parliament. The bill however was not even taken up for consideration. In September 1991, a fresh bill on Panchayati Raj was introduced by the Congress government under P. V Narasimha Rao, the then Prime Minister. It was passed in 1992 as the 73rd Amendment Act 1992 with minor modifications and came into force on 24th April 1993.

The Salient Features of the Act are:

The Act provided for the establishment of grama sabha in each village. It will be a body comprising of all the adult members registered as voters in the panchayat area.

There shall be a three-tier system of panchayat at village, intermediate and district levels. Smaller states with population below 20 Lakhs will have option not to have intermediate level panchayat. Seats in panchayats at all

three level shall be filled by direct election. In addition, the chairperson of the village panchayat can be made member of the panchayat at the intermediate level. MP, MLA, MLC, could also be member of panchayat at the intermediate and the district level. Report of the Committee on Revitalization of Panchayati Raj Institutions, L.M. Sanghvi, chairman, Government of India, , Delhi, 1986.

In all the panchayats, seats should be reserved for SCs and STs in proportion to their population and 1/3 of the total number of seats will be reserved for women. Offices of the chairperson of the panchayat at all levels shall be reserved in favour of SCs and STs in proportion in the state. One-third of the offices of chairperson of panchayats at all levels shall also be reserved for women. Article 243 G of the XI Schedule includes the following Activities :

Agriculture, including agricultural extension,*Land improvement, implementation of land reforms, land consolidation and soil conservation Minor irrigation, water management and watershed development, Animal husbandry and poultry, Fisheries Social forestry and form forestry, Small-scale industries, including food processing industries, Khadi, village and cottage industries, Rural housing, Drinking water, Fuel and fodder, Roads, culverts, bridges, waterways and other means of communication, Rural electrification including distribution of electricity Non-conventional energy sources.

4.11 THE BIHAR PANCHAYAT RAJ ACT, 2006

An act to replace the Bihar Panchayat Raj Act, 1993 as amended up to date. This Act may be called the Bihar Panchayat Raj Act, 2006.

1 Declaration of Gram Panchayat Area

(1) Subject to the general or special orders of the Government, the District Magistrate may, by notification in the District Gazette, declare any local area comprising a village or a group of contiguous villages or part thereof to be a Gram Panchayat area with a population within its territory as nearly as seven thousand. Provided that the District Magistrate may, after consultation with the Gram Panchayat concerned, by a notification, at any time, include within or exclude from any Gram Panchayat area any village or part thereof and alter the name of the Gram Panchayat.

(2) If the State Election Commission, suo motu or on receipt of a written representation from an aggrieved person, is of the opinion that there is sufficient reason for doing so, may review the legality and propriety of any Gram Panchayat declared under sub-section (1) and may call for the relevant records for this purpose, and subject to the provisions of this Act, may pass such order which the Commission deems fit and proper.

(3) Every Gram Panchayat shall be a body corporate by the name of its Gram Panchayat and shall have perpetual succession and a common seal and subject to such restrictions as are imposed by or under this Act or any other enactment, shall be vested with the capacity of suing or being sued in its corporate name, of acquiring, holding and transferring property, movable or immovable, whether without or within the limits of the area over which it has authority, or entering into contracts and of doing all things necessary, proper and expedient for the purpose for which it is constituted.

2. Composition of Gram Panchayat

(1) The Gram Panchayat shall consist of –

- (a) The Mukhiya elected under the provisions of this Act;
 - (b) Such number of directly elected members as may be notified from time to time by the District Magistrate and each of such members representing as nearly as possible a population of five hundred of the Panchayat Area.
- (2) For the convenience of election, the District Magistrate shall, in accordance with such rules as may be prescribed in this behalf by the State Government, divide the area of the Gram Panchayat under the direction, control and supervision of the State Election Commission into territorial constituencies in such manner that the population of each constituency, so far as practicable, be the same throughout the Panchayat area.
 - (3) One member from each territorial constituency shall be elected through direct election in the manner prescribed.
 - (4) Every Gram Panchayat constituted under this section shall be notified in the District Gazette and shall come into office with effect from the date appointed for its first meeting.

3 Functions of Gram Panchayat

Subject to such condition as may be prescribed by the Government from time to time, the Gram Panchayat shall perform the functions specified below (i)General functions-

- (1) Preparation of annual plans for the development of the Panchayat area;
- (2) Preparation of annual budget;
- (3) Power to take up relief works during natural calamities;
- (4) Removal of encroachments on public properties;
- (5) Organising voluntary labour and contribution for community works;
- (6) Maintenance of essential statistics of village(s).

(ii) Agriculture, including Agriculture Extension. —

(1) Promotion and development of agriculture and horticulture;

(2) Development of waste lands;

(3) Development and maintenance of grazing lands and preventing their unauthorised alienation and use.

(iii) Animal Husbandry, Dairy and Poultry — (1) Improvement of breed of cattle, poultry and other livestock;

(2) Promotion of dairy farming, poultry and piggery;

(3) Grassland development.

(iv) Fisheries. — Development of fisheries in the village(s).

(v) Social and Farm Forestry, Minor Forest Produce, Fuel and Fodde —

(1) Planting and preservation of trees on the sides of roads and other public lands under its control.

(2) Fuel plantations and fodder development;

(3) Promotion of farm forestry;

(4) Development of Social Forestry.

(vi) Khadi, Village and Cottage Industries —

(1) Promotion of rural and cottage industries;

(2) Organisation of awareness camps, seminars and training programmes, agricultural and industrial exhibitions for the benefit of rural areas.

(vii) Rural Housing —

(1) Distribution of house sites within its jurisdiction.

(2) Maintenance of records relating to house sites and other private and public properties.

(viii) Drinking Water —

(1) Construction, repair and maintenance of drinking water wells, tanks, ponds and hand pumps;

(2) Prevention and control of water pollution;

(3) Maintenance of rural water supply schemes.

(ix) Roads, Buildings, Culverts, Bridges, Ferries, Waterways and other means of communication —

(1) Construction and maintenance of village roads, drains and culverts;

(2) Maintenance of buildings under its control or transferred to it by the Government or any public authority;

(3) Maintenance of boats, ferries and waterways.

(x) Rural Electrification, including distribution of electricity and providing for and maintenance of lighting public streets and other places.

(xi) Non-Conventional Energy Sources —

(1) Promotion and development of non-conventional energy schemes;

(2) Setting up, development and maintenance of community nonconventional energy devices;

(3) Propagation of other energy efficient devices.

(xii) Poverty Alleviation Programmes —

(1) Promotion of public awareness and participation in poverty alleviation programmes for fuller employment and creation of productive assets;

(2) Selection of beneficiaries under various programmes through Gram Sabhas;

(3) Participation in effective implementation and monitoring of poverty alleviation programmes.

(xiii) Education, including primary and secondary school education —

- (1) Promotion of public awareness and participation in primary and secondary education;
- (2) Ensuring full enrolment and attendance in primary schools and their management.
- (xiv) Adult and non-formal education — Promotion of mass literacy.
- (xv) Libraries — Village libraries and reading rooms.
- (xvi) Cultural and Sports Activities — Promotion of social, cultural and sports activities.
- (xvii) Markets and Fairs. — Regulation and management of fairs (including cattle fairs) and festivals.
- (xviii) Rural Sanitation and Environment —
 - (1) Maintenance of general sanitation;
 - (2) Cleaning of public roads, drains, tanks, wells and other public places;
 - (3) Maintenance and regulation of burning and burial grounds;
 - (4) Construction and maintenance of public latrines;
 - (5) Disposal of unclaimed corpses and carcasses;
 - (6) Management and control of washing and bathing ghats.
 - (7) Up gradation of environment and prevention of its degradation
- (xix) Public Health and Family Welfare —
 - (1) Implementation of family welfare programmes and Public Health Centres;
 - (2) Prevention of and taking remedial measures against epidemics;
 - (3) Regulation of sale of meat, fish and other perishable food articles;
 - (4) Participation in programmes of human and animal vaccination;
 - (5) Licensing of eating and entertainment establishments;

(6) Regulation of curing, tanning and dyeing of skins and hides;

(7) Regulation of offensive and dangerous trades.

(xx) Women and Child Development —

(1) Participation in the implementation of women and child welfare programmes;

(2) Promotion of education, health and nutrition programmes.

(xxi) Social Welfare including welfare of the physically and mentally challenged

(1) Participation in the implementation of the social welfare programmes, including welfare of physically and mentally challenged persons as well as destitute;

(2) Monitoring of the old-age and widows' pension schemes.

(xxii) Welfare of the Weaker Sections and in particular the Scheduled Castes and Scheduled Tribes —

(1) Promotion of public awareness with regard to welfare of Scheduled Castes, Scheduled Tribes and other weaker sections;

(2) Participation in the implementation of the specific programmes for the welfare of the weaker sections.

(xxiii) Public Distribution System —

(1) Promotion of public awareness with regard to the distribution of essential commodities;

(2) Monitoring the public distribution system.

(xxiv) Maintenance of Community Assets — (1) Maintenance of community assets belonging to the Gram Panchayat;

(2) Preservation and maintenance of other community assets.

(xxv) Construction and maintenance of Dharmshalas, Hostels and similar institutions.

(xxvi) Construction and maintenance of cattle sheds, pounds and cart stands.

(xxvii) Construction and maintenance of slaughter houses.

(xxviii) Maintenance of public parks, playgrounds, etc.

(xxix) Regulation of garbage bins in public places.

(xxx) Establishment and control of huts and sheds, and

(xxxi) Such other functions as may be entrusted..

4 General powers of the Gram Panchayat —

A Gram Panchayat shall have powers to do all acts necessary for or incidental to the carrying out of the functions entrusted, assigned or delegated to it and in particular and without prejudice to the foregoing powers, to exercise all powers specified under this Property and Funds of Gram Panchayat

(1) A Gram Panchayat shall have the power to acquire, hold and dispose of property and to enter into contract, Provided that in all cases of disposal of immovable property by the Gram Panchayat, it shall obtain the prior approval of the Government.

(2) All property within the local limits of the jurisdiction of Gram Panchayat of the nature hereinafter in this section specified, other than property belonging to or maintained by the Central or the State Government or a local authority or any other Gram Panchayat, shall vest in and belong to the Gram Panchayat, and shall with all other property of whatsoever nature or kind which may become vested in the Gram Panchayat, be under its direction, management and control.

4.12 BIHAR PANCHAYAT RAJ (AMENDMENT) ACT, 2007

To amend the Bihar Panchayat Raj Act, 2006 (Bihar Act 6, 2006) Be it enacted by the Legislature of the State of Bihar in the fifty eighth year of the Republic of India as follows :-

1 Short title, extent and commencement :- (1) This Act may be called the Bihar Panchayat Raj (Amendment) Act, 2007. (2) It shall extend to the whole of the State of Bihar. (3) It shall come into force at once.

2 Amendment of Section-18 of Bihar Act 6, 2006:-

(i) In the first para of Section-18(5) of the Bihar Panchayat Raj Act, 2006 (Bihar Act 6, 2006) (hereinafter referred to as the Act) the word "Commissioner" shall be substituted by the word "Government".

(ii) The second paragraph of Section-18(5) of the said Act “ The Mukhiya or Up- Mukhiya so removed shall not be eligible for re-election as Mukhiya or Up-Mukhiya or Member of Gram Panchayat during the remaining term of office of such Gram Panchayat.”, shall be substituted by the following para, namely :—

"The Mukhiya or Up-Mukhiya so removed on the charge of being found guilty of misuse of vested powers or of misconduct in the discharge of his duties shall not be eligible for election to any panchayat bodies till further five years from the date of such removal. The Mukhiya or Up-Mukhiya so removed on rest of the charges shall not be eligible for re-election as Mukhiya or Up-Mukhiya or Member of Gram Panchayat during the remaining term of office of such Gram Panchayat.”,

(iii) Section-18(6) of the Act shall be deleted.

3 Amendment of section–44 of Bihar Act 6, 2006 :- (i) In Section – 44(4) of the Act, the word "Commissioner" shall be substituted by "Government". (ii) The second paragraph in section–44(4) of the said Act "The Pramukh or Up- Pramukh so removed shall not be eligible for re-election as Pramukh or Up-Pramukh of Panchayat Samiti during the remaining term of office of such Panchayat Samiti. Appeal shall lie before the Member, Board of Revenue against the order of the Commissioner", shall be substituted by the following para, namely:—

"The Pramukh or Up-Pramukh so removed on the charge of being found guilty of misuse of vested powers or of misconduct in the discharge of his duties shall not be eligible for election to any panchayat bodies till further five years from the date of such removal. The Pramukh or Up-Pramukh so removed on rest of the charges shall not be eligible for re-election as Pramukh or Up-Pramukh during the remaining term of office of such Panchayat Samiti."

4.13 THE BIHAR PANCHAYAT RAJ (AMENDMENT) ACT, 2010

TO AMEND THE BIHAR PANCHAYAT RAJ ACT, 2006 (BIHAR ACT 6, 2006)

Be it enacted by the Legislature of the State of Bihar in the Sixteenth one year of the Republic of India as follows :-

(1) This Act may be called the Bihar Panchayat Raj (Amendment) Act, 2010.

(2) It shall extend to the whole of the State of Bihar.

(3) It shall come into force at once.

1 Amendment of Section–60 of the Bihar Act 6, 2006

— In Section–60(1) of the Bihar Panchayat Raj Act, 2006 (Bihar Act 6, 2006) the sentence "The Government shall appoint an officer not below the rank of Deputy Collector to be the Executive Officer of the Panchayat Samiti." Shall be substituted as follows, namely :-

"The Government shall appoint the Block Development Officer as Executive Officer of the Panchayat Samiti."

4.14 THE BIHAR PANCHAYAT RAJ (AMENDMENT) ACT, 2011

To Amend the Bihar Panchayat Raj Act, 2006 (Act 6, 2006) (As amended)

(1) This Act may be called the Bihar Panchayat Raj (Amendment) Act, 2011.

(2) It shall extend to the whole of the State of Bihar.

(3) It shall come into force at once.

1 Amendment of Section–2 of the Bihar Act 6, 2006

– After clause – (a n) of Section-2 of the Bihar Panchayat Raj Act, 2006 (Bihar Act 6, 2006) (herein after referred to as the Act) the following new clause (a o) shall be added, namely :- (a o) "Lok Prahari" means a person appointed as the Lok Prahari under sub-section (5) of Section-152.

2 Amendment of Section–18 of the Bihar Act 6, 2006

– A new proviso shall be added to the first paragraph of sub section (5) of Section-18 of the Act as under:-

"Provided when a system of Lok Prahari, instituted under sub-section (5) of Section-152 comes into force by a valid notification of the State Government, the Government may only pass order of removal of such Mukhiya or Up-Mukhiya, as the case may be, in the light of inquiry and recommendation of Lok Prahari for the removal."

.3 Amendment of Section – 27 of the Bihar Act 6, 2006

– After clause (b) of Sub-Section (1) of Section-27 of the Act, the following a new clause (c) shall be added, namely :- “(c) May impose property tax (tax on all type of residential and commercial holdings) within the local limits of its jurisdiction.

4.15 BIHAR PANCHAYATIRAJ (AMENDMENT) ACT 2014

An act to amend the Bihar Panchayati Raj Act 2006 (Bihar Act 6, 2006)

Be it enacted by the legislature of the state of bihar in the 65th year of the republic of India as follows :

1. Short Title ,Extent and Commencement – (i) This act may be called the Bihar Panchayati Raj (Amendment) Act, 2014. (ii) It shall extend to the whole of the State of Bihar excluding the areas to which the provisions of the Bihar Municipal Act, 2007 or cantonment act ,1924 (Act II of 1924) apply. (iii) It shall come into force at once .

2. After chapter VIII and section 173 in the Bihar Panchayati Raj Act, 2006, the following chapter and section shall be inserted, namely : Chapter IX. Ward Sabha 174

(1) Subject to the general orders of the Government . A Ward Sabha shall be organized in each teritoterial electoral constituency (herein after reffered as “Ward”) of Gram Panchayat. The Ward Sabha shall meet once in three months . The calendar of dates for meeting of the Ward Sabha for the entire year shall be discussed, decided and approved. in the meeting of Gram Panchayat at the beginning of every financial year. Every meeting of Ward Sabha shall be held at least seven days before the meeting of the Gram Sabha. The elected member of Gram Panchayat who represent the Ward in

the , shall convene the meeting of the Ward Sabha. Every voter residing in the area of the ward shall be a member of the Ward Sabha.

(2). In case of Gram Panchayat member responsible to convene the meeting fails to convene the meeting of the Ward Sabha, the Mukhia of the Gram Panchayat shall nominate any other member of the Gram Panchayat to convene the meeting and preside over it. (3) The quorum of the meeting of the Gram Sabha shall be not less than $1/10^{\text{th}}$ of the total number of members of the Ward Sabha or 50 members whichever is less. As far as not less than 30% of the voters attending the Ward Sabha , shall be women . As far as may be persons belonging to the Schedule Castes and Schedule Tribes shall be represented in the Ward Sabha in proportion to their population in the Ward Sabha.

(4) Ward Sabha shall subject to such rules as may be prescribed , exercise the following powers and discharge the following functions, namely : (a) to generate proposals and determine the priority of schemes and development programmes to be implemented in the area of the Ward Sabha and forward the same to place it before the Gram Sabha for inclusion in Gram Panchayat development plan ; (b) to identify the most eligible persons from the area of Gram Sabha for beneficiary oriented schemes on the basis of criteria fixed the prepare list of eligible beneficiaries in order to priority and forward the same to the Gram Panchayat for inclusion in its development plan ; (c) to verify the eligibility of persons getting various kinds of welfare assistance from Government such as pensions and subsidies ; (d) to get information from the Officers of the Gram Panchayat as to the services they will render and the works in the rationale they propose to do in the succeeding period

of six months after the meeting of the Ward Sabha ; (e) to get information from the Gram Panchayat on the rationale of every decision of the Gram Panchayat concerning the area of the Ward Sabha. (f) to get information from the Gram Panchayat on the follow-up action taken on the decisions of the Ward Sabha. (g) to provide and mobilize voluntary labour and contributions in cash and kind for development work and supervise such development works through volunteer teams; (h) to make efforts to ensure that the members of Ward Sabha pay taxes and fees (if any) to the Gram Panchayat; (i) to suggest the location of streetlights, street and community water taps, public, wells, sanitation units irrigation facilities and such other public amenity schemes within the area of the ward sabha. (j) to identify the deficiencies in the water supply and street lighting arrangements in the area of Ward Sabha and suggest remedial measures; (k) to impart awareness on matters of public interest such as cleanliness, preservation of the environment and prevention of pollution; (l) to assist the employee of Gram Panchayat in sanitation arrangements in the area of Ward Sabha and render volunteer service in the removal of garbage ; (m) to promote programme of adult education in the area of Ward Sabha; (n) to assist the activities of public health centres in the area of Ward Sabha; specially in disease prevention and family welfare and to create arrangements to quickly report the incidence of epidemics and natural calamities; (o) to promote harmony and among various groups of people in the area of Ward Sabha and to arrange cultural festivals and sports meets to give expression to the talent of the people of the localities; and (p) to exercise such other powers and discharge such other functions as may be prescribed.

(5) The procedure for convening and conducting the meetings of the Ward Sabha shall be such as may be prescribed.

(6) Every meeting of the Ward Sabha shall be presided over by the member of the Gram Panchayat elected from the area of the concerned Ward Sabha and in his absence by any other member of the Gram Panchayat nominated by Mukhia.

(7) All resolutions in the respect of any issue in the meeting of the Ward Sabha shall be passed by a majority of members present and voting. (3) Amendment of section 2 of the Bihar Act 6, 2006 – After clause (ao) of scheme 2 of the Bihar Panchayati Raj Act 2006 (Bihar Act 6, 2006) (herein after referred to as the act) the following clause ap shall be added, namely- “ (ap) Ward Sabha means the Ward Sabha continued under subsection (1) of section 174.”

(4) Amendment of section 7 of the Bihar Act 6, 2006 – After clause (d) of section 7 of the act , the following clauses © and (f) shall be inserted namely- “© Recommendations of Ward Sabhas. (f) If in the opinion of Gram Sabha some important scheme of a ward has not been included in the proceeding of the ward sabha The Gram Sabha may consider on such scheme also.”

(5) Amendment of section 9 of the Bihar act 6, 2006 – After clause “h” of section 9 of the act , the following clause (i) shall be inserted namely - “(i) discussing and recommending appropriate action to the Gram Panchayat with regard to the reports/recommendations of Ward Sabhas.”

4.16 PROGRAMMES OF RURAL DEVELOPMENT

4.16.1 GRAM SWAROZGAR YOJANA SWARNJAYANTI (SGSY)

Swarnjayanti Gram Swarozgar Yojana is centrally sponsored which came into effect from 01/04/1999. Scheme basically emphasizes on self-employment. Scheme covers all aspect of self-employment like capacity building, subsidy, and infrastructure facility, and credit, skill upgradation, insurance and marketing.

Programme for self-employment of the poor has been an important component of the antipoverty programmes implemented through government initiatives in the rural areas of India. At present the Swarnjayanti Gram Swarozgar Yojana (SGSY) is the major on-going programme for self-employment of the rural poor. The programme was started with effect from 01.04.1999 after review and restructuring of the erstwhile IRDP and its allied programmes namely TRYSEM, DWCRA, SITRA and GKY, besides MWS. The earlier programmes are no longer in operation with the launching of the SGSY. The basic objective of the SGSY is to bring the assisted poor families (Swarozgaris) above the Poverty Line by providing them income-generating assets through a mix of Bank Credit and Governmental Subsidy. The programme aims at establishing a large number of micro enterprises in rural areas based on the ability of the poor and potential of each area. The brief details of the programme are indicated in the following paragraphs. Strategy:

The SGSY is different from earlier Programmes, in terms of the strategy envisaged for its implementation. It has been conceived as a holistic Programme of self-employment. It covers all aspects of self-employment of the rural poor viz. organisation of the poor into Self Help Groups (SHGs) and their capacity building, training, selection of key activities and planning

of activity clusters, infrastructure build up, technology and marketing support.

4.17 MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA)

It is also known as NREGA To read more see: <http://rural.nic.in/rajaswa.pdf>
NREGA Launched on 2nd February 2006 as a momentous initiative towards pro-poor growth. For the first time, rural communities have been given not just a development programme but also a regime of rights. The National Rural Employment Guarantee Act, 2005 (NREGA) guarantees 100 days of employment in a financial year to any rural household whose adult members are willing to do unskilled manual work. This work guarantee also serve other objectives: generating productive assets and skills thereby boosting the rural economy, protecting the environment, empowering rural women, reducing rural urban migration and fostering social equity, among others. The Act offers an opportunity to strengthen our democratic processes by entrusting principle role to Panchayats at all levels in its implementation and promises transparency through involvement of community at planning and monitoring stages.

4.18 PRADHAN MANTRI GRAM SADAK YOJANA:

Rural Road Connectivity is not only a key component of Rural Development by promoting access to economic and social services and thereby generating increased agricultural incomes and productive employment opportunities in India, it is also as a result, a key ingredient in ensuring sustainable poverty reduction. Notwithstanding the efforts made, over the years, at the State and Central levels, through different

Programmes, about 40% of the Habitations in the country are still not connected by All-weather roads. It is well known that even where connectivity has been provided, the roads constructed are of such quality (due to poor construction or maintenance) that they cannot always be categorized as All-weather roads. With a view to redressing the situation, Government has launched the Pradhan Mantri Gram Sadak Yojana on 25th December, 2000 to provide all-weather access to unconnected habitations. The Pradhan Mantri Gram Sadak Yojana (PMGSY) is a 100% Centrally Sponsored Scheme. 50% of the Cess on High Speed Diesel (HSD) is earmarked for this Programme.

Objectives: The primary objective of the PMGSY is to provide Connectivity, by way of an All-weather Road (with necessary culverts and cross-drainage structures, which is operable throughout the year), to the eligible unconnected Habitations in the rural areas, in such a way that all Unconnected Habitations with a population of 1000 persons and above are covered in three years (2000-2003) and all Unconnected Habitations with a population of 500 persons and above by the end of the Tenth Plan Period (2007).

4.19 INDIRA AWAAS YOJANA

Housing is one of the basic requirements for human survival. For a normal citizen owning a house provides significant economic security and status in society. For a shelter less person, a house brings about a profound social change in his existence, endowing him with an identity, thus integrating him with his immediate social milieu. For the first 25 years after independence, the problem of rural housing did not receive any serious attention from the

Government. A housing programme for the rehabilitation of refugees was taken up immediately after partition by the Ministry of Refugee Rehabilitation and lasted till around 1960 under which approximately 5 lakh families were housed in various centres mainly located in Northern India. A Village Housing Scheme was also launched as part of the Community Development Movement in 1957, in which loans to individuals and cooperative were provided up to a maximum of Rs.5000/- per house, however only 67000 houses were built under this scheme by the end of the Fifth plan (1980). In 1972-73, the Estimates Committee of the Lok Sabha in its 37th Report pointed out that "the Committee are distressed to note that although 83% of India's population live in villages and about 73% of the rural population reside in unsatisfactory kutcha structure, the problem of rural housing has not received the close attention of the Government." Following this, certain initiatives were undertaken by Government including the launching of the House Sites cum Construction. The genesis of the Indira Awas Yojana can be traced to the programmes of rural employment which began in the early 1980s. Construction of houses was one of the major activities under the National Rural Employment Programme (NREP) which began in 1980 and the Rural Landless Employment Guarantee Programme (RLEGP) which began in 1983. There was, however, no uniform policy for rural housing in the states. For instance some states permitted only part of the construction cost to be borne from NREP/ RLEGP funds and the balance was to be met by beneficiaries from their savings or loans obtained by them. On the other hand others permitted the entire expenditure to be borne from NREP/ RLEGP funds. While some

states allowed construction of only new dwelling others permitted renovation of existing houses of beneficiaries.

4.20 COUNCIL FOR ADVANCEMENT OF PEOPLE'S ACTION & RURAL TECHNOLOGY (CAPART)

Recognizing the need for an organisation that would coordinate and catalyse the development work of voluntary agencies in the country, particularly to ensure smooth flow of benefits to the underprivileged and socio-economically weaker sections of society, Government of India, in September, 1986 set up the Council for Advancement of People's Action and Rural Technology (CAPART), a registered society under the aegis of the Department of Rural Development, by merging two autonomous bodies, namely, People's Action for Development of India (PADI) and Council for Advancement of Rural Technology (CAPART). The main objectives of the CAPART are:-

To encourage, promote and assist voluntary action for the implementation of projects intending enhancement of rural prosperity.

To Strengthen and promote voluntary efforts in rural development with focus on injecting new technological inputs;

To act as a catalyst for the development of technology appropriate for rural areas.

To promote, plan, undertake, develop, maintain and support projects/schemes aimed at all-round development, creation of employment opportunities, promotion of self-reliance, generation of awareness, organisation and improvement in the quality of life of the people in rural areas through voluntary action.

CAPART made useful contribution towards the implementation of the following programmes or schemes:

1. Jawahar Rozgar Yojana (Now renamed as Gram Samridhi Yojana (JGSY))
2. Development of Women & Children in Rural Areas (DWCRA)
3. The Schemes DWCRA, IRDP, MWS have been merged in single scheme renamed as Swarnjayanti Gram Swarozgar Yojana (SGSY)
4. Integrated Rural Development Programme (IRDP)
5. Million Well Scheme (MWS)
6. Accelerated Rural Water Supply Programme (ARWSP)
7. Central Rural Sanitation Programme (CRSP)
8. Indira Awas Yojana (IAY)
9. Panchayati Raj (PR)
10. Promotion of Voluntary Action in Rural Development (PC)
11. Organisation of Beneficiaries (OB) and Social Animators Training (SAT)
12. Advancement of Rural Technology Scheme (ARTS)
13. Watershed Development
14. Assistance to NGOs

4.21 THE DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)

The District Rural Development Agency (DRDA) has traditionally been the principal organ at the District level to oversee the implementation of different anti-poverty programmes. Since its inception, the administrative costs of the DRDAs were met by way of setting apart a share of the allocations for each programme. However, of late, the number of the

programmes had increased and while some of the programmes provided for administrative costs of the DRDAs, others did not. There was no uniformity among the different programmes with reference to administrative costs. Keeping in view the need for an effective agency at the district level to coordinate the anti-poverty effort, a new Centrally Sponsored Scheme for strengthening the DRDAs has been introduced with effect from 1st April, 1999. Accordingly, the administrative costs are met by providing a separate budget provisions. This scheme which is funded on a 75:25 basis between Centre and States, aims at strengthening and professionalising the DRDAs.

4.21.1 ROLE AND FUNCTIONS OF THE DRDA

1. If effective programme design is critical to successful implementation of rural development programmes, so is an effective delivery agency. None of the anti-poverty programmes can have impact unless they are implemented with clarity of purpose and a commitment to the task. It is here that the DRDAs play a critical role. The DRDAs are not the implementation through overseeing the implementation of different programmes and ensuring that necessary linkages are provided. To this extent the DRDA is a supporting and facilitation organization and needs to play a very effective role as a catalyst in development process.

2. The district Rural Development Agency is visualized as specialized and a professional agency capable of managing the anti-poverty programmes of the Ministry of Rural Development on the one hand and to effectively relate these to the overall effort of poverty eradication in the District. In other words, while the DRDA will continue to watch over and ensure effective utilization of the funds intended for anti-poverty programmes, it will need

to develop a far greater understanding of the processes necessary for poverty alleviation/eradication. It will also need to develop the capacity to build synergies among different agencies involved for the most effective results. It will therefore need to develop distinctive capabilities rather than perform tasks that are legitimately in the domain of the PRIs or the line departments. The role of the DRDA will therefore be distinct from all the other agencies, including the Zilla Parishad.

3. DRDAs must themselves be more professional and should be able to interact effectively with various other agencies. They are expected to coordinate with the line department, the Panchayati Raj Institutions, the banks and other financial institutions, resources required for poverty reduction effort in the district. It shall be their endeavor and objective to secure inter-sectoral and inter-departmental coordination and cooperation for reducing poverty in the district. It is their ability to coordinate and bring about a convergence of approach among different agencies for poverty alleviation and would set them apart.

4. The DRDAs are expected to coordinate effectively with the Panchayati Raj Instructions. Under no circumstances will they perform functions of PRIs.

5. The DRDAs will maintain their separate identity but will function under the chairmanship of the Chairman of Zilla Parishad. They are expected to be a facilitating and supporting organization to Zilla Parishad, providing necessary executive and technical support in respect of poverty reduction efforts. Wherever the Zilla Parishads are not in existence of are not

functional, the DRDAs would function under the Collector/District Magistrate/Deputy Commissioner, as the case may be.

6. The DRDAs are expected to oversee the implementation of different anti-poverty programmes of the Ministry of Rural Development in the district. This is not to be confused with actual implementation, which will be by the Panchayati Raj and other Institutions. The DRDAs will monitor closely the implementation through obtaining of periodic reports as well as frequent field visits. The purpose of the visit should be to facilitate the implementing agencies in improving implementation process, besides ensuring that the quality of implementation of programmes is high. This would include overseeing whether the intended beneficiaries are receiving the benefits under the different programmes.

7. The DRDAs shall keep the Zilla Parishad, the State and Central Government duly informed of the progress of the implementation of the programmes through periodic reports in the prescribed formats. Special report, as and when called for, shall be provided.

8. It shall be the duty of the DRDAs to oversee and ensure that the benefits specifically earmarked for certain target groups (SC/ST, women and disabled) reach them. They shall take all necessary steps to achieve the prescribed norms.

9. The DRDAs shall take necessary steps to improve the awareness regarding rural development and poverty alleviation particularly among the rural poor. This would involve issues of poverty, the opportunities available to the rural poor and generally infusing a sense of confidence in their ability to overcome poverty. It would also involve sensitizing the different

functionaries in the district to the different aspects of poverty and poverty alleviation programmes.

10. The DRDAs will strive to promote transparency in the implementation of different anti-poverty programmes. Towards this end, they shall publish periodically, the details of the different programmes and their implementation.

11. Keeping in view, the substantial investment that are being made in poverty alleviation programmes, the DRDAs shall ensure financial discipline in respect of the funds received by them, whether from Central or State Governments. They shall also ensure that the accounts are properly maintained including in respect of the funds allocated to banks or implementing agencies in accordance with the guidelines of different programmes.

12. Thus the role of the DRDA is in terms of planning for effective implementation of anti-poverty programmes; coordinating with other agencies-Governmental, non-Governmental, technical and financial for successful programme implementation; enabling the community and the rural poor to participate in the decision making process, overseeing the implementation to ensure adherence to guidelines, quality, equity and efficiency; reporting to the prescribed authorities on the implementation; and promoting transparency in decision making and implementation.

13. In addition the DRDAs shall coordinate and oversee the conduct of the BPL Census and such other surveys that are required from time to time.

14. The DRDAs shall also carry out / aid in carrying out action research/ or evaluation studies that are initiated by the Central/State Governments.

15. The DRDAs should deal only with the anti-poverty programmes of the Ministry of Rural Development. If DRDAs are to be entrusted with programmes of other ministries or those of the State Governments, it should be ensured that these have a definite antipoverty focus. Entrusting of any programme to the DRDAs, other than anti-poverty programmes of the Ministry, be it of any other Ministry of Government of India or the respective State Government will have to be done with the approval of the Secretary, Rural Development of the respective State (s), who should examine such request in consultation with the Ministry of Rural Development, Government of India. In such cases, it must be ensured that adequate provision is made for requisite staffing needed for proper implementation of the programme.

The composition of the governing body is as follows.

- 1 Chairman of Zilla Parishad Chairman
- 2 All MPs and MLAs and MLCs of the District
- 3 1/3rd of Panchayat Samiti Chairpersons to be nominated by rotation in alphabetical order for a tenure of one year, one of whom must belong to SC/ST and another woman.
- 4 CEO of Zilla Parishad / District Collector ;V Chief Executive Officer / Executive Director
- 5 Head of the Central Cooperative Bank of the District
- 6 Chairman Regional Rural Bank
- 7 District Lead Bank Officer
- 8 Representative of the Reserve Bank of India at district level
- 9 NABARD representative at district level

10 General Manager, DIC

11 Representative of KVIB

12 District Officer in charge of Scheduled Caste / Scheduled Tribe Welfare

13 District women & Child welfare officer

14 District officer dealing with welfare of the disabled

15 One representative from technical institutions

16 Two representatives of NGOs

17 Two representatives of the weaker sections, one of whom may be drawn from SCs and STs

18 One representative of rural women

19 Project Director, DRDA- Member Secretary

Wherever the Zilla Parishads are not in existence, the State Governments may nominate elected members of the State Legislature from the concerned districts to act as Chairman of the Governing Bodies of the DRDAs.

4.22 NABARD (NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT)

NABARD is set up as an apex Development Bank with a mandate for facilitating credit flow for promotion and development of agriculture, small-scale industries, cottage and village industries, handicrafts and other rural crafts. It also has the mandate to support all other allied economic activities in rural areas, promote integrated and sustainable rural development and secure prosperity of rural areas. In discharging its role as a facilitator for rural prosperity NABARD is entrusted with

1. Providing refinance to lending institutions in rural areas
2. Bringing about or promoting institutional development and

3. Evaluating, monitoring and inspecting the client banks

4. Besides this pivotal role, NABARD also:

Acts as a coordinator in the operations of rural credit institutions

Extends assistance to the government, the Reserve Bank of India and other organizations in matters relating to rural development offers training and research facilities for banks, cooperatives and organizations working in the field of rural development helps the state governments in reaching their targets of providing assistance to eligible institutions in agriculture and rural development Acts as regulator for cooperative banks.

Specific Objectives:

1. Assistance to the economically weaker sections of the community.
2. Cohesion and cooperative self-help in the community.
3. Development of cooperative institutions.
4. Development of local resources including the utilization of manpower.
5. Production in agriculture as the highest priority in planning.
6. Progressive dispersal of authority and initiative both vertically and horizontally with special emphasis on the role of voluntary organizations.
7. Promotion of rural industries.
8. Understanding and harmony between the people's representatives and people servants through comprehensive training/education and a clear demarcation of duties and responsibilities.

The Backward Regions Grant Fund should be designed to redress regional imbalances in development. The fund will provide financial resources for supplementing and converging existing developmental inflows into 250 identified districts, so as to: Bridge critical gaps in local infrastructure and

other development requirements that are not being adequately met through existing inflows. Strengthen, to this end Panchayat and Municipality level governance with more appropriate capacity building, to facilitate participatory planning, decision making, implementation and monitoring, to reflect local felt needs, Provide professional support to local bodies for planning, implementation and monitoring their plans Improve the performance and delivery of critical functions assigned to Panchayats, and counter possible efficiency and equity losses on account of inadequate local capacity. Integrated development will commence with each district undertaking a diagnostic study of its backwardness by enlisting professional planning support. This will be followed by preparing a well-conceived participatory district development perspective plan to address this backwardness during 2006-07 and the period of the Eleventh Five-Year. The Panchayats at the village, intermediate and district level, referred to in Part IX of the Constitution, will undertake planning and implementation of the programme, in keeping with the letter and spirit of Article 243 G, while the Municipalities referred to in Part IX A will similarly plan and implement the programme in urban areas in conformity with the letter and spirit of Article 243 W, read with Article 243 ZD of the Constitution.
