

APPOLO STUDY CENTRE

UNIT - II EVOLUTION OF PANCHAYAT RAJ SYSTEM IN TAMIL NADU

Summary of Status of Panchayat Raj Institutions in Tamil Nadu Introduction to PRIs in Tamil Nadu

1. Tamil Nadu has a long history of local self-governance as is evident from the Uthiramerur stone inscriptions in Kanchipuram district.
 2. This tradition reached its peak during the 10th and 11th centuries under the reign of Cholas when Village Councils used to levy taxes, improve community life and administer justice in their limited area. These Village Councils had effective links with the Chola rulers.
 3. "Kuda Olai Murai" was the name of the secret ballot method exercised to elect members to the Village Councils.
 4. This continued till British rulers introduced local self-governance primarily as an administrative convenience for the imperial Government.
 5. The first enactment in democratic decentralization in the State was the Madras Village Panchayats Act, 1950.
 6. Pursuant to the White Paper on the "Reform of Local Administration" in 1957, the Madras Panchayats Act, 1958 and Madras District Development Council Act were enacted with the following salient features:
 - a) A two-tier system of Village Panchayats and Panchayat Unions.
 - b) Creation of Panchayat Unions co-terminus with the Community Development Blocks.
 - c) Village Panchayat Presidents to become ex-officio members of the Panchayat Union Councils with the Chairperson of the Panchayat Union Council directly/indirectly elected.
 - d) Entrusting the Panchayat Unions and Village Panchayats with a large number of developmental and welfare functions.
 - e) Abolition of District Boards.
 - f) Creation of District Development Council as an advisory body.
- This two-tier system operated very well till 1975 and elections were held regularly. Subsequently, the tenures of the Panchayat Unions and Village Panchayats were extended up to 1.2.1977 and 12.9.1979 respectively.
 - Thereafter, Special Officers (Block Development Officer for all the Village Panchayats in a Block and Divisional Development Officer for all the Panchayat Unions in a Division) managed the rural Local Bodies till the next elections in 1986.
 - The elected rural Local Bodies continued in office till March 1991. Again, no elections were held till October 1996 and the Special Officers managed the rural Local Bodies.

Impact of Constitution (73rd Amendment) Act 1992 in Tamil Nadu

- Though the Panchayat Raj Institutions were in existence in various forms in various States, these institutions did not acquire the status and dignity of viable and responsive people's bodies due to a number of reasons including absence of regular elections, prolonged supersession, **insufficient representation of weaker sections like Scheduled Castes**, Scheduled Tribes and Women, inadequate devolution of powers and lack of financial resources.
- A number of fundamental changes were brought about in the Panchayat Raj System by virtue of this Act.
- Pursuant to this, the Tamil Nadu Panchayats Act 1994 was enacted and it came into force with effect from **22.04.1994**.
- Some of the important changes brought about by the **73rd Amendment** to the Constitution and the **Tamil Nadu Panchayats Act 1994** are listed below:
 - a) Introduction of a **three-tier system** - at the **Village, Intermediate (Block) and District levels**. [There are **12,618 Village Panchayats**, **385 Panchayat Unions** (coterminous with Blocks) and **29 District Panchayats in Tamil Nadu**].
 - b) **Mandatory conduct of Local Body elections every five years** and conduct of elections before the expiry of the duration of the Local Body or before the expiry of a period of **6 months** from the date of its dissolution.
 - c) **Introduction of reservation of seats** (i.e. ward members) and offices (i.e. Chairpersons/Presidents) for **Scheduled Castes/Scheduled Tribes** in proportion to their population in every Local Body with provision for rotation of the reserved seats and offices.
 - d) Introduction of **reservation of one third of total number of seats and offices for women with provision for rotation**.
 - e) **Constitution of a State Election Commission** as an independent body to conduct elections to both **rural and urban Local Bodies** regularly.
 - f) **Establishment of a quinquennial State Finance Commission** to recommend devolution of resources from the State Government to the rural and urban Local Bodies.
 - g) **Constitution of a District Planning Committee** to consolidate the plans prepared by the rural and **urban Local Bodies in the district** with a view to prepare a comprehensive development plan for the district.
 - h) Introduction of the concept of '**Grama Sabha**' comprising all registered voters in a Village Panchayat.

Milestones in Decentralisation

1882	The Resolution on Local Self-Government.
	The Royal Commission on Decentralisation.
1948	Constitutional debates on Gram Swaraj, 'Self-rule'
1950	Enactment of Madras Villages Panchayat Act 1950 in Tamil Nadu.
1957	Balwantrai Mehta Commission - an early attempt to implement the Panchayat structure at district and block (Samithi) levels.

1958	Enactment of Madras Village Panchayat Act 1958 in Tamil Nadu.
1963	K. Santhanam Committee - recommended limited revenue raising powers for Panchayats and the establishment of State Panchayat Raj Finance Corporations.
1978	Ashok Mehta Committee - appointed to address the weaknesses of PRIs, concluded that a resistant bureaucracy , lack of political will, ambiguity about the role of PRIs, had undermined previous attempts at decentralization, recommended that the District serve as the administrative unit in the PRI structure.
1985	G.V.K. Rao Committee - appointed to address weaknesses of PRIs, recommended that the block development office (BDO) should assume broad powers for planning, implementing and monitoring rural development programmes.
1986	L.M. Singhvi Committee - recommended that local self-Government should be constitutionally enshrined, and that the Gram Sabha (the Village assembly) should be the base of decentralized democracy in India.
1994	Tamil Nadu Panchayats Act, 1994 enacted on 22.04.1994 .
1996	1 st ordinary Local Body Elections in Tamil Nadu.
1997	The First High Level Committee under the Chairmanship of Thiru. L. C. Jain , the then Member of State Planning Commission submitted its recommendations on devolution of powers and functions to rural Local Bodies in April, 1997.
1999	The Second High Level Committee under the Chairmanship of the then Hon'ble Rural Development and Local Administration Minister, Thiru. Ko. Si. Mani , submitted its report on devolution of powers and functions to Rural Local Bodies on 11.01.1999 .
2001	2 nd ordinary Local Body Elections in Tamil Nadu.
2006	3 rd ordinary Local Body Elections in Tamil Nadu.
2007	The Third High Level Committee headed by Thiru M.K. Stalin , Hon'ble Minister for RD&LA was constituted to examine the scope for further devolution of powers and functions to rural and urban Local Bodies .

Tamil Nadu's stand on the 73rd Constitutional Amendment

- The Government of Tamil Nadu has had reservations regarding certain aspects of the 73rd Constitutional amendment and our experience of working under the new system for the past 12 years has only confirmed the same.
- The system prevailing under the old **Tamil Nadu Panchayats Act of 1958** wherein the **Presidents of Village Panchayats** were ex-officio members of the Panchayat Union Council at the Block level ensured organic linkage between the two tiers. Hence, the name '**Panchayat Union**' and it genuinely functioned as a 'union' of Village Panchayats.
- Since the Village Panchayat Presidents themselves 'doubled up' as ex-officio members of the Panchayat Union Council, there were no separate ward members for the Council.

- Having separate ward members for Panchayat Unions (6,570 for the State as a whole) and District Panchayats (656) has vastly increased the number of 'members' and has paved the way for inter-tier friction and disharmony.
- **Although Article 243 C (3) of the Constitution states that a State may, by law, provide for the representation of Village Panchayat Presidents on the Panchayat Union Council and Panchayat Union Chairpersons on the District Panchayat, this arrangement is not satisfactory because it can render the Panchayat Union Councils and District Panchayats too unwieldy with too many members and can create disharmony between the two distinct power blocs within each Council. Hence, Tamil Nadu has not invoked Article 243 C (3).**

✚ L.C. Jain Committee

✚ Ko. Si. Mani Committee

✚ M.K. Stalin Committee

- Stability of tenure of rural and urban Local Body representatives by making **the moving and passing of No Confidence Motions more stringent**.
- Designating **November 1st of every year as the "Local Bodies Day"**.

Sixth State Finance Commission

- The Government have, vide G.O.Ms. No. 60, Finance (Finance Commission-IV) Department, dated 28.02.2023, constituted **Sixth State Finance Commission** to review the financial position of the rural and **urban local bodies** namely Village Panchayats, Panchayat Union Councils, District Panchayats, Town Panchayats, Municipalities and Municipal Corporations. The Commission has the mandate to make recommendations as to - (a) the principles which should govern-
- **Sixth State Finance Commission (2022-23 - 2027-28)**
 - The **Sixth SFC constituted in the year 2020** by the Government has submitted its recommendations, and most of the recommendations have been accepted by the Government.
- **Key recommendations of the Sixth SFC:**
 1. Award period of the Sixth SFC is **2022-23 to 2027-28**.
 2. Sixth SFC recommended devolving **10% of the State's own Tax Revenue to Local Bodies**.
 3. The vertical sharing ratio between **Rural and Urban Local bodies will be 51:49**.
 4. The Government has also **ordered to share the devolution grant among the District Panchayats, Panchayat Unions and Village Panchayats** in the ratio of 6:39:55, respectively.
 5. The Grant allocated to the three tiers will be devolved on the basis of the multiplier formula recommended by the Sixth State Finance Commission.
 6. Sixth SFC has categorised the grants into two major heads as detailed below:

1. Special Grant
2. Devolution Grant.

Grama Sabha

- The Grama Sabha is the **grass root level democratic institution** in each Village Panchayat.
- The Government have ordered the conduct of **Grama Sabha meetings a minimum of six times** a year i.e. on 26th January, March 22nd, 1st May, 15th August, 2nd October and 1st November.
- Since a quorum of **10% of the voters was unattainable** and unwieldy for the bigger Village Panchayats, a reduced quorum based on the population of Village Panchayats has been prescribed.

No.	Population of a Village Panchayat	Quorum for the meeting
1	Up to 500	50
2	501-3,000	100
3	3,001-10,000	200
4	Above 10,000	300

- It has also been specified that out of the quorum, at least **1/3rd shall** be women and the number of SC/ST participants shall bear the same proportion to the quorum as the population of SCs / STs bears to the total population of the Village Panchayat.
- Recording of Grama Sabha attendance and proceedings through proper registers and keeping photographic record have been made mandatory for the conduct of Grama Sabhas.

Village Panchayats

- **Functions:**
 - **Sections 110 & 111 of the Tamil Nadu Panchayats Act, 1994 prescribe the duties and functions of Village Panchayats.** Some of the important functions of a Village Panchayat are:
 - a) Construction, repair and maintenance of all village roads.
 - b) Extension of village sites and the regulation of buildings.
 - c) Lighting of public roads and public places in built-up areas.
 - d) Construction of drains.
 - e) Cleaning of streets and improvement of the sanitary condition of the village.
 - f) Construction and maintenance of public latrines.

- g) Sinking and repairing of wells, the excavation, repair and maintenance of ponds or tanks and the construction and maintenance of water-works for the supply of water.
- h) Maintenance of burial and burning grounds.
- i) Maintenance of parks and reading rooms,
- j) Implementation of schemes such as Indira Awaas Yojana (IAY) and National Rural Employment Guarantee Scheme (NREGS).
- k) Such other duties as the Government may, by notification, impose.

Panchayat Union Council

- **Functions and Powers**

- **Section 112** of the Tamil Nadu Panchayats Act, 1994 prescribes various powers and **functions of Panchayat Union Councils. Some of the important functions of a Panchayat Union Council are:**

- a) Construction, repair and maintenance of all Panchayat union roads.
- b) Construction of water works for the supply of water for drinking, washing and bathing purposes.
- c) Construction and maintenance of elementary and middle schools.
- d) Control of fairs and festivals under the control of the Panchayat Union.
- e) Opening and maintenance of Panchayat Union public markets.
- f) Implementing various Centrally sponsored and State schemes.
- g) Preventive and remedial measures connected with any epidemic or with malaria.
- Resources
- Panchayat Unions cannot levy any tax. The revenues of a Panchayat Union consist of the following:

- a) **Non tax revenues:**

- License fees, market fees, receipt from rentals and properties, fines and penalties.

- b) **Assigned and shared revenues:**

- The Pooled Assigned Revenue component of Local Cess, Local Cess Surcharge, Surcharge on Stamp Duty and Entertainment Tax is proportionately distributed to the Panchayat Unions based on the State Finance Commission Grants formula. Lease amount of mines and minerals (50% share) comes individually to the Panchayat Unions concerned and is adjusted at the district level itself.

Local Bodies' Day

- **November 1 as 'Local Bodies' Day'** to be celebrated by all rural and urban Local Bodies in Tamil Nadu every year. **Tamil Nadu is the first State in the country** to do this.