
UNIT 2 PANCHAYATI RAJ

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2.0 OBJECTIVES

After studying this unit you should be able to:

- outline the historical background of the Panchayati Raj system;
- describe some of the major steps taken by the government towards rejuvenating the Panchayati Raj system after 1947; and
- explain the need for and special features of the 73rd Constitutional Amendment.

2.1 INTRODUCTION

This unit aims at familiarizing you with the institution of Panchayati Raj as an important mechanism for decentralization of power and people's involvement in development activities.

History tells us that Local Self-government, as a system, has existed in India since long. Its form may vary, but its spirit has always been a part of our socio-cultural ethos. In the medieval times, it was seen in the 'Gram Sabha' functioning through its executive committee viz. Panchayat, a village body able to govern and sustain a small community of people. During the British Raj, it became the instrument of the ruling elite, intended to project the interests of the British Government.

After independence, it was in 1959 that the Panchayati Raj system took its present shape. The enthusiasm generated by this new mantle of local self-governance, however, did not last long. Conflicting interests at various levels eclipsed the concept as well as its practice. After decades of debate, the Constitutional (73rd Amendment) Act, 1992 took up the task of rejuvenating this system.

The institution of Panchayati Raj is now recognized as an important mechanism for decentralization of power and materializing people's participation in development activities. It has been given special emphasis after the Constitution (73rd Amendment) Act, 1992 which made the details of the transfer of power to the panchayats a part of the most basic document of this nation—*The Constitution of India*. You have learned about the changes in the administrative setup at the district level after the 73rd Constitution Amendment Act and also read briefly about panchayats in the previous unit of this block. In this unit, we shall confine our discussion to the historical overview, post-independence developments in general, the Constitution (73rd Amendment) Act, 1992 and its salient features in particular.

2.2 HISTORICAL OVERVIEW

In India, the concept of local self-government is not new. Throughout the ages until the British rule, the village communities have kept this system alive. In our villages, different sections of the community helped and depended on each other. Age-old customs and traditions helped to maintain the community spirit. Kingdoms were built and destroyed but these village communities maintained their shape and spirit. These very village bodies were the lines of contact with higher authorities on matters affecting the villages.

Each village had a Sabha consisting of the adult residents of the village. Each Sabha had a sort of executive body of around five people known as panchayat. The panchayat was collectively responsible for looking after the needs of village people. Thus each village was a compact administrative unit served by public functionaries who were a part of the village community. These panchayats managed the affairs of the village community. No village affair was considered beyond its control. Despite many of the political changes in cities and towns during the medieval period, the system of the local government or the panchayats in villages continued undisturbed.

We have just outlined the ancient system of local government in our country. We have also told you that it has lived through the centuries in spite of several political changes. We will now discuss the history of the Panchayati Raj in India from the British period onwards

When the British came to India, we had our own village government system. Some among them (Charles Metcalf, for example) admired it and called panchayats "*Little Republics*". But, of course, the British used it to extend their own rule and power. Do you know how? The British had their own representatives in every region. As a result of the British interference, the attitude of the people towards panchayats changed. Progressively, the people began losing faith in the institution of panchayat. Other conditions too had changed. For example, direct taxation gave way to indirect taxation. In many regions of the country, for example, in the North Western provinces, a leading or prominent person was put in charge of various jobs like construction, development work, etc. This system took the place of the local institutions like panchayats. In 1882, the Government of India Resolution on local self-government was announced. Lord Ripon's Government had sent circulars to the governments in the provinces on the subject of local self-government, as they wanted to find out what the public opinion was. The issues in the circular became the basis for the Government of India Resolution (1882) and later the Local Bodies Act of 1885 came into being. This was the basis for setting up local self-governing institutions with a majority of nominated members down to the village level.

It seems that Lord Ripon viewed the problem of local self-government liberally. He thought that the local self-governing institutions would act as instruments of political and popular education. Another major step in this direction was the Report of the Royal Commission on Decentralization. This commission was set up in 1907 and it

submitted its report in 1909. It recommended that it would be desirable for effective decentralization to associate people with local tasks and village affairs through village panchayats. But like the Ripon Resolution, the recommendations made by the Royal Commission on Decentralization also remained on paper only.

In the same year (i.e. 1909), the 24th Session of the Congress at Lahore adopted a resolution urging the Government to take early steps to have elected local bodies from village panchayat upwards with non-official chairmen for the local bodies and to provide them necessary financial support.

The Montagu-Chelmsford Reforms of 1919, under the proposed scheme of diarchy, made local self-government a “transferred subject”. This meant that local self-government was brought under the control of Indian ministers in the provinces. The idea was to make the local bodies truly representative bodies by bringing them under the popular control. This, however, did not make the panchayat institutions truly democratic, as there were various other constraints to overcome. Yet many acts were passed by various states for establishing panchayats. These included ‘Bengal Village Self-Government Act of 1919’, ‘Madras, Bombay and United Provinces Village Panchayat Act of 1920’, ‘Bihar and Orissa Village Administration Act’, ‘Assam Rural Self-Government Act of 1926’, ‘Punjab Village Panchayat Act of 1935’, etc. These acts aimed at looking after the development of villages and their affairs. The local self-government had powers even to try minor cases. But these bodies were not democratic in the real sense, because most of their members were not elected but nominated by the government. They had few powers given to them and their financial resources were also limited. The situation remained more or less the same till 1947.

Check Your Progress I

Note: i) Write your answer in the space provided.

ii) Check your answer with the possible answer provided at the end of the unit.

1) What were the functions and the structure of Panchayats in the medieval India?

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2.3 POST-INDEPENDENCE PERIOD

The Indian National Congress perceived panchayats as people’s institutions. Local self-governance was seen as the true voice of democracy. Many of our leaders, mainly Mahatma Gandhi, had pointed out that independence must begin at the lowest level. Every village should be a *republic (Gram Swaraj)* with a panchayat having full powers. The idea was to have democratic processes *operating at the grass roots level as much as at the national level.*

2.3.1 Birth of the Panchayati Raj System in Independent India

It was the Study Team on Community Projects and National Extension Services headed by Balwantrao Mehta and set up in 1957, which expressed concern about the lack of popular participation in Community Development Programmes and made a strong plea for devolution of power to lower levels through Panchayati Raj. Thus the Panchayati Raj system came into existence in 1959 with two basic objectives. These were (1) *democratic decentralization* and (2) *local participation in planned programmes*. This was a big step forward in the process of development.

It was mentioned in the preceding unit that the Balwantrao Mehta Committee recommended a *three-tier system* of Panchayati Raj. In other words, the system had to work at three levels. They were: the district level (Zilla Parishad), the intermediate level (Block Samiti) and the lower level (Village Panchayat). The Committee suggested the setting up of Block Level Committees comprising elected representatives with adequate powers and resources for development programmes. The team felt that in this way Panchayati Raj system would be able to establish a link between the people and the government.

The states of Rajasthan and Andhra Pradesh were the first to adopt this system. By 1959, all the states had passed Panchayat Acts, and by the mid-1960s, panchayats had been set up in all parts of the country, as more than 217,300 village panchayats, covering over 96 per cent of the 579,000 inhabited villages and 92 per cent of the rural population, had come into being. On an average, a panchayat represented a population of about 2,400 covering two to three villages. There was a lot of enthusiasm generated in the rural India and the people started feeling that they could have a say in the affairs affecting their daily lives.

Unfortunately this enthusiasm could not be sustained. One explanation given is that “strengthening of local government institutions and devolution of powers did not go hand in hand with adequate delegation and devolution of powers, particularly in respect of planning and administration”. On the other hand, national development planners were busy experimenting with other development initiatives, like the ‘*Green Revolution*’ in the 1960s and the ‘*Target Group*’ approach in the 1970s, as they were anxious partly to show overnight results in the food situation and partly to reach target groups to contain poverty. As a result local self-government system nourished through history and promised by the Constitution of India started languishing. It was only when development planners realized that community participation in development planning was not forthcoming on the expected lines and that the poverty situation was showing little signs of recovery, that we started looking back at local self-government through Panchayati Raj during the late 1970s. Thus the appointment of Ashoka Mehta Committee in 1977 marked a “turning point in the concept and practice of Panchayati Raj”.

2.3.2 Asoka Mehta Committee

In 1977, a committee was appointed under the chairmanship of Asoka Mehta to review the working of the Panchayati Raj Institutions. The Committee listed several factors responsible for the decline of the Panchayati Raj. They included:

- i) Dissociation of the programmes of development from the Panchayati Raj;
- ii) Inability of the bureaucracy to involve panchayats in the implementation of development programmes;
- iii) Internal deficiencies within the panchayat institutions; and
- iv) A lack of clarity about the concept itself.

The Asoka Mehta Committee provided a definite *philosophical* treatment to the system. It observed that rural India was the backbone of all developmental programmes. The future of India would depend on the welfare of the villages. Panchayati Raj as a system should contribute to the philosophy and the functions of rural life in India.

The most significant recommendation of the committee was about the two-tier Panchayati Raj system. According to this recommendation, the Zilla Parishad at the district level had to be established as the first point of decentralization. It also recommended the formation of Mandal Panchayats. A Mandal was conceived as a group of villages, which would make the necessary links with the system in developing focal points. It would also develop links between rural and urban areas. One major weakness of the Ashoka Mehta Committee was that it ignored the importance of the Gram Sabha.

2.3.3 G.V.K. Rao Committee

This Committee was set up in 1985. It was asked to look into the administrative arrangements for rural development and the role of panchayat bodies and their relationships with the administrative setup. With reference to the Panchayati Raj, we may recall the major recommendations of this committee as follows:

- Zilla Parishads (at district level) should be strengthened,
- There should be sub-committees at the district level with proportional representation,
- Some planning functions may be transferred to the district level, and
- Elections of local bodies should be held regularly.

The committee believed that development was possible, only if a large number of people participated in development activities. In order to achieve this, adequate powers and financial resources at the local level were considered essential.

2.3.4 L.M. Singhavi Committee

This was set up in 1986. It gave importance to the Gram Sabha. Once again, the Gram Sabha was viewed as the seedbed of democracy.

Some of its major recommendations are:

- Local self-government should be constitutionally recognized.
- Elections at the panchayat level should be held regularly and without delay.
- Panchayati Raj judicial tribunal should be set up in every state to deal with matters related to the working of Panchayati Raj.
- There should be adequate financial resources to ensure effective functioning of panchayats.
- Participation of individuals attached to political parties should be discouraged.
- The Nyaya Panchayat should be given the functions of mediation and settling of issues.

2.3.5 Sarkaria Commission

The Sarkaria Commission (1988), which was primarily concerned with the *centre-state relationship*, also recommended the strengthening of local bodies financially and functionally. The commission also believed that elections for panchayats must be held regularly.

By the end of 1988, a sub-committee of the Consultative Committee of Parliament under the chairmanship of *P.K. Thungon* made recommendations for strengthening the Panchayati Raj system once again. One of its important recommendations was that Panchayati Raj bodies should be constitutionally recognized. Similarly, the Congress Committee headed by *V.N. Gadgil* in 1989 recommended a three-tier system of Panchayati Raj with a fixed term of 5 years for the elected members and reservation for Scheduled Castes/Tribes and women.

The recommendations of these various committees and commissions generated a strong realization that there was a need to create a *strong third layer of governance*, which would help the rural community to influence its own future. To materialize this, it was considered necessary to give constitutional recognition to the third layer of governance. It was against the backdrop of these recommendations by various committees and commissions that the Constitution (64th Amendment) *Bill* was drafted.

Check Your Progress II

Note: i) Write your answers in the space provided.

ii) Check your answers with the possible answers provided at the end of the unit.

1) Which committee made a strong plea in 1959 for the devolution of power to the lower level through panchayats? What were the twin objectives set for the Panchayati Raj system by this committee?

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2.4 THE CONSTITUTION (73RD AMENDMENT) ACT, 1992

The amendment phase began with the 64th Amendment *Bill* (1989), which was introduced in Parliament for constituting panchayats in every state at the village, the intermediate and the district levels. It proposed that the Legislature of a State could by law endow the panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government. This *bill* was the brainchild of Rajiv Gandhi, who strongly believed in strengthening panchayats by giving them constitutional status. Unfortunately, though the *Bill* got two-thirds majority in the Lok Sabha, it was struck down in the Rajya Sabha on October 15, 1989 by just two votes. The next Government headed by V.P. Singh also made an abortive effort to provide constitutional status to panchayats through the introduction of the 74th Amendment *Bill*.

Notwithstanding the above disappointments, the government declared its commitment to the philosophy of ‘Power to the People’, and so to providing the much needed constitutional status to panchayats. Accordingly, in September 1991, the 72nd Amendment of the Constitution was introduced. This was referred to a Joint Select Committee of the Parliament in December 1991 for detailed examination. Finally,

after including necessary changes, the Amendment was passed with near unanimity in the Lok Sabha on December 22, 1992 and in the Rajya Sabha on December 23, 1992. Finally, on April 20, 1993 the President of India gave it his assent. This Amendment of the Constitution is known as the **Constitution (Seventy-Third Amendment) Act, 1992**. This Act was brought in to force by a notification with effect from April 24, 1993.

This Act makes the details of the transfer of power to the Panchayat a part of the most basic document of this nation: the Constitution of India. By virtue of this Act, no one will be able to take away the powers, responsibilities and finances given to the Panchayats. They are expected to play a much bigger role in the development of their respective areas and people. It is also expected that everyone will be able to take part in this process including the poorest of the poor.

All of us know that the objective of national development can be achieved only through the development of the vast rural areas. People who are poor and unemployed cannot have adequate buying power. You must have seen that even nature does not favour us every time. From time to time, we have to face failures of the monsoon, droughts, floods, cyclones, etc. It is now hoped that through people's involvement, panchayats will be able to play a more responsible role in overcoming these difficulties.

Special Features of the Amendment

The special features of the Constitution (73rd Amendment) Act, 1992 are:

a) ***Gram Sabha***

The Act has restored the important role of the Gram Sabha. It is clear that the primary source of democratic power is in the village. The Gram Sabha is expected to be an active institution for starting all development activities based on local needs.

b) ***Three-tier Model***

The country will have a uniform *three-tier system* of panchayats (at village, intermediate and district levels). Only the states with a *population less than twenty lakhs* would not need to establish a panchayat at the intermediate level.

c) ***Reservation of Seats***

The Act provides for *reservation of seats for Scheduled Castes and Scheduled Tribes* in every panchayat in proportion to their population. One-third of the seats reserved for Scheduled Castes and Scheduled Tribes will also be reserved for women. Not less than one-third of the total number of seats to be filled by direct election shall be reserved for women.

The offices of the chairpersons in the panchayats at the village or any other level shall be reserved for Scheduled Castes and Scheduled Tribes in proportion to their population. Also, one-third of the total number of chairpersons' offices in the panchayats at each level shall be reserved for women.

d) ***Composition of Panchayats***

Direct election to the panchayat is one of the distinguishing features of this Amendment. Persons chosen by direct election from territorial constituencies shall fill all the seats in a panchayat. The chairperson at the village level shall be elected in such a manner as the legislature of the state may provide. The chairperson at the intermediate and district levels shall be elected by and from amongst the elected members.

e) *Duration of Panchayats*

Every panchayat shall remain in office for five years normally. If it is dissolved for any reason before this period is over, elections will be held within six months. The reconstituted panchayat shall function for the remaining period of the total of five years.

f) *Conduct of Elections*

The superintendence, direction and control of the preparation of electoral roll for, and the conduct of, all elections to the panchayats shall be vested in the State Election Commission. The State Election Commission will be responsible for conducting elections, i.e. they will make the lists of all the people who are eligible to vote and ensure that the elections are held in a free and just manner.

g) *Finance Commission*

In order that enough funds are made available to the panchayats for initiating various development activities, the Constitution (73rd Amendment) Act, 1992 provides for the constitution of a Finance Commission in every state. This commission is to be constituted by the Governor of each state within one year from the commencement of the Constitution Act, 1992 and at the end of every five years thereafter. These commissions will be responsible for reviewing the financial condition of the panchayats and make recommendations to the respective Governors.

h) *Development Activities*

The Act gives powers and responsibilities to the panchayats to plan and execute economic development programmes. Such responsibilities include the making of plans for economic development and social justice and the implementation of schemes listed in the Eleventh Schedule. These activities as listed for the panchayat institutions may be grouped under five categories for academic purposes.

- i) *Economic Development*: There are 11 items, which talk about economic development. One of them relates to anti-poverty programmes, such as JRY, IRDP, etc. The other areas are agriculture, land improvement, minor irrigation, animal husbandry, fishery, social forestry, minor forest produce, small scale and cottage industry, fuel and fodder.
- ii) *Education*: There are five items under this category. Primary and secondary schools, non-formal education, libraries, technical training and cultural activities.
- iii) *Health*: There are two items related to health. These are health and sanitation and family welfare.
- iv) *Welfare, including Women and Child development*: There are four items which include social welfare, welfare of weaker sections, public distribution system and women and child development.
- v) *Infrastructure Development*: Under this category, there are seven items, such as roads, housing, drinking water, markets, electrification, maintenance of community assets, etc. Among these, there are certain items (apart from the items on anti-poverty programmes) which are meant for the poor or the under privileged. Schemes for the weaker sections and the programmes for women and child development also fall under this category. The benefits of the public distribution system also should go to the poor. Land reforms, particularly the distribution of wastelands, and enforcement of the tenancy laws constitute a frontal attack on poverty. They are understood to be central to any strategy used for rural development.

Check Your Progress III

Note: i) Write your answers in the space provided.
ii) Check your answers with the possible answers provided at the end of the unit.

1) What are the special features of the 73rd Amendment to the Constitution?

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2) Who constitutes the Finance Commission and what are its functions?

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2.5 POST-AMENDMENT SCENARIO

The institution of Panchayati Raj, in its rejuvenated form sought to realize the goal of democratic decentralization to accelerate socio-economic development and bring about equity and social justice. The Constitution (73rd Amendment) Act, 1992 and the subsequent State Legislations were expected to endow panchayats with such powers and authority, as may be necessary to enable them to function as effective institutions of self-government. Initially there was a positive response from the states, as almost all the states passed their respective State Legislations in conformity with the provisions of the 73rd Amendment and held panchayat elections. As a result, 2,27,698 panchayats at the village level, 5,906 panchayats at the intermediate level and 474 panchayats at the district level were constituted in the country. About 3.4 million people were elected at the three different levels throughout the country. One could for the first time witness a high degree of uniformity conferred on panchayats, particularly in terms of structure, composition, powers and functions. It seems, however, that the devolution of functions and authority has not been carried out to the letter and the spirit of the Constitution (73rd Amendment) Act, 1992. Let us analyze the situation.

2.6 THE CONSTITUTION (73RD AMENDMENT) ACT, 1992 – AN ANALYSIS

The analysis of the Constitution (73rd Amendment) Act, 1992 reveals that the Panchayati Raj institutions had to be vested with such authority and power as would enable them to function as effective institutions of self-government. It implies that they have to be democratic in nature (through regular and mandatory elections) with allocated values, priorities and policies necessary to make them effective institutions of self-government. The analysis also reveals that Panchayati Raj institutions are to act as welfare governments do, which implies that they have to initiate, plan and

executive development activities and bring about social justice. It appears that the necessary level of thinking could not be given to the issue between the enactment of the 73rd Amendment Act and the subsequent State Legislations. The whole initial process turned out to be a race for catching the deadlines rather than building the system on a realistic basis. In most cases, some amendments were incorporated in the already existing Acts to make them appear in conformity with the Constitution (73rd Amendment) Act, 1992. It seems that the legislatures failed to take cognizance of the profound implications of the constitutional status given to the panchayats as institutions of self-government. Consequently, the panchayats under the State Acts are institutions that lack the necessary autonomy. The most glaring omission in the State Acts relates to the devolution of functions to panchayats. Even though most State Acts have reproduced the 11th Schedule (which lists 29 development activities transferable to panchayats) as it is, few have earmarked any of the functions/activities of the schedule as the exclusive jurisdiction of panchayats. Consequently, there has been no substantial devolution of administrative and financial powers. In most of the cases, as various studies reveal, the role of panchayats has been reduced to that of the agencies of State Governments meant to implement various development programmes and schemes.

The post-73rd Constitution Amendment scenario, therefore, presents a mixed picture where on the one hand, the necessary devolution of powers and authority has not taken place in the letter and the spirit of the amendment, but on the other hand 34 lakh elected representatives have occupied their positions in the multi-tier setup of panchayats throughout the country. We do witness the functioning of some successful panchayats alongside some that are not allowed to function at all. The process of change, however, has begun. We still have to go a long way to realize Gandhiji's dream of "*Gram Swaraj*" through the Panchayati Raj system in India.

2.7 THE PROVISIONS OF THE PANCHAYATS (EXTENSION TO THE SCHEDULED AREAS) ACT, 1996

The Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 came into force on December 24, 1996. This Act extends panchayats to the tribal areas of the states such as Andhra Pradesh, Bihar, Jharkhand, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Chhattisgarh, Orissa and Rajasthan. It intends to enable tribal societies to assume control over their destiny and to preserve and conserve their traditional rights over natural resources. The State Governments were required to enact their legislations in accordance with the provisions of the Act within one year, i.e. by December 23, 1997. Most of the states have enacted the required state legislation to give effect to the provisions contained in Act 14, 1996. The salient features of the Act are:

- 1) Every village shall have an elected Gram Sabha and it shall be competent to safeguard and preserve the traditions and customs of the people.
- 2) Gram Sabha shall approve the plans, programmes and projects for social and economic development before their implementation.
- 3) It would be responsible for the identification or selection of persons as beneficiaries under the poverty alleviation and other programmes.
- 4) Every Gram Panchayat shall obtain from the related Gram Sabha a certificate of utilization of funds for the plans, programmes and projects.
- 5) The reservation of seats in the Scheduled Areas in every panchayat shall be in the proportion of the populations of the communities in the panchayat.

- 6) Planning and management of minor water bodies in the Scheduled Areas shall be entrusted to panchayats at the appropriate level.
- 7) Recommendations of the Gram Sabha or the panchayats shall be mandatory for granting i) licenses for mining minerals, and ii) concessions for the exploitation of minor minerals by auction in the Scheduled Areas.
- 8) The state legislature shall endow panchayats and the Gram Sabha specifically with:
 - i) the power to enforce prohibition or regulate or restrict the sale and consumption of any intoxicant;
 - ii) the ownership of minor forest produce;
 - iii) the power to prevent land alienation in the Scheduled Areas;
 - iv) the power to manage village markets;
 - v) the power to control money lending to Scheduled Tribes and social sectors;
 - vi) the power to control local plans and resources for such plans, including tribal sub-plans; and
 - vii) the state legislations that may endow panchayats with powers and authority, as may be necessary to enable them to function as institutions of self-government, and contain safeguards to ensure that panchayats at the higher level do not assume the powers and authority of any panchayats at the lower level or of the Gram Sabha.

2.8 LET US SUM UP

In this unit, we have discussed the historical background of the Panchayati Raj institutions and the developments after independence leading to the Constitution (73rd Amendment) Act, 1992. We found that some sort of local government did exist in India even in the ancient and the medieval times. We also found that during the British rule, the local self-government became a direct projection of the government. The post-independence period saw the establishment of a number of committees and commissions to make local self-government a reality.

The various committees and commissions emphasized the transfer of power to local self-government institutions and people's participation in the development process. Among these, the important ones are the Balwantrai Mehta Committee 1959, Ashoka Mehta Committee 1977, G.V.K. Rao Committee 1985, L.M. Singahvi Committee 1986, and Sarkaria Commission 1988.

Then you studied the special features of the Constitutional (73rd Amendment) Act, 1992. The significant point here is the provision for the transfer of power to the Panchayati Raj institutions and the weaker sections of the society. In particular, the Scheduled Castes, Scheduled Tribes and women are expected to benefit. The idea is to make panchayats, institutions of self-governance and allow *democracy to flourish at the grass roots level*.

You must remember that any improvement in the socio-economic conditions of the villages is possible only through the participation of the weaker sections of society. The system of local self-government intends to promote this type of participation.

2.9 KEY WORDS

- Democratic Decentralization** : A process by which the governmental powers are reallocated to different bodies established at local levels, which depend on people's participation in decision-making and monitoring of finances and programmes.
- Judicial Tribunal** : A court of people with powers to deal with official matters.
- Liberal** : A person with wide understanding, one who favours change for the good of society,
- Policy** : Principles that govern actions directed towards given ends.

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2.11 CHECK YOUR PROGRESS – POSSIBLE ANSWERS

Check Your Progress I

- 1) During the medieval times each village had a Sabha consisting of the adult residents of the village. Each Sabha had a sort of executive body of around five people known as panchayat. These bodies were collectively responsible for looking after the needs of village people. Each village was a compact administrative unit served by public functionaries who were part of the village

community. These panchayats managed the affairs of the village community. No village affair was considered beyond its control.

Check Your Progress II

- 1) It was Balwantrai Mehta Committee. The two basic objectives were (i) democratic decentralization and (ii) local participation in planned programmes.

Check Your Progress III

- 1) The special features of the 73rd Amendment are: (i) Restoration of the important role of the Gram Sabha. (ii) Three-tier system of panchayats throughout the country except the states with a population less than twenty lakhs. (iii) Reservation of seats for scheduled castes and scheduled tribes. Not less than a one-third of the total number of seats to be filled by direct election are reserved for women. (iv) Direct election to the panchayats. (v) Every panchayat shall hold office for five years. (vi) Elections to the panchayats to be conducted by the State Election Commissions. (vii) Constitution of a Finance Commission in every state. (viii) Panchayats to be involved in making plans for economic development, social justice and the implementation of schemes listed in the 11th Schedule.
- 2) Finance Commissions, one in each state, are to be constituted by the respective Governors. They remain in office for a term of 5 years, at the end of which a new Commission is constituted in each state for another 5 years, and so on. The main functions of these commissions are to review the financial condition of the panchayats and make recommendations to the respective Governors.