

Local Government

- Local Self Government is the management of local affairs by such local bodies who have been elected by the local people.
- It is the **third level of the government.**
- There are **2 types of local government in operation** – panchayats in rural areas and Municipalities in urban areas.
- **Constitutional status:** 73rd and 74th amendment act 1992, (Article 243 to 243O)
- Local Government is **state subject** under seventh schedule.
- **Article 40** – reads ‘the State shall take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government’.
- **Rajasthan** was the first state to establish Panchayati Raj. The scheme was inaugurated by the prime minister Jawaharlal Nehru on October 2, 1959, in Nagaur district.
- Subject of ‘urban local government’ is dealt with: -Ministry of Housing and Urban Affairs + Ministry of Defence + Ministry of Home Affairs

Balwant Rai Mehta Committee:

- To examine working of community development programs and national extension services
- **Year:**1957
- Three-tiers
- Planning and development at district level
- District collector should be chairman of zila parishad

Ashok Mehta committee:

- **Year:**1977
- 2 tiers
- **Executive body:** zila parishad
- Recommended constitutionality

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UNIT – V – INDIAN POLITY

- Recommended Nyaya Panchayat
- Planning and development at district level
- Developmental function shall be transferred CEO of zila parishad. district collector as regulator, revenue functions of state govt.
- **Minister for Panchayati raj** in the state council of ministers.
- Reservation of Seats for SCs and STs on the basis of their population.
- Constitutional recognition should be accorded to the PRIs – Will ensure sanctity and stature and an assurance of continuous functioning.

Dantewala Committee:

- **Year:1978**
- On Block level planning

Hanumanth Rao Committee:

- **Year:1984**
- On District Planning

G V K Rao Committee:

- To examine programs of rural development and poverty alleviation
- **Year:1985**
- Zila parishad –pivotal importance
- Panchayat raj institution at district and lower levels should be assigned planning and development.
- Post of District Development Commissioner should be created –CEO of zila parishad.

L M Singhvi Committee:

- Revitalization of panchayat raj for democracy and development.
- **Year:1986**
- 3 tiers
- Zila parishad integrated administrative structures for planning and development

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UNIT – V – INDIAN POLITY

- District development officer must be CEO of zila parishad
- Constitutional recognition to PRI with **addition of new chapter** in the Constitution of India.
- Planning and development at district level
- The Committee concluded that the developmental process was gradually bureaucratized and divorced from the Panchayati Raj and called PRIs as ‘**grass without roots**’.

Thungon Committee:

- District planning
- **Year:1988**
- Three tiers
- **Zila parishad:** planning and development
- Fixed tenure of 5 years
- Reservation for women
- District collector – CEO of zila parishad

Gadgil Committee:

- Committee on policy and programs
- **Year:1988**
- 3 tiers
- **Executive body:** panchayat committee
- Recommended constitutionality
- Planning and development at district level
- **Direct elections** for members of the Panchayats **at all the three levels.**
- **Fixed five years** term of Panchayati Raj institutions
- The Amendment phase began with the 64th Amendment Bill (1989) which was introduced by Rajiv Gandhi seeking to strengthen the PRIs but the Bill was not passed in the Rajya Sabha.

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UNIT – V – INDIAN POLITY**

- The Constitution (74th Amendment) Bill (a combined bill for the PRIs and municipalities) was introduced in 1990, but was never taken up for discussion.
- It was during the Prime Ministership of P.V.Narasimha Rao that a comprehensive amendment was introduced in the form of the Constitution 72nd Amendment Bill in September 1991.
- **73rd and 74th Constitutional Amendments were passed by Parliament in December, 1992. Through these amendments local self-governance was introduced in rural and urban India.**
- The Acts came into force as the Constitution (73rd Amendment) Act, 1992 on April 24, 1993 and the Constitution (74th Amendment) Act, 1992 on June 1, 1993.

Constitutional Provisions:

- **Panchayat (73rd Amendment Act 1992)**
- Rural local self govt.
- Added Schedule 11 – (29 functions) + Part IX; Article 243-243 O

Important articles:

- Article 243 G – Authority
- Article 243 H – Representation
- Article 243 I – Finance commission

Gram Sabha (Article 243A):

- Symbol of direct democracy + All voters of the village are its members + Functions are determined by state legislature.

Three-Tier Panchayat System:

- Bring uniformity in structure of Panchayati raj throughout the country
- Village, Intermediary, district levels-panchayats
- State having population not exceeding 20 lakh may not constitute panchayat at intermediate level

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UNIT – V – INDIAN POLITY**

- All members are directly elected at all institute of local government
- **Chairperson:** elected in such manner state legislature may prescribe.
- Reservation at all three levels – Seats are reserved for SC/ST (based on population) + Women (1/3rd reservation)
- Reservation for scheduled caste not applicable to **Arunachal Pradesh**.
- **Duration:** five years (**Article 243E**).
- Panchayat reconstituted after premature dissolution does not enjoy the full period of five years but remains in office only for remainder of period.

Disqualification (Article 243F):

A person disqualified to be member under:

- Any law for the time being in force for purpose of elections to the legislature of state concerned.
- Under any law of state legislature.
- No person shall be disqualified on the ground that he is less 25 years of age if he has attained the age of 21 years.

State Election Commission (Art. 243 K):

- Conduct of all election to panchayat shall be vested in state election commission.
- Conditions and tenure of office of state election commissioner shall also be determined by governor.
- With regard to state election commissioner: Conditions of service may not be varied to his disadvantage after his appointment.

Powers, Functions and Finances Determined by State Legislature (Article 243G):

- 29 matters that can be transferred to panchayat there in 11th schedule.
- Preparation of plans and implementation of plans for economic development and social justice.

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UNIT – V – INDIAN POLITY

- **Finances:** state legislature may authorize panchayat to levy taxes, assign from collected revenue of state, grants in aid by states

State Finance Commission (Article 243I):

- Governor constitutes once in five years
- Composition + qualification: determined by state legislature
- Central finance commission can recommend measures to augment the consolidated fund of state and supplement the resources of the panchayat in the state.

Other Provisions:

- **Audit and accounts:** state legislature determines
- **Election petitions:** state legislature determines
- **Application to UT:** President shall apply the provision of the act
- **Certain areas are exempted** – Nagaland, Mizoram, Meghalaya and others (hill areas of Manipur and Darjeeling).

Compulsory Provisions:

- Organisation of Gram Sabhas.
- Creation of a three-tier Panchayati Raj Structure at the Zila, Block and Village levels.
- Almost all posts, at all levels to be filled by direct elections.
- Minimum age for contesting elections to the Panchayati Raj institutions be twenty one years.
- The post of Chairman at the Zila and Block levels should be filled by indirect election.
- There should be reservation of seats for Scheduled Castes/ Scheduled Tribes in Panchayats, in proportion to their population, and for women in Panchayats up to one-third seats.
- State Election Commission to be set up in each State to conduct elections to Panchayati Raj institutions.

MANIDHANAHEYAM FREE IAS ACADEMY – TNPSC - IV & VAO EXAM
UNIT – V – INDIAN POLITY

- The tenure of Panchayati Raj institutions is five years, if dissolved earlier, fresh elections to be held within six months.
- A State Finance Commission is set up in each State every five years.

Voluntary Provisions:

- Giving voting rights to members of the Central and State legislatures in these bodies.
- Providing reservation for backward classes.
- The Panchayati Raj institutions should be given financial powers in relation to taxes, levy fees etc. and efforts shall be made to make Panchayats autonomous bodies.

Pesa Act of 1996:

- Under the Act, **Scheduled Areas** are those referred to in Article 244(1), which says that the provisions of the **Fifth Schedule shall apply to the Scheduled Areas and Scheduled Tribes in states other than Assam, Meghalaya, Tripura, and Mizoram.**
- The Fifth Schedule **provides for a range of special provisions for these areas.**
- **Ten states** — Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, and Telangana — have notified Fifth Schedule areas that cover (partially or fully) several districts in each of these states.
- The Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) is a law that applies to the Scheduled Areas of India, which are areas notified by the President as predominantly inhabited by tribal communities. Some of the major provisions of the PESA Act are as follows:
- **Gram Sabha:** The PESA Act establishes the Gram Sabha, a forum for the participation of the community in the development process. The Gram Sabha is responsible for the identification of development projects, the preparation of development plans, and the implementation of these plans.

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UNIT – V – INDIAN POLITY**

- **Village-level institutions:** The Act provides for establishing village-level institutions to carry out development activities and provide basic services to the community. These institutions include the Gram Panchayat, the Gram Sabha, and the Panchayat Samiti.
- **Powers and functions:** The PESA legislation gives the Gram Sabha and the Gram Panchayat significant powers and functions in relation to the management of natural resources, the protection of the environment, and the regulation of economic activities.
- **Consultation:** According to the Act requires that the Gram Sabha be consulted before any development projects or activities are undertaken in the Scheduled Areas.
- **Funds:** The Act allows transferring funds to the Gram Sabha and the Gram Panchayat to enable them to perform their functions.
- **Land:** The Act provides for the protection of the land rights of the tribal communities in the Scheduled Areas and requires that their consent be obtained before any land is acquired or transferred.
- **Cultural and social practices:** The Act protects the cultural and social practices of the tribal communities in the Scheduled Areas and prohibits any interference in these practices.

Evolution of Municipality (urban local government):

1687	Madras first municipal corporation
1726	Municipal corporation of Bombay and Calcutta
1870	Lord Mayo's resolution on financial decentralization
1882	Lord Ripon resolution –Magna Carta of local self-government
1907	Royal commission on Decentralization
1919	Govt of India act, local self govt. become transferred subject
1924	Cantonments Acts
1935	Govt. of India act – local govt. become provincial subject

Municipality (74th Amendment Act 1992):

Urban Local Governments (Article 243P to ZG):

- Urban Local Governments were established with the purpose of democratic decentralisation.
- There are eight types of urban local governments in India - Municipal Corporation, Municipality, Notified Area Committee, Town Area Committee, Cantonment Board, township, port trust, special purpose agency.
- At the Central level the subject of 'urban local government' is dealt with by the following three Ministries.
- The Ministry of Urban Development was created as a separate ministry in 1985 (now Ministry of Housing and Urban Affairs).
- Ministry of Defense in the case of cantonment boards.
- Ministry of Home Affairs in the case of Union Territories.
- The 74th Amendment Act pertaining to urban local government was passed during the regime of P.V. Narsimha Rao's government in 1992. It came into force on 1st June, 1993.
- Added Part IX -A and consists of provisions from articles 243-P to 243-ZG.
- Added 12th Schedule to the Constitution. It contains 18 functional items of Municipalities and deals with Article 243 W.

Constitutional Provisions:

- Urban local self govt
- Schedule 12- (18 functions) + Part IX A + Article 243 P -243 ZG

Important articles:

- Article 243 W-authority and powers
- Article 243 X-representation
- Article 243 Y-finance commission
- Article 243 ZD- district planning committee
- Article 243 ZE-Metropolitan planning committee.

Three Types of Municipalities:

- Nagar panchayat (rural to urban transition area)
- Municipal council (small urban area)
- Municipal corporation (large urban area)

Ward committee: exists if population of municipality is more than 3 lakhs, remaining all as panchayat.

Elections:

- Municipalities can have nominated members it's decided by state legislature.
- Seats are reserved for SC/ST (based on population)
- Women – 1/3rd reservation.
- Manner of reservation of chairpersons and OBC are determined by state legislature.

Functions:

- 12th schedule – 18 functions that can be transferred by state legislature to municipalities.
- **Other function:** same as panchayat.

Types of Urban Govt:

- **Municipal Corporation:** administration of big cities, created by acts of state legislature (in case of UT by parliament) à Administrative framework: council headed by Mayor, standing committee, municipal commissioner
- **Municipalities:** Administration of towns and smaller cities, created by acts of state legislature,
- **Administrative framework:** council headed by president, standing committees, CEO.
- **Notified Area Committee:** administration of fast developing towns or which doesn't fulfill conditions for a municipality created through gazette notification. Entirely nominated body.

**MANIDHANA EYAM FREE IAS ACADEMY – TNPSC - IV & VAO EXAM
UNIT – V – INDIAN POLITY**

- **Town Area Committee:** small town administration, semi municipal authority with limited functions, created by state legislature. May be wholly elected or wholly nominated or partly elected and partly nominated as provided by state government.
- **Cantonment Board:** It is set up under the provisions of the Cantonments Act of 2006—a legislation enacted by the Central government + Civilian administration in cantonment area, works under defense ministry partly elected and partly nominated.
- **Township:** Established by the large public enterprises to provide civic amenities to its staff and workers + no elected members
- **Port Trust:** established by act of parliament for civil administration in and round ports. Consists of both elected and nominated members.
- **Special Purpose Agency:** Set up by state for specific purpose i.e. function based organization not area based.

District Planning Committee (DPC) (Article 243ZD):

- State legislature determine the mode of elections.
- **Article 243ZD:** to consolidate plans of panchayat and municipalities and to prepare a draft development plan.
- 4/5th members of DPC should be elected by the elected members of the district panchayat and municipalities in the district from amongst themselves.
- 1/5th members are nominated
- **Elected member is proportionate to rural:** urban population

Metropolitan Planning Committee (Article 243ZE):

- **Metropolitan area** – An area in the country where population is above 10 Lakh (Article 243P)
- To prepare a draft development plan.

- 2/3rd members of MPC should be elected by the elected members of the municipalities and chairpersons of the panchayats in the metropolitan area from amongst themselves.
- 1/3rd nominated
- Elected member is proportionate to rural: urban population.

Compulsory Provisions:

- Constitution of nagar panchayats, municipal councils and municipal corporations in small, big and very big urban areas respectively.
- Reservation of seats in urban local bodies for Scheduled Castes / Scheduled Tribes roughly in proportion to their population.
- Reservation of seats for women up to one-third seats.
- The State Election Commission, constituted in order to conduct elections in the Panchayati raj bodies (see 73rd Amendment) will also conduct elections to the urban local self- governing bodies.
- The State Finance Commission, constituted to deal with financial affairs of the panchayati raj bodies also looks into the financial affairs of the local urban self governing bodies.
- Tenure of urban local self-governing bodies is fixed at five years and in case of earlier dissolution fresh elections are held within six months.

Voluntary Provisions:

- Giving voting rights to members of the Union and State Legislatures in these bodies.
- Providing reservation for backward classes.
- Giving financial powers in relation to taxes, duties, tolls and fees, etc.
- Making the municipal bodies autonomous and devolution of powers to these bodies to perform some or all of the functions enumerated in the Twelfth Schedule added to the Constitution through this Act and/or to prepare plans for economic development.

Central Council of Local Governments:

- Set up in 1954. It was constituted under Article 263 (Inter-state council) of the Constitution of India by an order of the President of India as an advisory body.
- **Chairperson** – Union minister for Urban Development
- **Composition**-It consists of the Minister in the Government of India and the ministers for local self-government in states.

Challenges:

- Local government requires many **technical, administrative and financial fixes**.

Low spending:

- India has the lowest spending on local government as a proportion of resources.
- The state at local levels is competent, it is just constantly being let down by lack of support and investment from the top.

Constraints:

- The constraints placed on them by a combination of **bureaucratic control and deliberate underinvestment in capacity**, and the **lack of political pathways** for successful panchayat performers to rise in their parties, limit their salience.

Obsolete distinction between Panchayats & municipalities:

- There is a case to be made that the distinction between the 73rd and 74th amendments is now obsolete.
- There are opinions for the creation of a **unified district-level local government** rather than a distinction between urban and rural.
- Many of the decisions consequential for India's urbanisation, like land use change, for example, are being made in "panchayats"; there is arbitrage over

how a settlement gets classified, and rural and urban is now, at best, a continuum.

Lack of Computer-based knowledge and Infrastructure:

- The government initiated the e-panchayat project in about 360-gram panchayats.
- However, most of these districts lack infrastructure, skills and have poor broadband internet connectivity.

Proxy Presence of female Gram Pradhans:

- Female pradhans are more likely to be influenced by the family members to stand for the polls and post winning; most of the work is handled by the male family members.
- On the face, the women won the election but are indirectly being controlled by the male members.

SVAMITVA Scheme:

- Survey of Villages and Mapping with Improved Technology in Village Areas (SVAMITVA) scheme was launched by the Prime Minister on National Panchayati Raj Day 2020 to enable economic progress of Rural India by providing “Record of Rights” to every rural household owner.

e-Gram Swaraj e-Financial Management System:

- **e-Gram Swaraj** is a Simplified Work Based Accounting Application for Panchayati Raj.
- It assists in enhancing the **credibility of Panchayat** through inducing greater **devolution of funds to Panchayati Raj Institutions**.
- It brings better transparency through decentralized planning, progress reporting and work-based accounting.

Gram Urja Swaraj:

- The Ministry has started the **Gram Urja Swaraj initiative**, with an aim to promote adoption of **renewable energy** at Gram Panchayat level.
- The Ministry has also launched the **Gram Urja Swaraj Portal in May 2022**, to capture the inclination of Panchayati Raj Institutions (PRIs) towards adoption of renewable energy.

Revamped Rashtriya Gram Swaraj Abhiyan (2022-23 to 2025-26):

- The focus of the scheme of Revamped RGSA is on re-imagining Panchayati Raj Institutions as vibrant centers of local self-governance with special focus on Localization of Sustainable Development Goals (LSDGs) at grassroots level adopting thematic approach through concerted and collaborative efforts of Central Ministries and State Line departments and other Stakeholders with ‘Whole of Government and Whole of Society’ approach.
- The Revamped RGSA will extend to all States and Union Territories (UTs) of the country.

The local self-Government in Revamped Rashtriya Gram Swaraj Abhiyan (2022 -23 to 2025-26):

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- The Revamped RGSA will extend to all States and Union Territories (UTs) of the country includes **both rural and urban government**.