

The State of Panchayats in Tamil Nadu *An Assessment for the Year 2007-08*

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Introduction

Madras presidency was reconstituted as Madras State in 1947. Based on the recommendations of the State Reorganisation Commission, two new States Andhra Pradesh and Kerala were formed from the Madras State in 1953 and 1956 respectively. In 1968, Madras State in the present form was renamed as Tamil Nadu. According to census 2001, Tamil Nadu is home to 6.05 per cent of India's population and is one of the most densely populated states in India with a population of 62.5 million people. In 2001, its population density was 478 persons per square Km, significantly higher than the Indian average. Chennai (formerly known as Madras) is the State capital.

Socio-economic Profile: according to census 2001, Tamil Nadu's principal religions are Hinduism (88 per cent), Islam (5 per cent), and Christianity (5 per cent) and other religions (2 per cent). In terms of Human Development Index Tamil Nadu has performed well and is ranked third in India. The proportion of rural population living Below Poverty Line (BPL) which stood at 57.43 per cent in 1973-74, declined to 32.48 per cent in 1993-94 and further to 22.8 per cent in 2004-04. The state's literacy rate increased from 62.66 per cent in 1991 to 73.47 per cent in 2001 and the state has 69 per cent reservation for the deprived communities in educational institutions, the highest among all Indian States.

Services contribute to 45 per cent of the economic activity in the State, followed by manufacturing at 34 per cent and agriculture at 21 per cent. Tamil Nadu is the second most industrialised State in the country. Government is a major investor in the State with 51 per

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cent of total investments, followed by private Indian investors at 29.9 per cent and foreign private investors at 14.9 per cent. The State's Foreign Direct Investment constitutes 9.12 per cent of the total FDI in the country. Unlike many other States, the economic resources are quite spread out, rather than concentrated in a small industrialised area. Tamil Nadu's Gross State Domestic Product for 2007 is estimated at 275,000 crores (70 billion USD) in current prices and the State experienced a GDP growth rate of 12.1 per cent for the period 2007-08. The per capita income for the period 2007-08 for the State was Rs. 43,000.

Administrative arrangements: the major administrative unit of the State constitutes 31 districts, 8 Municipal Corporations, 152 Municipalities, 561 Town Panchayats and 12,618 Village Panchayats, as on March 2007.

Town Panchayats: Tamil Nadu is the first State to have introduced a classification in the status of local bodies as 'Town Panchayat', which was planned as a transitional body between Rural and Urban Local Bodies. Following the introduction of the 73rd and 74th Amendments to the Constitution of India, all the Town Panchayats were reconstituted under the Tamil Nadu District Municipalities Act, 1920 and treated as transitional area.

History of Panchayats: Local Self Government in Tamil Nadu has a long history as is evident from the Uthiramerur stone inscriptions in Kancheepuram district. Tamil Nadu, in those days, was a land of 'Village Republics', with community groups undertaking many activities for their area development. This tradition reached its peak during the 10th – 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. "Kuda Olai Mura" was the name of the secret ballot method exercised to elect members of the Village Councils. With the downfall of the Cholas, the State experienced a decline of the village autonomy and the rise of the centralised feudal administrative system. This continued till British rulers introduced local self-governance primarily as an administrative convenience for the imperial Government.

Post-independence era: in the post-independence era, the first enactment in democratic decentralisation in the State was the Madras Village Panchayat Act, 1950. Pursuant to the White Paper on the "Reform of Local Administration" in 1957, the Madras Panchayat Act,

1958 and Madras District Development Council Act, 1958 were enacted with the following salient features:

1. A two tier system of Village Panchayat and Panchayat Unions.
2. Creation of Panchayat Unions co-terminus with the Community Development Blocks.
3. Village Panchayat Presidents to become ex-officio members of the Panchayat Union Councils with the Chairperson of the Panchayat Union Council directly/indirectly elected.
4. Entrusting the Panchayat Unions and Village Panchayats with a large number of development and welfare functions.
5. Abolition of District Boards.
6. 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 Special Officers managed the rural Local Bodies.

Post 73rd Amendment: in 1992, the 73rd Amendment to the Constitution of India was enacted and it brought about a number of fundamental changes in the Panchayati Raj System. Consequently, the Tamil Nadu Panchayats Act 1994 came into force with effect from 22.4.1994.

Elections

Though the Tamil Nadu Panchayats Act was enacted in April 1994, the first elections were held to all the rural and urban Local Bodies in October 1996. The second elections to the Local Bodies were conducted during October 2001 and the third elections were conducted in October 2006. As the Village Panchayat-wise 2001 Census figures were received only in May 2006, there wasn't enough time for fresh delimitation of wards of the three tiers of

Panchayats. It was also considered appropriate to take up the delimitation of Panchayat wards after the delimitation of Parliamentary and Assembly Constituencies was completed. Hence, the elections were held based on the exiting Panchayat wards by the introduction of a new section 28A in the Tamil Nadu Panchayats Act, 1994.

Third Election: The elections to the posts of ward members of Village Panchayats, Panchayat Unions and District Panchayats and for Presidents of Village Panchayats were *direct* and held in two phases on 13.10.2006 and 15.10.2006. The elections to the posts of Vice Presidents of Village Panchayats, and Chairpersons and Vice Chairpersons of Panchayat Unions and District Panchayats were *indirect* and held on 28.10.2006. While the elections to the seats (i.e. ward members) and offices (i.e. heads) of District Panchayats and Panchayat Unions were held on party basis, the elections to the seats and offices of Village Panchayats were held on non-party basis.

In Tamil Nadu, Panchayat Unions and the District Panchayats have single member wards while the Village Panchayats have both single member and multi-member wards. There was high participation of voters in the rural areas with a record turnout of 76 per cent. The following table furnishes the number of seats and offices in the three tiers of Panchayats for which the elections were held.

Table 1: Details of Seats and Offices in the Rural Local Bodies

1	Village Panchayat Wards	40879
2	Village Panchayat Wards Members	97458
3	Panchayat Union Wards	6570
4	District Panchayat Wards	656
5	Village Panchayat Presidents	12618
6	Panchayat Union Chairpersons	385
7	District Panchayat Chairpersons	29

Source: State of Panchayat Report 2007, Government of Tamil Nadu

In the State of Panchayat Report (2007), the successful conduct of elections in Pappapatti, Keeripatti, Nattarmangalam and Kottakatchiyendai Village Panchayats are discussed in detail.

Although ordinary and casual elections to rural Local Bodirs were held regularly throughout Tamil Nadu from 1996 onwards, the four Village Panchayats of Pappapatti, Keeripatti and Nattarmangalam in Madurai District and Kottakatchiyendai Village Panchayat in Virudhunagar District posed a problem as elections could not be properly held for prolonged periods owing to local opposition to the posts of Presidents being reserved for Scheduled Castes.

Pappatti Panchayat: in Pappatti, no nominations were filed for the posts of Presidents as well as ward members in the ordinary and casual elections held from October 1996 to October 2001. In the casual elections held in April 2002, the President alone was elected but he resigned immediately after assuming office. In October 2002, two nominations were filed for the post of President but were later withdrawn. In April 2003, no nominations were filed. In October 2003, the President alone was elected again but he resigned immediately after assuming office once again. In September 2004, no nominations were filed. In April 2005, two nominations were filed but due to death of one candidate, election did not take place. No ward member was elected during the 10 year period 1996-2006.

Keerippatti Panchayat: in Keerippatti, no nominations were filed for the posts of President as well as ward members in the ordinary and casual elections held from October 1996 to October 2001. In the casual elections held in April 2002, the President alone was elected but he resigned immediately after assuming office. In the casual elections held in October 2002, April 2003 and October 2003, nominations were filed for the post of President alone but were subsequently withdrawn. In September 2004, no nominations were filed. In April 2005, the President alone was elected; but on the date of assumption of charge, he resigned. No ward member was elected during the 10 year period 1996-2006.

Kottakatchiyendai Panchayat: In Kottakatchiyendai, no nominations were filed for the posts of wither President or the twoposts of ward members reserved for SCs in ordinary elections held in October 1996 and in the subsequent casual elections held till 2001. However, elections were held for the non-reserved posts of ward members and the Vice President was indirectly elected. This arrangement continued till 2001. During the ordinary elections held in October 2001, and in the subsequent 6 casual elections, none came forward to file

nominations for the posts of President as well as ward members. Hence, no elections were held.

Successful conduct of election in October 2006: The Government of Tamil Nadu in 2006 solved, what appeared to be an intractable problem, by successfully conducting elections to the posts of Presidents and ward members in all the four Panchayats during the ordinary elections held in October 2006. While the posts of Presidents of Village Panchayats reserved for Scheduled Castes were rotated after ten years, the Government took a deliberate decision not to apply the rotation in respect of these four Panchayats. It is gratifying to note that the various communities of these Panchayats have overcome their past differences and have wholeheartedly accepted the newly elected Scheduled Caste Presidents.

A function “SamathuvaPeruvizha” to facilitate the newly elected Presidents, Vice-Presidents and community leaders of the four Village Panchayats was held on 13.11.2006 and was presided over by the Honourable Chief Minister of Tamil Nadu. A special incentive grant of Rs. 20 lakhs was allotted to each of these Village Panchayats for developmental works.

State Election Commission: Tamil Nadu State Election Commission was constituted as an independent body under Section 239 of the Act to conduct regular elections to the Local Bodies. The preparation of electoral roll and conduct of all elections to the Panchayats at all level is to be held under the superintendence and control of the State Election Commission. The Election Commissioner enjoys the powers, privileges and status of a judge of the High Court. The tenure of office of the Election commissioner is two years. However, the Commissioner can be given extension for four more years. The Election Commission is responsible for superintendence, direction and control of preparation of electoral roll and for conducting elections of local bodies, including the elections of the District Planning Committee. Reservations and rotations assessing the qualifications of the candidates are undertaken by the State Government. Election disputes are adjudicated in the Court of the District Judge, in whose jurisdiction the Panchayat is located.

Electoral rolls and Model code of conduct: it is reported that the electoral roll of the legislative assembly is adopted for the Panchayat Election. Panchayat wards are not regarded as the building blocks for electoral rolls for all levels of election. It is reported that provision has been made for elected representatives to disclose election expenses, and also for filling

annual property returns. The model code of conduct for Panchayat election is prescribed as per election rules.

Delimitation of Local Bodies: a large number of requests for up gradation, down gradation, bifurcation and amalgamation of rural and urban Local Bodies have been received by Government. Government have issued orders vide G.O.Ms No. 131, RD & PR (C1) Department, dated 16.3.2007 prescribing the procedure for the conduct of public hearings by Collectors/Heads of Departments before making their final recommendations to Government in response to such requests. It has been clarified to all the rural and urban Local Bodies that the terms of office of the present office bearers will not in anyway be affected. It has also been clarified that while Collectors may initiate the public hearing exercise and make their draft recommendations, Government will pass final orders only after the Delimitation Commission of India completes its works of delimitation of Parliamentary and Assembly constituencies.

Table 2: Nomenclature used and Number of Panchayats at each level

Level of Panchayat	Name Used	No. of Panchayats
District	District Panchayat	28
Intermediate	Panchayat Union	385
Village	Grama or Village Panchayat	12,618
	Total	13,031

Source: State of Panchayats Report 2007, Government of Tamil Nadu

Basic Statistics concerning Panchayati Raj in Tamil Nadu

Gram Panchayat: State profile (2006) notes that the average number of village Panchayats per district is 435 and per block are 32 in Tamil Nadu. However, there are wide district-wise variations. Nilgris District (35), Kanniyakumari (99), Theni (130), and Karur (158) districts have fewer village Panchayats while Villupuram (1104), Thirunelveli (860), Vellore (753), Cuddalore (681) and Kancheepuram (648) have more of them. Population wise details of Panchayats are given in Table 3 below:

Table 3: Classification of Village Panchayats on the basis of population (2001 census)

Sl. No	Population	Number of Village Panchayats	% to the total
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1.	Below 500	66	0.52
2.	501 – 3,000	8,418	66.71
3.	3,001 – 10,000	3,948	31.29
4.	10,001 – 25,000	174	1.38
5.	Above 25,000	12	0.10
	Total	12,618	100.00

Source: Department of Rural Development, Government of Tamil Nadu

Panchayat Union: at the intermediate level, there are 385 Panchayat Unions (Blocks) in the State. The average number of Panchayat Unions per district is 13. The Nilgris (4) has the lowest number of Panchayat Unions while Villupuram (22) has the highest (State Profile 2006).

Table 4: Number of Elected Panchayat Representatives at each level:

Gram Panchayat	No. of elected representatives				
	Gen.	SC.	ST.	Total	Women
Total No.	86325	22156	827	109308	36824
Percentage	79.0	20.3	0.8	100.0	33.7
Panchayat Union					
Total No.	5119	1358	47	6524	2313
Percentage	78.5	20.8	0.7	100.0	35.5
ZillaParishad					
Total No.	514	139	3	656	227
Percentage	78.4	21.2	0.5	100.0	34.6

Annual Reports

Annual Reports are prepared by the District Panchayats every year and sent to the State Government covering all the details in the formats prescribed. The same has been tabled in the Legislative Assembly. This is being done as per the provisions/Section 165 of Tamil Nadu Panchayats Act-1994.

However, no report has been prepared.

Effective Devolution

Functions

Legislative devolution of functions: in the state profile 2006, it is stated that the subjects in the 11th Schedule do not find a place in the body of Tamil Nadu Panchayati Raj Act 1994, especially in the chapter on “Functions of Panchayat Bodies.” But the State Panchayat Act has devolved several functions to the three levels of Panchayats as follows:

Powers devolved to Village Panchayats: The Tamil Nadu Panchayats Act, 1994, provides that the President of the Village Panchayat is the executive authority. The President shall convene the meetings of the Village Panchayat and the Gram Sabha, shall have full access to the records of the Village Panchayat, and no official correspondence between the Village Panchayat and the Government shall be conducted except through the President. The executive authority controls all the officers and servants of the Village Panchayat.

The Act supported by Rules entrusts such powers and functions to the Village Panchayat President that they are able to deliver services on the day to day affairs as well as in respect of the overall development of their jurisdiction. Under the Tamil Nadu Panchayati Raj Act, Village Panchayats are entrusted with the general and administrative functions of the village.

Administrative power the Village Panchayat President is designated as the Executive Authority of the Gram Panchayats. Cheques for payment are signed jointly by the President and the Vice President. Where the relationship between the two is not cordial, the Collector, in his capacity as Inspector of Panchayats, can designate any other member of the Village Panchayat as joint cheque signing authority along with the President (State Profile 2006).

The Village Panchayats do not need external approvals for taking up works up to Rs. 1 lakh from their general fund. However, the Collector’s prior administrative sanction is necessary in respect of all centrally sponsored and state sponsored schemes. Village Panchayats have also been given freedom to execute urgent works up to Rs. 2,000 at a time and up to Rs. 5,000 for a year without any technical approval. The President can draw self-cheque up to Rs. 500 to meet contingent expenditures.

The Village Panchayats have been given necessary delegation of powers to enable them to attend to repairs and maintenance offhand pumps, power pumps and streetlight promptly. They can spend Rs. 600 per hand pump per year and upto Rs. 7,500 per power pump per year without reference to engineers for preparation of estimates or passing of bills. They can buy street light materials meeting the prescribed quality norms on their own. (State Profile 2006).

Powers devolved to Panchayat Union Council include (a) Construction, repair and maintenance of Public roads; (b) Establishment and maintenance of dispensaries; (c) construction and maintenance of elementary schools; (d) Preventive and remedial measures connected with any epidemic; (e) Conduct of fairs and festivals; (f) Veterinary relief; (g) Opening and maintenance of Panchayat Union markets; (h) Maintenance of statistics related to births and deaths; (i) improvement of agriculture and agriculture stock; (j) Promotion and encouragement of cottage industries; (k) other duties and responsibilities entrusted to Panchayat Union by the Government through Government notification.

Under Section 163 of the Act, the functions of the District Panchayat include (a) Advising the Government on all matters concerning the activities of Village Panchayats, Panchayat Union Councils in the district as well as on all matters relating to the development of the economic resources of the district; (b) On all matters relating to the services maintained by and all development schemes undertaken by all Village Panchayats and Panchayat Union Councils in the district as well as those agencies in the district, which are under the administrative control of the Government; (c) Implementation of any provision of law or any order specifically referred to by the Government to the district panchayats such as – classification of markets as Village Panchayat markets and Panchayat Union markets and fixing rates of contribution payable by one authority to the other; (d) Classification of fairs and festivals as Village Panchayat fairs, Village Panchayat festivals and Panchayat Union fairs and Panchayat Union festivals; (e) Classification of Public roads (other than roads classified by the Government as National Highways, State Highways and major district roads) as Panchayat Union roads and Panchayat Village roads; (f) Development of road transport; and (g) Watching the progress of the measures undertaken by the Government, Village Panchayats, Panchayat Union Councils and Departmental agencies in respect of the services and development schemes aforesaid;

Section 164 of the Act states that for the purpose of efficiently performing its functions, every district Panchayats may, (a) Undertake such measures as it deems necessary; (b) Collect such data as it seems necessary; (c) Publish statistics or other information relating to various aspects of the regulation or development of the activities of Panchayat Union Council or Village Panchayat in the district; (d) Require any Panchayat Union Council or Village Panchayat to furnish such information as may be required by it in relation to the measures undertaken by the Panchayat Union Council or Village Panchayat for the regulation or development of its activities and such other matters as may be prescribed.

It is observed that the District Panchayat has been given an advisory role, and specific responsibilities toward data compilation and maintenance of the Panchayats.

Activity Mapping:

State Profile 2006 discusses in detail the steps taken towards activity mapping by the Government over the years, which is summarised briefly in the following section. In 1996, soon after the conclusion of the first ordinary elections to the three tiers of Panchayats, the Government constituted a Committee under the chairmanship of Thiru L.C. Jain, to make specific recommendations on the assignment of powers to the three tiers of Panchayats. The Committee submitted its report to the Government in April, 1997. Many of the recommendations of the L.C. Jain Committee have been acted upon towards empowering the Panchayats. Apart from the Rural Development Department, various sectoral departments such as Agriculture, Animal Husbandry, Forests, Social Welfare, Revenue, Khadi and Village Industries, Education, Health and Family Welfare, Adi-Dravidar Welfare, Cooperation, Food and Consumer Protection, have issued Government Orders for devolution of functions in their respective spheres to the three tiers of Panchayats.

After the first phase of entrustment of powers to Panchayats, Government constituted a High Level Committee in November, 1997 with the Chairmanship of Thiru. K.O. Mani, the then Honourable Minister for Rural Development and Local Administration with experienced persons including sitting MLAs of various political parties as members of the Committee to recommend additional devolution of powers to the Panchayats. This High Level Committee submitted its report on 11.1.1999 with 1209 recommendations to the Government. The Government accepted 718 recommendations and issued orders for implementation.

Present Status: Adopting the strategy that decentralization and delegation of powers and functions to Panchayat is a continuous and on-going process, in October 2006, the then State Government of Tamil Nadu constituted a High Level Committee under the Chairmanship of Thiru. M.K. Stalin, Honourable Minister for Rural Development and Local Administration and the committee submitted its report to the government (State Profile 2006).

Issues and challenges: Activity Mapping in accordance with the recommendations of the Task Force Report of 2001 has not been undertaken in Tamil Nadu. However, government orders devolving functions to Panchayats (much in the nature of activity mapping) have been issued in respect of the Village Panchayats to enable them to perform their functions. It is observed that the orders issued based on the committee reports were not properly communicated to the line department or the local bodies.

Functionaries

Administrative changes have been made in the lone department to manage the devolved functions and activities at different levels of the Panchayats. The following section briefly discusses the issues and challenges faced by the functionaries based on the State profile 2006.

The panchayats have limited freedom to appoint their staff. At the Gram Panchayat level, part time clerk can be appointed by the Panchayat President. The Panchayat Union Administrative arrangement has been modified by which, works have been classified into two divisions and entrusted to the Block Development Officer and Assistant Block Development Officer. The two sections work independently with their supporting staff. Infrastructural facilities have also been divided and attached to the two divisions. Thus it is not clearly known as to whether these two independent wings are answerable and accountable to the Panchayat Union.

To enable the District Panchayat to perform its functions, an administrative change has been effected by which the Development Divisional Office, which is nearer to the district headquarters, is to supervise the District Panchayat activities. Yet another office, which is away from the headquarters, will look after auditing of the District Panchayat activities and the third one will be attached to the District Panchayat. However, this staffs is not placed with

the District Panchayats, but are for supervision. Thus development officials of line departments (Agriculture, Animal Husbandry, Forest ETC.) who work in the Panchayat bodies are declared government officials and do not come under the purview of local bodies. It may be noted that this power was provided in the earlier Panchayati Raj Act of 1958.

Panchayati Raj Jurisprudence

No effort has been made to harmonise the existing laws with the State Panchayati Raj Act.

Finances (funds)

Panchayat Sector Windows: The State does not have a District Sector/Panchayat Window in its Budget. Releases of funds to Panchayats are restricted to the Rural Development Department alone.

Own Source Mobilization: Among the three tiers, the Village Panchayat alone has the power to levy taxes. The important sources of revenue for the Village Panchayat include tax revenue, non-tax revenue, assigned and shared revenues and grants (central and state finance commission.)

With respect to funding it is observed that since individual schemes are entrusted to Panchayats, the composition of the grants that they get changes from year to year are therefore unable to have a clear idea as to how much funding is available to them for undertaking works in each year. Hence, Panchayats only prepare list of works for each Scheme/programmes.

As explained in the following table, huge variations are noticed in the income levels of the various Village Panchayats. The income range used for classification is calculated based on the average income of the Panchayats for three years. (2003-04 to 2005-06).

Table 5: Income-wise Classification of Village Panchayats

Income Range	No. of Village Panchayat
< Rs. 50000	16
Rs. 50000 – Rs. 1 lakh	142
Rs. 1 lakh – Rs. 5 lakhs	7028

Rs. 5 lakh – Rs. 10 lakhs	3718
Rs. 10 lakh – Rs 25 lakhs	1444
Rs 25 lakhs – Rs. 50 lakhs	195
Rs. 50 lakhs – Rs 1 crore	45
Rs 1 crore – Rs. 3 crores	29
> Rs. 3 crores	1
Total	12618

Source: Department of Rural Development, Government of Tamil Nadu

To ensure adequate fund to weaker Village Panchayats and ensure equalization between Panchayats, the state government has proposed to allocate a minimum grant of Rs. 3 lakhs to each Village Panchayat.

Financial power of Panchayats: prior to 1994, the Tamil Nadu Panchayat Act, 1958 and the Rules empowered Village Panchayats and Panchayat Union Councils to accord administrative sanction for estimates that were prepared and approved by competent technical authorities without any financial limit. In accordance with the Rules relating to execution of works issued in G.O.Ms. No. 286 RD dated 31.12.1998, Village Panchayats can accord administrative sanction for estimates up to Rs. 1 lakh only, which now has increased to Rs. 2 lakhs. Any estimate beyond this limit must be forwarded to the District Collector for administrative sanction.

Block Panchayat: Panchayat Unions cannot levy any tax. The revenues of a Panchayat Union comprise of non-tax revenue, assigned and shared revenue and grants.

Financial power of Panchayat Union: The Panchayat Union Councils can sanction and execute works up to Rs. 10 lakhs from their general funds without any external approvals. However, for Centrally Sponsored and State schemes, prior administrative sanction of the District Collector is necessary. Thus the financial delegation to the Panchayat Union is poor. Managing accounts of the Panchayat Union Council is not very clear. It is not known as to how much is actually spent by the BDOs and attributed to the Union Council.

District Panchayat: the District Panchayat has also no taxation powers. Its only source of revenue is from statutory grants such as State Finance Commission Grants and development grants under Centrally Sponsored Schemes. Few districts Panchayat also derive

income from their own properties like lands and buildings and at present 8 per cent of assigned revenue is given to the district Panchayats.

Financial power of District Panchayat: District Panchayats can sanction and execute works up to Rs. 20 lakhs from their general funds without any external approvals. However, in the case of Centrally Sponsored Schemes, prior administrative sanction of the District Collector is necessary.

Quantum of untied and programmatic funds that reaches each Panchayat: there has been no great improvement in the untied funds that reach Panchayats. In 2005, the Namadhu Gramam Scheme was launched with a total outlay of Rs. 195 crores, of which Rs. 140 crores was distributed equally to all Panchayats of about Rs. 1.1 lakh as District State Assistance (DSA). These funds were meant to be untied, but in reality were almost all tied to infrastructure development. The formula for release of matching grant to each Panchayat has been revised. Receipt of revenue from minor minerals and sand quarrying from the Panchayat area has been totally stopped as the activity of sand quarrying has been taken over by the State Government (state profile 2006).

State Finance Commission (SFC)

A detailed discussion and update on establishment and functioning of SFC is summarised based on the information provided in the state profile 2006. The State Finance Commission consists of a Chairperson and four other members. Even before the conduct of the Panchayat elections, the Government of Tamil Nadu constituted the First State Finance Commission in 1994 to make recommendations on devolution of funds to the Panchayats for five years, from 1996-97 to 2001-02. The first SFC submitted its report before the decision on devolution of functions and responsibilities among the three levels of Panchayats was taken on the basis of the recommendations of the LC Jain Committee. The First Finance Commission recommended only 8 per cent of the total revenue to the Panchayats with an increase of 1 per cent every year. Of the 462 recommendations made by the First Finance Commission, only 93 recommendations were accepted in principle and 97 recommendations were not accepted by the government. On the recommendation of the Finance Commission, the Government gave only 8 per cent of the total revenue to local bodies, without increasing the amount of share to the Panchayats as per its commitment of 1 per cent more every year.

The second SFC was constituted on 01.12.1999 to make recommendations on devolution of funds for the five year period from 2002-02 to 2007-08. It made 260 recommendations of which, 60 were accepted in principle as mentioned in Action Taken Report placed before the Legislature. The second State Finance Commission has also recommended the same 8 per cent of the total revenue to the Panchayats without any increase.

The third SFC has been constituted on 1st December 2004. 9 per cent devolution grant recommended by the committee report has been accepted. Currently, 9 per cent of the State's total own net tax revenues (other than entertainment tax) is devolved to the rural and urban local bodies in the ratio of 58:42 respectively. Out of 58 per cent allocation for rural local bodies is being shared among the three tiers in the ration of 60:32:8 among Village Panchayats, Panchayat Union Councils and District Panchayats respectively. This grant is being released every month to the local bodies.

The SFC grant is generally utilized for the following purposes:

1. Salaries, pensions, office maintenance, etc.
2. Maintenance of drinking water facilities.
3. Maintenance of street lights, payment of electricity charges.
4. Maintenance of Village Panchayat and Panchayat Union roads.
5. Maintenance of minor irrigation tanks.
6. Public health, sanitation, sewerage, etc.

Manner of transfer of funds to Panchayats: regarding the manner of transfer of resources, all Village Panchayats will get financial resources from the Government directly without any intermediary. Panchayat Union or Block Panchayat will not interfere in the process. Funds are sent to the Panchayats and they can be placed in the banks. Tami Nadu has agreed to put in places systems for release of funds to Panchayats directly through Bank Accounts. Towards this end, it has collected and compiled the bank account details of all the Panchayats in the State and published in a book format. Although Manipur has entered the bank details of all the Panchayats in the Fund Transfer Monitoring Software developed by the Ministry of Panchayati Raj, Tamil Nadu is the first large State to have compiled and published the information. This is a major achievement.

It is reported that the State Finance Commission grants due to Panchayats are not regularly or fully released to the Panchayats, and this seriously impairs their functioning. Recently, the Government released Rs. 3 lakhs as bank grant for each Village Panchayats for payment of electric bill and water supply charges.

Finance Commission Allocation: Tamil Nadu was allocated an amount of Rs. 46611.80 lakhs by the Eleventh Finance Commission for Panchayati Raj Institutions. Out of this, an amount of Rs. 44016.20 lakhs was secured by the State Government. According to Ministry of Finance, a matching contribution of 10487.66 lakhs was provided by the State Government and the total utilization by the PRIs as reported by the State Government was Rs. 49517.82 lakhs which is 90 per cent.

The twelfth Finance Commission has allocated an amount of Rs. 870 crore for the Panchayati Raj Institutions for the period 2005-10. Of the six instalments of Rs. 87 crore that have become due till 31/3/08, the State has so far secured five instalments.

Audit

The system of audit of Panchayats has been strengthened in Tamil Nadu in the recent years. Various types of audit procedure are followed at different levels and the Department of Local Fund Audit takes care of most of the audit functions. Tamil Nadu has a Fiscal Responsibility Act, 2003 (Tamil Nadu Act 16 of 2003), but is not clear if this legislation equally applies to elected local authorities. Panchayat accounts are maintained in-house.

Gram Panchayat: with regard to the Village Panchayats, the Deputy Block Development Officer at the office of the Block Development Officer is the officer designated to undertake the audit of the Village Panchayats in the block area. In addition, the Department of Local Fund Audit is taking a test audit of 22 per cent of Village Panchayat. As per the GO 371, Finance (FC-4), Dated: 11.11.2002, and the Government letter No. 8055/C3/2008, Dated: 01.08.2006, the Department of Local Fund Audit undertake Test Audit of 2 per cent of Village Panchayats based on the details furnished by the Director of Rural Development and Panchayati Raj in regard to complaints received in terms of the receipts, estimates and expenditure etc.

Present Status: as on 01.09.2007, out of the total 12,618 Village Panchayats, 6,784 Village Panchayats (53.76 per cent) have been audited and the remaining 5,834 villages auditing was in progress. On 02-10-2007, all Village Panchayats were administered to present the audit statements before the Gram Sabha meeting (State of Panchayats Report 2007).

Block Panchayats: the System of Concurrent Audits is introduced in the Block Panchayats, which is also entrusted to the Department of Local Fund Audit. The following are the details of the Audit taken up at the Block Panchayats as on 01.09.2007.

Table 6: Audit details of Bloc Panchayat

Sl. No	Year	Target	Achievement	Percentage
1	2004-05	385	385	100
2	2005-06	385	377	97.92
3	2006-07	385	356	66.49

Source: State of Panchayats Report 2007, Government of Tamil Nadu

Table 7: Audit details of District Panchayat

Sl. No	Year	Target	Achievement	Percentage
1	2004-05	30	30	100
2	2005-06	30	30	100
3	2006-07	30	12	43.33

Source: State of Panchayats Report 2007, Government of Tamil Nadu

Challenges: The Comptroller and Accountant General prescribed the revised formats for maintenance of accounts at the Village Panchayats. But in practice, these could not be handled by the present staff at the Village Panchayats because of its complexity and volume.

Capacity Building and Training:

Capacity Building: To facilitate the systematic training, the then Government of Tamil Nadu, in GO (Ms) No. 103, RD & PR (C3) Department, Dated 19.06.07, have created an annual recurring grant of Rs. 3.00 crores to meet the expenditure on capacity building activities of Panchayats in the State. Further, the Government also constituted a High-Level Committee to plan and implement the capacity building activities for the Panchayats in the State. This was followed by the announcement of the Honourable minister of Rural

Development and Panchayati Raj. Periodic training will be imparted to all the elected representatives of Local Bodies in various schemes.

This High Power Committee on Capacity Building will be chaired by the Secretary to Government of Tamil Nadu, Rural Development and Panchayati Raj Department (RD & PR). The members of this Committee are Director of RD & PR, Director RD & PR (Training) and the Financial Adviser and the Chief Accounts Officers of the Department. This High Power Committee shall decide all matters related to conduct of systematic and regular training to the Panchayats in the States. This Committee will also decide on curriculum for training, training institutions, resource persons, places for exposure visits within the State and outside and so on. (State of Panchayats Report 2007).

In order to ensure quality training to the elected representatives and the officials of Rural Development department, an amount of Rs. 3.50 crore has been sanctioned to improve the facilities in the five regional institutes of Rural Development in terms of better classrooms and teaching equipment, seminar halls, hostels, kitchens among others.

Training for the newly elected Village Panchayat Presidents: Two days' orientation training was conducted for all the newly elected Village Panchayat Presidents between 15.11.2006 and 30.11.2006 at 125 venues across the 29 districts in the State. (ibid)

Since more than 90 per cent of the Village Panchayat Presidents are first timers, they were sensitised on their roles and responsibilities, maintenance of accounts, conduct of meetings and implementation of schemes. Regular training is also imparted to all the Panchayats in State Institute of Rural Development (SIRD) and five RIDs in the State. But so far no training has been given to Panchayat Samiti and District Panchayat Chairman and members.

IT enabled Panchayats

Tamil Nadu is one of the few states, which has taken up the information technology to the local governance. This has been ensured by supply of required hardware and software to the end users namely the rural local bodies.

State Profile (2006) notes that out of the total of 12618 Village Panchayats, 6522 Village Panchayats have been supplied with computers and supply to the remaining 6096 village Panchayats is likely to be done in coming years. State Panchayats Report (2007) states that as per the announcement made by the honourable Minister for Rural Development and Local Administration, free telephone facility is provided to all the Village Panchayats, which will enable easy access to the officers concerned to the peer group for sharing of information and getting clarification on the Rural Development and Panchayati Raj matters. Further, this will enable the Panchayat Representatives to use the web-enabled services such as on-line forms of the Government, correspondence through e-mail, browsing and downloads various orders and information etc. all the 90 District Panchayats and 385 Block Panchayats have already been computerized and all correspondence is done through e-mail. Even release of grants from the State Government is done through Electronic Communication System (ECS) to the Districts.

Web-enabled software called PRIASOFT (Panchayati Raj Institutions Accounting Software) designed in association with the National Informatics Centre (NIC) is used for the maintenance of accounts of Panchayati Raj Institutions.

Functioning of Panchayats as Institutions of Self-Government:

Gram Sabha and Social Audit

Gram Sabha: the Gram Sabha is the grassroots level democratic institution in each Village Panchayat. The Government have ordered the conduct of Gram Sabha meetings a minimum of four times a year i.e. on 26 January, 1 May, 15 August and 2 October. In order to streamline the procedure for the conduct of Gram Sabha, Government brought out suitable amendments to the Tamil Nadu Gram Sabha (Quorum and Procedure for convening and conducting of meetings) Rules, 1998 vide G.O.Ms No. 130 RD & PR (C4) Department dated 25.9.2006 and specified that the Gram Sabha shall meet in each of the Village Panchayat wards by rotation. Since a quorum of 10per cent 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 as shown below;

Table 8: Revised Quorum for Gram Sabhas

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

Source: State of Panchayats Report 2007, Government of Tamil Nadu

It has also been specified that out of the quorum, at least 1/3 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 Gram Sabha attendance and proceedings through proper registers and keeping photographic record have been made mandatory for the conduct of Gram Sabhas.

However, the rules for conducting Gram Sabhas issued recently, limit the flexibility of the Village Panchayat to summon the Gram Sabha. For instance, each Village Panchayat may not spend more than Rs. 500/- towards expenses for conducting the Gram Sabha, to meet the cost of stationary, preparing and issuing handbills, and making announcements. Audit objections are raised in the event of any excess expenditure (ibid).

Issues and Challenges: A vibrant Gram Sabha is essential for the effective functioning of Village Panchayats by promoting transparency and accountability in administration, enhancing public participation in the planning and implementation of schemes and in the choice of beneficiaries, and paving the way for social audit. However, the concern about lack of devolution of function to the Panchayats is highlighted in the Civil Society workshop. The absence of proper communication of orders issued by the Government to the line department functionaries and elected representatives of the Panchayats is a hampering factor in the effective functioning of the Panchayats. The general impression that Panchayats act as a mere implementing agency of government schemes and programmes requires to be cleared in the minds of the stakeholders involved through regular training and capacity building exercises.

Associations of Panchayat Leaders: Panchayat leaders in Tamil Nadu have formed their associations to exert pressure on the government for more devolution of powers. Separate associations have been formed by Gram Panchayat Presidents, Gram Panchayat elected women representatives, Dalit men and women elected representatives to Gram Panchayats, District Panchayat Presidents, Panchayat Council Presidents and Dalit women

Panayat Council Presidents. These associations prepare a charter of demands and periodically forward these to the government. Of these, the Gram Panchayat Women Presidents Association is vibrant and active. As a result of the frequent and continual demands of the elected women representatives, the Government of Tamil Nadu has amended the existing arrangements for reservation in Tamil Nadu such that now, constituencies across all the three tiers of Panchayats will be reserved for two consecutive terms for women and Dalit. Further, the Government issued a directive to all the District Collectors to organise meetings between organisations of elected women representatives and officials, whenever sought by them.

Social Audit

Instructions have been issued for the conduct of social audit of Panchayat work by Gram Sabha/Ward Sabha in respect of all the projects under the scheme taken up within the Village Panchayat. The Village Panchayat and other executing agencies shall make available all relevant documents including the muster rolls, bills, vouchers, measurement books, copies of sanction orders, photos before, during and after the execution of the work and other connected books of account and papers to the Gram Sabha or External Agencies for the purpose of conducting social audit. In the civil society proceedings, it was stated that the participation of women members in the Gram Sabha meetings has increased in recent times (Generally part of the Self-Help Groups) operating in the village. But the need for more involvement of SC and ST population was stressed and the importance to create awareness about the participation in the quorum was stressed.

Recent efforts taken by Government and the Panchayats in improving the Social Audit include:

Dissemination of information under Right to Information: in respect of Rural Development Programmes implemented, awareness is generated to the public through display of posters/bills and hand out of the scheme. The component of Right to Information is disseminated over the rural masses. Voluntary disclosures of scheduled items are being followed by Panchayats. The Public Information Officer and the Appellate Authorities have been nominated in each of the offices dealing with RD and PR related matters.

Capacity building of the stakeholders: the social audit is facilitated through the capacity activities of the stakeholders of the respective programmes. The members of Self-Help Groups and the Representatives of the Panchayat Level Federations are the main clientele in this endeavour, who play a major role in performing social audit.

State level Conference of Local Body Heads: a State level conference of Chairpersons of District Panchayats, Panchayat Unions and heads of Urban Local Bodies was conducted on 18.03.2007 at Chennai in the presence of the Honourable Chief Minister of Tamil Nadu. In this conference, views of Panchayats were called for and detailed discussions were held on various issues pertaining to effective functioning and empowerment of Local Bodies.

Regional level Conferences of Village Panchayat Presidents: Similarly, the 'Regional Conferences on Panchayati Raj' were organised calling all the Village Panchayat Presidents in the four regions and all the four Regional Conferences were chaired by the Honourable Minister for Rural Development and Local Administration, at four venues viz. first regional conference at Erode on 24.07.2007 for Erode, Salem, Namakkal, Dharmapuri, Coimbatore and Nilgris districts, second regional conference at Thiruchirapalli on 25.07.07 for Thanjavur, Nagapatinam, Thiruvarur, Thiruchirapallui, Karur, Perambalur and Pudukottai districts, third regional conference at Thiruvanamali on 03.08.07 for Kancheepuram, Thiruvallur, Cuddalore, Villupuram, Vellore, Thiruvanamali and Krishnagiri and the final regional conference at Virudhunagar on 23.08.07 for Madurai, Theni, Dindigul, Ramanathapuram, Virudhunagar, Sivagangai, Tirunelveli, Thoothukudi and Kanniyakumari District Village Panchayat Presidents.

Reservation of seats & Rotation of seats for women, SCs/STs in Panchayats

In the State of Panchayats Report 2007, it is noted that Article 243 D of the Constitutions relates to reservation and rotation of seats for Scheduled Castes, Scheduled Tribes and Women in Rural Local Bodies. The relevant provisions of Tamil Nadu Panchayats Act, 1994 are Sections 11, 20, 32 and 57. These are supplemented by the Tamil Nadu Panchayats (Reservation of Seats and Rotation of Reserved Seats) Rules, 1995. The Rules provide for the reservation of seats by adopting a list of wards or Panchayats arranged in the descending order of the percentage of SCs, STs and Women and applying a 'cut off' at the point where the number of reserved seats and offices is equal to the prescribed ratio.

The periodicity of rotation is also fixed under the Rules. The Government amended Rule 7 of the Tamil Nadu Panchayats (Reservation of Seats and Rotation of Reserved Seats) Rules, 1995 vide G.O.Ms, No. 105, RD & PR (C4) Department, dated 1.9.2006 by virtue of which the posts of SCs, STs and Women are rotated – after 10 years – for the October 2006 elections. While the posts of ward members of all the three tiers reserved for women were rotated after ten years and those reserved for SCs and STs were not rotated; in other words, they would continue to be reserved as such until the Government direct otherwise.

Reservation for Women: Seats shall be reserved for women belonging to the SC and the ST. there is no provision for disqualification of Panchayat Representatives or Aspirants on account of the two-child norm.

The election of women from the general constituencies other than the reserved constituencies for women indicates a positive trend of role for women in the Panchayats.

Reservation of Seats for SCs and STs: Seats shall be reserved for the persons belonging to the SCs and the STs in every village panchayat and the number of seats so reserved shall bear as nearly as may be the same proportion to the total number of seats to be filled by direct election in that village panchayat area of the ST in that village panchayat area bears to the total population of that area.

The following table shows the details of reservation of seats and offices to Women, Scheduled Castes and Scheduled Tribes in rural Local Bodies:

Table 9: Number of Seats reserved for Women, SCs/STs for various Posts in Panchayats

Category of Reservation	Total No. of Seats	Seats reserved for women	% women	Seats reserved for SCs	% SCs	Seats reserved for STs	% STs
District Panchayat							
District panchayat chairpersons	29	10	34	7	24	0	0
District Panchayat Ward Members	656	226	34	154	23	8	1
Block Panchayat							
Panchayat	385	140	36	87	23	4	1

Union Council Chairpersons							
Panchayat Union Ward Members	6,570	2,302	35	1,534	23	64	1
Village Panchayat							
Village Panchayat Presidents	12,618	4,275	34	3,143	25	156	1
Village Panchayat Ward Members	97,458	32,638	33	24,630	25	983	1

Source: State of Panchayats Report 2007, Government of Tamil Nadu

Planning and Implementation

The following section update and discuss in detail the constitution and functions of District Planning Committee, based on the information given in State Profile 2006.

District Planning Committee (DCP): in consonance with the 73rd Amendment of the Constitution, Section 241 of the Tamil Nadu Panchayats Act 1994 provides for the constitution of the District Planning Committee in each District. The main function of the District Planning Committee is to consolidate the plans prepared by the District Panchayat, Panchayat Unions, Village Panchayats, Town Panchayats, Municipal Councils and Municipal Corporations in the District and to prepare a draft development plan for the district as a whole.

The District Planning Committee comprise of (a) The Chairman of the District Panchayat who is the Chairman of the Committee; (b) The District Collector – Vice-Chairman of the Committee; (c) The Mayor of the City/Municipal Corporation in the District; (d) Such number of persons, not less than four fifth of the total number of members of the Committee as may be specified by the Government elected from among the members of the District Panchayats, Town Panchayats and Councilors of the Municipal Corporations and the Municipal Councils in the District in proportion to the ratio between the population of the rural areas and of the Urban areas in the District.

In addition, the following persons are the permanent special invitees of the Committee; (a) Members of Parliament (both Lok Sabha and Rajya Sabha); (b) Members of Legislative Assembly; (c) All the Chairmen of the Panchayat Union Councils in the District;

(d) All the Chairmen of the Municipal Councils; and (e) All the Chairmen of Town Panchayats in the District.

Election of Members of the District Planning Committee: After the ordinary elections to the rural Local Bodies in 2006, the Government have issued orders and notification vide, G.O. (Ms) No. 12, RD & PR Department, Dated: 9 Feb. 2007 specifying district wise number of persons to be elected as members of District Planning Committee from among the members of the District Panchayats, Town Panchayats and Councillors of the Municipal Corporations and Municipal Councils. In exercise of powers conferred by sub-rule (3) of the rule 32 of the Tamil Nadu Local Bodies (Election of Members to the District Planning Committee) Rules, 1999, the ordinary election to the District Planning Committee was conducted on 11.4.2007 by the State Election Commission. The list of elected candidates to the office of Members of District Planning Committee for each district was also notified by the State Election Commission vide G.O. No. 207/2007/TNSEC/PE-1, Dated: 27 July 2007. (State of the Panchayat 2007)

Operationalization of District Planning Committee: After elections to the members, District Planning Committee has been operationalized and made functional with the first meeting of DPCs held in all the Districts on 04.02.2002 and the subsequent meetings are held once in three months to discuss the developmental issues relating to the district.

Conducting Meeting – Issues of Rules: The Government has issued rules called the Tamil Nadu District Planning Committee Conduct of Meetings, Quorum and Procedure in regard to Transaction of Business Rules 1999 vide G.O.Ms. No., Rural Development Department Dated 8.6.1999. District Planning Committee meetings are conducted once in three months to discuss various developmental issues relating to the district such as Water Supply, Rural Electrification, Education, Irrigation, etc.

Creation of District Planning Cell To assist the District Planning Committee, the Government has created a District Planning Cell in each district with District Panchayat Secretary as the District Planning Officer with a technical staff and one Assistant.

Guidelines for Decentralised Planning: The Government Planning and Development Department has issued orders to the State Planning Commission for the issue of detailed

guidelines for the preparation of plan by the Panchayats. Accordingly, the State Planning Commission issued detailed guidelines for the preparation of plans. The DPC does not prepare consolidated draft district development plans. The State Planning Commission has developed a module for training in multi-level planning and conducted a training programme also. They have prepared guidelines for the preparation of perspective development plan for the whole of a district. It has also given instructions to all District Planning Cells to prepare Village Development Reports (VDR) in select Panchayats.

It is ascertained that no experts or institutions have been appointed in accordance with Article 243ZD (3) (b), to assist them. In select districts, the Village Development Plan was prepared in select Panchayats with the assistance of the development organizations for which the respective Collectors helped in turn the District Collectors passed orders to all the sectoral departments to work on the prioritized activities of the plan prepared by the people. This new voluntary initiative of the Gram Panchayats drew the attention of the State Government and a new scheme, named “*Anaithu Grama Anna Marumalarchi Thittam*” was started with the aim to encourage the Village Panchayats to plan and implement programmes on social development issues.

Implementation: Five Standing Committees are mandated at district panchayat. Each Committee have specific functions to perform. At the District Panchayat level, each Committee has five members including Chairperson, as specified by the District Panchayat and elected by the District Panchayat from among its elected members. Gram Panchayat Presidents have been designated as Executive Heads and they have been entrusted with powers and responsibilities for implementation. The Gram Panchayat Chairperson is directly elected. The Vice-Chairperson is indirectly elected. Though Citizen Charters have been issued by departments, there is no Citizen Charter for Panchayats and no separate department for panchayat administration, which functions under the rural development department of the State.

Parallel Bodies

The DRDA is a powerful parallel body at the district level. At the village panchayat level, apart from the statutory committees the following other bodies exist, which are parallel to the Panchayats, namely, Village Education Committees and Watershed Associations. The

Forest department has also constituted village forest committees, with the President of the Village Panchayat as its Chairperson.

Status of DRDAs: The DRDAs are separate and powerful institutions, chaired by the District Collector. The District Collector directs the implementation of all area development programmes in his capacity as the Chairman of DRDA. For the implementation of programmes, priorities have not been fixed but works selected are distributed equally throughout the jurisdiction. The District Panchayat has no power to decide upon the funds given to the Village Panchayat. The concern about Section 205 of Tamil Nadu Panchayat Act, 1994 which empowers Collector or Inspector of Panchayat to remove the elected Panchayat members on the grounds of irregularities and failure to do the work was highlighted by the participants of the Civil Society Workshop and the importance of amending the section was stressed.

Tamil Nadu Rural Employment Guarantee Scheme (TNREGS): The National Rural Employment Guarantee Act was enacted in September 2005. As a result of the concerted efforts taken by Government, a sum of Rs. 152.14 crore has been utilized and over 185 lakh man days of employment have been generated up to 31.03.2007. About 82 per cent of the work force comprises 23 women and 56 per cent are Scheduled Castes. A notable feature of the scheme is that it has had a buoyant effect on rural wages. In order to ensure greater transparency and fair play, it has been ordered to disburse the wages to the workers in the presence of at least four members of the following committee which comprises (a) President/Vice President of the Panchayats; (b) Ward member of the area where the work is executed; (c) An SC/ST Ward Member, if none of the persons in Sl. No 1, 2 and 3 belongs to SC/ST Community; (d) Two animators of graded Self-Help Groups; and (e) A representative of the Panchayat Level Federation.

Panchayat Level Federation: Under Mahalir Thittam, a federation of SHGs is formed at the Village Panchayat Level called the Panchayat Level Federation (PLF) comprising of two representatives from each SHG in the Panchayat. The PLF provides a common platform for the SHGs to share their experiences and to voice their problems. The PLF guide and monitor the functioning of SHGs in a Village Panchayat and also form/train new SHGs. Government orders were issued as early as 2002 in G.O.Ms. No. 116 SW & NMP Department

Dated 31.7.2002 to form Panchayat Level Federations in all the Panchayats but the PLFs have been dormant due to lack of systematic training about their roles and responsibilities.

Conclusion

With commitment to Democratic Decentralisation, the Government of Tamil Nadu enacted the Tamil Nadu Panchayat Act in 1994. As on October 2006, three elections have been conducted in the state. The election of women to various posts and the participation of SC/ST communities in Panchayats explain the political empowerment achieved. At the same time, the level of financial and administrative decentralisation achieved over the years is very limited in the state.

Despite formal provision in the State Act to transfer responsibilities to the lower tiers of local government and legislation governing transfer of development functions to Gram Panchayats, the progress has been uneven or absent in most places. It is observed that in the absence of clear devolution of functions and activity mapping the Panchayats acts as a mere agent in the implementation of various programmes and schemes designed by the block, district and state level headquarters. Panchayats being used as an implementing arm of Government schemes without any real power to execute the functions mainly because of high bureaucratic control over the elected representatives, high dependence on state fund implemented mainly through DRDA, coupled with lack of awareness and knowledge of powers and duties of the Panchayats at both level i.e. functionaries and elected representatives hamper the effective functioning of the Panchayats.

Recently, by constituting a high level committee to recommend further devolution of powers, functions and duties and through huge investment in capacity building and training programmes for elected representatives, the state has taken steps to bring about positive changes at different levels of the Panchayats. However, a lot remains to be done in order to take the Local Governance to the doorstep of the people in Tamil Nadu.

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