



## **BLOCK 4**

### **RURAL LOCAL GOVERNMENT**

## **BLOCK 4      RURAL LOCAL GOVERNMENT**

Unit 8              Rural Local Government: Structure, Role and  
Responsibilities

Unit 9              Role of Local Government in Service Delivery

Unit 10             E-Governance practice in Service Delivery of Rural  
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## **UNIT 8 RURAL LOCAL GOVERNMENT: STRUCTURE, ROLE AND RESPONSIBILITIES\***

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### **Structure**

- 8.0 Objectives
- 8.1 Introduction
- 8.2 Rural Local Government: Village Level
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- 8.4 Rural Local Government: District Level
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### **8.0 OBJECTIVES**

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After studying this Unit, you should be able to:

- Explain the structure of Panchayati Raj Institutions and their responsibilities;
- Analyse the guidelines for socio-economic planning at different levels in rural areas, and the role of Panchayats in them;
- Examine the functioning of PRIs; and
- Highlight the strategy of the Government to strengthen the panchayats to enable them to discharge their responsibilities efficiently.

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### **8.1 INTRODUCTION**

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The concept of local Government is based on the principle of subsidiarity because it extends complements and discloses the principle of separation of powers. A common interpretation is that the decentralised Government is closer to the people and is better suited to respond to the preferences or needs of its citizens in certain subject matters.

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As the Local Government is a state subject, Article 243G of the Indian Constitution mandates that the Legislature of a State may by law endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of Local Self - Government. Accordingly, following broad responsibilities have been entrusted to the Panchayats at the appropriate level for the subject matters specified in the 73<sup>rd</sup> Constitutional Amendment Act (CAA):

- i) The preparation of plans for economic development and social justice; and
- ii) The implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to the matters listed in the XI<sup>th</sup> schedule.

Rural Local Government bodies in India, unlike in the urban areas, are organically linked at the village, block and district levels. Hence, the responsibilities are also distributed among them. The three-tier system owes its genesis to the Balwant Rai Mehta Committee, which was constituted in 1957 to strengthen the Panchayat system to take over the entire general administration and development of the district or the sub division, excluding functions such as law and order, administration of justice and selected functions pertaining to revenue administration. Thus, Panchayati Raj Institutions, i.e. Gram Panchayat (GP), Block Panchayat and District Panchayat, are envisaged to deliver governance. In this Unit, we will focus on the structure, role and responsibilities of the Rural Local Government.

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## 8.2 RURAL LOCAL GOVERNMENT: VILLAGE LEVEL

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Democratic decentralisation is manifested in the establishment of the Panchayats. Under the 73<sup>rd</sup> CAA, the GP has a primary role to play in the socio-economic development of the Panchayat area.

### i) Structure

GP is an elected body, which is responsible for making decisions such as approving plans and budgets, implementation of programmes and reviewing their progress. It consists of the Panchayat members (elected from each ward in the village) and the Sarpanch. It is accountable to the Gram Sabha, which is an assembly of all the registered voters of that GP. The Sarpanch/ President of the GP is its executive head. He convenes and presides over the meetings of the Gram Panchayat. All the elected representatives of the GP with the help of functionaries of various line departments, and Panchayat functionaries collectively deal with the various aspects of the local development such as public health, livelihood generation, education, provision of drinking water, sanitation etc.

### *Standing Committees of the Panchayats*

The states through statutory enactments or rules have provided for the constitution of various standing committees, which are depicted in table 8.1 (in

Rajasthan) to enable them to pay focused attention to the specific subject matters. For example, Village Education Committee looks into all education-related matters at the Panchayat level. The Standing committees may also be formed, if a programme of Union Government guides so. For example, Village Water and Sanitation Committee has been constituted in each Panchayat for the implementation of Swachh Bharat Mission.

**Table 8.1: Standing Committees in Panchayats in Rajasthan**

| <b>Name of the Standing Committee</b> | <b>Assigned Key Functions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Administration and Establishment      | <ul style="list-style-type: none"> <li>• Administrative action related to the sale and transfer of residential plots.</li> <li>• Resolution of land boundary disputes.</li> <li>• Removal of encroachment on public land like grazing land.</li> <li>• Issue of land title for old buildings.</li> <li>• Monitor the functioning of line department functionaries devolved to GPs.</li> <li>• Recommend disciplinary action against deviant functionaries.</li> </ul>                                                                              |
| Finance and Taxation                  | <ul style="list-style-type: none"> <li>• Mobilise financial resources for various development works of public interest.</li> <li>• Issue administrative and financial sanction to use up to rupees 2 Lakhs from own fund of the GP.</li> <li>• Sanction up to a certain limit for the transport expenses for institutional delivery.</li> <li>• Impose and collect taxes, penalties and fines.</li> </ul>                                                                                                                                          |
| Development and Production            | <ul style="list-style-type: none"> <li>• Take up activities like training of farmers for improved agriculture practices.</li> <li>• Grant scholarships to girl students studying agriculture.</li> <li>• Organise exposure visits of the farmers to other states to learn innovative farming practices.</li> <li>• Organise an exhibition of agricultural implements and farming practices.</li> <li>• Distribute improved seeds, etc.</li> <li>• Promote dairy, fishery and other allied activities.</li> </ul>                                   |
| Education                             | <ul style="list-style-type: none"> <li>• Ensure universal enrollment.</li> <li>• Help to distribute free textbooks for students up to XII<sup>th</sup> standard.</li> <li>• Monitor attendance of teachers, distribution of scholarship to SC/ST students, quality of mid-day meal, facilities in school, etc.</li> </ul>                                                                                                                                                                                                                          |
| Social Protection and Social Justice  | <ul style="list-style-type: none"> <li>• Provide support for effective implementation of programmes related to public health and child development like immunisation, institutional delivery and supplementary nutrition in anganwadis for children, adolescent girls and pregnant lactating mothers.</li> <li>• Recommend social assistance like pensions and scholarships for the old, widows and persons with disability.</li> <li>• Promote widow remarriage, and inter-caste marriage.</li> <li>• Organise the de-addiction camps.</li> </ul> |

**Source:** UNDP (2014) & Government of Rajasthan (1994).

A Panchayat may constitute a sixth Standing Committee for any of the subjects as it deems fit, if it lies in its jurisdiction, in Rajasthan. The rules across the country stipulate that each member of the GP would be a member of at least one such Committee.

### ***Functionaries***

GPs are assisted by two types of employees – own employees and employees of various line departments. In some states, the State Government has provided them more employees whereas, in some, one finds only a skeleton staff. For example, in Karnataka, the GPs have one Panchayat Development Officer (PDO), one Secretary and one Accounts Assistant, whereas in Rajasthan there is only one Village Development Officer and one Assistant. The village-level Officer is supposed to keep records of the GP standing committees, other committees, Gram Sabha, and Ward Sabha. They are also supposed to coordinate the preparation of the Gram Panchayat Development Plan (GPDP). They submit monthly accounts to the GP. The Secretary normally assists the PDO in general administration. The GPs may also hire contractual staff as per requirement, depending on the resource availability.

### **ii) Role and Responsibilities of the Gram Panchayat**

The role and responsibilities of Panchayats have seen tremendous changes over the years. Village Panchayats were envisioned as units of self-Government when the Constitution was framed. In pursuance to that, they were given responsibility for the socio-economic transformation of village life through people's own democratic and cooperative organisations with the Government providing technical services, supply and credit under the Community Development Programme (CDP), which was launched on October 2, that is on birthday of Mahatma Gandhi. The programme was based on the experiences within the country and abroad, the recommendations of the Fiscal Commission, and the Grow More Food Enquiry Committee, 1952. The CDP had laid emphasis on the all-around development of the whole community with special emphasis on weaker and underprivileged sections through the use of area development, self-help and integrated approaches. However, it could bring neither the expected changes in improving the conditions of rural masses nor much development in the area of agriculture. The reasons were attributed to it not becoming a people's programme. The people did not get a sense of ownership. Moreover, the untrained extension workers lacked coordination. Additionally, there was a lack of functional responsibility at the block level that led to a good deal of confusion and inter-departmental jealousy.

Subsequently, several committees had been appointed from time to time to make these bodies vibrant. Notable among them were committees headed by Balwant Rai Mehta, Asoka Mehta, C.H. Hanumantha Rao, G.V.K. Rao and L.M. Singhvi. The 73<sup>rd</sup> CAA gave them constitutional status. The Gram Panchayats have been mandated for the preparation of the Gram Panchayat Development Plan (GPDP) for economic development and social justice at the village level. The Gram Panchayats also have a significant role to play in the effective and efficient implementation of flagship schemes/ programmes on subjects of national

importance for the transformation of rural India. It was expected that there would be meaningful decentralisation of powers. However, the apathy of states across the country meant that they still faced challenges in becoming true local self-Government. There were delays and inadequacies in the preparation of village Panchayat plans. Often Panchayats could not spend the earmarked funds sufficiently, sometimes even to the extent of 10 per cent (Kannan, n.d.).

While efforts are continuing, the People's Plan Campaign (PPC) is now attempting to give them a bigger role and greater responsibilities. A similar experience with the People's Plan in Kerala, which was launched in 1997, had attracted a lot of national and international attention and was hailed as a good example of strengthening the grassroots democracy. The present campaign is somewhat on similar lines with additional inputs like technology and scale.

### ***People's Plan Campaign (PPC)***

Launched in 2018, the Campaign was implemented in 28 States and 6 UTs and prepared the financial plan at the GP level. The PPC is a strategy adopted by the Union Government for ensuring the preparation of plans in a campaign mode. It is comprehensive and based on a participatory process, which involves the full convergence with schemes of all related central ministries/line departments related to 29 subjects enlisted in the Eleventh Schedule of the Constitution. The main objectives of PPC are:

- Preparation of participatory, comprehensive GPDP, BPDP and DPDP in the Gram Panchayats, Block Panchayats and District Panchayats respectively in a time-bound manner across the Country.
- Evidence-based assessment of progress made during previous years, and consideration of proposals for next year for all 29 subjects of XI<sup>th</sup> Schedule.
- Organise structured Gram Panchayat meetings with active participation and presentations by frontline workers/ supervisors related to 29 subjects listed in XI<sup>th</sup> Schedule.
- Organise meetings of Bal Sabha and Mahila Sabha apart from Ward Sabha before organising Gram Panchayat meetings, which would facilitate enumeration and articulation of demands of children and women
- Integration of Sustainable Development Goals (SDGs) in the GPDP, the BPDP and DPDP.
- Strengthening the role of elected representatives and women in the Self-Help Groups (SHGs) under Deendayal Antyodaya Yojana–National Rural Livelihoods Mission (DAY-NRLM).
- Undertake Public Information Campaign with public disclosure on schemes, finances, etc. of all schemes & programmes in the GP Office and on Gram Samvaad Application.

To ensure that Gram Panchayats fulfil the objectives envisaged in the Constitution under Art. 243G, 13 core focal areas have been identified to guide

the GPs to align their development activities accordingly. These areas are mentioned below:

- a) The PRIs are mandated as responsible for the delivery of critical public services including water supply, sanitation, roads, drainage, street lighting, health, education and nutrition etc. besides, the key local development challenges faced by the country viz. poverty, gender, livelihood generation etc. in sync with the SDGs.
- b) To develop and use locally relevant indicators on issues of development, including aligning actions with localising SDGs relating to economic development and poverty reduction. They should take up activities, that would increase local production and productivity, increase employment and employability, improve market access and marketability of the local produce, promote value addition, and create productive infrastructure.
- c) The GPs should focus on improving the quality of the human development index through anganwadis, schools, hospitals and enhancing access to them.
- d) To ensure improving wellbeing of vulnerable and marginalised section – SCs, STs, OBCs, minorities, persons with disabilities, elderly people, women, children, bonded labourers, child labourers, distress migrants, manual scavengers, victims of trafficking, etc.
- e) The GPs could plan towards the conservation of biological resources.
- f) Services to be provided at the GP level, include issuances of certificates, compulsory registration and issuance of birth and death certificates, marriage certificates, migration certificates, issues of licenses/permits and social security pensions, which should be given special priority with an emphasis on electronic delivery of services.
- g) Emphasis on accountability, transparency and proactive disclosures and community-based monitoring of budget and expenditure.
- h) Play a major role in skill-building and ensure that the most vulnerable sections including women participate in the programme. They would have to generate awareness regarding skills related programmes, facilitate the mobilisation efforts, and create a database for skill demand and placement based on market assessment.
- i) Gender mainstreaming across all activities is an integral part of the preparation of GPDP. The GPs should plan activities for the empowerment of women.
- j) The GPs should adhere to the Rural Area Development Plan Formulation and Implementation (RADPFI) guidelines describing the process of spatial planning for sustainable development.
- k) Local Institutions can play a very important role in solving/mitigating the impact of disasters.

- l) To ensure e-enablement of Panchayat through the use of Panchayat Enterprise Suites (PES).
- m) The GPs should identify gaps and priorities needs relating to infrastructure development. This includes repairs, restoration, up gradation, maintenance of public assets and new construction of identified infrastructure.

The final GPDP in the form of a brief Presentation of the GPDP document with project-wise details and discussion on the prepared plan is to be placed before the Gram Panchayat Committee by the GP, in the presence of officials from all line departments and the community.

It is only the third year of the approach, so results are yet to be seen. However, extensive use of technology has ensured that there is greater transparency in the activities. At the same time, it could still take some time for the process to be understood by all as it is highly technocratic and may be beyond the capacity of GP members and the GP level functionaries, despite extensive capacity building and training efforts.

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### **8.3 RURAL LOCAL GOVERNMENT: BLOCK LEVEL**

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Balwant Rai Mehta Committee envisaged Panchayat Samitis (PSs) at the block level to look into the functions in an area that is “large enough for functions which the Gram Panchayat cannot perform and yet small enough to attract the interest and services of residents”. They are also known as Block Panchayats (BPs). The BP/PS is responsible for integrating and prioritising the GPDP and helping in the implementation of those plans.

#### **Structure**

All the Panchayats in the block are represented in the PS. A PS, typically consists of (i) directly elected members from the territorial constituencies, (ii) all members of the Legislative Assembly of the State representing constituencies which comprise wholly or partly the BP area, and (iii) chairpersons of all the Panchayats falling within the PS. It functions as a link between the Gram Panchayat and Zilla Panchayat. The principal function of the Panchayat Samiti is to coordinate the activities of the various Panchayats within its jurisdiction. It may also advise the Panchayats on measures for improving functioning of the Panchayats.

The President of the BP has prime responsibility for its effective functioning. For example, in West Bengal, it is the Sabhapati who shoulders all the administrative and financial responsibilities of the Panchayat Samiti. It is her/his duty to maintain and preserve all the important documents and necessary papers of the Samiti. The Sabhapati may have to discharge any other special duty as well that the State Government may entrust. The President also convenes and presides over the meetings of the PS.

### **Standing Committees of the Block Panchayats**

The BP also functions through various standing committees. However, the number varies in states. For example, West Bengal has provided for 10 Standing Committees at the Samiti level:

- Economic Development and Planning
- Public Health and Environment
- Public Works and Transportation
- Agriculture, Irrigation and Cooperative
- Education, Culture, Information and Sports
- Women and Child Development, and Social Welfare
- Forest and Land Reforms
- Fisheries and Animal Husbandry
- Food and Public Distribution
- Cottage Industry, Electricity and Non-conventional Power.

Rajasthan has provided for 5 standing committees, with the option to the BP to constitute an additional one, if deemed necessary.

### **Functionaries**

The Block Development Officer and the officers of various line departments at the block level provide the necessary support to the Panchayat Samiti in all matters relating to planning, execution and administration of development work.

### **Role and Responsibilities of Block Panchayats**

Since their inception, they had limited powers and resources and the essential idea that all developmental activities should flow only through the BPs lost ground. Moreover, important schemes like Small Farmers Development Agency (SFDA), Drought Prone Areas Programme (DPAP) and Institute for Transportation and Development Policy (ITDP) were not brought within the purview of the elected institutions even in states like Maharashtra and Gujarat, where effective financial decentralisation had taken place. Centralising tendencies seen in due course resulted in existence of these bodies without adequate functions and authority. The position of these institutions was further weakened due to the creation of a large number of parastatals, which were assigned many other functions legitimately envisaged in the domain of PRIs (Second ARC, 2007).

### ***Block Panchayat Development Plan***

In the latest scheme, the PSs are responsible for the preparation of the Block Panchayat Development Plan (BPDP) through a participatory, inclusive and transparent process with a modified bottom-up approach. The PSs need to assess the development needs by consolidating gaps ascertained in the GPDPs through the Mission Antyodaya data. The BPDP process, just like the GPDP, envisages need based planning, supplementing the GPDPs. Further, it would also strive to

contribute to national commitments e.g. SDGs and national priorities. Those projects and activities, which are to be implemented in more than one GP area and which should be implemented at the BP level because of its higher institutional capacity and technical competence, are to be considered by the BP for the BPDP. The plan activities of the line departments operating at the BP level have also to be integrated into the BPDP, although the same may be implemented by the line departments themselves.

Focus Areas of Planning at the PS level are:

- Economic Development and Income Generation
- Agri-allied and Agri-processing Units
- Strengthening of Supply Chain Management
- Development of cold chain for perishable products
- Initiatives for Rural Market Hub
- Developing Robust Panchayat-Private Partnership
- Waste to Wealth
- Promotion of Livelihood Opportunities in the Secondary and Tertiary Sectors
- Rural Industry Cluster
- Natural Resource Management
- Disaster Risk Management
- Ensuring Social Justice
- Education and Healthcare
- Basic Services
- Sanitation & Drinking Water.

## Check Your Progress 1

**Note:** i) Use the space given below for your answer.

ii) Check your answer with those given at the end of the unit.

- 1) Discuss the role and functions of the standing committees in a State at the Gram Panchayat level.

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- 2) What are the focus areas of planning at the Panchayat Samiti level?

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## 8.4 RURAL LOCAL GOVERNMENT: DISTRICT LEVEL

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Zilla Parishad is the third tier of the Panchayati Raj system, which functions at the district levels in all states.

### Structure

A Zilla Parishad (ZP) or District Panchayat (DP) normally consists of - (i) directly elected members from as many territorial constituencies, (ii) all members of the Lok Sabha and of the State Legislative Assembly representing constituencies which comprise wholly or partly the Zilla Parishad area, (iii) all members of the Rajya Sabha registered as electors within the Zilla Parishad area, and (iv) chairpersons of all the PSs falling within the Zilla Parishad area.

### Standing Committees of the District Panchayats

Just like the GPs and PSs, the ZPs also constitute the standing committees. In this regard, rules are provided by the respective State Government. The nature of the standing committees as well as their number differ from State to State. For example, Kolar Zilla Panchayat in Karnataka has the following Standing Committees:

#### i) *General Standing Committee*

It performs functions relating to the establishment matters; and communications, buildings, rural housing, village extensions, relief against the natural calamities and allied matters and all miscellaneous residuary matters.

#### ii) *Finance, Audit and Planning Committee*

It looks into:

- a) finances of the Zilla Panchayat, framing of budgets, scrutinising proposals for an increase of revenue, examination of receipts and expenditure statements, consideration of all proposals affecting the finances of the Zilla Panchayat and general supervisions of the revenue and expenditure of the Zilla Panchayat; and
- b) the Plan priorities, allocation of outlays to developments, horizontal and vertical linkages, implementation of the guidelines issued by the State or Union Government, regular review of planned programmes, evaluation of important programmes and small saving schemes.

#### iii) *Social Justice Committee*

It performs the functions relating to:

- a) promotion of educational, economic, social, cultural and other interests of the Scheduled Castes and Schedule Tribes and Backward Classes;
- b) protecting them from social injustice and all other forms of exploitation;
- c) amelioration of the Scheduled Castes and Schedule Tribes and Backward Classes; and

- d) securing social justice to the Scheduled Castes and Scheduled Tribes, women and other weaker sections of the society.

**iv) Educational and Health Committee**

- a) The Committee is in-charge of all educational activities of the Zilla Panchayat;
- b) undertakes the planning of education in the district within the framework of the National Policy, and the National and State plans;
- c) surveys and evaluates the educational activities of the Zilla Panchayat;
- d) performs such other duties pertaining to education, adult literacy and cultural activities as the Zilla Panchayat may assign to it; and
- e) looks into health services, hospitals, water supply, family welfare and other allied matters.

**v) Agriculture and Industry Committee**

It is responsible for:

- a) agricultural production, animal husbandry, co-operation, contour bunding and reclamation;
- b) village and cottage industries; and
- c) promotion of industrial development of the district.

Similarly in Tamil Nadu, for the purpose of assisting the District Panchayat in exercising such of its powers, discharging such of its duties and performing such of its functions specified under The Tamil Nadu Panchayats Act, 1994 Act, a District Panchayat may constitute Standing Committees for dealing with:

- a) food and agriculture;
- b) industries and labour;
- c) public works;
- d) education; and
- e) health and welfare, including prohibition.

Further, a District Panchayat may constitute additional Standing Committees for such purposes as it thinks fit.

**Functionaries**

Comparatively, ZPs have greater manpower at their disposal. An Officer of the rank of the Deputy Commissioner is normally the Chief Executive Officer of the ZP, who is appointed by the State Government. The Government may also appoint an Additional Chief Executive Officer for the DP on such terms and conditions as may be prescribed. The ZPs are also provided with a Chief Accounts Officer and a Chief Planning Officer. The Government also deputes employees, from time to time, such number of officers of Group A, B and C services of the State as it deems necessary. However, the Government retains the power to affect the transfer of the officers and officials so posted from one district to another district.

## Role and Responsibilities of the Zilla Parishad

The preparation of the District Panchayat Development Plan (DPDP) for rural areas is a time-bound process. It is an essential part of a chain of plans to be prepared in cascading mode. It is to be prepared after the completion of GPDPs by the GP and Block Panchayat Development Plan by the PS, in their respective area. As per the guidelines, it should provide building blocks to Draft the DPDP to be prepared by the District Planning Committee for the district as a whole. The DPDP should ideally match with people's needs, basic services and their aspirations, prioritised in accordance with the available resources. It should be prepared through a participatory, inclusive and transparent process (GoI, 2021).

After the preparation and approval of GPDPs and BPDPs at GP and PS levels respectively, they are to be forwarded to the DP. Those projects and activities, which are to be implemented in more than one GP area but cannot be accommodated in the BPDP and also those projects and activities, which are to be implemented in more than one block area but cannot be included in the BPDP for want of technical competencies or lack of resources, are to be considered by the DP for inclusion in the DPDP. Besides, the Plan would include those activities, which the DP needs to implement following the principles of subsidiarity.

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### 8.5 PRIs: ISSUES AND CHALLENGES

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There are three major issues, that are affecting Panchayats in becoming effective institutions of local Government:

- i) The top-down approach, since the beginning has hampered the local Government institutions in effectively discharging their responsibilities. The approach never allowed these institutions to develop a sense of ownership. It remains to be seen as to how political compulsions of the political leaders at the state and central level would be managed to let the power and authority flow adequately to these levels.
- ii) Capacity constraints at the local level have also affected the functioning of Panchayats significantly. While several efforts have been made in the past as well, the problem has continued. The Capacity Building programmes carried out by the various state institutes of rural development have not been felt adequate. An enabling environment needs to be created, where non-governmental organisations are also involved appropriately as they have demonstrated better capabilities in mobilising people, and building capacity.

The problems of funds, functions and functionaries have plagued Panchayats in the past. Though the funds' position has to some extent been addressed by the 14<sup>th</sup> and 15<sup>th</sup> Finance Commissions, the Panchayats need to find own sources of revenue or alternative sources like Public-Private Partnership. However, the states are yet to fully transfer control over identified subjects. Even where the state Governments have devolved several subjects to different levels of the PRIs, they have not given appropriate functional responsibilities to newly established levels of rural local bodies where they did not exist before or not given appropriate guidelines to the existing ones for delivering their functions.

Similarly, in many cases, adequate manpower has not been devolved to enable them to play their role effectively. Even the employees that have been put at the disposal of the Panchayats, do not have administrative control over them. Hence, it is necessary to adequately deal with above mentioned issues to strengthen the rural local government for economic development and social justice.

## **Check Your Progress 2**

Note: i) Use the space given below for your answer.

ii) Check your answer with those given at the end of the unit.

1) Explain the role and responsibilities of the District Panchayat.

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2) Highlight the major issues and challenges that affect the performance of PRIs.

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## **8.6 CONCLUSION**

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The elaborate structure designed for rural Government in India holds a lot of promise, but the moot question remains whether the implementation of constitutional and statutory provisions is substantive or declarative. All the functions listed in Schedule XI have not yet been transferred to the local bodies in a majority of the states, despite the statutory enactments. Moreover, for the functions that have been transferred, the local bodies do not have adequate administrative control over the functionaries, who are mainly accountable to their line departments.

It is apparent that there are structural constraints too. The Rural Local Government face the challenge of capacity issues and financial limitations at the local level. The situation is further compounded by the fact that the issues are increasingly becoming more complex, and parastatal and specialised agencies are being given a greater role thus, limiting the role of the local bodies to that extent. At the same time, the guidelines of various important programmes indicate the 'centrality' of Panchayats in all development programmes of the Government of India, which may lead to vibrant democratic institutions at the grassroots level in due course.

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## **8.7 GLOSSARY**

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**Article 243 G:** It refers to the powers, authority and responsibilities of the Panchayats, like preparation of plans for economic development and social justice; and implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to matters listed in the 11<sup>th</sup> Schedule of the Constitution of India.

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## 8.9 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

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### Check Your Progress 1

- 1) Your answer should include the following points:
  - For your answer, refer to Section 8.2
- 2) Your answer should include the following points:
  - For your answer, refer to Section 8.3

### Check Your Progress 2

- 1) Your answer should include the following points:
  - For your answer, refer to Section 8.4
- 2) Your answer should include the following points:
  - For your answer, refer to Section 8.5

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## **UNIT 9    ROLE OF LOCAL GOVERNMENT IN SERVICE DELIVERY\***

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### **9.0    OBJECTIVES**

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After studying this Unit, you should be able to:

- Describe the status of various services in rural areas like water supply, sanitation, public health, education, tenurial status, etc;
- Examine the service delivery of the above subject matters under recent government programmes, and the role of panchayats in them;
- Explain the strategy of the government to improve the delivery of these services with the help of panchayats; and
- Highlight the major issues and challenges, which are affecting effective service delivery in rural areas.

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### **9.1    INTRODUCTION**

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Studies have established that improved provision and access to basic services like health, education, etc. have a significant effect on households. The Government and policy-makers to realise this significance, and efforts are being made on a continuous basis to plan and deliver these services in both urban and rural areas. Provision of services in rural areas, in general, is a challenge as the habitations are small; and creating infrastructure and getting people to operate and manage

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them may be a mammoth task. For example, even if school infrastructure is built, getting teachers for those schools may be a challenge. Similarly, creating infrastructure for managing waste water in itself can be a challenging task. At the same time, providing various services is important to enabling the citizens living there to lead a decent life.

Since large infrastructure projects may not be feasible in many sectors in the rural areas, innovative ways need to be found to deliver those services. There are many other sectors like land issues, where interventions may be planned. In such circumstances the role of elected leaders in Rural Local Bodies becomes crucial. Under the provisions of the 73<sup>rd</sup> Constitutional Amendment Act, the Local Governments have been given the responsibility for planning regarding socio-economic development. In this Unit, we will discuss the role of Local Government in service delivery, major issues and challenges, and the strategy of the Government to improve the delivery of these services with the help of Panchayats. The 10<sup>th</sup> Schedule has identified such areas where Local Government institutions can determine the direction of their development. But, before we look at how the Local Governments can play a role or already doing it, a look at the current level of access to some important services becomes imperative.

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## 9.2 STATUS OF SERVICES

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### 76<sup>th</sup> Round of National Sample Survey (NSS)

The National Statistical Office (NSO), Ministry of Statistics, and Programme Implementation had conducted a survey on Drinking Water, Sanitation, Hygiene, and Housing Condition between July - December 2018. Some of the findings of this survey concerning rural areas are mentioned below:

#### i) **Drinking Water Facility**

The major source of drinking water was *hand pumps* for the households in the rural areas. About 42.9 per cent of the households used *hand pumps* as the principal source of drinking water.

- a) About 48.6 per cent of the households in the rural areas had exclusive access to the principal source of drinking water.
- b) About 87.6 per cent of the households had sufficient drinking water throughout the year from the principal source.
- c) About 58.2 per cent of the households had drinking water facilities within the household premises.
- d) About 94.5 per cent of the households used 'improved source of drinking water' viz. bottled water, piped water into dwelling, piped water to yard/plot, piped water from a neighbour, public tap/standpipe, tube well, hand pump, protected well, public tanker truck, private tanker truck, protected spring and rainwater collection and about 51.4 per cent of the

households had it sufficiently available throughout the year located in the premises.

**ii) Bathroom and Sanitation Facility:**

- a) About 56.6 per cent of the households had access to bathrooms in the rural areas, whereas 50.3 per cent of the households had exclusive access to bathrooms.
- b) About 48.4 per cent of households, that had access to bathrooms/ used bathrooms attached to the dwelling unit.
- c) About 71.3 per cent of the households in the rural areas had access to a latrine.
- d) About 50.9 per cent of the households used to flush/pour-flush to septic tank type of latrine.
- e) Among the households, which had access to a latrine, about 94.7 per cent of the males and 95.7 per cent of the females used the latrine regularly.
- f) Among the households, which had access to a latrine, about 3.5 per cent of the household members never used latrine.
- g) Among the households using latrine, about 4.5 per cent of the households reported that water was not available in or around the latrine used.
- h) About 48.0 per cent of the households had bathrooms and latrines both within household premises.

**iii) Tenorial Status and Household Characteristics**

- a) About 96.0 per cent of the households in the rural areas had their own dwelling unit.
- b) Among the households living in houses (i.e., households with dwelling units), about 96.7 per cent of the households used the house for residential purposes only.
- c) Among the households living in houses:
  - about 89.0 per cent of households had an independent house.
  - about 76.7 per cent of the households had the house of pucca structure.
  - the average floor area of the dwelling unit was about 46.6 sq.m.

**iv) Electricity for Domestic Use**

Among the households living in houses, about 93.9 per cent of the households in the rural areas had electricity for domestic use.

**v) Micro Environment**

- a) Among the households living in houses
  - about 48.3 per cent of the households in the rural areas used LPG as fuel for cooking.

- about 61.1 per cent of the households had a drainage system in the house for disposal of wastewater/liquid waste.
  - about 48.1 per cent of the households, disposed of household wastewater without treatment to open low land areas/streets.
  - about 80.4 per cent of the households had no arrangement for the collection of household garbage.
  - about 87.1 per cent of the households had a house with a direct opening to approach road/lane/constructed path.
- b) About 72.4 per cent of the households disposed-off household garbage either in the household's individual dumping spot or in a common place other than a community dumping spot.

### Rural Health Statistics 2019-20

As of 31<sup>st</sup> March 2020, there were 24918 Primary Health Centres (PHCs), 155404 Sub-Centres, and 5183 Community Health Centres (CHCs) functioning in the rural areas of the country. The overall shortfall in the post of Health Workers (Female) [HW(F)]/Auxiliary Nurse Midwife (ANM) was 2 per cent of the total requirement as per the norm of one HW(F)/ANM per sub-centre and PHC.

- a) Table 9.1 depicts the status of the average rural population covered by health facility based on the mid-year population as of 1<sup>st</sup> July 2020

**Table 9.1: Average Rural Population covered by Health Facility**

| Health Facility | Norm         | Average Rural Population covered |
|-----------------|--------------|----------------------------------|
| Sub-Centre      | 300-5000     | 5729                             |
| PHC             | 20000-30000  | 35730                            |
| CHC             | 80000-120000 | 171779                           |

**Source:** Rural Health Statistics 2019-20, p. 206

- b) Average number of villages covered by a SC, PHC and CHC  
4 villages – 1 Sub-Centre, 27 villages – 1 PHC, and 128 villages – 1 CHC.

### National Family Health Survey

NFHS-4 conducted in 2015-16 provided many estimates regarding health services:

- a) The under-five mortality rate is higher in rural areas than in urban areas (56 deaths per 1,000 live births versus 34 deaths per 1,000 live births).
- b) The under-five mortality rate declines with an increase in mothers' schooling.
- c) The under-five mortality rate also declines with increasing household wealth.
- d) The use of a skilled provider for Antenatal Care (ANC) services is higher in urban areas than in rural areas (89 per cent and 75 per cent, respectively).
- e) The use of a skilled provider for ANC services increases with rising education.

- f) Only 46.4 per cent of rural household members use public health sector facilities like PHC / block PHC etc.
- g) Eighty-nine per cent of births to urban women were delivered in a health facility, compared with 75 per cent of births to rural women.
- h) The average cost for delivery for the most recent live birth among women aged 15-49 was five times as high in private health facilities (Rs. 16,522) as in public health facilities (Rs. 3,198).
- i) Rural children are more likely to receive any service from Anganwadi Centers AWC (59 per cent) than urban children (40 per cent).
- j) Women in urban areas are slightly less likely to be anaemic (51 per cent) than those in rural areas (54 per cent).
- k) The public health sector is the main source of health care for 46 per cent of households in rural areas.
- l) Recent contact with any health worker is more common for rural women (26 per cent) than urban women (19 per cent).

#### **NSS 75<sup>th</sup> Round (July 2017- June 2018) on Household Social Consumption on Education**

The main objective of the NSS 75<sup>th</sup> round survey on Household Social Consumption on Education was to build indicators on the participation of the persons of age 3 to 35 years in the education system, expenditure incurred on the education of the household members, and various indicators of those currently not attending education (i.e., for the persons who never enrolled or ever enrolled but currently not attending education). Some important findings of the survey, based on the response of the households, were:

- i) Literacy Rate and levels of education in India:
  - a) The literacy rate among persons of age 7 years and above was 73.5 per cent in rural areas.
  - b) Among persons of age 15 years and above, 30.6 per cent had completed secondary or above level of education.
  - c) Nearly 5.7 per cent of the persons of age 15 years and above had completed graduate and above level of education.
- ii) Enrolment and attendance for persons of age 3 to 35 years
 

In rural areas, 15.7 per cent never enrolled, 40.7 per cent ever enrolled but not attending, while 43.5 per cent were attending.
- iii) Indicators relating to ‘free education, ‘free/subsidised textbooks’ and ‘free/subsidised stationery’ to students of age 3 to 35 years attending at the pre-primary and above level:
  - a) Nearly 57.0 per cent of the students received free education.
  - b) Nearly 15.7 per cent of the students received scholarships/ stipend/ reimbursement.

- c) Nearly 54.2 per cent of the students received free/ subsidised textbooks.
- d) Nearly 10.0 per cent of the students received free/ subsidised stationery.
- iv) Expenditure on education for students of age 3 to 35 years currently attending pre-primary and above level basic course:
  - a) In rural areas, the average expenditure per student pursuing a general course in that current academic year was Rs. 5,240.
  - b) The average expenditure per student pursuing a technical/professional course in that current academic year was Rs. 32,137.
- v) Information and Communications Technology (ICT):
  - a) Nearly 4.4 per cent of the rural households had a computer.
  - b) Nearly 14.9 per cent of the households had internet facilities.
  - c) Among persons of age 5 years and above, 9.9 per cent were able to operate a computer, 13.0 per cent were able to use the internet and 10.8 per cent used the internet during the last 30 days.

While there are many services needed by the citizens in rural areas, the eight basic services identified for priority attention are:

- i) 100 per cent coverage of provision of safe drinking water in rural areas;
- ii) 100 per cent coverage of primary health service facilities in rural areas;
- iii) Universalisation of primary education;
- iv) Provision of Public Housing Assistance to all shelter less poor families;
- v) Extension of Mid-day Meal Programme in primary schools, to all rural blocks and disadvantaged sections;
- vi) Provision of connectivity to all unconnected villages and habitations;
- vii) Streamlining of the Public Distribution System with a focus upon the poor; and
- viii) Employment and livelihood opportunities.

Besides the above, there are pressing issues like land, which pose a challenge before the Local Government institutions. The Panchayati Raj Institution shave (PRIs) an important role to play in the provisioning of these services. Let us first see the institutional mechanism available in general at the local levels.

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### **9.3 INSTITUTIONAL ARRANGEMENTS FOR PROVISION OF SERVICES IN RURAL AREAS**

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After the promulgation of the 73<sup>rd</sup> CAA various functions relating to socio-economic development have been assigned to the panchayats. However, after studying the various articles, it is evident that the panchayats enjoy only the derivative powers and not exclusive powers over the schemes and matters specified. Efforts have been made to empower the PRIs on a regular basis. They are supposed to participate, and coordinate with the administrative agencies:

- i) in planning and implementation of various local level plans and programmes;
- ii) to identify beneficiaries under different programmes;
- iii) to monitor the implementation directly or through its committees;
- iv) to mobilise people to involve them, and ensure that they pay user charges where applicable; and
- v) to evaluate the programmes, and discuss them in the *Gram Sabha* to enhance transparency.

As the responsibilities are divided between different tiers of the government as well, we find three types of schemes, which cover various above-mentioned services Central Sector Schemes, Centrally Sponsored Schemes, and State Government Programmes. While Central Sector Schemes are fully funded by the Union government, the funding is shared by the Centre and the States in Centrally Sponsored Schemes. State Government Programmes or schemes are launched by a particular State to address the challenge peculiar to the State or where it considers fit to intervene.

Besides that, the 15<sup>th</sup> Finance Commission (2020) has recommended that:

- i) 40 per cent of the total grants to be disbursed to rural local bodies shall be untied and can be used by them for felt needs under the twenty-nine subjects enshrined in the Eleventh Schedule, except for salaries and other establishments costs.
- ii) 30 per cent of the total grants to be disbursed to rural local bodies shall be earmarked for drinking water, rainwater harvesting, and water recycling.
- iii) 30 per cent of the total grants to be disbursed to rural local bodies shall be earmarked for sanitation and maintenance of ODF status, and this should include management and treatment of household waste, and human excreta and faecal sludge management in particular.

Depending on the type of scheme, the line agencies in the concerned State plan the implementation. The services mentioned earlier and many others are primarily provided by concerned line agencies, which are mainly responsible for planning and implementation of concerning programmes. Since the staff in these line agencies is controlled by the State, the PRIs have little administrative control over them. Even the *Gram Sevak*, which is the functionary at the panchayat level is appointed by the State and he is accountable to the State Government.

Scarcity of funds and lack of technical capabilities at the panchayat level have limited the scope of panchayat activities. In some states like Kerala and Karnataka, panchayats have a relatively greater say in the policy and planning, but largely the panchayats have faced problems of overlap of functions and ambiguities in the specific role to be played by different tiers (World Bank, 2007). Similarly, in some states like in the North East and some regions in other states both modern and traditional structures of the governance have been found to be effective. For example, in Meghalaya, the Village Headman, who is largely responsible for the village Council, chairs the Local Village Employment Council

and the Village Health and Sanitation Committee. In such circumstances, there are points of cooperation, overlap, and fusion that point towards hybrid and blurred institutional arrangements (MIG, 2015).

Let us examine the role PRIs in the subsequent section with a primary focus on the Gram Panchayats.

## Check Your Progress 1

**Note:** i) Use the space given below for your answer.

ii) Check your answer with those given at the end of the unit.

- 1) Explain the state of service delivery in rural areas as per the 76<sup>th</sup> round of the National Sample Survey.

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- 2) What are the major institutional arrangements for the provision of services in rural areas?

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## 9.4 ROLE OF THE PRIs IN SERVICE DELIVERY

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Panchayats have been mandated for the preparation of the Gram Panchayat Development Plan (GPDP) for economic development and social justice by utilising the resources available to them. The GPDP planning process has to be comprehensive and based on a participatory process, that involves the full convergence with schemes of all related Central Ministries / Line Departments related to 29 subjects enlisted in the Eleventh Schedule of the Constitution.

12<sup>th</sup> Finance Commission had recommended that panchayats should use the grants to improve service delivery relating to water supply and sanitation. The unconditional basic grant awarded by the 14<sup>th</sup> Finance Commission was intended to be used to improve the status of specified basic services. To this, the Ministry of Panchayati Raj added a condition of completion of the GPDP to avail performance grant. The 15<sup>th</sup> Finance Commission award for 2020-21 was granted to all three tiers of panchayats, which is proposed for 2021 to 26 as well. Of which 70-85 per cent is for the panchayats. However, 15 per cent of the grants to rural local bodies were tied to sanitation and maintenance of ODF status, and supply of drinking water and rainwater harvesting.

Many programmes have been launched for ensuring access to various services to the citizens in the rural areas. The Panchayat representatives have been assigned various responsibilities at the three levels, under these programmes. In this regard, some of the programmes and roles of the PRIs therein are mentioned below.

#### i) **Jal Jeevan Mission**

It is envisioned to provide safe and adequate drinking water through individual household tap connections by 2024 to all households in rural India. The Mission is based on a community approach to water, and will include extensive Information, Education and Communication as a key component of the mission. It looks to create a Jan Andolan for water, thereby making it everyone's priority.

Gram Panchayat plays a lead role in planning, implementation, management, operation and maintenance of the water supply infrastructure in a village. The role of Gram Panchayat includes identifying needs, planning, involving the community, implementing schemes, and monitoring the quality of water. For achieving all this, Gram Panchayats could form a '*Village Water and Sanitation Committee (VWSC)*'. This committee could help to mobilise communities, educate them and ensure they get the necessary training and technical support to achieve drinking water.

The Block Panchayat could help in the overall implementation of the action plan developed by the *Village Water and Sanitation Committees*. The District Panchayats facilitate and support inter-sectoral coordination and training of people involved in monitoring and evaluation of schemes/ programmes formulated by the Gram Panchayat.

#### ii) **Swachh Bharat Mission**

Swachh Bharat Mission (SBM) or 'Clean India' mission was launched by the Government of India on October 2, 2014. The Mission was implemented as a nationwide campaign, that aimed at eliminating open defecation in rural areas during the period 2014 to 2019 through mass scale behaviour change, construction of household-owned and community-owned toilets and establishing mechanisms for monitoring toilet construction and usage.

The Gram Panchayats have a pivotal role to play in the implementation of the programme. Every state at its individual level decides to channel the fund flow for activities at the GP level. All Institutions and Committees working within the GP framework have to prioritise sanitation within their programmes. A Village Water and Sanitation Committee (VWSC) / *Pani Samiti* is constituted as a Sub-Committee of the Gram Panchayat, for providing support in terms of motivation, mobilisation, implementation, construction of toilets, maintenance of the clean environment by way of safe disposal of waste. Thus, it is expected to work as a 'local public utility that can manage, operate and maintain in-village water supply and sanitation services on a regular and long-term basis with a focus on service delivery. The GPs are also expected to be responsible for the collection and segregation/management of solid and liquid waste and to ensure that households pay monthly user charges for water and sanitation services. The

Block Panchayats are expected to provide guidance, support and monitor sanitation status in the Gram Panchayats.

iii) **The Smagra Shiksha**

It is an Integrated Scheme on School Education that envisages the 'school' as a continuum from pre-school, primary, upper primary, secondary to senior secondary levels. It subsumes Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamik Shiksha Abhiyan (RMSA) and Teacher Education (TE). The integrated scheme assigns special importance to decentralised planning and implementation.

The Ministry of Panchayati Raj has advised the Panchayati Raj Departments of all states to include the provision for the construction of toilets and drinking water supply system, filling of gaps in the provision of toilets, rehabilitation and regular repair of existing toilets and drinking water system in schools in the Gram Panchayat Development Plans to be prepared converging resources under the 14<sup>th</sup> Finance Commission grants, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and Swachh Bharat Mission.

Panchayati Raj Institutions will also be involved in the monitoring of the scheme. The beneficiary list of students who are eligible for hostel facilities will be verified against the household registers maintained by the Gram Panchayats, and data available with other tiers to identify any gaps or missing names in the list.

State Governments will develop publicity material for the scheme in the form of a brochure, which will be made available to the Panchayati Raj Institutions and disseminated through them.

iv) **National Rural Health Mission (NRHM)**

The NRHM, which is a submission of the National Health Mission, aims to undertake architectural correction of the health system, to enable it to strengthen public health management and service delivery in the country. It seeks to empower panchayats to manage, control and be accountable for health services through community ownership steered through village-level health committees.

Every panchayat is expected to constitute a Village Health, Sanitation and Nutrition Committee, that is entrusted with the preparation of a village health plan and monitoring of the services being delivered through sub-centres. The panchayats receive tied funds under the NRHM for the purpose. The Panchayat Samitis and Zilla Parishads have been entrusted with the responsibility to lead and coordinate the work of panchayats.

v) **Mahatma Gandhi National Rural Employment Guarantee Scheme**

It is an employment guarantee scheme, that guarantees employment to poor people in rural areas. The scheme puts emphasis on the fact that it is a right of a rural Indian citizen to work for a minimum of 100 days in a year (if she is willing to work) and the job should be provided to her/him by authorities

in her/his own area and also within a given time-frame (within 15 days) otherwise State Government is liable to pay Unemployment Allowance.

The Gram Panchayats have the primary responsibility of issuing Job Cards on receiving the application for registration. When they receive applications for work, it is their responsibility to ensure allotting work within fifteen days of submitting the application by the job card holders. Towards this, the GPs are supposed to conduct periodical surveys to assess demand for work as well as identify and plan works, develop a shelf of projects, and get approval for such works from the administrative agencies. They must ensure that the works meet the required technical standards and measurements. Some other responsibilities are mentioned below:

- Maintaining records as specified in the MGNREGA Operational Guidelines, 2013.
- Maintaining accounts and providing utilisation certificates in formats prescribed by the Central/State Government.
- Prepare annually a report containing the statistics and achievements relating to the implementation of the Scheme, copy of the same to be made available to the public on demand.
- Awareness generation and social mobilisation.
- Convening the GS for planning and social audit.
- Monitoring implementation at the village level.
- Proactively disclosing – details of works both completed and ongoing.
- Providing all information specified in Audit of Schemes Rules to the Social Audit Unit.
- Organise Rozgar Diwas at every ward and Gram Panchayat level at least once a month.

#### vi) **Pradhan Mantri Gram Sadak Yojana (PMGSY)**

This scheme was launched by the Government of India in 2000. The aim of the scheme is to provide good all-weather road connectivity to the eligible unconnected Habitations<sup>1</sup>. This scheme is one of the government's strategies for poverty reduction. For effective implementation and to achieve the objectives of this scheme, proper planning is imperative, so that scheme is implemented in a systematic and cost-effective manner.

The Manual for the Preparation of District Rural Roads Plan is treated as part of the Guidelines. The Manual lays down the various steps in the planning process, and the role of different agencies including the Intermediate Panchayat, the District Panchayat as well as the State Level Standing Committee. The GP's responsibilities include:

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<sup>1</sup>A Habitation is a cluster of population, living in an area, the location of which does not change over time.

- helping the programme implementation units in holding consultation with the local community;
- sorting out issues of land availability (including forest land), moderate any adverse social and environmental impact; and
- eliciting necessary community participation in the programme.

vii) **UJJWALA Scheme**

Pradhan Mantri Ujjwala Yojana is a scheme of the Ministry of Petroleum & Natural Gas for providing LPG connections to women from Below Poverty Line (BPL) households. The GP is given the responsibility to sensitise the Ujjwala beneficiaries regarding the safety and utility of LPG, women empowerment and health benefits of using clean fuels etc.

Block Panchayats help the Gram Panchayats in spreading awareness about the scheme through campaigns (using print media, mass mailing, bulk SMS etc.), and in making the scheme more citizen-centric. The District Panchayat helps the Gram Panchayat and LPG distributors in the distribution of LPG cylinders to ultimate beneficiaries (BPL families).

viii) **SVAMITVA**

- The Government of India has decided to implement a scheme for surveying the land parcels in the rural inhabited area using Drone technology. The survey shall be done across the country in a phase-wise manner over the period of five years (2020 -2025). The Gram Panchayat shall update the property tax and asset register of the GP, wherever applicable. Some other responsibilities of the PRIs, in the process, are mentioned below:
  - a) Each Drone/ Unmanned Aerial Vehicle flying team shall be accompanied by at least one employee from the Revenue Department, the Gram Panchayat and, if necessary, one official from Police Department.
  - b) Marking of property boundaries with chunna lies with owners and the Gram Panchayat before the drone flying in the area.
  - c) It will aid the Panchayati Raj Department and the State Revenue Department in the timely completion of the survey.
  - d) It would undertake activities to generate awareness among the residents of the village about the survey.
  - e) Panchayats would digitise existing GP property (Tax) Registers, wherever applicable, and make them available to SoI and Enquiry Officer for preparing interim map/records.
  - f) They would coordinate for ground-level activities for conducting a survey.
  - g) They would also update the property tax and asset register of the GP, wherever applicable.

- h) They would help in the resolution of the post-survey objections received from property owners. These may be related to correction in owner's name, property boundaries, joint holding etc. For unresolved objections/disputes, the final decision shall rest with the State Authorities/ Judicial System.
- i) Most importantly, they would make use of the created maps for the GPDP formulation.

At the Panchayat level, a Monitoring Committee, headed by Sarpanch, would oversee the implementation of the activities of the survey in their Panchayat.

#### ix) Digital India in Service Delivery

The importance of e-governance is apparent to everyone. It aims at bringing down the transaction costs in availing services. While it reduces the need for citizens to come face to face with a service provider, it has huge potential in inducing transparency in the mechanisms. Provision of the services in e-governance mode is dependent on the data generated at the GP level, where GP has a significant responsibility.

Developed as part of *Panchayat Enterprise Suite (PES)* under e-Panchayat Mission Mode Project (MMP), *Service Plus* Meta-Data based e-Service delivery framework is built on Low Code–No Code (LCNC) architecture for delivering electronic-services to citizens. An application that is quick to learn, and easy to use with minimal effort or very little skill set.

#### ***Vision Statement of ServicePlus***

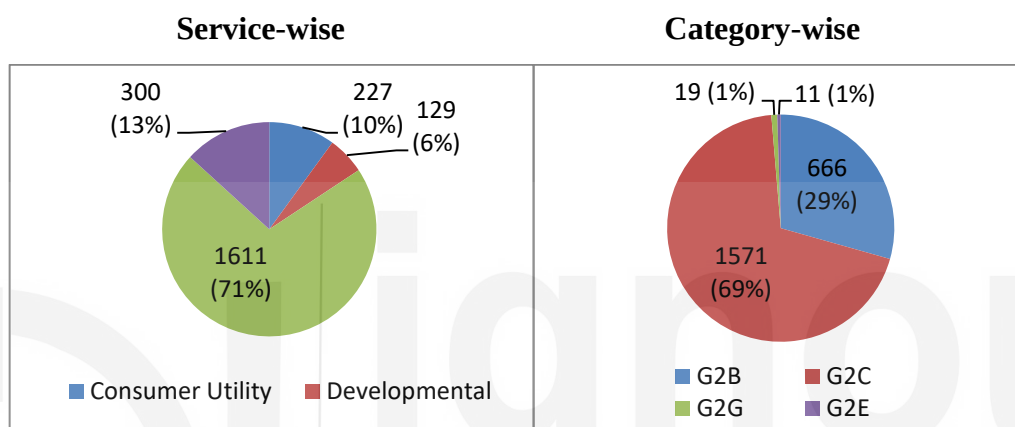
Make all Government services accessible to the common man in his locality, through common service delivery outlets, and ensure efficiency, transparency, and reliability of such services at affordable costs to realise the basic needs of the common man. In this regard, features of the ServicePlus have been depicted in the following figure (for more details, refer Service Plus Brochure).



**Figure 9.1: Features Service Plus**

Four types of services are available to the citizens.

- Regulatory services, which include the services like trade license, permit for construction of a building etc.,
- Statutory services include the issuance of birth/death certificate,
- Development services include services or schemes provided by the government, like mentioned above, and
- Consumer utility services include bill payment and others.



Source: ServicePlus, <https://serviceonline.gov.in/>

**Figure 9.1: Number of Services Offered across the Country (All States)**

The number of services is likely to grow.

## 9.5 SERVICE DELIVERY: MAJOR ISSUES AND CHALLENGES BEFORE THE PRIs

While services are provided by the line agencies, increasingly the efforts are being made to give more powers to the Local Government institutions, especially in the subjects identified in schedule 11. Residents too are becoming more aware and aspirational, thus putting pressure on their Local Government institutions. However, there are some challenges that need to be overcome. Some of the critical ones are mentioned below:

### i) *The capacity of the Panchayats*

The lexicon of government programme is changing at a fast pace, trying to keep pace with the modernising world. Comprehending them on a speedy basis may be a bit cumbersome for the grassroots level local leaders and workers. Increasing adoption of the technology and connectedness has the advantage of efficiency, but the Local Government stakeholders find themselves in a disadvantageous position. Though the government recognises the problem and to address that, capacity building measures have been made an integral part of all the programme. However, the sheer magnitude of the people needed to be covered is daunting and may take longer than anticipated.

## ii) *Resources of the Panchayats*

Panchayats have since beginning been dependent on the Union and their respective state governments for funds. While the 73<sup>rd</sup> CAA vide Article 243-H granted them powers to levy taxes and realise user charges, the fact remains that majority of the Panchayats have very weak internal resource generation. Even the funds that reached PRIs were tied mostly to one scheme or the other. The untied grants now being given under the Finance Commission awards has given them some leeway, but the needs at the Panchayat level are more. The Panchayats need to find innovative ways and show the political will to generate resources on their own. However, till that happens, there would be no local response to a need expressed at the village level.

## iii) *Interaction with the Officials of the Line Agencies*

Panchayat leaders as well as the people of the *Gram Sabha* find it difficult to communicate with the officials of the Line Agencies. The aspirational rural population is trying to overcome self-erected barriers of being a passive recipient of services. However, there are still communication gaps. At the same time, the pressure to perform and measures taken, especially in the last two decades for increasing transparency and accountability, have put a lot of pressure on the administrative machinery. Despite that, it remains a challenge to ensure a continuous and sustained behavioural change in the staff of the line agencies providing various services.

## iv) *Elected Women Representatives*

There is sufficient evidence of women's effectiveness as leaders and their positive association with development is now well established. Women elected under reservation invest more in public goods that are reflective of community priorities, such as drinking water. The experience reported seems to be that women leaders have preferences and development priorities similar to those of the people in their communities (*Chattopadhyay et al, 2004*). Research also shows that constituencies reserved for women leaders have a higher delivery of civic facilities (drinking water, schools, health centres, fair price shops), and the measured quality of these facilities is at least as high as in the non-reserved constituencies, highlighting the value of such affirmative constitutional measures (*Duflo, and Topalova. 2004*).

However, women's political participation continues to be gendered. While health and education are considered appropriate domains for women, rural infrastructure and budgetary management remain the preserve of men.

## Check Your Progress 2

Note: i) Use the space given below for your answer.

ii) Check your answers with those given at the end of the unit.

1) Analyse the role of PRIs in service delivery on the basis of related schemes.

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- 2) What are the major issues and challenges before the PRIs in efficient service delivery?

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## 9.6 CONCLUSION

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Under many schemes, the village level plans are prepared for various services. However, when they are integrated at the district level for the district level plan, the prioritisation in view of the resources available often affects the Panchayat level plans of many Panchayats in the district. Besides that, sufficient power and autonomy are either not bestowed upon various levels of PRIs or these institutions lack the capacity to effectively discharge those responsibilities. There needs to be greater cooperation and coordination of the PRI members and the staff of line agencies for effective service delivery.

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## 9.7 GLOSSARY

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**Antenatal Care (ANC):**

It refers to coverage, which is an indicator of access and use of health care during pregnancy. The ANC period presents opportunities for reaching pregnant women with interventions that may be vital to their health and wellbeing and that of their infants in rural areas.

**Low Code-No Code (LCNC):**

It refers to development platforms, which are types of visual software development environments that allow enterprise developers and citizen developers to drag and drop application components, connect them together and create mobile or web apps.

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## **9.9 ANSWERS TO CHECK YOUR PROGRESS EXERCISES**

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### **Check Your Progress 1**

- 1) Your answer should include the following points:
  - For your answer, refer to Section 9.2
- 2) Your answer should include the following points:
  - For your answer, refer to Section 9.3

### **Check Your Progress 2**

- 1) Your answer should include the following points:
  - For your answer, refer to Section 9.4
- 2) Your answer should include the following points:
  - For your answer, refer to Section 9.5

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## UNIT 10 E-GOVERNANCE PRACTICE IN SERVICE DELIVERY OF RURAL LOCAL GOVERNMENT\*

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### Structure

- 10.0 Objectives
- 10.1 Introduction
- 10.2 E-Governance: Significance in Welfare of Citizens, Service Delivery and Rural Development
  - 10.2.1 Digital Divide
  - 10.2.2 Aspirational Districts
- 10.3 Government of India: Initiatives of e-Governance in Rural Areas
- 10.4 Practice of e-Governance in Service Delivery: Case Studies
  - 10.4.1 Antyodaya Saral, Haryana
  - 10.4.2 Digital Land, Uttar Pradesh
  - 10.4.3 E-Panchayat, Andhra Pradesh
- 10.5 Implementation of ICT based Solutions in Rural Areas: Issues and Challenges
- 10.6 E-Governance Practice in Service Delivery: Opportunities and Way Forward
- 10.7 Conclusion
- 10.8 Glossary
- 10.9 References
- 10.10 Answers to Check Your Progress Exercises

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### 10.0 OBJECTIVES

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After studying this Unit, you should be able to:

- Discuss the significance of e-Governance in welfare of citizens, service delivery and rural development;
- Describe the initiatives of the Government of India regarding e-Governance for rural development;
- Explain the selected case studies of Antyodaya Saral, Digital Land, and e-Panchayat;
- Examine the issues and challenges in the implementation of ICT based solutions in rural areas; and
- Highlight the opportunities and way forward for effective e-Governance practice in service delivery.

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\* Contributed by Dr. Charu Malhotra, Associate Professor, Indian Institute of Public Administration, New Delhi

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## 10.1 INTRODUCTION

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In today's era, Information and Communication Technologies (ICTs) can bring an exceptional change in the lives of people. With the use of technologies, the process of development is intervening citizens of the nation with the system/government for a better civilised and developed country.

The bridge between the government/system and the local citizens is something called 'governance'. Governance can be defined as public administrative services used by the citizens under the management of government that not only provides public services but also ensures the involvement of the locals. It is the alteration of government that focuses on 'well-being' for all.

To build governance a better and more functional process for development, the government is using Information and Communication Technologies. The crossing of Information and Communication Technologies (ICTs) with governance is framed as e-Governance. The term refers to the automation of services by the locals under the management of the system/government with the help of ICTs. This breed of governance can make people access administrative services remotely. Grievances redressal, passports, ration cards, online payment of bills, and accessing land records are some of the examples of e-Governance.

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## 10.2 E-GOVERNANCE: SIGNIFICANCE IN WELFARE OF CITIZENS, SERVICE DELIVERY AND RURAL DEVELOPMENT

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It was in the early 1990s that the concept of governance underwent a major transformation, with the acceptance of ICTs. During this period, technologies had been primarily deployed for the delivery of public services and information and this was popularly referred to as 'e-Government'. Slowly and gradually, it became relevant for democratic countries to include the 'voices' of their citizens in core strategic issues of governance. As a result, the initial version of 'e-Government' started being identified through its more all-encompassing *avatar* of 'e-Governance'. We have already discussed in detail (refer unit 13 of BPAC 110).

Information and Communication Technologies (ICTs) play a key role in the development and economic growth of Rural India. E-Governance in rural development can bring considerable transformations in the lives of local citizens. It can bridge the gap between the locals and citizens, it can provide services like education, information related to specific areas, that eventually help people to improve their quality of life effectively. The rural population has issues that trigger the development of the country. The government has adopted ICT methods and introduced campaigns like Digital India Campaign, and its implementation has seen remarkable growth in development in rural areas. The motive of bringing up these initiatives and projects in practice is to build up a powerful nation by enhancing the productivity of every sector present. So far, e-Governance has made lives so easy that people can do their work with just a single touch without wasting any time and cost-effectively. The locals not only

have the access to their records/land records but they can now monitor their functioning too. This connection of the system with the locals is fostering the nation's development. These initiatives and practices made citizens self-developed, boosted their self-esteem and made them employed.

### 10.2.1 Digital Divide

Marginalised rural population in developing countries represent a widening digital divide year after year. With limited access to resources, education and knowledge, rural population require appropriate interventions at the government level for sustainable development. The digital divide poses a threat to rural population as well as the development of a country. It refers to the unequal distribution of access and capacities in a population to harness modern technology and information. However, these differentials caused by the digital gap can exist between nations, states, districts, males and females, rural and urban, rich and poor or even literate and illiterate. It is fundamental to understand that the purchasing power of people varies in a population, economically weaker sections of the population are unable to avail new ICT tools such as smart phones, computers, internet service and so on. Some individuals in a population may also not be literate enough (basic education and digital skills) or bound by linguistic barriers to use ICT tools. Understanding from the socio-cultural perspective, it can be said that this divide also arises from social constraints on certain sections of the population like women who are not allowed access to ICT tools. Therefore, indigenously developed e-Governance mechanisms that bridge the digital gap must be rolled out in developing countries with a legal framework. While e-Governance and ICT tools are challenged by the digital divide, they have the potential to bridge the gap when used effectively and efficiently. They should be incorporated to innovate technology, administration, financial, managerial and regulatory processes. It has promising benefits to uplift and empower rural communities along with ease of service delivery by governments.

From improving agricultural practices, providing information about the land record, making the government able to charge the right amount for their practices, able to do weather forecasting, to giving better education to making them aware of better health and hygiene, e-Governance practices have given the citizens every possible opportunity to get themselves aware about various practices and consuming the right amount of data to implement in their lives. This implementation has brought up a considerable change that directs the Government in a way to achieve Sustainable Development Goals (SDGs). However, the race is not over yet. The path to a developed nation has a long way to go. The literacy rate is still less in rural areas as compared to urban areas, people are not giving enough priority to education and its importance. In the rural context, the literacy rate is even less in women as compared to men. Even though the government has made considerable changes, rural citizens migrate to urban areas in search of better living conditions and quality of life. Therefore, there is a lot left for the country to achieve the Sustainable Development Goals, and become a developed country.

## 10.2.2 Aspirational Districts

To localize the Sustainable Development Goals, a programme called Aspirational Districts was launched in 2018 to transform 111 under-developed districts in India. The programme is committed to raising the living standards of people in districts following the motto “Sabka Saath Sabka Vikas aur Sabka Vishwas”. It focuses on mobilising districts towards strength and active participation with three core principles – Convergence (of Central & State Schemes), Collaboration (among citizens and functionaries of Central & State Governments including district teams), and Competition among districts. Driven by the State, it prioritises immediate improvement by identifying low hanging fruits and monthly checks of the progress of district ranking. On the basis of incremental progress made across 49 Key Performance Indicators under 5 broad socio-economic themes – Health & Nutrition, Education, Agriculture & Water Resources, Financial Inclusion & Skill Development and Infrastructure, the ranking is determined. In the spirit of cooperative federalism, it uses and encourages digital technologies to ease service provisions. For example, the Dandewada district of Chhattisgarh has ICT models to improve access to education. The programme gives an opportunity to learn from other districts' successes and mistakes, new districts especially – laggards could avoid mistakes made by early performers. Thus, together through decentralisation and implementation, the three principles foster the progress of the nation.

### Check Your Progress 1

**Note:** i) Use the space given below for your answer.

ii) Check your answer with those given at the end of the unit.

1) Distinguish between the Governance and e-Governance.

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2) What is the Digital Divide? What role does e-Governance play in bridging the gap?

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3) Explain the Aspirational Districts programme.

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## 10.3 GOVERNMENT OF INDIA: INITIATIVES OF E-GOVERNANCE IN RURAL AREAS

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India is a country of villages and to improve and sustain the overall prosperity, growth and development of rural areas, the Government of India has launched various projects. Indeed, some of the schemes introduced in rural India have improved the government services immensely. Some schemes such as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Online Income Tax, Online Central Excise, Unique ID and e-office have accelerated growth of respective areas and contributed to the country's economic development. Some of the state-level projects such as the SETU Project in Maharashtra, and Bhumi project in Karnataka has been providing excellent services and saving time and money of people as well as of the government, resulting in the socio-economic development of rural India. Some of the projects for rural development are mentioned below:

### **E-CHOUPAL**

The word e-Choupal has its roots emerging from the word 'choupal', which means an open area meeting in a village. India is a country where most of its area is agricultural in rural areas. Even though it has massive industrialisation, agriculture is known to cover the larger aspect in terms of occupation. Every system has intermediates in between, and that too with this system. Farmers are the producers of crops and citizens/locals/organisations/groups of individuals are consumers, but there is an intermediate level in between and known as wholesalers/retailers. The person on the intermediate level sets their margins, which affects the farmers and their cost of production due to which market hindrance is created.

To overcome this, e-Choupal was initiated by the ITC's Agri Business Division. This initiative helped the farmers to directly sell their products to the consumers without any involvement of intermediaries. This eventually helped farmers to be able to make their right profit without getting affected. In the setting of e-Choupal, PC (Personal Computer) internet connection, printer, and Uninterrupted Power Supply (UPS) are given to foster the process.

### **GYANDOOT**

The project was started in January 2000 to train the unemployed educated youth, to run 'Soochanalyas' as Soochaks. Soochanalyas are owned by a rural intranet system, which is economical and is beneficial for unemployed people. They create awareness about the issues, such as agriculture, education, health issues related to women, and so on. Around 600 networks are covered by this network and can earn for their livelihood.

**Table 10.1: Bottlenecks in e-Choupal and Gyandoot Projects**

| Project   | Operational Bottlenecks                                           | Economic Bottlenecks                                    | Personnel Bottleneck                                                                   |
|-----------|-------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------------------------------|
| E-Choupal | Infrastructure provided to “sanchalak” was outdated.              | Lack of financial resources to procure infrastructure.  | Challenges with regard to provision of technical education to freshers in rural areas. |
| Gyandoot  | Power breakdown interrupts working and network gets disconnected. | High operation costs due to multiple services rendered. | Difficulty in getting technically skilled youth in remote areas.                       |

**Source:** *E-Government Milestones in Rural India: Eargo Aspects*, Salkute, Kohle (2011)[19]

## AKASHGANGA

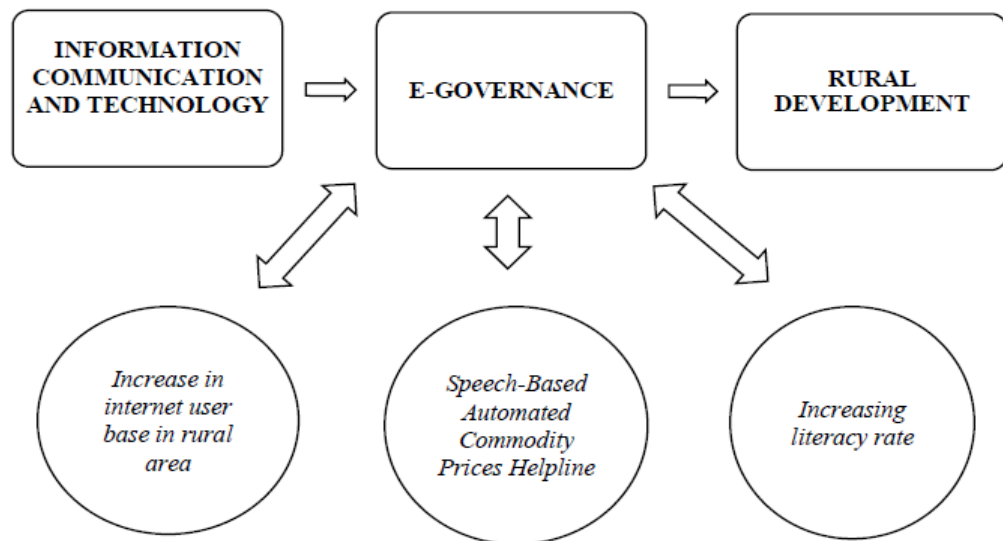
This project was started to help milk producers of rural areas by providing them with an ICT to manage their accounts and productivity. Its first model was implemented in Gujarat at Uttarsanda Dairy Cooperative Society. In this society, every farmer has been allotted one identification card, which is identified at Raw Milk Receiving Dock (RMCD). When a farmer empties his/her milk's drum there, the dock measures all the required elements like fat content and records in Personal Computer.

## KISSAN CALL CENTRES

Kissan call centres were introduced in April 2002 and were majorly focusing on the language barriers issues raised by farmers. It was started by the Department of Agriculture and Cooperation and the Ministry of Agriculture. This project helped the farmer to get handier with the telecom facilities and infrastructures as most of the farmers were not aware of the latest technologies introduced by the government and ways to access the same. This project bridged the gaps in the agriculture sector by connecting farmers with the authorities themselves. They got to know about various techniques and operations that they can use in their crop-yielding practices.

## TATA KISSAN KENDRA

Tata Kissan Kendra was introduced by TATA Chemical Limited in Uttar Pradesh, Haryana, and Punjab. Its unique feature GIS, i.e. Geographic Information System works with the help of satellite and provides information about farming-related elements, soil, water, ground, etc. it also covers the area of infrastructure and settings of roads, and bridges; and can detect insect attacks throughout the state. This technology helped farmers to leverage their productivity with less harmful and unprolific crops. These initiatives proved as a boom in the development sector in rural areas and their implementation accomplishes the motive of e-Governance.



**Source:** Bhatia, A. (2016). *Rural Development through e-Governance Initiatives in India*. *IOSR Journal of Business and Management*, 01, 61-69.

**Figure 10.1: Workflow of Kissan Kendra**

### **COMPUTERISED RURAL INFORMATION SYSTEM PROJECT (CRISP)**

The aim of the project CRISP is to assist the District Rural Development Agency (DRDA) in observing the functionality of poverty relief programme with the help of ICTs. To date, CRISP has evolved with the four versions of it, out of which one is named Rural Soft and eventually got its presence as Rural Soft 2000. Through this initiative, common people/citizens have the freedom to access government portals and monitor different agencies. This initiative has been implemented by 15 districts of the country, which eventually helped them to monitor the poverty alleviation schemes.

### **MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act)**

The Act was launched in the year 2006, earlier the act was known as NREGA, 2005 but later renamed MGNREGA. It aims to provide people with a better quality of living by providing them with a wage of at least 100 days in a financial year. This initiative primarily dealt with the issue of unemployment and eventually dealt with issues like poverty. As per the data (2020-2022), provided by the Ministry of Rural Development, the MGNREGA has (2021-2022) around 15.02 crores active employees, and generated assets of around 5.85 crores. The Act has proved to be one of the fruitful initiatives taken by the Government for rural development.

ICTs can bring transformation in the economic and financial condition of citizens. Thus, MGNREGA and ICTs together focus on fostering accountability and good governance. Mobilisation and communications are the two aspects on which the success of a project depends. Many of the workers in MGNREGA are not aware of the schemes that are provided to them. Their Information and Communication technologies can become saviours. The ICTs bridge the gap between individuals, and it is cost-effective. It bridges the gap of mobilisation in

MGNREGA; and the medium, and strategies used for bridging were Community Radio, Television, and the Internet. The Community Radio is a radio, that is by the community, for the community, and with the community. It is the radio that is managed by local people of the community or a particular region. This is the most efficient way to get mobilisation, there is no hierarchy between the people and community radio operators, which builds a strong communication between the two. Television is the most coherent tool of communication and the Internet is an add-on feature for the process of communication to become much stronger. These strategies proved a boom in the success of MGNREGA, and made people able to access every possible service.

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## 10.4 PRACTICE OF E-GOVERNANCE IN SERVICE DELIVERY: CASE STUDIES

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After adopting e-Governance as a part of policy, India has widened its options for the public to engage with the government. ICT use in e-Governance initiatives has allowed efficient and effective delivery of services, entailing additional information channels, a mechanism for feedback and consultation, and enhanced citizen participation. They have shown progress in many areas like health, education, services, environmental monitoring, human rights promotion, especially in rural regions. Through co-creation of access to basic cost-effective infrastructure, governments have the power to forge rural development, as can be seen in the following case studies.

### 10.4.1 Antyodaya Saral, Haryana

Antyodaya Saral is one of the successful projects taken up by the state of Haryana in India to provide citizen-centric service delivery. It is an online platform that has 588 schemes and works on the provision of services across 40 departments -- health, education, certification, agriculture etc. (as of February 2020). The schemes on this platform are made available at all linked touchpoints, which are - Government Kendras and Common Service Centres across the state of Haryana. There are currently 8000+ Common Service Centres (CSCs) covering all villages in the PPP model. Along with a main Antyodaya Saral portal, this platform is linked to other multiple systems. For instance, all communications regarding the status of applications are transacted through SMS in the Hindi language, and an e-Token system is established to manage crowds at Kendras. The portal is also linked to a setup knowledge management system. The customer grievances/queries are catered through a toll-free helpline number which is routed via an e-Ticketing system. An interesting feature is the time-bound service delivery facilitated by the officials and district administration. These systems have been built to reach rural areas, and different levels within the state. This mobile and internet friendly portal has been widely used in the state and has had promising results.



Source: <https://nceg.gov.in/sites/default/files/Antyodaya%20Saral%20Haryana.pdf>

**Figure 10.2: Antyodaya Saral, Haryana**

There has been a 15 per cent increase recorded in the number of applications between mid-2018 and mid-2019. An analysis of the services shows that 37 per cent of schemes received applications 2 times more than before and 22 per cent of schemes received applications 3 times more than before. The processing time of these applications has been considerably reduced as well.

#### 10.4.2 Digital Land, Uttar Pradesh

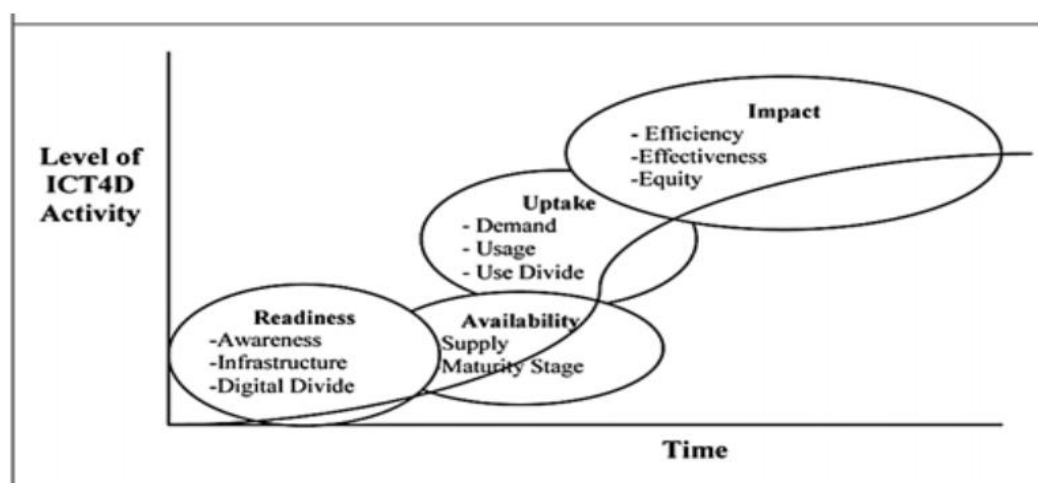
The Government of Uttar Pradesh has implemented and conceived this project 'Digital Land' for Digitisation of Land Records in the state. It extends e-Services related to rural land of Uttar Pradesh through many online integrated web applications of Land Records, Revenue Court Cases, Bhu-Naksha (Digitised Cadastral Maps), Khasra (Field book with Crop details), Online Mutation (for recording Succession or Virasat) and Anti-Bhu-Mafia Portal (for action against land grabbers). These applications are utilised for sale/purchase of Land, Food grains Procurement, Farmers' Loan Waiver Scheme, Soil testing, Agriculture Survey and Pradhan Mantri Kisan Samman Nidhi Yojana; and for the issuance of solvency, income, domicile and caste certificates and more. This Digital Land application has shown a tremendously positive social and economic impact in the State by bringing in transparency and reducing corruption, land disputes, Court cases and related crimes/violence; and generating revenue for the Government, while providing income and employment to lakhs of people working in Common Service Centers and Cyber-cafes etc. This project is highly cost-effective and has been deployed on Meghraj Cloud for free. It generates high revenue and uses minimal money input for manpower only. This digitisation of records through the platform has resulted in a reduction of problems faced by farmers in rural areas. Farmers no longer have to run after revenue officials for a copy of Khatauni (RoR) and all records can be easily accessed online. This e-Governance service delivery platform is an efficient model that has reduced time, ensured transparency and allowed safe record keeping. This project has been a success and has become India's biggest government to citizen delivery platform. Daily over 90,000 digitally signed Khatauni are issued. It is even accessed by many Indians, and not just from a State.

### 10.4.3 E-Panchayat, Andhra Pradesh

E-Panchayat is a knowledge-based system that streamlines administrative processes at the grassroots level/village level. It has a web-based n-tier architecture that renders services to the citizens, gram panchayat officials, other government levels workers and elected representatives. Its services include information dissemination, biometrics, attendance monitoring and more. Being easy to access, it carries out quality communication through local computation on available networks in short durations. Andhra Pradesh is one of the States that has successfully implemented e-Panchayat. Its high efficiency in the State can be attributed to the novel methodology adopted in implementation. The Department of Panchayat Raj & Rural Development bought the servers and the state rolled out Build Own and Operate (BOO) model systems that included a self-employment generation scheme. The scheme gave a means of livelihood to one or two families in the village. It also took measures to ensure the e-readiness of the panchayats in every village in the State. They established good training, timely procurement of hardware and fair allocation of resources. For sustaining the initiative, the state mandated to recruit an operator. Depending on the connectivity available, the State Government addressed the e-needs of the village Panchayat and created an e-Climate that catalysed development.

## 10.5 IMPLEMENTATION OF ICT BASED SOLUTIONS IN RURAL AREAS: ISSUES AND CHALLENGES

While ICT based solutions promise to uplift the socially and economically backward communities in rural areas, their benefits are constrained depending on usage. Studies in developing countries indicate that 35 per cent of e-Governance initiatives fail, 50 per cent partially fail, and only 15 per cent succeed. This disparity arises due to the differences in the implementation of initiatives. Heeks and Molla have given the issues faced by e-Governance against ICT 4D activity in countries over time as illustrated in the following figure.



Source: Adopted from Heeks (2006), Heeks and Molla (2009)

Figure 10.3: ICT4D Activity Level with Time

The figure represents readiness problems such as lack of awareness, more digital divide and lack of infrastructure for the initial stages of ICT use. After some time had passed, it was recognised that the problem of availability of resources came up. Another dimension of usage of services cropped up as demand grew after initial problems were addressed. Then after 2010, all countries' major concern was the efficiency and effectiveness of e-Governance initiatives. These issues can be easily witnessed in the history of e-Governance in many countries, although many countries have developed maturity in implementing e-Governance.

It can be understood that today, the integral role of Governments is sharing public information through wide-reaching technologies creating access for all. However, this information often presents itself in incomprehensible or inaccessible resources. While the issues in implementation over time have been traced, challenges in implementation must also be recognised to foster rural development through e-Governance initiatives. The impact of initiatives is limited in rural areas due to illiteracy, high cost, poor maintenance, lack of capacity building, lack of feedback mechanisms and no private participation.

Rural applications can be very costly to maintain. Most e-Governance initiatives fail due to the inability to sustain themselves. Running costs of applications are often very high and require funding. For rural citizens on the other hand, even though the hardware costs of many gadgets are coming down, they cannot always access electronic services due to poverty and lack of basic infrastructure. There is a humongous digital divide between rural and other regions.

The implementation of these rural applications also depends on the location of service delivery centres. While the need for visiting such centres should be less required, the centres should be in areas that are convenient to approach and use. In some applications, rural citizens have abandoned a centre because of its location being in an upper caste area. This also brings into focus, the importance of ambience of service delivery locations to attract citizens. Cleanliness should be maintained and the provision of washrooms is necessary. The service delivery operators at such centres are usually unaware of all interfaces, miscommunicate with citizens and get poor response from the central agencies on services. This leads to the abandonment of centres, and lost faith in the application. With no room for improvement, the feedback mechanisms of such applications do not function adequately.

Therefore, the changing environment of ICT applications must be met with constant checking and re-engineering of processes. The governments are failing to organise special training programmes on ICT applications to meet the citizens' requirements. Formal inputs on planning and implementation are being discouraged by functionaries of different departments as well. This is the major cause of the inability to sustain the use of ICT tools. Training should be rolled out appropriately and regularly.

It has also been recognised that the burden on governments for the arrangements of ICT tools is high and brings less value for citizens. Tasks such as design and development, regional language use, installations, and deployment of software lack expertise and speed of operations. It is a lucrative option to involve private

agencies through PPP (Public-Private Partnership) contractual agreements. However, it should be ensured that such partnerships are not driven for monetary profits or misuse of data of rural citizens.

## Check Your Progress 2

Note: i) Use the space given below for your answer.

ii) Check your answer with those given at the end of the unit.

1) Distinguish between the e-Choupal and Gyandoot projects.

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2) Discuss a few e-Governance initiatives launched for rural development.

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3) Why do some e-Government initiatives fail in rural areas?

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## 10.6 E-GOVERNANCE PRACTICE IN SERVICE DELIVERY: OPPORTUNITIES AND WAY FORWARD

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Despite the challenges of implementation of e-Governance at the lowest tiers of the governance system, it is widely popular, potent and precise in the delivery of services. Local government structures interact with citizens and other intermediate levels of the government in different forms through ICT tools. These tools facilitate transparency and empower rural citizens, entrenching them in the scheme of development. They narrow the gap between different sections of society, and allow constant monitoring of systems in place. Thus, e-Governance in service delivery offers a good chance for progress in a country, economically and socially. It also innovates and employs cost-effective measures in fruitful time frames. Many successful ICT applications in rural areas of India should be modelled like Bhoomi, Antyodaya Saral and more. Spectacular achievements have been made by other nations such as Malaysia and Singapore.

With the exploitation of best applications centred on user approach and improvements in current systems, rural development can be facilitated. Therefore, electronic models can be used to offer future legitimacy of governments. It must also be recognised that e-Governance is effective when other factors at hand are addressed. Provision of the right to basic education, infrastructure, IT knowledge must be acknowledged. Literacy in rural areas can help transform development in the area and aid in availing the benefits of e-Governance systems. With the surge of presence and utilisation of mobiles and social media, e-Governance initiatives can be integrated onto the platform and device. Mobiles allow speech automated messages to be transmitted at low costs, while social media allows high visibility and maximum participation. Lastly, service delivery centres such as CSC (Common Service Centre) should be set up at accessible locations, which is most needed to reach the most deprived areas in rural regions.

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## 10.7 CONCLUSION

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The bridge between the government/system and the local citizens is something called 'governance'. To build governance a better and more functional process for development, the government is using Information and Communication Technologies.

ICTs play a key role in the development and economic growth of Rural India. Thus, proper e-Governance implementation in rural development can bring considerable transformations in the lives of local citizens, but the digital divide poses a threat to rural population as well as the development of a country.

Understanding from the socio-cultural perspective, it can be said that this divide also arises from social constraints on certain sections of the population like women, disabled people etc. Therefore, indigenously developed e-Governance mechanisms that bridge the digital gap must be rolled out in developing countries with a legal framework.

India is a country of villages and to improve and sustain the overall prosperity, growth and development of rural areas, the Government of India has launched various projects. Indeed, some of the schemes introduced in rural India have improved the government services immensely. Some schemes such as Mahatma Gandhi National Rural Employment Guarantee Scheme, Online Income Tax, Online Central Excise, Unique ID and e-Office have accelerated growth of respective areas and contributed to the country's economic development.

While ICT based solutions promise to uplift the socially and economically backward communities in rural areas, implementers are facing lots of challenges in implementing ICT based solutions in rural areas, studies in developing countries indicate that 35 per cent of e-Governance initiatives fail, 50 per cent partially fail and only 15 per cent succeed. This disparity arises due to the differences in the implementation of initiatives.

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## 10.8 GLOSSARY

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|                                    |                                                                                                                                                                                                                                                                                                      |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Digital India:</b>              | It is a campaign launched by the Government of India in order to ensure that the Government's services are made available to citizens electronically by improved online infrastructure and by increasing Internet connectivity or making the country digitally empowered in the field of technology. |
| <b>E-Governance:</b>               | It refers to the application of ICT for delivering government services, exchange of information, communication transactions and more.                                                                                                                                                                |
| <b>E-Government:</b>               | It refers to the use of Information and Communication Technologies (ICTs) to improve the activities of public sector organisations.                                                                                                                                                                  |
| <b>E-Panchayat:</b>                | It is an e-Governance initiative for the rural sector providing comprehensive software solutions attempting automation of Gram Panchayat.                                                                                                                                                            |
| <b>E-readiness:</b>                | It refers to a country's capacity and state of preparedness to participate in the electronic world.                                                                                                                                                                                                  |
| <b>ICT:</b>                        | It is an umbrella term that includes any communication device, encompassing radio, television, cell phones, computer and network hardware, satellite systems and so on, as well as the various services and appliances with them such as video conferencing and distance learning.                   |
| <b>Laggards:</b>                   | It refers to a person who makes slow progress and falls behind others.                                                                                                                                                                                                                               |
| <b>MGNREGA:</b>                    | It is an Indian labour law and social security measure that aims to guarantee the 'right to work'.                                                                                                                                                                                                   |
| <b>Public-Private Partnership:</b> | It refers to an arrangement between government and private sector for the provision of public assets and/or public services.                                                                                                                                                                         |
| <b>Rural Development:</b>          | It is the process of improving the quality of life and economic well-being of people living in rural areas.                                                                                                                                                                                          |

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## 10.10 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

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### Check Your Progress 1

1) Your answer should include the following points:

- E-Government could formally be defined as “the use of information and communication technologies, particularly the Internet, as a tool to be a better government”
- Whereas, e-Governance is a wider concept that defines and assesses the impacts of technologies on the practice and administration of governments, the relationships between public servants and the wider society, such as dealings with the elected bodies or outside groups such as Non-Governmental organisations (NGOs) or private sector corporate entities.

2) Your answer should include the following points:

- Digital divide refers to the unequal distribution of access and capacities in a population to harness modern technology and information.
- For your answer, refer to Section 10.2.1 for more details.

3) Your answer should include the following points:

- To localise Sustainable Development Goals, a programme called Aspirational Districts was launched in 2018 to transform 111 under-developed districts in India.
- It focuses on mobilising districts towards strength and active participation with three core principles – Convergence (of Central & State Schemes),

Collaboration (among citizens and functionaries of Central & State Governments including district teams), and Competition among districts.

## **Check Your Progress 2**

1) Your answer should include the following points:

- E-Choupal is an ICT based initiative to help the farmers directly sell their products to the consumers without any involvement of intermediaries.
- Whereas, Gyandoot is ICT based project that aims to train the unemployed educated youth, to run 'Soochanalyas' as Soochaks.

2) Your answer should include the following points:

- Few e-Governance initiatives launched for rural development are e-Choupal, Gyandoot, AKASHGANGA, Kissan Call Centres, MGNREGA etc.

3) Your answer should include the following points:

- E-Government initiatives fail in rural areas because of lack of awareness, more digital divide and lack of infrastructure for the initial stages of ICT use.

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## **UNIT 11 INTERFACE BETWEEN STATE AND RURAL LOCAL GOVERNMENT\***

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### **Structure**

- 11.0 Objectives
- 11.1 Introduction
- 11.2 Interface between the State and Local Government: Nature and Significance
- 11.3 Factors Influencing the Relations between the State Government and Local Government
- 11.4 Various Spheres of the Interface between State and Local Government
  - 11.4.1 Legislative Sphere
  - 11.4.2 Administrative Sphere
  - 11.4.3 Financial Sphere
  - 11.4.4 Judicial Aspect
- 11.5 Interface Between the State and Local Government : Evaluation and Recommendations
- 11.6 Conclusion
- 11.7 Glossary
- 11.8 References
- 11.9 Answers to Check Your Progress Exercises

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### **11.0 OBJECTIVES**

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After studying this Unit, you should be able to:

- Discuss the nature and significance of State-Local Government Interface;
- Highlight the various spheres of State-Local Government Interface;
- Examine the factors that influence the relations between the State and Local Government; and
- Explain the necessary measures to enhance cooperative and cordial relations between the State and Local Government for economic development and social justice at the local level.

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### **11.1 INTRODUCTION**

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As we know, many countries in the world have a long tradition of local Government and in most cases, local Government is an integral part of their multi-level governance. Local Governments have been entrusted with a large number of functions ranging from basic civic functions to a large number of other significant functions, including those of developmental nature. This generally, raises common issues of nature and quantum of functions to be assigned to the

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\* Contributed by Prof. Swinder Singh, USOL, Panjab University, Chandigarh

Local Government, relations between state and local bodies, areas of autonomy for the local bodies, and type of control to be exercised by the higher levels. In this Unit, we will focus on these issues and other related aspects of the state-local interface along with certain observations and recommendations made by some committees and commissions.

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## **11.2 INTERFACE BETWEEN THE STATE AND LOCAL GOVERNMENT: NATURE AND SIGNIFICANCE**

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For the successful working of a multi-level system of governance, a balanced sharing of responsibilities and powers is desirable. At the same time, a clear cut division of functions is also required for the smooth working of such a system. Local bodies are the creatures of the higher level of Government, they are subject to control and guidance by the higher units of Government. As pointed out above, this leads to the issues relating to control vs. autonomy. In fact, the issue of local autonomy has been a bone of contention throughout history. The village communities in ancient India enjoyed their pre-eminent position in social and political life. Until the middle of the nineteenth century, there was firm thinking that the local areas and local population must enjoy the right for self-Government to regulate and manage their local affairs. However, this belief lost its ground and validity through opposite arguments, equally strong by other advocates. However, the respectable status and autonomy of the Local Government vanished largely by the highly developed system of central administration in most of the countries. Still, over the years both the schools of thought representing two divergent views have been advocating with their arguments relating to autonomy vs. control. One school advocates for self-governance and local autonomy, while the other one is in favour of controlling the Local Governments from various angles. Whatever may be the position in a particular country, there are numerous instances of routine interaction between the State and Local Government Units. In fact, the close interactions between the local bodies and the higher levels of the Government are quite significant for effective and responsive governance. This is more significant in democratic politics, where the ruling party always look for understanding and satisfying the local needs and aspirations. The nature and frequency of such interactions may vary in different countries, which are definitely conditioned by certain factors. In the next section, we'll briefly try to identify those factors.

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## **11.3 FACTORS INFLUENCING THE RELATIONS BETWEEN THE STATE AND LOCAL GOVERNMENT**

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The nature of functions and the kind of state-local interface is always influenced by peculiar factors in each country. These factors may range from historical factors to their current or prevailing socio-political environment. Some of the common factors are as follows:

i) ***Form and set up of the Government***

The Constitutional framework and the political and administrative setup basically lead us to understand the nature of relations between the State and Local level Government. In fact, local bodies receive their life, texture and autonomy from the higher levels.

ii) ***State of Political Environment***

The growth of local institutions and the extent of interface between the State and Local Government depend upon the state of the political environment. The impact of the political environment is clearly visible in some countries of the world. In fact, if the political environment is conducive to their growth, the local bodies come to play a very important part in the socio-political regeneration of society even in countries that have lost their democratic features, yet retain some resemblance of Local Government.

iii) ***Development of Technology***

Another important factor, that is the nature of control depends upon the development of technology. Science and technology bring not only nations closer to each other, but also the different segments of the society within a country. Local institutions cannot, therefore, afford to remain within their shells. In this situation, the administration begins to develop a new policy to suit the growing needs of urbanisation, which in effect either bestows a greater area of activity to local bodies or takes away some of the traditional functions.

iv) ***Impact of Social Change***

The impact of social change carries with it changes in local society and administration. To what extent will it respond to the challenge will not merely depend upon forces within the system but, to a large extent upon the state administration and its responsiveness. The stage of development of the society in the ultimate analysis will determine the extent of the relations between the State and Local Government. Since the social objectives differ from country to country, the approach too will vary and so the nature of the interface will have different lines in different countries.

Similarly, some other factors, which may influence the relations between the State and Local Government are of administrative and financial nature. It is to be kept in mind that the system of relations between the State and Local Government should seek to fulfil the following objectives:

- a) To ensure fulfilment of policies, programmes and targets;
- b) To ensure that the local bodies are able to establish sound and healthy traditions and conventions of work and behaviour; and
- c) To ensure an atmosphere of mutual help and confidence between the elected and permanent personnel in the Local Government institutions.

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## 11.4 VARIOUS SPHERES OF THE INTERFACE BETWEEN STATE AND LOCAL GOVERNMENT

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State – Local Government relations in India in the widest sense assumes three forms: legislative; administrative and judicial. The State Legislature controls them by making, amending and repealing the laws concerning them. The Judiciary comes to play the role occasionally and when required, by interpreting laws and judging their vitality. The former is when a local authority is to be created or powers are granted to it, and the latter when a local authority commits an *ultra vires* act. It is the administrative interactions and control, which is exercised at every step. The nature of administrative supervision undertaken by the State departments connected with the Local Government affairs, includes steps that may be indirect and less rigorous.

### 11.4.1 Legislative Sphere

The State Legislature has the exclusive power to make bye-laws in respect of Local Government, that is to say, relating to the Constitution and power of the various local bodies. In India, the State Legislatures have been made responsible for the creation of local authorities. In fact, the control over local bodies by the Legislature is of fundamental nature and far-reaching. In other words, the enacting authority, the Legislature is in a position theoretically and potentially to treat the Local Government in any conceivable way. Generally, a State Legislature's interface with local bodies takes place in the following ways:

- i) **Enacting Legislation:** It is true that local bodies derive their existence from a desire of the State Government articulated in a Statute. The State Legislature bestows general powers on the State Government to frame rules and regulations in order to regulate and control the administration of local bodies. For instance, most of the State Governments enacted fresh Panchayati Raj Acts, and Municipal Acts in 1994 in accordance with the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendment Acts respectively.
- ii) **Power to Amend Statute:** The State Legislature can enlarge or restrict the powers, functions and jurisdiction of Local Bodies. When the State Legislature is not in session, the amendments are made by promulgating ordinances by the Governor of the State. In every State, the State Legislature has enacted and amended the Acts too.
- iii) **By debating on the Functioning of Local Bodies and Appointing Committees:** Any matter with regard to the functioning of local bodies can be debated in the State Legislature. The budget for Local Government is discussed in the State Legislature. The Legislature can seek information regarding these bodies, and questions may be asked by the members about elections, appointments of administrators and general administration of Municipal Corporation Councils. Similarly, the Legislature and the cabinet may set up committees for the subjects connected with the Local Government.

- iv) **Relating to Rule-making by the State Government:** In ordinary circumstances, the State Legislature delegates the rule-making powers to the State Government. However, the Legislature exercises control over the rule-making power of the State Government by approving or disapproving of the rules so made because all rules made under the Act have to be laid before the State Legislature as soon as they are made.
- v) **Approving the orders issued by the Government:** Some of the Acts clearly provide a check on the State Government with regard to the exercise of certain powers. For instance, if the State Government issues any order regarding supersession or dissolution of a municipal body, a copy of the said order has to be placed before the State Legislature.

### Check Your Progress 1

**Note:** i) Use the space given below for your answer.

ii) Check your answer with those given at the end of the unit.

- 1) Identify any three factors that affect the relations between the State and Local Government.

.....

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.....

- 2) What are the basic legislative areas in which State and Local Governments interact?

.....

.....

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### 11.4.2 Administrative Sphere

Under the administrative sphere, we may cover the actions relating to the implementation of policies and decisions and also to prevent the implementation of certain policies and decisions, if they run counter to the basic goals and purposes of the institution concerned. It is the duty of the State Governments, under the various Acts governing the local bodies to continuously keep an eye over them. Although the mode and media of interaction differ from one state to another, a certain common and somewhat uniform pattern may be noted. The following are the major areas of administrative relations with local bodies:

- i) **Supersession and Dissolution**

In all the States, statutory provisions exist in the controlling Acts for the supersession and dissolution of local bodies before the expiry of their normal term. Such drastic action is possible when there is a case of default, abuse of power or incompetence of a local body. The consequence of dissolution is that fresh elections are ordered immediately, and the management of the

local body is entrusted to an administrator appointed by the State Government. On supersession of a municipality or Panchayati Raj Institution, all members cease to exercise their powers and functions and vacate their seats.

The Rural-Urban Relationship Committee examined this issue and observed that such extreme steps should be applied rarely and as a last resort after all means of advice and persuasion got exhausted. Such provisions "must be treated as powers held in reserve for chastening the local administration and not for putting an end to their existence". However, it appears that such advice had been ignored by most of the States and the supersession of panchayats and municipalities had been a regular feature till 1992. Various scholars have opined that there is a need to lay down appropriate standards and well thought out criteria before taking any strict action against local bodies. Certainly, such an approach is desirable. With the enactment of the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendment Acts, the State Governments got bound by the new provisions under the amendments.

ii) ***In regard to Resolutions***

In all the states, the relevant legislations empower the State Government to cancel or suspend resolutions adopted by a Local Body or any order of the officers, etc. Annoyance, injury, public policy, breach of peace, are some of the reasons for which any order or resolution may be prohibited. The formidable powers of cancellation or suspension of resolutions of local bodies have been by and large exercised sparingly and judiciously in a few states.

iii) ***Suspension/ Removal of Members***

Most of the controlling Acts of various states have provisions, in this regard. However, the authorities competent to order the removal of members/office bearers on the grounds, as well as the mode of removal, is not uniform in all the states. The main purpose of providing for the removal of members of local bodies is to enable the controlling authority to take adequate disciplinary action against an individual, who does not abide by the laws governing these institutions. The common ground and circumstances on which the non-official members or office bearers of local bodies can be removed may be:

- a) wilfully violating the provisions of the Controlling Act and other rules and regulations;
- b) abusing or exceeding the powers vested in them;
- c) being guilty of wilful misconduct, neglect or being remiss in the discharge of her/his duties;
- d) continued absence from the meetings; and
- e) a conviction for an offence involving moral turpitude or election offence, etc.

iv) ***Power to make Rules and frame Bye-laws and Regulation***

The State Governments have been given a large and extensive power in respect of making rules under the various Acts governing the local bodies. The Local bodies are free to frame the bye-laws while conforming to the model rules set by the Government. But before these become operative, the approval of the State Government is required.

v) ***Inspection and Tours***

The main purpose of an inspection is to satisfy that the rules and regulations and laws in force are being complied with. Such an exercise is performed through the medium of periodic inspection of their papers, proceedings of the municipal bodies and their immovable property and also to call for any information. In some of the states, full-fledged Directorates of local bodies are discharging this function. Various Acts authorise the Deputy Commissioner concerned to inspect any document and accounts.

vi) ***Power of the State Government to Call for Extracts***

Most of the Acts empower their respective State Governments to call upon the local bodies to furnish them with extracts from the following proceedings:

- a) Any proceedings of the Corporation/Council/ Panchayat Samiti or Zilla Parishad.
- b) Any proceeding of the Executive Committee.
- c) Any proceedings of any other committee constituted under the governing Act.

vii) ***Annual Returns and other Information***

The State Governments frequently call for reports and statements. Some of these are periodic, and local bodies are obliged to send them. Then there are reports regarding the utilisation of grants and loans, which enable a Local Body to receive further grants. Some of are routine reports to accumulate vital statistics and information.

viii) ***Appointment of Officers and Powers to determine Service Conditions of Panchayat/ Municipal Officers***

Almost all the senior and middle-grade appointments are made by the State Government. Practice varies slightly from State to State, but the State Governments have the powers of appointment. The State Government is empowered to make rules for the purposes of carrying into effect the provision relating to officers and servants, and it may make the rules, interalia, providing for:

- a) The method of recruitment and qualifications of persons to be appointed to the posts;
- b) The designation and grades of posts of officers, staff and other servants;
- c) The appointment of persons in temporary or officiating capacity;

- d) The salaries, emoluments and other allowances of persons appointed to the aforesaid posts;
- e) The leave, punishment, including dismissal and removal, appeal and other disciplinary matters and other conditions of service of the officers, staff and other servants; and
- f) Specifications of officers as the Head of the Department of the Municipal Corporation/Municipal Council.

Apart from the above areas of administrative interactions between state and local bodies, there is also a routine interface between the two levels. This is in the form of routine communications, issuance of various instructions and guidelines, letters from local bodies to higher authorities seeking clarifications of certain aspects, sending of routine information, communication regarding various new schemes or programmes started by the Union Government, and so on.

### 11.4.3 Financial Sphere

The financial arena is one of the significant aspects of the state-local government interface, and at the same time a most effective instrument of supervision and control over the local bodies. This area is more or less similar throughout the country, which relates to the regulation of finances, funds and expenditure: taxation, budget accounts and audit and loans. However, the study of various financial provisions under the Act shows that those provisions make its entire structure susceptible to the state-local government relations to a great extent in two ways. In the first place, in all the states, detailed accounting procedures have been laid down by the State Governments for the local bodies. Secondly, the dependence of local Government institutions on State assistance automatically makes the whole structure susceptible to control and supervision. The various financial means through which the State Government interacts with Local Bodies are discussed as follows:

#### i) ***Control over Fund and Expenditure***

It is the responsibility of the State Government to make rules to regulate the application of the funds, to provide for the preparation of plans and estimates for works costing a certain amount. It has to function within the area prescribed by the Legislature following definite priorities. Besides, any lawful expenditure can be incurred with the prior sanction of the Government. Similarly, the various statutes authorise the State Government to determine the persons by whom orders of payment or money from the fund may be signed.

#### ii) ***Power of State Government to make rules regarding Taxation***

Local taxes are prescribed by the State Legislature. The statutory provisions regarding the imposition of taxes are applicable with regard to the imposition of only those taxes which, are mentioned in the Legislation.

iii) ***Borrowing Powers of Local Bodies***

Local Bodies in various states are empowered to borrow and take up at interest, by the issue of debentures or otherwise, any sum necessary for the purpose of defraying any costs incurred by it in the execution of the Act, for discharging any loan contracted under the Act and generally for carrying out the purposes of Act including the advance of loans authorised there under. However, with the object to avoid excessive borrowing, the State Government keeps strict vigilance over the extent of borrowings by the local bodies. Every borrowing by these bodies requires the previous sanction of the State Governments, whether a loan is governmental or non-governmental.

iv) ***Grants-in-Aid***

Grants-in-aid is a very powerful instrument with States to rein the Local Bodies in India. As we are very much aware, the general condition of these bodies is not sound enough because of the meagre resources at their disposal, for carrying out their responsibilities and executing the developmental schemes. In fact, they have to depend on the grants-in-aid by the State Government and which turns out to be an important instrument in the hands of the State Government to control Local Bodies. The State Government has been empowered under the governing Acts to withhold the grants, to check that the grants are properly utilised and may also see that the members and officials have used the grants economically and efficiently. The grants can be reduced or withheld under the pretext that the Local Bodies misused the grants. It may be added here that in order to secure a high amount of grants, sometimes a number of political and other tactics also play an important role.

v) ***Budgeting***

Every organisation is required to frame an annual budget. For instance, the budget estimates in Punjab, Andhra Pradesh and Tamil Nadu require the sanction of the Government, and there the control exercised is very rigid. The Government may vary or make alterations in Budget proposals. In the case of Panchayati Raj Institutions, it is the superior tier that has the power to sanction the budget.

vi) ***Audit***

The main aim of the audit is to ensure that the public money is properly utilised and no amount is paid for any expenditure without proper authority and provisions of the funds in the Budget. Local Fund Accounts Department of the State Government carries on Test Audits of Local Bodies. The Audit may be a routine one or it may be a periodic audit.

#### **11.4.4 Judicial Aspect**

Local Bodies like other commercial organisations can sue and be sued, but unlike commercial organisations, they enjoy a certain amount of immunity from legal action by virtue of their statutory duties. The Local Governments come under the purview of the Courts in three ways:

- i) Courts interpret the Act and Statutes, and give an exposition of law;
- ii) They forbid local bodies to commit *ultra vires* acts; and
- iii) Courts are empowered under the Act to hear appeals regarding functions and administration.

Judicial intervention is attracted, generally on the following occasions:

- a) Where interpretation of law or legal propriety of action is involved;
- b) Where an authority is neglecting duties;
- c) Where an authority exercises under the appellate jurisdiction of courts; and
- d) Where an authority is liable for civil wrongs or breach of contract in its dealings with the individual citizen.

The State Government is also empowered to administer the quasi-judicial function of disposal of the appeal. These appeals relate to matters arising out of service conditions of employees, and the orders of the Local Body including its officers.

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## 11.5 INTERFACE BETWEEN THE STATE AND LOCAL GOVERNMENT: EVALUATION AND RECOMMENDATIONS

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The foregoing description of the pattern of State – Local Government relations indicates more control than mutual relations, which leads to the State that Government control over Local Bodies is a universal phenomenon. As noted earlier, the nature and extent of State – Local Government relations depend on the level of development, nature of polity, economy and culture. It is quite obvious that the local bodies do not have a completely independent existence of their own. In a country like India, where there is illiteracy, ill-equipped and inexperienced non-official leaders, officials trained in authoritarian traditions, acrimony instead of harmony between officials and non-officials – the degree of control, supervision and guidance is required to influence the operations of local bodies so that they may establish sound traditions and serve the local areas in an apt manner. There are people who subscribe to the view that any sort of interference in Local Government units is inimical to their functioning. But such autonomy cannot be the *sine qua non* of Local Government unless they have adequate democratic control and understanding to match that control. The Local Government, Henry Maddick observed, "is not just a machine to be operated by technicians. It is something that has got to be learned and the process of learning is not swift one; it is a difficult technique, a difficult art".

There are conflicting opinions on whether the relations, control and assistance by the Government have been positive and adequate in regulating and stimulating the Local Bodies. Long back, the Local Inquiry Committee was of the view that there were too many checks and balances as well as rigidity in Governmental relationships with the Local Bodies with the result that no adequate initiative was left with the latter in regard to local affairs. The first Punjab Finance Commission

observed that a perusal of the provisions relating to the fiscal powers of the local bodies makes it clear that their powers are severely inhibited by State control. This leaves little scope for the local bodies to take measures to achieve fiscal self-sufficiency.

The Finance Commission is of the opinion that rigid controls on the normal functions of local bodies should be reviewed and a system that is outdated should be discarded in favour of professional fiscal management practices. The Finance Commission also noted the constraints on the borrowing powers of Local Bodies and recommended the relaxation so that the Local Bodies may raise institutional loans for meeting their capital requirements for essential services and obligatory functions.

Viewing from the point of view of the effectiveness of various programmes, there are areas in local administration that have not been adequately supervised and require added attention from the State Government. *Firstly*, a greater need is to replace the traditional control, discharged in a climate of 'fault finding', by informal process or encouragement; education and guidance. *Secondly*, "while there is no dearth of both formal and informal media of control, the basic weakness lies in the routine approach, that is brought to bear on the application of media and that equally casual attitude adopted towards compliance and follow up of the directives issued and decisions taken. To be more specific the controlling powers are not exercised in a proper and effective manner. *Thirdly*, the control is so rigid that it has reduced the Local Bodies to the status of subordinate agencies of the State Government, and their autonomy has completely been done away with. No local authority can do any work, perform any function and fulfil its responsibilities without the approval of the State Government. *Fourthly*, the control tends to be negative and formal rather than being positive and constructive. The emphasis is on legal propriety rather than on administrative propriety and efficiency. The Rural-Urban Relationship Committee rightly remarked that by and large, the techniques of supervision and control in India, especially in the urban areas have remained rather static unimaginative. These views were expressed in 1966. Even after five decades, a significant change has been experienced in the basic approach followed by the Government.

However, the 74<sup>th</sup> Constitutional Amendment Act, 1992 provides an obligation to the states to resist too much control by regularising the systems of elections, and devolution of powers to the Local Bodies. Although presently this spirit is missing, the State Governments cannot stall these provisions to be implemented for an indefinite period. *Fifthly*, of all the powers of control that Government has, the power to supersede has been regarded as a sledgehammer type of power. It is highly undemocratic and betrays an utter lack of faith in local democracy. *Sixthly*, the Government has, from the very beginning, laid emphasis on increased production, proper utilisation of funds and the observance of rules and regulations in terms of timely submission of statements and progress reports, maintenance of records and so on. But it has seldom tried to see whether the adequate and qualified staff is provided to achieve the objectives. The provision of adequate staff should be considered as an investment rather than a case of

wasteful expenditure. *Seventhly*, constant education and guidance have been lacking to ensure the establishment of healthy traditions and conventions to promote honest and efficient relations between officials and non-officials.

The relationship between State and Local Bodies should be positive and constructive. Control over Local Bodies is always required, but it should not be negative or suppressive. Undue interference in the affairs of Local Bodies must be avoided. If we look into the State-Local Government relations in the UK, we get the feeling of mutual understanding and positive partnership and not that of superiority and dominance by the higher levels. Similarly in the USA, “the concept of state-local relations is primarily state service, state advice and state cooperation”. We in India too, desire such a state of affairs for our institutions.

The Second Administrative Reforms Commission has looked into various aspects of the working of Local Governments including State – Local Government relations in its report on Local Governance. For instance, the Commission focused its attention on the capacity building of Local Bodies for which it recommended the strengthening of training arrangements for officials and non-officials. To this effect, the Commission looked for the active role (advisory) of State Finance Commissions as well as that of State Government. “State Governments should encourage local bodies to outsource specific functions to public and private agencies...and fair procurement procedures need to be placed by the State Government to improve fiscal discipline and probity in the local bodies. For “comprehensive holistic training ...networking of training institutes” must be ensured by the nodal agencies of State Governments. In regard to planning, the ARC recommends the planning process at the local level must be undertaken and each State Government should develop the methodology for participatory local level planning...State Planning Boards should ensure that district plans are integrated with the State plans.

In regard to financial control and audit, the ARC has recommended for constitution of an Audit Committee at the district level by the State Government to “exercise oversight regarding the integrity of financial information, adequacy of internal controls, compliance with applicable laws and ethical conduct of all persons involved in local bodies”. At the same time, it recommends that each State should ensure that the Local Governments have the sufficient capacity to match with the standards of accounting and auditing. The Commission also recommended the creation of a Local Body Ombudsman with the authority to investigate cases and submit reports to competent authorities for the appropriate actions. The Ombudsman will send its reports to the State Lokayukta to be further forwarded to the Governor.

Regarding the size of Gram Panchayat, the ARC is of the opinion that the State should ensure an appropriate size to make one a viable unit of self-governance with ensured participation by the people. As regards the financial administration and budgeting, the Commission opined that the practice of approval of Panchayat budgets by the higher authorities should be discontinued. Also, the State should relinquish the power to suspend any resolution by the PRIs. If required, such cases may be referred to Ombudsman. Similarly, the Commission recommended,

“Community-level bodies should not be created by the decisions of higher levels. If considered necessary the initiative for their creation should come from below and they should be accountable to PRIs” (Second Administrative Reforms Commission, 2007). On similar lines, ARC has made various recommendations to streamline the state-local government relations so that they may work in a positive partnership on somewhat equal footing in their respective areas.

## Check Your Progress 2

Note: i) Use the space given below for your answer.

ii) Check your answer with those given at the end of the unit.

- 1) Highlight the State – Local Government interface from an administrative perspective.

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- 2) Enumerate the two major areas of financial relations of a Local Government with the State Government.

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- 3) Write any two recommendations of the Second ARC, made for better State – Local Government relations.

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## 11.6 CONCLUSION

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In this Unit, we have tried to explain the interface between the State and Local government. We can see that there are numerous occasions of interaction between the two. Ideally, there should be a mutual understanding between the two levels of the Government, and there should be nearly a balance of powers between them, but practically such a situation is rarely found. Rather than working as partners to serve the people and to work for development, each unit looks for exercising more powers. The State Government, rather than guiding and supporting the Local Governments, generally tends to dominate and control them. A system of Local Government, with defined powers, financially independent and somewhat autonomous in required spheres will enhance the

quality of life of its citizens. The State Governments should act as superior partners to encourage and guide the lower bodies to effectively carry out their duties to serve the local people. With the Constitutional Amendments in the 1990s, there was a big change to empower the Local Governments and to streamline the State – Local – Government relations, however, over the years not many changes have been noticed as far their relations are concerned. As per the recommendations of certain committees and commissions, there should be a positive and constructive interface between State and Local Government. The Second ARC has also suggested a number of measures towards this, which are required to be taken seriously by the states to bring about a healthy system of Local Governance.

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## 11.7 GLOSSARY

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**Dissolution:** It refers to an act of formally ending or dismissing an assembly, partnership or Panchayat.

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## 11.8 REFERENCES

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## 11.9 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

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### Check Your Progress 1

1) Your answer should include the following points:

- Historical Factors, Political and administrative set up, and current socio-economic conditions.

2) Your answer should include the following points:

- For your answer, refer to Section 11.4 (11.4.1)

## **Check Your Progress 2**

1) Your answer should include the following points:

- Supersession and dissolution, suspension or removal of members, making of rules and regulations by the State Government and reviewing the bye-laws passed by Local Government, routine communications and periodic reports.

2) Your answer should include the following points:

- Taxation, borrowing, grants-in-aid, budgeting, etc.

3) Your answer should include the following points:

- The positive role of State Government towards the Local Bodies including the capacity building efforts for Local Bodies, setting up of Ombudsman at the local level, creation of district-level Audit Committee, encouraging local planning, discontinuation of approval of resolutions of Local Bodies by higher authorities.