



Forum for Good Governance

Regd. No. 653/2009

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(Retd. High Court Judge)

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Hyderabad
28th December, 2017

PRESS NOTE

In the 3 tier system of our administration, the 3rd tier i.e. Panchayat Raj & Municipalities play an important role in the day to day affairs of the people. To strengthen Panchayat Raj institutions Constitution of India was amended (73rd constitutional amendment). This amendment elevated the status of Panchayat Raj institutions from statutory body to constitutional body. The amendment was passed by the parliament with a view mainly to strengthen and revitalize the Panchayat bodies, so that they can sub-serve the needs of the teeming millions that live in rural areas. The 73rd constitutional amendment wants the State Government to endow the Panchayats with such powers and authority as may necessary to enable them to function as institutions of self government. There are 29 suggested subjects required to be transferred to the Panchayats. If these subjects are transferred with their departments, it will fulfill the objects of 73rd Constitutional amendment. The Panchayats have no substantive functions today, because it is mainly the State Governments have not devolved powers, functions, and functionaries to them according to the letter and spirit of the Constitution. So far in the state of Telangana the 29 subjects are not fully transferred and required funds are not released to Panchayats.

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As per Article 243 – I of Constitution of India the state Government shall constitute the State Finance Commission (S.F.C.) to review the financial position of Panchayats and make recommendations to the Governor as to

- (a) The principles which should govern
- (i) To distribute between the State and the Panchayats of the net proceeds of the Taxes accrued to the state which may be divided between them.
 - (ii) The determination of taxes, duties, tolls and fees which may be assigned to or appropriated by the Panchayats.
 - (iii) Grant – in – aid to Panchayats from the consolidated fund of the state.
 - (iv) Measures needed to improve the financial position of Panchayats and to recommend to Central Finance Commission for release of more funds to Panchayats.

The S.F.C. shall consist of Chairmen and four other members.

The Governor of Telangana has issued notification to constitute State Finance Commission for the State of Telangana and orders issued vide G.O. Ms. No. 31 dated 16-3-2015. After the issue of said G.O. in March 2015 till now the Chairmen and members were not appointed, as the State Government failed to appoint the Chairmen & members in S.F.C. even after 3 years, Forum for Good Governance filed a P.I.L in High Court. (P.I.L No. 50/2017). In response to P.I.L the learned Advocate General submitted that Chairmen and members of the S.F.C would appointed with utmost expedition and in any event not later than six weeks from today (6 weeks form 31-10-2017) but so far no appointments are made.

While the things stands thus, the State Government instead of following the directions contained in 73rd constitution amendment is embarking to enact a new Panchayat Act. Forum for Good Governance requests the State Government to keep the proposed Panchayat Raj bill in public domain before it is introduced in the Assembly for enactment. We have a reason to believe that with this proposed new Act, the Panchayats will not get any benefit. There are not many flaws in G.P. Act of 1994 without implementing the existing Act the government is going for new Act. This is something like changing the doctor without taking medicines prescribed by him.

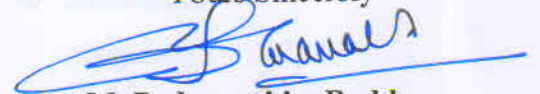
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Finally, Forum for Good Governance demands that government to implement the following :

1. Transfer 29 subjects to G.P.s as mentioned in 73rd Constitutional amendment.
2. To appoint S.F.C. as ordered by Hon'able High Court.
3. To restrict reservations in Panchayat Raj elections up to 50% as ordered by Supreme Court of India.
4. Keep the proposed Panchayat Raj bill in public domain before it is introduced in Assembly.

Yours Sincerely



M. Padmanabha Reddy

Secretary

Forum for Good Governance