

## **Forum for Good Governance**

Regd. No. 653/2009

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L. No. FGG/CS/REP/ 97 /2019

Hyderabad 2<sup>nd</sup> December, 2019

To
The Chief Secretary
Government of Telangana
Hyderabad

Sir,

**Sub:** Gram Panchayats – Request for release of sufficient funds to Gram Panchayats – Reg.

-: \$ :-

To improve the working of Gram Panchayats for over all development of village, Government of Telangana has taken up number of steps, chief among them are creation of 4000 new Gram Panchayats, bringing new Gram Panchayat Act etc. Forum for Good Governance studied the working of Gram Panchayats in Telangana especially with reference to release of funds and functions

Article 243 G says, "The state may by law endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of self government". Directive in Article 40 also insists that state government shall endow them with such powers and authority as may be necessary to enable them to function as units of self government. Further 73<sup>rd</sup> constitutional amendment has elevated the status of Gram Panchayats from statutory to constructional. But in practices they continue to cling on to the state government, both in administrative and financial matters and remain as barren as ever.

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During last three years the funds released to Gram Panchayats by center and state governments are as follows:

(Rs. in crores) Remarks Total Percentage Total Amount released Year S. State Central Central State No. 100 98 947.49 928.47 19.02 2017-18 1. 100 4 96 40.84 1112.42 1071.58 2018-19 2. 26 100 1136.28 74 291.35 2019-20 844.93 3. 3196.19 351.21 2844.98 Total

The above release of funds from state government to Gram Panchayat is a pittance, virtually the Gram Panchayats are starved of funds. Added to it government have launched 30 days village development plan where in, it was projected that by implementation of this 30 days programme the villages will be developed. When we asked P.R&R.D department regarding release of funds for implementation of 30 days plan it was informed that no specific allotment is made, however as a part of regular release state government released Rs. 172 crores for about 12,000 Gram Panchayats in the state. In recently held Gram Panchayat elections many educated youngsters were elected as Sarpanchas. With the euphoria created for implementation of 30 days action plan and hoping that funds will be released, they have barrowed and spent money for 30 days action plan. When the promised money did not come they have repaid loans by mortgaging ornaments of their wives.

It is a curious paradox that during the year 2017-18 state government released only an amount of Rs.19.02 crores to all Gram Panchayats in the state, , where as vide G.O. 618 an amount of Rs.20 crores was given to a single (Palakurthy) Assembly constituency for development works. Further vide G.O. 833 an amount of Rs.23.08 crores was given to Narayanpet Assembly constituency for road works. We have a reason to believe that Government of Telangana has lot of lip sympathy for Gram Panchayats, but when it comes to release of funds government has step-motherly treatment to Gram Panchayats.

Forum for Good Governance requests the Chief Secretary to kindly take steps for release of sufficient funds (on par with central government) to enable them to function as institutions of self government.

Yours Sincerely

M. Padmanabha Reddy

Secretary

Forum for Good Governance

Encl:

1. Letter No. 218/CPR &RE/G1/2014, dated 29-11-2019

2. News paper clipping dated 31-10-2019

3. G.O. Ms. No. 618, dated 8-9-2016

4. G.O. Ms. No. 833, dated 11-11-2016

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State Finance Commission with a request to kindly do the needful in the matter.

Prl. Secretary, Finance department with a similar request

Pfl. Secretary, PR&RD department with a similar request

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