

## **Forum for Good Governance**

Regd. No. 653/2009

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Justice Reddappa Reddy

(Retd. High Court Judge)

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L. No. FGG/CS/REP/ 86 /2022

Hyderabad 9<sup>th</sup> June, 2022

To The Chief Secretary Government of Telangana Hyderabad

Sir,

Sub: Grama Panchayats – Insufficient release of funds to G.P.s – Request to increase the quantum – Reg.

-: \$ :-

There is about 12769 Gram Panchayats in Telangana. Even the small Tandas (hamlets) having 200 population are made Gram Panchayat. These Tanda having no resources are unable to take up any developmental works in their Gram Panchayats. Funds released to Gram Panchayats by the State Government are very meager. During the year 2020-21 an amount of Rs.1662 crores and in 2021-22 Rs. 1357 crores are released. This meager release by State Government is starving the Panchayats of funds.

Like Finance Commission at centre; constitution provides for establishment of State Finance Commission to review the financial position and to make recommendation regarding distribution of net proceeds of tax revenue between the State Government and Panchayats and the measures needed to improve the financial position of Panchayats.

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Unfortunately since last 8 years not a single report and recommendation of the State Finance Commission was implemented, the reports are kept in cold storage. What is happening is the meager release now being made is shown as courtesy and as an act of grace by Government to Panchayats. This System should change and the Panchayats should get the funds as a Right.

Forum for Good Governance requests the Chief Secretary to kindly take steps for release of funds as recommended by State Finance Commission. Panchayats should be allowed to function as institutions of self government.

Yours Sincerely

M. Padmanabha Reddy

Secretary

Forum for Good Governance

Encl: Letter received from PIO & Asst. Commissioner, PR&RE, Govt. of Telangana