



## Forum for Good Governance

Regd. No. 653/2009

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L. No. FGG/PR&RD/REP/ 84 /2022

Hyderabad  
28<sup>th</sup> May, 2022

To

The Prl. Secretary to Government  
Panchayat Raj & Rural Development Department  
Government of Telangana  
Hyderabad

Sir,

**Sub :** Gram Panchayats – Release of funds to Gram Panchayats and allowing them to function as institution of self Government - Request – Reg.

-: \$ :-

Article 243 – G of the Constitution of India endow the Gram Panchayat with such power to enable them to function as institutions of self-government and devolution of powers and responsibilities such as preparation of plans for economic development and social justice and to implement schemes pertaining to 29 subjects (listed in the 11<sup>th</sup> schedule)

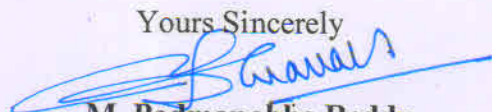
For assistance and effective functioning of Gram Panchayats, Article 243 – A provides for Grama Sabha to exercise powers and functions at the village level as the legislature of the state may provide. Further, 73<sup>rd</sup> constitutional amendment has elevated the status of Panchayats from statutory body to constitutional. Again Article 243 – I provides for constitution of State Finance Commission to review the financial position of Panchayats to make recommendation regarding distribution of net proceeds of Tax between state Government and Panchayats and the measures needed to improve the financial position of the Panchayats. In this way Indian Constitution provides ample provisions to Gram Panchayats regarding finances and independence in implementation of schemes for overall development of the village.

Unfortunately in the state of Telangana the Panchayats are not allowed to function as institutions of self governances. Funds are not released as recommended by State Finance Commission. It is clearly evident that despite directive in Article 40 of the Constitution Panchayats as a whole continue to cling on to Government for financial assistance.

Government has introduced a programme called "Palle Pragati", already 4 rounds have been completed and 5<sup>th</sup> round is likely to commence from 3<sup>rd</sup> June. "Palle Pragati" is a programme imposed from the top on Gram Panchayats, violating constitutional mandate of working of Gram Panchayats as an institution of self governance. In the last 4 rounds the Sarpanchas under pressure from officials have executed works expecting release of funds from Government. They borrowed lakhs of rupees on heavy interest, months passed by and funds are not released. In many districts Sarpanchas are under heavy pressure to repay the loan. Not able to with stand the pressure, some have committed suicide, some resorted to begging and some others are working as laborers. The media is reporting regularly the sad state of affairs in villages. Unfortunately the Government closed its eyes and not responding to the ground situation. The works routinely executed by Gram Panchayats are given a new name of "Palle Pragati" without any budgetary support. To overcome the situation we request the Government to kindly take the following steps.

1. Release the funds to Gram Panchayats as recommended by State Finance Commission.
2. Clear all the pending bills of works executed till 4<sup>th</sup> round of "Palle Pragathi".
3. Allow the Gram Sabha and Gram Panchayat to function independently.
4. Stop the Tamasha of "Palle Pragathi" (sorry to use unparliamentarily language). It is nothing but usurping the powers of Gram Panchayats.

Yours Sincerely



**M. Padmanabha Reddy**

Secretary

Forum for Good Governance

**Encl :** News paper clippings

**Copy to** Commissioner, Panchayat Raj & Rural Employment, Government of Telangana