

[Sh. Dalbir Singh]

	Gramin Bank, Nainital (UP) [Placed in Library See No. LT-2907/92]	(lxxxv)	Basti Gramin Bank, Basti (UP) [Placed in Library See No. LT-2917/92]	[Placed in Library See No. LT-2916/92]
(lxxvi)	V i s v e s h v a r a y a Grameena Bank, Mandya (Karnataka) [Placed in Library See No. LT-2908/92]	(lxxxvi)	Farrukhabad Gramin Bank, Farrukhabad (UP) [Placed in Library See No. LT-2918/92]	
(lxxvii)	Puri Gramya Bank, Pipli (Orissa) [Placed in Library See No. LT-2909/92]	(lxxxvii)	Siwan Kshetriya Gramin Bank, Siwan (Bihar) [Placed in Library See No. LT-2919/92]	
(lxxviii)	Champanan Kshetriya Gramin Bank, Motihari (Bihar) [Placed in Library See No. LT-2910/92]	(lxxxviii)	Golconda Grameena Bank, Hyderabad (AP) [Placed in Library See No. LT-2920/92]	
(lxxix)	Samyut Kshetriya Gramin Bank, Azamgarh (UP) [Placed in Library See No. LT-2911/92]	(lxxxix)	Koraput Panchayati Gramya Bank, Jeypore Koraput Distt. (Orissa) [Placed in Library See No. LT-2921/92]	
(lxxx)	Bastar Kshetriya Gramin Bank, Jagdalpur (MP) [Placed in Library See No. LT-2912/92]	14.23 hrs.		
(lxxxix)	Thar Enchalik Gramin Bank, Jodhpur (Rajasthan) [Placed in Library See No. LT-2913/93]			CONSTITUTION (SEVENTY-SECOND AMENDMENT) BILL
(lxxxii)	Baitarani Gramya Bank, Mayirbhanj (Orissa) [Placed in Library See No. LT-2914/92]			(Insertion of new Part IX) As Reported by Joint Committee
(lxxxiii)	Kanakadurga Grameena Bank, Gudivada (AP) [Placed in Library See No. LT-2915/92]			AND
(lxxxiv)	Mahakaushal Kshetriya Gramin Bank, Narsinghpur (MP)			CONSTITUTION (SEVENTY-THIRD AMENDMENT) BILL
				(Insertion of new part IXA) As Reported by Joint Committee- CONTD.
				[English]
				MR. DEPUTY SPEAKER: We shall now take up Legislative Business.
				Shri Shobanadreeswra Rao Vadde

633 *Const. (72nd Amend.) Bill AGRAHAYANA 13, 1914 (SAKA) Const. (73rd Amend.) 634*
(Insertion of new part IX)
As reported by Joint Committee and

SHRI SHOBANADREESWARA RAO

VADDE (Vijayawada): Mr. Deputy Speaker, Sir, day before yesterday I was mentioning about the advantage of direct elections to the local self-governing bodies. This direct election has given a continuity to the body elected by the people, because the Chairperson is not simply sitting in that Chair due to the goodwill of the Members of that body, but the entire electorate of that village or the intermediate level Organisation or the electorate in the entire district has elected that Chairperson. He commanded respect both among his Members of the bodies at various levels, as well as the officials also. Then, there is better coordination and cooperation.

In the original Bill also, upto intermediate level, it was proposed to have direct elections, but in the Select Committee report, only upto the village level, it is proposed to have direct elections whereas for intermediate and district levels, indirect elections have been proposed.

The Committee has expressed its view. But that itself is contrary to what it said on p.6:

" The Committee notes that the issue relating to direct or indirect elections in panchayati raj institutions is very vital".

It has recognised this fact.

" Directly elected persons have an inherent strength of having been elected by the people. Moreover, indirect elections have led to various manipulative practices. The Committee, therefore, are of the opinion that in order to strengthen democracy at the grass roots level, all seats in a panchayati, at any level, all seats in a Panchayat, at any level, should be filled by direct elections".

I wholeheartedly agree with this opinion expressed by the Select Committee in its earlier finding.

Bill (Insertion of new part IX A)

As reported by Joint Committee

It is common knowledge that earlier when there was indirect election, there used to be non-confidence motions against the President of the Panchayati raj Samiti or a Sarpanch of the village or a municipal council Chairman and there used to be lot of horse-trading and bargaining and again they will withdraw the no-confidence motion and ultimately it will reflect very badly on the administrative functioning.

So, my humble request to the august House is to adopt and accept direct elections to the local Bodies at all levels.

Regarding the Municipal Corporations, excepting Hyderabad city, for Vijayawada and Visakhapatnam Corporations also direct elections were held and, of course, in our Vijayawada, mayor candidate belonging to congress party was elected Mr. Janjhyala Shankar and in Visakhapatnam, Dr. Subba Rao, from out TDP Party were elected. For five years, there was no interruption and the Government also gave the best cooperation to the local Bodies, including the Municipal Corporation. Nowhere a municipality was established by the Government during the five year period. So, my suggestion is that direct elections will be having lot of advantage over indirect elections.

Regarding the composition of the intermediate level Bodies, the Chairperson of the lower level Body should be a Member of the Intermediate level Body and the Chairman of the intermediate level Body should be a Member in the district-level panchayat and the presence of MLAs and Members in those district-level Panchayat Bodies will definitely help the people's representatives to the Legislative Assembly as well as the House of People, or the Rajya Sabha to enable them to know how things are going on, what that Zilla Praja Parishad or the Municipal Corporation or a Municipality is taking up, what programmes they are implementing, how and to what extent, they are effectively implementing them, and by knowing the programme, plan and implementation, they can in turn coordinate

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with the State Government or the Central Government and help those local self-governing Bodies to further effectively function and cater to the needs of the local people who have elected them.

Regarding reservation, we fully agree with the proposals that have been made by the hon. Minister. Reservation for SCs and STs in relation to the percentage of their population is there. It is there already several States. It is there here also. It is really a very good thing.

Regarding women, I really congratulate the Government for reserving one-third of the seats to women. After so long a time, women are going to be given a due place in the administration of these local self-governing Bodies and, in our Andhra Pradesh, our former Chief Minister and President of the Telugu Desam party, Mr. N.T. Rama Rao has reserved 9 per cent of the seats to women for the first time. There are Mandal Praja Parishad Chairperson and Zilla Praja Parishad Chairperson from women who have done very well. Just because one is a lady it is not that we take it that she cannot manage the entire show. After all, this nation was governed by Shrimati Indira Gandhi and she won the acclaim of not only the people of this country but also of the people of other countries. So in Karnataka 25 per cent reservations were given to women. This is a very welcome measure. My only suggestion is that in case sufficient number of women do not come forward, then, that may be filled up by others.

Regarding the Backward Classes, here you have left it to the State Government. My feeling is that for the BCs also, the Government could have done it. In fact, in our Andhra Pradesh, for the first time, the Telugu Desam Party under the leadership of Shri N.T. Rama Rao had given 20 per cent reservation to the backward class people in all the local bodies, mandal Parishads, Zilla Praja Parishads and the municipalities also. Further, the minorities were also given the

opportunity by means of co-option to all Praja Parishads zilla parishads and the municipalities. Everywhere, the minorities were given opportunity. My humble suggestion to the Government is that they should provide opportunity to the minorities also to engage themselves in the administration of the local bodies.

Another suggestion is about the rotation of the reserved posts. Here also, you have left it to the State Governments. If the same posts in the same place are reserved just like in the case of Assemblies and the Parliament, there will not be rotation. Earlier, sometime back several members cutting across party barriers suggested that there may be rotation. My suggestion is that rotation should be there to give opportunity to more areas to get the opportunity of reservation and the people who do not belong to the reserved categories also should take part in the administration.

Regarding the powers and responsibility, this is a very important measure. I really congratulate the Joint Select Committee headed by Shri K.P. Singh Deo. In the case of the 72nd Constitution Amendment Bill, the Select Committee's report is not did not mention it. But I am very happy that in the case of the 73rd Constitution Amendment Bill Select Committee Report proposed that there should be a District Planning Committee to formulate the plans at the village level, intermediate level and the district level. This Committee for District Planning will coordinate the developmental plans for the entire district including the panchayats and the municipalities. Really, I express my fullest agreement to this proposal. It is a long overdue one. It is in tune with what Mahatma Gandhi told this nation; what Mahatma Gandhi wished very long time back. He suggested that the villagers should be given proper power to shape their destiny. The Gram Panchayats set up has come into being since 1959. Because of certain deficiencies they could not really fulfill these the aspirations of the people as a result of which slowly they lost importance. Because of lack of funds and because of the overthrow of these Panahayati Raj institutions and

637 *Const. (72nd Amend.) Bill* AGRAHAYANA 13, 1914 (*SAKA*)*Const. (73rd Amend.)* 638
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municipal bodies by the State Government and not conducting the elections, slowly they lost the importance and the enthusiasm among the people. But the 72nd Constitution Amendment Bill and the 73d Constitution Amendment Bill are going to refurbish that image, restore the strength and the vitality to the local self-government bodies. The items which you have proposed in the Eleventh and Twelfth Schedules are good. I fully agree to those items.

Regarding funds, this is most important aspect. Because of lack of adequate funds, these organisations could not effectively serve the people in the local bodies' areas. You have suggested in this that a Finance Commission may be appointed at the State level to examine the aspect of devolving more funds to these institutions.

At the Government of India level, the Select Committee proposed in the 73rd Amendment Bill, the constitution of the Central Finance Commission under Article 280 of the Constitution. The Central Finance Commission should examine this aspect also, now that we are giving a statutory mandate if regular elections to the local bodies and also the powers and certain parameters in which they can effectively serve the people and to develop this nation. For that, they must be provided with necessary funds. At the present, the State Governments are starving for funds. Over a period of time, slowly, the Centre had usurped more powers and the State Governments are not able to help these local bodies.

So, under this Article 280 of the Constitution, the Central Finance Commission should be entrusted with the task to see how many funds can be devolved to these local bodies whether it is panchayats or the municipalities. It must not only be from the State Government funds but they must also be from the Central Government funds.

In this context, I would like to say that as far back as in 1972, the then Union Minister

for Planning, Shri D.P. Dhar had confessed in Parliament on 23rd August, 1972, and I quote:

"One of the causes for the failure of planning in India was that the leadership had not succeeded in involving the people at the grass-roots in the process of planning and implementation."

So, let us keep this in mind. Earlier also, the Local Finance Enquiry Committee appointed by the Government of India in 1951, in its report, recommended that one particular tax from the Union List, that is, terminal tax on goods or passengers carried by Railway, sea or air and 12 other taxes from the State List should be reserved for utilisation by these local bodies. The Committee had also suggested that the State while investing in these local bodies with wider responsibilities, must also place at their disposal adequate funds to supplement their revenues. The Enquiry Commission on the Taxes in 1953-54, headed by Shri John Mathai, had also recommended certain items for exclusive utilisation by these local bodies. So, three decades back, they have suggested this. I hope the Government of India will take adequate steps under this Article 280 of the Constitution, by entrusting the Central Finance Commission to examine these aspects and to devolve more funds to these local bodies.

Sir, another point is with regard to the right of recall, Late Jayaprakash Narayan was advocating the right of recall to strengthen the democracy and to give the people who are responsible for placing us in this seat, whether it is yourself or myself and when the people are not satisfied with our performance, when they feel that we are not standing up to their aspirations, when they are convinced that the peoples, representatives are not rendering any service, the people must have the right to recall. I hope these Panchayat Raj 72nd and 73rd amendment Bills will make necessary amendments so that at least in the Gram Sabhas they will be given that power. The electorate of a Panchayat

when they feel that the Sarpanch and members of the gram Sabha are not serving them really and they are harming their interests, when a meeting on an appointed date takes place two-thirds of that electorate, when they come and express their no-confidence in the Sarpanch and the Panchayat members, they must be removed. Such type recalling power should be given to the people.

Finally, I would like to say a few words about the municipalities. Right at the moment, the municipalities and the corporations, they are starving for funds. Similar is the case with Panchayats. In the days of Janata Government the Food for Work programme had come into being. It had helped to some extent the rural development—formation of roads, drinking water schemes, etc. Subsequently the NREP and RLEGP schemes for rural development have come. They have also helped to some extent. Of course wastage may be a lot. Even the former Prime Minister Shri Rajiv Gandhi himself agreed on the floor of this very House. I was present in the 8th Lok Sabha - that not even 25 per cent is going to the targeted sections. In spite of that something has been done.

After NREP and RLEGP now you have taken up the Rozgar Yojana scheme. That has to some extent helped the Gram Panchayats. Otherwise there is nothing that can be done in the Gram Panchayats. So both for Municipalities as well as Gram Panchayats making availability of funds is the most important task without which, in spite of your bringing the Bill or taking any other measure, the situation will not really improve.

I hope the Government will keep in mind that particular aspect and see that local self-government bodies at various levels really function and cater to the needs of the people. Today the villages are not actually livable. Many people from the villages are coming and settling in the nearby semi-urban areas. Every person in this House is well aware of

it. Make the villages livable, provide minimum facilities like drinking water, roads, etc.

Thank you very much for giving me time.

SHRI LAETA UMBREY (Arunachal East): Mr. Deputy Speaker Sir, I rise to support the 72nd and the 73rd Constitution Amendment Bills. It is really a red letter day as we are going for our major structural changes in our Constitution after 45 years of independence. I must thank the hon. Ministers for Urban Development and the hon. Minister for Rural Development and also the hon. Prime Minister for bringing this comprehensive Bill in time.

From the interruptions in the earlier discussion, it seems that when the hon. Members from this side of the House take the name of Shri Rajiv Gandhi, it tastes bitter for the hon. Members sitting on the other side. But you must try to realise that we cannot avoid taking the name of Shri Rajiv Gandhi not merely because he was our leader but because of his contribution. He was the main architect and the main moving spirit behind these historic Bills. I would like to quote the remarks Prof. Ranga which he made while initiating the debate on the same Bill in this House in 1989 after the introduction of the Bills by the then Prime Minister, Rajiv Gandhi. I quote:-

" Fortunately for us we have had this young Prime Minister coming with a fresh mind without any prejudice and predilections, going around the country for more than two years from place to place, from slum to slum, from Moholla to Moholla, learning how we go on living in our country. Yet another leader discovered India".

That is what Prof. Ranga remarked. So we must remember on this historic day our leader Shri Rajiv Gandhi.

Many hon. Members have said while passing this historic Bill it will fulfil the long

cherished dreams of our father of the nation Mahatma Gandhi. It is certainly a step towards the Ram Rajya.

But I also found certain lacunae in the Bills. However, at this moment I am not going to talk about them because the Bills have come back from Joint Committees and the Joint Committees comprised Members of the major political parties including our party. So instead of going into the lacunae I would simply request the hon. Members who have given amendments not to insist on their amendments. Let us begin with this and if we find difficulties, we will have to definitely rectify them at the appropriate time. Since I am not going to talk about the lacunae I will simply tell the hon. Minister that today when we pass the Bill our main responsibility is to ensure the implementation of the provisions of this Bill in letter and spirit. When or if we talk of the decentralisation of power we must give provisions of finance. Unless and until you give sufficient finance, the Panchayats and the Nagar Palikas will never function to our expectation.

You cannot keep these Nagar Palikas and Panchayats at the mercy of the State Governments. Because we have 33 long years of bitter experience about what the State Governments have done. Moreover the resources at the disposal of the State Governments for Panchayats and Nagar Palikas are meagre. Specially in a poor and small State like Arunachal Pradesh, you cannot expect these Panchayats to do anything remarkable. Therefore I urge the Central Government to give sufficient provisions for financial resources.

I entrusted this august House as a Panchayat Member. I was in the Panchayat for the last seven years before I entered this House. I know what are the difficulties there. Though Arunachal Pradesh is one of the smallest States, people know hardly about it, yet the Panchayat system that we have there is one of the best. Still the resources at the disposal of the Panchayat are very meagre. We could not do anything much. That is why I just repeat that the hon. Minister should see

that the Panchayats and Nagar Palikas get sufficient funds.

The poverty alleviation schemes of the Central Government like IRDP and JRY etc are being implemented at the grassroot levels through Panchayats. Panchayat Members have been carrying out these programmes very successfully. So we must also think on this line and funds should also be provided on these lines. I do not want to take much time of the House. I would simply request the hon. Minister that when the Chief Ministers and Ministers of various States attend the Seminars and Conferences and discuss the problems, on a common platform, he must also ensure that - if not all the members of Panchayats and Nagar Palikas - at least the presidents of the Zilla Parishads and chairmen of Municipalities attend them periodically so that they can share the difficulties. They can identify areas where they have gone wrong. I hope this will definitely help in fulfilling the long cherished dreams of Mahatma Gandhi, Jawaharlal Nehru, Indira Gandhi and Rajiv Gandhi. Thank you so much.

[Translation]

SHRI SHIVRAJ SINGH CHAUHAN (Vidisha): Mr. Deputy Speaker, Sir, I support the 72nd and 73rd Constitution Amendment Bill. I welcome it but through you I would like to point out some of the drawbacks in this amendment. The Panchayat system is not new in our country, it has been continuing since ages and I understand that in ancient India, one of the major functions of Panchayat was to make available cheap and quick justice to the villagers. The Panchas used to sit in the Chaupal of the village and the villagers used to settle their petty disputes themselves by holding discussions and the Panchas themselves by holding discussions and the Panch was given great regard. At that time, Panch was called Panch Parmeshwar, i.e. equal to 'God' but today we can see that petty disputes are not settled in villages but they are settled in the courts. This concept of court has been borrowed from the West. I admit that the villagers have

to visit courts several times in connection with settlement of their petty disputes, they have to depend on lawyers and due to it many cases which can be settled easily in village itself, linger on and the people have to wait for the settlement of such cases throughout their lives and in many cases they don't get justice.

Mr. Deputy Speaker, Sir, I like to submit through you that the cases which can be settled through mutual negotiations should be settled in the way, as is in vogue in Madhya Pradesh, where experiments have been made to settle through negotiations in Lok Adalats and so such a provision should be made in this Bill on these lines through which petty disputes can be settled in the Panchayats in villages. I understand that it would help in providing cheap, and quick justice to villagers.

Sir, I would like to submit one more thing about demarcating the area to be placed under a particular Gram Panchayat. I am saying so, on the basis of my own experience that sometimes when the areas are demarcated to be placed under a particular Gram Panchayat, the influential people, specially those belonging to the ruling party, keeping in view the chances of their victory placed 3-4 villagers under a single Panchayat and when they saw no chances of their victory in a particular village, they placed that village under some other Panchayat. With the result, several villages were used to be placed under one particular Panchayat in one year, and under the next Panchayat in the next year and during the third year, under the third Panchayat. Therefore the demarcation of the Gram Panchayats should be made on a clear criterion.

Sir, an experiment was made in Madhya Pradesh where the area under a Patwari has been considered as a unit so that the people belonging both to the ruling party as well as the Opposition may not transfer an area from one Panchayat to the other in view of their chances of victory. Therefore there should

be a clear cut provision in this Bill that no one can transfer the Panchayat area arbitrarily keeping in view his political interests. Mr. Deputy Speaker, Sir, as far as the question of direct election to Sarpanch and Chairman of the Panchayat is concerned, I welcome it and support it. We have observed that when the Sarpanch is elected by the Panchas, every sort of tactics is applied to become Sarpanch. At that time horse-trading takes place and both, money power and muscle power are applied and some times the prospective Sarpanch arranges a tour of all the four pilgrimages for the Panchas. So, if the Sarpanch is elected directly then all such drawbacks will be removed.

I would like to submit one more thing, the Chairman of the Madhyavarti, which is called Janpad Panchayat in Madhya Pradesh as also the Chairman of the Zila Panchayat should also be elected directly. It is not necessary to form separate districts areas and to elect members for the Zila Parishads separately. I do not feel it necessary that the members of the Janpad Panchayats and the members of Zila Parishads may elect from amongst themselves the Chairman. Since the Gram Panchayats, are connected with the Janpad Panchayats and the Janpad Panchayats are connected with Zila Panchayats, the Chairman and Sarpanchas of Gram Panchayats should be the ex-officio members of the Janpad Panchayats and the Chairman of the Janpad Panchayats should be the ex-officio members of the Zila Panchayats. I do not feel any necessity for separate elections for them. The Chairmen of Zila Panchayats and Janpad Panchayats should be elected through direct elections.

Sir, I would like to submit one more thing regarding reservation. It has been stated in 243-D(1), that there will be reservation for the Scheduled Castes and Scheduled Tribes, I agree with that but it has been said that the reserved seats will be provided to Panchayats serial wise. My submission is that the wards of the Gram Panchayats are generally very small and sometimes there are such wards also, in which no Scheduled Castes and Scheduled Tribes people reside. It can be

viewed on the basis of the population. Where such people are in a large number, the reserved seats can be allotted.

Sir, I would like to say one more thing. Arrangements are being made for providing reservation for the Chairmen of Gram Panchayats, Chairmen of Janpad Panchayats and Chairmen of Zila Panchayats. The reserved posts should also be allotted to them keeping in view the population; wherever the people belonging to the Scheduled Castes and Scheduled Tribes are in large number, there these posts should be reserved.

We have experienced one more thing that the B.D.O. get the evaluation of the work which is got done by the Sarpanch of the Gram Panchayat by a Sub-Engineer. If the Sarpanch connives with the Sub-Engineer, then the work of 10000 can be evaluated as of 20000 and if he does not do so, then howsoever good work that may be, is not evaluated at all. In this way the honest Sarpanchas run from pillar to post to get their work evaluated. Since the evaluation is not done, the Panchayat does not get the further grants in time. Therefore such arrangements should be made through which corruption can be controlled, which is rampant, I think, in each and every Gram Panchayat.

Likewise, sometimes the Gram Panchayats get the work of poor quality done. May be they are elected representatives but no one has the right to get the work done by eating up public money. We have observed that from 1985 to 1988, many Gram Panchayats in Madhya Pradesh got work of such a poor quality done that the buildings collapsed even before their inauguration. Many schools and Panchayat buildings collapsed even before the inauguration. When the notice of recovery was served, they came out with a Court stay and in such cases the development of that Gram Panchayat came to a stand still since the new projects could not be sanctioned. My submission is that stern action should be taken against Sarpanchas, Chairman of Janpad Panchayats and Chairmen and Zila Panchayats Chairmen, who misuse the public

money and provisions should be made so that they can be punished.

I conclude and extend my thanks to you for giving me an opportunity to speak.

15.00 hrs

RESOLUTION RE. REVIEW OF
DISINVESTMENT POLICY - *CONTD.*

[English]

MR. DEPUTY SPEAKER: Now we shall take up resolution regarding review of disinvestment policy. Shri Ramashray Prasad Singh to continue his speech—not there.

SHRI SOMNATH CHATTERJEE (Bolgpur): Mr. Deputy Speaker, Sir, it is a matter of sorrow that when we are discussing a very important subject, there is hardly any concern shown to have a really meaningful discussion. I must thank Mr. Rupchand Pal for bringing this resolution which deals with a very very grave issue facing our economy, namely, the disinvestment policy of public sector undertakings in this country.

In this country, we are devoting hours discussing issues like temple and mosque and other issues. But when the country is facing a more serious economic situation, when the very direction of this country, which has been adopted after a great deal of experiments, by persons no less than Pandit Jawaharlal Nehru and his most valued colleagues, a complete new turn has been taken, a complete somersault has been taken with regard to the very direction of our economic policy.

Today, it is no longer a matter of jargon. But we find that more than the views of Parliament of India, more than the views of the elected representatives of this country, the views of a handful of people representing the IMF and the World Bank are prevailing in this country. Today, this Parliament does not decide the economic policy of this country because no such opportunity is being given