



A study on functional efficacy of Panchayati Raj Institutions in Himachal Pradesh

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Abstract

Panchayati Raj Institutions (PRIs) inter-alia have initiated the process of socio-economic development in rural areas by ensuring participatory management of masses and implementation of various social upliftment and poverty alleviation schemes. The study objective is to highlight the functioning of PRIs in the four districts viz., Solan and Una (developed districts), Chamba and Sirmaur (under-developed districts) of Himachal Pradesh using both primary and secondary data. Multistage random sampling technique was employed and a sample of 200 respondents was selected from 40 panchayats of 8 blocks. The findings of the study revealed that amongst all selected panchayats the maximum share in panchayats income was contributed by external sources i.e. Funds under Centre Sponsored Schemes like MGNREGA, PMAY, NRLM, etc. and funds from Finance Commission. Panchayats generate lot of income from various internal sources in which maximum share is contributed by liquor cess followed by house/land tax across all selected panchayats. Panchayats were effectively utilizing funds available with them by community asset creation, land development, sanitation, water supply, lightening and welfare, etc.

Key words: Panchayati Raj Institutions, Multistage random sampling, MGNREGA

The Panchayati Raj Institutions (PRIs) have been custodians of village ecosystem since ancient times. The word *raj* means “rule” and *panchayat* means “assembly” (*ayat*) of five (*panch*) who are vested with powers to cater to the entire social and economic requirements of the village community. Panchayati Raj Institutions have a crucial role in rural development. According to Ministry of Rural Development (Govt. of India) “Rural Development” signifies both the economic betterment of people as well as greater social transformation. The three tier structure for PRIs had been established to increase the democratic participation of masses, better representation of local needs and ensuring an efficient use of local resources along with greater accountability and transparency. Panchayats are vested with the responsibility of preparing plans for economic development and social justice as per the subjects given in the law.

In the state of Himachal Pradesh, Gram Panchayats (GPs) were established in the year 1952 for the first time in a regular fashion under the Himachal Pradesh Panchayati Raj Act 1952. In 1953 some six hundred GPs and equal number of Nayaya Panchayats were formed. The state took effective steps towards the re-introduction of PRIs in 1968. During this year, statutory position was given to the Panchayati Raj Institutions. The Himachal Pradesh Panchayati Raj Act, 1968, was introduced *w.e.f.* 15th November 1970 and provided for a three-tier system of PRIs, *i.e.* Gram Panchayat at village level, Panchayat Samiti at the block level and Zila Parishad at the district level (Annual Administrative Report, Panchayati Raj Department, H.P., 2016-17). But the 73rd Amendment Act changed the scenario and with a view to bring the laws of PRIs in conformity with this Act at the state level, the Himachal Pradesh Panchayati Raj Act, 1994 was enacted on 23rd January 1994 and

came into force *w.e.f.* 23rd April 1994. All the provisions of 73rd Amendment Act were incorporated in the state. Further in 1997, to bring the provisions of the Himachal Pradesh Panchayati Raj Act, 1994 in tune with the provision of the Panchayats (Extension to the Scheduled Areas) Act, 1996 Himachal Pradesh Panchayati Raj (Second Amendment) Act 1997 was enacted and Chapter VI-A was added in the original Himachal Pradesh Panchayati Raj, Act 1994. (Paul and Nayak, 2007). The given study was conducted to examine and analyze the functioning of Panchayati Raj Institutions on the rural households in the four districts *viz.*, Solan and Una (developed districts), Chamba and Sirmaur (under-developed districts) of Himachal Pradesh.

Methodology

Himachal Pradesh has 12 districts out of which four districts *i.e.* two highly developed (Solan and Una) and two under developed districts (Chamba and Sirmaur) were selected purposively. Multistage random sampling technique was employed in selection of sample households. At 1st stage from each district two blocks were selected randomly. In 2nd stage a list of panchayats was taken from the block level panchayat offices and five panchayats were selected from each block randomly. At last stage of sampling, one representative village from each panchayat was selected and 5 households from the village were selected randomly. In this way the total sample comprised of 200 respondents. The data were processed using tabular analysis and Garrett's ranking (Garrett and Woodworth, 1969). The opinion of beneficiaries regarding functioning of panchayats were transformed into units of scores by using the following formula:

$$\text{Per cent position} = 100 \frac{(R_{ij} - 0 - 50)}{N_j}$$

Where,

R_{ij} = Rank given for the i^{th} factor by the j^{th} respondent

N_j = Number of factor ranked by the j^{th} respondent

Results and Discussion

The panchayats are the grassroot level bodies constituted to help the rural populace to be governed by them as well as for them. The Article 243A has

given constitutional recognition to the Gram Sabha to exercise powers and perform functions at the village level as the legislature of a state may provide by law. The Gram Sabha ensures self-governance along with transparent and accountable functioning of the gram panchayat. It is a way of ensuring direct, participative democracy at the grassroot level by providing equal opportunity to all citizens of a village or group of villages to discuss and criticize, approve or reject proposals and also assess the performance of development activities undertaken by panchayats. For effective and efficient functioning of panchayats, there is requirement of attendance of minimum one-fourth members of Gram Sabha which is referred to as quorum. It was observed in all the selected panchayats that meetings of Gram Sabha were scheduled four times annually but the quorum was not met more than two times in most of the selected panchayats. After interacting with office bearers, it was revealed that meetings of Gram Sabha were not held regularly as attendance was quite low and people did not participate effectively, especially, in developed districts (Fig.1 & 2). Rashid and Sen (2010) in their study in Gaya district of Bihar also found similar results that only 17 to 35 per cent respondents participated in Gram Sabha meetings despite Gram Sabhas being held regularly in the panchayats as villagers felt their plans and demands were not considered.

Panchayats have been bestowed with the power of levying taxes, cess or fees for various services in their area. This tax income contributes to source of income to the panchayats along with some external sources of income. In the internal sources of income property tax, service fee, liquor cess and duty on mobile towers are the major contributors while grants from Finance Commission, Centre Sponsored Schemes, donation from MLA/MPs and grants from Panchayat Samiti and Zila Parishad, etc., are considered external sources. Table 1 shows the different sources of income for panchayats in which maximum share is of external sources *i.e.* Funds under Centre Sponsored Schemes like MGNREGA, PMAY, NRLM, etc., and funds from Finance Commission, across majority of panchayats. Panchayats generate lot of income from various internal sources in which maximum share is contributed by liquor cess followed by house/land tax across all sample

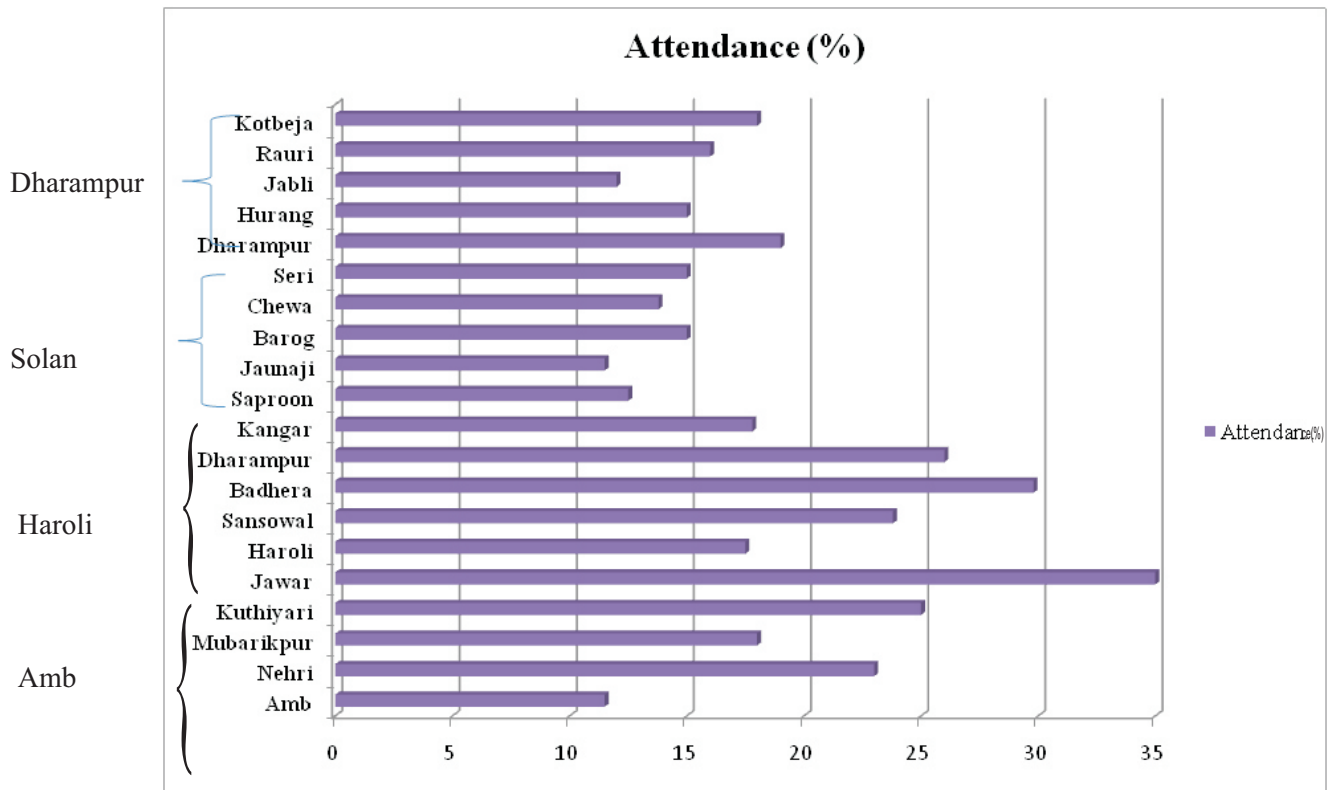


Figure 1. Attendance of people in Gram Sabha in selected panchayats of Solan and Una district

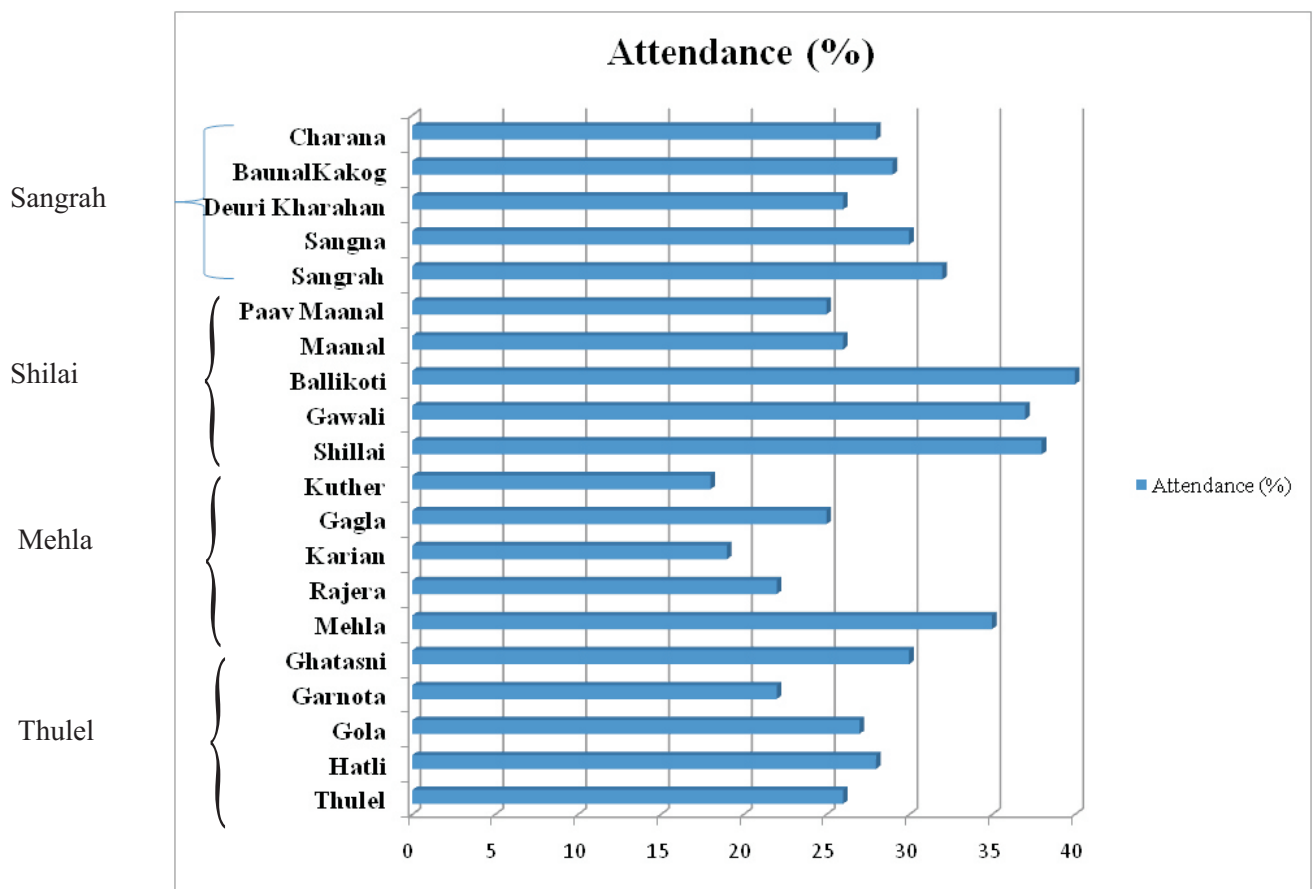


Figure 2. Attendance of people in Gram Sabha in selected panchayats of Chamba and Sirmaur districts

Table 1. Sources of income of panchayats in the study area

Sr.No.	Block/ Panchayats	Internal sources (% of total income)					External sources (% of total income)			
		House tax	Service fee	Tax on extraction of sand	Liquor cess	Duty on mobile towers	F.C.	Donation from MLA	Funds from Centre Sponsored Schemes	Total (Rs. In lakhs)
A1 Una-Amb Block										
1	Amb	1.94	1.56	0.14	2.94	0.37	38.23	11.75	43.07	51.08(100.00)
2	Mubarikpur	0.35	0.74	-	0.59	0.17	23.75	0.53	73.88	75.80(100.00)
3	Nehri	0.36	0.57	-	0.36	-	21.78	2.50	74.43	110.17(100.00)
4	Kuthiyari	0.34	0.51	-	0.21	-	20.24	11.92	66.78	74.13(100.00)
5	Jawar	0.24	0.21	-	0.37	-	22.25	2.55	74.38	107.89(100.00)
A2 Una-Haroli Block										
6	Haroli	0.31	1.02	-	0.93	0.41	32.96	1.29	63.09	97.09(100.00)
7	Sansowal	0.33	0.95	0.14	1.01	0.14	18.14	2.69	76.61	74.40(100.00)
8	Badhera	0.37	0.13	-	0.21	0.52	18.47	2.52	77.79	119.11(100.00)
9	Dharampur	0.30	0.26	-	0.42	-	20.86	1.67	76.49	71.90(100.00)
10	Kangar	0.52	0.54	-	0.54	-	20.17	2.52	75.71	59.49(100.00)
B1 Solan-Solan										
11	Saproom	0.26	0.52	-	1.04	0.08	40.26	6.04	51.80	115.84(100.00)
12	Jaunaji	0.37	0.44	-	0.42	0.04	18.86	1.31	78.56	95.46(100.00)
13	Barog	0.35	0.42	-	0.60	0.44	17.25	7.96	72.98	75.35(100.00)
14	Chewa	0.42	6.43	-	1.22	0.15	30.59	7.65	53.54	65.37(100.00)
15	Seri	0.34	0.48	-	0.65	-	30.58	5.10	62.86	48.86(100.00)
B2 Solan-Dharampur										
16	Dharampur	0.52	3.29	-	1.33	0.13	26.68	6.67	61.37	149.90(100.00)
17	Hurang	0.47	1.06	-	1.65	0.10	30.87	12.35	53.51	48.59(100.00)
18	Jabli	0.45	0.34	-	2.06	0.20	26.73	10.28	59.94	97.26(100.00)
19	Rauri	0.45	0.24	-	0.80	-	33.17	9.62	55.72	75.37(100.00)
20	Kotbeja	0.37	0.18	-	0.62	-	25.05	13.92	59.85	71.84(100.00)
C1 Chamba-Bhattiat										
21	Hatli	0.45	0.55	-	3.94	0.39	19.72	3.94	70.10	50.71(100.00)
22	Gola	0.38	0.56	-	0.67	-	20.13	22.36	55.90	44.72(100.00)
23	Thulel	0.33	0.46	0.09	1.40	0.18	14.01	7.01	76.53	57.10(100.00)
24	Garnota	0.64	0.54	-	0.54	-	23.55	4.08	70.64	55.21(100.00)
25	Ghatasni	0.37	0.28	-	0.65	-	15.48	3.22	79.99	38.75(100.00)
C2 Chamba-Mehla										
26	Mehla	0.23	0.31	-	1.60	-	15.96	2.13	79.78	94.00(100.00)
27	Rajera	0.32	0.26	-	1.18	-	11.77	0.98	85.49	101.99(100.00)
28	Karian	0.32	0.30	0.04	1.57	-	16.55	2.83	78.39	114.82(100.00)
29	Gagla	0.24	0.31	-	0.15	-	5.43	2.47	91.40	80.96(100.00)
30	Kuther	0.27	0.29	-	0.24	-	5.29	2.65	91.27	75.60(100.00)
D1 Sirmaur-Shillai										
31	Shillai	0.20	0.19	-	0.81	0.11	14.01	3.32	81.26	120.59(100.00)
32	Balikoti	0.26	0.18	-	0.12	0.01	13.96	4.11	81.28	121.80(100.00)
33	Maanal	0.16	0.18	-	0.01	-	9.86	1.97	87.74	101.44(100.00)
34	Paav manal	0.13	0.18	-	-	-	8.20	1.28	90.20	97.56(100.00)
35	Gawali	0.13	0.12	-	0.52	0.07	8.99	2.12	88.05	109.03(100.00)
D2 Sirmaur-Sangrah										
36	Sangrah	0.32	0.38	-	0.96	0.10	16.20	1.01	81.02	98.73(100.00)
37	Sangna	0.21	0.21	-	0.37	-	13.87	5.33	79.10	93.75(100.00)
38	Deuri Kharahan	0.14	0.17	-	0.11	-	11.83	3.94	83.81	101.43(100.00)
39	Charana	0.21	0.17	-	0.24	-	7.72	5.79	85.87	103.65(100.00)
40	Baunal Kakog	0.13	0.19	-	0.29	0.05	7.64	5.73	85.97	104.69(100.00)

panchayats. Sahasranaman (2012) studied the panchayat finances of three panchayats in Tamil Nadu and found out that panchayats were majorly dependent on devolutions from state government than their own revenue sources but the author felt that panchayats could be made capable of substantially financing themselves by increasing their tax rates.

Panchayats receive grants under various sources for developmental works to be carried out in their respective panchayat areas. The various grants under different schemes are utilized for developmental works like community asset creation, land development, sanitation, water supply, lightening and welfare etc. Schemes like Pradhan Mantri Awas Yojna, Mukhya Mantri Awas Yojna are helping people to build houses for themselves by aid through government, MNREGA is helpful in employment generation as well as asset creation and land development. Schemes like Swacch Bharat Mission are helping in creating sanitation facilities in villages

and grants of Finance Commission, MPLADS, Vidhayak Nidhi are useful in bringing about overall development by asset creation and developmental works.

Table 2 given below displays the expenditure pattern in various panchayats of Una district. The maximum share of expenditure has been done on generating community assets which include creation of *Samudayik Bhawans*, Mahila Mandal buildings, *Sanjha Parangans*, *Moksh Dhaams*, etc. In developed blocks considerable amount is spent on motorable roads, mule roads with impetus being on connectivity. Panchayats have given considerable importance to irrigation facilities by construction and maintenance of *kuhls*, etc. Among all selected blocks the maximum expenditure was for Haroli panchayat in Haroli block (Rs.85.54 lakh) and in Amb block for Mubarikpur panchayat (Rs.45.30 lakh). In Solan District expenditure to the tune of Rs.123.65 lakh and Rs.146.95 lakh was incurred by Saproon and

Table 2. Expenditure pattern for Una district (per cent)

Sr. No.	Particulars	Una-Amb Block					Una-Haroli Block				
		Amb	Mubarikpur	Nehri	Kuthiyari	Jawar	Haroli	Sansowal	Badhera	Dharampur	Kangar
1	Community assets (buildings, cremation grounds, samudayik bhawan, land leveling etc)	35.97	35.54	38.47	53.49	33.10	35.21	32.47	39.55	44.93	59.90
2	Roads, bridges other connectivity roads	14.99	31.22	33.54	23.83	41.46	11.69	30.28	23.54	33.98	26.40
3	Construction/ repair of kuhls/ ponds/baolis	3.41	2.19	2.10	5.67	5.80	2.34	3.34	8.48	3.49	2.54
4	Water supply and sanitation	3.41	6.56	12.58	4.70	8.29	23.38	14.10	14.88	9.59	4.06
5	Street lightning	24.52	13.12	2.41	3.89	6.63	21.30	11.46	3.77	3.49	1.83
6	Welfare (houses etc.)	17.71	11.37	10.90	8.43	3.81	6.08	7.45	9.79	4.53	5.28
	Total expenditure (Rs. In lakhs)	36.70 (100.0)	45.73 (100.0)	47.70 (100.0)	30.85 (100.0)	60.30 (100.0)	85.54 (100.0)	52.35 (100.0)	26.55 (100.0)	28.69 (100.0)	49.25 (100.0)

Dharampur panchayats. Out of the given expenditure maximum share is spent on asset generation followed by roads and welfare (Table 3).

Table 4 and 5 show the expenditure pattern for Chamba and Sirmaur districts. In these districts also the same pattern is observed where maximum

Table 3. Expenditure pattern for Solan district

(per cent)

Sr. No.	Particulars	Solan-Solan block					Solan-Dharampur block				
		Saproon	Jaunaji	Barog	Chewa	Seri	Dharampur	Hurang	Jabli	Rauri	Kotbeja
1	Community assets (buildings, cremation grounds, samudayik bhawan, land leveling etc)	57.02	50.62	62.99	34.51	33.83	51.04	46.51	41.75	55.87	52.64
2	Roads, bridges other connectivity roads	28.31	27.03	20.17	43.14	15.04	29.77	23.26	15.66	27.93	26.91
3	Construction/repair of kuhls/ponds/baolis	3.84	3.25	2.78	8.63	7.52	1.70	5.81	2.09	-	3.68
4	Water supply and sanitation	3.64	8.68	2.78	6.90	11.28	5.92	11.63	26.10	5.59	5.26
5	Street lightning	1.62	2.89	1.67	2.33	22.56	1.36	3.49	6.26	6.98	3.68
6	Welfare (houses etc.)	5.58	7.52	9.60	4.49	9.77	10.21	9.30	8.14	3.63	7.82
	Total expenditure (Rs. In lakhs)	123.65	69.14	71.88	57.95	53.20	146.95	34.40	95.80	71.6	66.49
		(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)

Table 4. Expenditure pattern for Chamba district

(per cent)

Sr.No.	Particulars	Chamba-Bhattiyat block					Chamba-Mehla block				
		Hatli	Gola	Thulel	Garnota	Ghatasni	Mehla	Rajera	Karian	Gagla	Kuther
1	Community assets (buildings, cremation grounds, samudayik bhawan, land leveling etc)	40.11	32.82	38.22	41.44	44.80	44.82	57.85	54.82	45.65	51.25
2	Roads, bridges other connectivity roads	27.41	32.17	32.61	22.10	22.40	29.37	16.53	25.45	26.69	10.38
3	Construction/repair of kuhls/ponds/baolis	14.17	14.60	7.53	10.36	9.67	6.96	7.23	3.52	11.10	10.38
4	Water supply and sanitation	8.69	6.46	7.32	8.15	7.47	7.73	6.20	7.83	5.62	11.91
5	Street lightning	2.67	3.88	4.26	3.59	3.73	1.55	4.13	4.31	3.65	2.60
6	Welfare (houses etc.)	6.95	10.08	10.06	14.37	11.95	9.58	8.06	4.07	7.30	13.49
	Total expenditure (Rs. In lakhs)	37.40	38.70	51.67	36.20	26.79	64.7	48.40	63.85	35.6	38.54
		(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)

expenditure is on asset creation and land development. But a considerable amount is spent on construction/repair of *kuhls*/ponds and *baolis* as people give more importance to natural resources in these areas as they are considerably more dependent on them. In under-developed districts road connectivity is still poor, though efforts are being made to connect each village by roads but still enough needs to be done. In Shillai block panchayats like Balikoti are still not connected by road and it poses a major problem for bringing about development.

A comparison of income and expenditure tables showed that across all panchayats there was a surplus *i.e.* difference among income and expenditure showing that all funds were not utilized during the given financial year. This surplus could be attributed to the fact that funds are released late under State and Centre sponsored schemes.

The respondents view regarding functioning of panchayats on the basis of opinion survey is put forth in Table 6. It shows that respondents in developed districts felt that maintenance of public property,

Table 5. Expenditure pattern for Sirmaur District

(per cent)

Sr.No.	Particulars	Sirmaur-Shillai Block					Sirmaur-Sangrah Block				
		Shillai	Balikoti	Maanal	Paav Maanal	Gawali	Sangrah	Sangna	Deuri Kharahan	Charana	Baunal Kakog
1	Community assets (buildings, cremation grounds, samudayik bhawan, land leveling etc)	35.88	51.11	53.42	54.35	69.87	38.56	49.54	73.35	60.46	66.25
2	Roads, bridges other connectivity roads	46.70	34.53	30.05	30.80	11.64	34.27	31.29	14.27	19.61	20.86
3	Construction/repair of kuhls/ponds/baolis	-	-	-	-	2.59	4.28	3.39	-	-	-
4	Water supply and sanitation	12.53	8.98	6.68	7.25	9.78	9.18	9.78	6.34	9.80	5.37
5	Street lightning	1.14	0.00	1.17	1.81	2.76	4.90	2.61	1.90	1.63	1.79
6	Welfare (houses etc.)	2.96	5.39	8.68	5.80	3.36	8.81	3.39	4.12	8.50	5.73
	Total expenditure (Rs.in lakhs)	87.8 (100.0)	72.40 (100.0)	59.9 (100.0)	55.20 (100.0)	77.29 (100.0)	40.85 (100.0)	38.35 (100.0)	63.05 (100.0)	61.20 (100.0)	55.85 (100.0)

Table 6. Opinion of beneficiaries regarding functioning of panchayats

Sr.No.	Particulars	Developed Districts		Under-developed districts	
		Score	Rank	Score	Rank
1	Maintenance of public property	43.52	1	22.75	3
2	Management of waste disposal	34.44	3	20.00	5
3	Provision of solar lights/ electrification	21.50	5	13.13	7
4	Road construction	19.75	7	11.75	8
5	Employment opportunities	15.56	8	21.25	4
6	Working of PRIs	19.84	6	14.38	6
7	Sanitation	32.54	4	24.25	2
8	Provision of water supply	43.31	2	38.25	1

provision of water supply, management of waste was done adequately by panchayats while in under-developed districts provision of water supply, sanitation and maintenance of public property were found to be most satisfactory. The results show that though respondents felt that various activities were adequately being done by panchayats but also majority felt that panchayats functioning could be adequately improved by ensuring more transparency in their working, by timely execution of works and ensuring that works to be done in the panchayat area is taken up with the consent of all people.

Conclusion

PRI's have contributed effectively to socio-economic development of their respective area by

constructing various assets, ensuring sanitation, electrification in their area. These institutions are effectively generating their own income by charging various taxes and these funds are being used effectively to bring about holistic development in their area. These institutions have been functional since ancient times and still hold their relevance due to effective functioning though as any other institution these also have immense scope for improvement. PRI's with adequate capacity building of its members, provision of adequate technical staff, etc. can bridge the gap that still remains in their functioning.

Conflict of interest: The authors declare that there is no conflict of interest in this research paper.

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