

International Journal of Innovative Research in Science, Engineering and Technology

(A High Impact Factor, Monthly, Peer Reviewed Journal)

Visit: www.ijirset.com

Vol. 7, Issue 6, June 2018

The Acts for De-centralisation and the “state” of Jharkhand

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ABSTRACT: The main aim of this paper is to bring out the essence of 73rd and 74th Constitutional Amendment Acts (CAA), their history and impacts on the state of Jharkhand. Decentralization of power to ensure efficient grass root democracy was one of the major agendas in the early 1990s. India's democratic structure has three levels of governance which are national, state, and local. "Panchayati Raj" is an important part of Indian local self-governance in rural areas. The main features of these CAAs reflect their public-oriented, democratic and participative outlook. An important feature of these acts was that constitutional provisions for formation of District Planning Committees (DPCs), Metropolitan Planning Committees (MPCs) and State Finance Commissions (SFCs) was made. The aftermath of these acts was expected to be on the positive side but where some states like Karnataka and Maharashtra underwent tremendous transformations, others like Jharkhand showed no noticeable changes. The state of Jharkhand, famous for its mineral resources and high forest cover, still has no proper documentation of these committees and continues with unchanged condition in terms of infrastructure, education and poverty. The current status of DPCs, MPCs and SFCs has been studied based on secondary data sources like the report submitted by Finance Department of Jharkhand and indicative reasons for the same have been outlined.

KEYWORDS: District Planning Committee (DPC), Metropolitan Planning Committees (MPC), State Finance Commission (SFC), Constitutional Amendment Act, Panchayati Raj.

I. INTRODUCTION

India has been a welfare state ever since after Independence and the chief objective of all governmental endeavours has been the wellbeing of its populace. Basic principles of government are elimination of poverty, ignorance, diseases and inequality of opportunities and providing a better and higher quality of life. Grassroot democracy is a people/community driven contribution in elections, governance and decision making. The popular name for local self-governance in India is "Panchayati Raj". It has been operational in India since ancient times when people in rural areas used to solve their problems and issues in their own self defined way and rule. In tribal community, the system of self-rule prevailed since ages. The self-rule, by whatever name it was called then had the responsibility to satisfy the local needs and aspirations of the people living in villages. Recognizing the importance of democratic institutions at the grass root level, the Indian constitution laid down in Article 40 of Part-IV of the directive principles of state policy that the "State would initiate steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government".

In 1957, Balwantrai Committee report recommended "Public participation in community works should be organized through statutory representative bodies." It was foreseen that without an agency at the village level that could represent the entire community and take responsibility with firm leadership, actual progress in rural development could not be visible. Consequently, the National Development Council also certified the basic principle of democratic decentralization enunciated in the Balwantrai Mehta Committee report. During this phase, "Panchayati Raj" gained prevalence as a process of governance linking will of the people from the Gram Sabha to the Lok Sabha. The first three tier system was inaugurated in Naguar, Rajasthan in 1959. By the early seventies, panchayats had gone from a phase of early dominance to one of decline and stagnation. The Ashok Mehta Committee made far reaching recommendations to amend the situation and recommended that Panchayati Raj be included in the constitution.

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Focusing on the recommendations of the Ashok Mehta committee, some states revisited their panchayat acts and also took new initiatives.[2]

The congress Government under the Prime Minister introduced the 72nd (Panchayat) and 73rd (Municipalities) constitution amendment bill based substantially on the bill which was proposed during the regime of Rajiv Gandhi but also incorporated recommendations of National Front Government. The bill was passed by both the houses and the acts came into force as the constitution (73rd amendment) act 1992 and (74th Amendment) act 1993. This added two new parts to the Constitution, namely Part IX titled "The Panchayats" and part IXA titled "The Municipalities". The Panchayats (Extension to Scheduled Areas) Act, 1996 (PESA) extends panchayats to the tribal areas of Andhra Pradesh, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Jharkhand, Chhattisgarh, Orissa and Rajasthan to enable tribal communities to preserve their traditional customs and rights.[6][7]

In India most of the tribes are collectively identified under Article 342 (1&2) as Scheduled Tribes and right to self-determination guaranteed by Part X : The Scheduled and Tribal Areas – Article 244: Administration of Scheduled Areas and Tribal Areas. Local Governance in the Tribal Areas

Article 244 of the Constitution of India envisages three categories of the Tribal Areas, namely: Areas notified as "scheduled areas" in the specified states (Fifth Schedule), Areas listed as "Tribal Areas" in the sixth schedule in NER (Administration of Tribal areas) and Areas not covered in the above two categories. Under the Fifth Schedule nine states are included, namely: Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, **Jharkhand**, Maharashtra, Madhya Pradesh, Orissa and Rajasthan.[10]

II. 73RD AND 74TH CONSTITUTIONAL AMENDMENT ACTS

The formulation of District Planning Committees and Metropolitan Committees can be seen as an important initiative in the planning process. Other salient features of 73rd CAA, 1992, are:

- a. Establishment of a three tier structure (Village Panchayat, Block Samiti and Zilla Parishad) in states.
- b. Reservations of seats for members and offices for chairpersons to scheduled castes and scheduled tribes in proportion to their population.
- c. Regular elections to Panchayats every 5 years.
- d. Reservations of greater than 1/3rd seats for members and offices for chairpersons to women.
- e. Constitution of State Finance Commissions every five years to recommend measures to improve the finances of Panchayats.
- f. A State Election Commission has to be constituted in every State and Union Territory (UT), to supervise, direct and control the regular and smooth elections to Panchayats. Gram Sabha or village assembly has been envisaged as the foundation of the Panchayati Raj System.
- g. To promote bottom-up planning, the District Planning Committee (DPC) in every district has been accorded constitutional status.
- h. An indicative list of 29 items has been given in the Eleventh Schedule of the Constitution. Panchayats are expected to play an effective role in the planning and implementation of works related to these 29 items.

Some Salient features of 74thCAA, 1992, are:

- a. Municipalities are to function as 'institution of self-government', prepare 'plans for economic development and social justice', perform functions and implement schemes as entrusted by them by the state governments including functions listed in 12th schedule.
- b. Constitution of ward committees in cities with a population of 3 lakh or more.
- c. State Election Commission will control the preparation of electoral rolls to conduct elections to the urban local bodies.
- d. State Finance Commission is to review the financial position of the ULBs and make recommendations to the state government regarding- distribution of resources between state and local bodies, the 'measures'

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- needed to improve the financial position of the ULBs and any other matter as the Governor may refer to it in the interest of sound finances of the local bodies.
- e. Constitution of District Planning Committees (DPCs) in every district and Metropolitan Planning Committees (MPCs) in every metro cities.

III. DISTRICT PLANNING COMMITTEES AND METROPOLITAN PLANNING COMMITTEES

DPC is the committee for District planning as per the Article 243ZD. There shall be constituted in every State at the district level a District Planning Committee to consolidate the plans prepared by the Panchayats and the Municipalities in the district and to prepare a draft development plan for the district as a whole. Provided that not less than four-fifths of the total number of members of such Committee shall be elected by, and from amongst, the elected members of the Panchayat at the district level and of the Municipalities in the district in proportion to the ratio between the population of the rural areas and of the urban areas in the district.[8]

MPC is the committee for metropolitan planning as per the Article 243ZE. There shall be constituted in every Metropolitan area a Metropolitan Planning Committee to prepare a draft development plan for the Metropolitan area as a whole. Provided that not less than two-thirds of the members of such Committee shall be elected by, and from amongst, the elected members of the Municipalities and Chairpersons of the Panchayats in the Metropolitan area in proportion to the ratio between the population of the Municipalities and of the Panchayats in that area.[9]MPC has constituted and implemented only in Kolkata, however legal provision has made in the states of Andhra Pradesh, Gujarat, Maharashtra, Punjab, Rajasthan, Karnataka and Tamil Nadu.

IV. CASE STUDY OF JHARKHAND

Jharkhand is a state in eastern India. It was carved out of the southern part of Bihar on 15 November 2000. Jharkhand shares its border with the states of Bihar to the north, Uttar Pradesh and Chhattisgarh to the west, Odisha to the south, and West Bengal to the east. The city of Ranchi is its capital and Dumka is sub capital while Jamshedpur is the largest and the biggest industrial city of the state. Jharkhand is famous for its rich mineral resources like Uranium, Mica, Bauxite, Granite, Gold, Silver, Graphite, Magnetite, Dolomite, Fireclay, Quartz, Feldspar, Coal (32% of India), Iron, Copper (25% of India) etc. Forests and woodlands occupy more than 29% of the state which is amongst the highest in India.[3] (Table 1)

Table 1 State profile of Jharkhand

Data As Per 2011 Census[1]	
Population	32,988,134
Male Population	16,930,315
Female Population	16,057,819
Sex Ratio	948
Literacy	66.40%
Male Literacy	76.84%
Female Literacy	52.04%
Density of Population	414 persons / Sq. KM
No. of Districts	24
No. of Sub divisions	38
No. of Blocks	263
No. of Villages	32620
Number of Panchayats	4423
Notified Urban Local Bodies	39 Municipalities and 1 cantonment Board
National Highways	1844 KMs
State Highways	6880 KMs
Total Geographical Area	79.70 Lakh Hectare

Source: A memorandum to 14th Planning Commission, Government of Jharkhand.

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In order to strengthen Panchayati Raj Institutions (PRIs) as per the spirit of the Constitution and the Jharkhand Panchayat Raj Act, 2001, the Department of Panchayati Raj has under taken several schemes such as construction of Panchayat Bhawan (Buildings), grants to Zila Parishad area, construction of Dak Bungalows, Office buildings, Bus stands in Zila Parishad areas, Training to PRIs Officials and Staffs, Grants to Gram Shabha etc is also being undertaken. The major schemes being implemented by the state department are Backward Region Grant Fund (BRGF) and Rajiv Gandhi Panchayat Sashatirikaran Abhiyan (RGPSA).[2] Its Vision is to accomplish decentralized and good local self-governance through empowered and efficient PRIs. Department's mission is to empower panchayats and representatives of PRIs to plan holistic development by making them realize their rights, entitlements and duties through effective delivery of services.

Jharkhand Municipal Act, 2011:

"An Act to consolidate and amend the laws relating to the Municipal Governments in the State of Jharkhand in conformity with the provisions of the Constitution of India as amended by the Constitution (Seventy fourth Amendment) Act, 1992, based on the principles of participation in, and decentralization, autonomy and accountability of, urban self-government at various levels, to introduce reforms in financial management and accounting systems, internal resource generation capacity and organizational design of municipalities, to ensure professionalization of the municipal personnel, and to provide for matters connected therewith or incidental thereto. It gives various definitions, criteria of declaration of a municipal area, manner of declarations, constitution of different committee and councils etc."[4]

Jharkhand Planning cum Finance Department is divided into three sub-departments, namely, Planning and Development department, Finance Department and Institutional Finance and Programme Implementation Department. The Planning & Development Department of the State is the co-coordinating department for all plan related works. The State Planning Board is required to assess the priorities, challenges, suitability, possibility, viability, feasibility, direction, quantum and pace of developmental planning in the State. The Directorate of Economics and Statistics is entrusted with the responsibility of collection, compilation, tabulation and analysis of various types of statistical data required by the state govt. /central govt and researchers. Various types of statistics collected by the Directorate are Agriculture Statistics, State income, vital statistics, price and other socio-economic statistics. Agriculture survey wing brings out reports on Agriculture Production, District wise crop yield, reports for agriculture insurance schemes and different use of land etc. Vital statistics wing is mainly entrusted with the work of registration of births and deaths. State income wing of the Directorate brings out data on subjects like State Domestic Product, Capital Formation etc. National Sample Survey wing of the Directorate conducts surveys on selected topics selected by Government of India.

V. RESULTS FROM REPORTS AND RESEARCHES

The overall fiscal scenario of the State of Jharkhand has improved in recent periods. The Government was able to contain its Gross Fiscal Deficit, and also have a revenue surplus in the years 2006-07, 2007-08 and 2008-09. In 2009-10, the revenue deficit was a meagre. 9.78 crore which recovered to a revenue surplus of Rs. 836.39 crore in the year 2010-11 and in 2011-12, there was a revenue surplus of Rs. 1,427.87 crore. This has helped the Government to allocate greater resources towards social and economic services, and to increase Plan Expenditure, especially on Capital account and bring down the level of debt liabilities as percentage of GSDP.[3] (Table 2)

Table 2 Fiscal Deficit Scenario of Jharkhand

Year	Gross Fiscal Deficit
2006-07	Revenue Surplus
2007-08	
2008-09	
2009-10	Deficit of Rs.9.78
2010-11	Surplus of Rs. 836.39
2011-12	Surplus of Rs. 1427.87

Source: A memorandum to 14th Planning Commission, Government of Jharkhand.

Therefore, Jharkhand doesn't not has a deficit of revenues. The mobilization of these resources is improper due to some political issues.

According to the Research performed by Participatory Research in Asia (PRIA) in the year 2009, Jharkhand is a unique case as the 73rd and 74th CAAs have not been implemented at all. [12] District planning is being carried out by a District Planning Unit headed by a District Planning Officer, whose job is to allocate plan funds arriving to the district

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under various Central and State schemes. Little effort is made to carry out any concrete planning at any village or town level in the district. Panchayati Raj Election were conducted in the year 2014.

In the report submitted by Government of Jharkhand to the 14th Planning Commission, following Issues were identified:

- i. Existence of poor infrastructure.
- ii. Dependence of large population on agriculture.
- iii. Slow growth of industrial sector due to global slowdown, issue related to land, statutory clearances etc.
- iv. High level of poverty gaps with 38% of ST/SC population.
- v. Issues related to reorganization of the state.
- vi. Need special consideration for special grant of development of state capital and other infrastructure.
- vii. Jharkhand requests the Finance Commission to recommend 5% of Divisible Pool exclusively earmarked for the development of the state.
- viii. Naxal Problem: One of the major administrative and social menace in Jharkhand.[3]

Therefore, after having gone through various documentations on DPCs, MPCs and SFCs, I have tried to summarize the current scenarios of the impact of 73rd and 74th CAA in the state of Jharkhand table 3.

Table 3 Comparative assessment of features of the CAAs.

	Present Scenarios
<i>Panchayat</i>	Constituted
<i>Municipalities</i>	Constituted
<i>District Planning Committee</i>	DPC is absent but a District Planning Unit Performs the required work.
<i>Metropolitan Planning Committee</i>	-
<i>State Finance Commission</i>	No designated commission, but a finance department takes care of the matters related to finance.

VI. CONCLUSION

The state of Jharkhand has not constituted DPSs, MPCs and SFCs as per the 73rd and 74th CAAs. The states with the mentioned committees have a better governance and growth scenarios, better mobilization of revenues allocated to the local bodies for providing basic infrastructure and facilities. An important function conferred on NITI Aayog is: "To develop mechanisms to formulate credible plans at the village level and aggregate these progressively at higher levels of government." As an "incubator and disseminator of fresh thought and ideas for development", Niti Aayog can learn from field experiences of strengthening District Planning Committees (DPCs) to help fulfill its mandate of restructuring the planning process into a workable bottom-up model.[11]

The Ministry of Housing and Urban Affairs has recently formed a committee to draft India's National Urban Policy. The move is in accordance with the requirements of the New Urban Agenda of UN Habitat, signed by 193 countries in Quito in October 2016. This policy initiative is coming up a quarter of a century after two landmark events: the economic liberalisation of 1991; and political decentralisation of 1992, defining new institutional arrangements of urban governance through the 74th Constitution Amendment Act. Framing of the National Urban Policy thus offers a unique opportunity to reflect on how urbanisation had been unfolding in the post-liberalisation era, recalibrate the bearings and steer our urban transformation in a more efficient direction.[13] At the rapid rate of urbanization, we are running out of time and we already a decade behind our scheduled actions. The need for MPCs, DPCs and SFCs was expressed long back but still many states remain non-starters in the race. The demographic profiles for the states speak for themselves and thus, the need for regional planning comes into the frame. The one-to-whole approach can be a possible remedy to our problems.

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Urban development is a state subject under the constitution. The role of the Central government is primarily direction-setting. Therefore, for effective implementation of the urbanization roadmap, the Centre should take the lead to sensitize states and encourage them to frame their own urban policies. The state policies – informed by their specific demographic and economic contexts – could then be plugged into the overarching national framework.[13]

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BIOGRAPHY

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