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**A Note on New Statistical Domain in India (4):  
An Enquiry into Gram Panchayat-Level Databases**

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## **Chapter 5. Potential of the Village-level Database for Panchayat's Governance**

This chapter describes, in the context of the two GPs, the new statistical domain emerging in the post-constitutional amendment regime. In light of data requirement discussed in chapter 2, we discuss the potential of the village-level databases identified in chapter 4. We will discuss how to organise the main data sources in the jurisdictions of two GPs to serve the data needs discussed in chapter 2.

### **§1. Village-level Data potentially usable for Self-governance**

#### *5-1-1 Data on Panchayat itself*

As mentioned in §2-2-1, there are two kinds of data pertaining to self-governance of a panchayat— on “the panchayat itself” and on “its object domain” (to be mentioned in §2 of this chapter). For democratic procedures of self-governance, the panchayat itself needs to be transparent, even though some information on the panchayat may be common knowledge among panchayat officials. The core data on the panchayat itself pertains to what the panchayat is actually doing and how it functions.

#### *5-1-1-1 Records for Gram Sabha*

The Constitution (73rd) Amendment Act, 1992 envisages that people participate in democratic self-governance. A panchayat is a democratically elected government. As mentioned in §2-2-1-1, the procedure for supervising all elections to the panchayats is vested to the State Election Commission, which prepares the Electoral Rolls independently of the panchayat. In Warwat Khanderao, *patwari* supervises village elections under the authority of the State Election Commission.

The Electoral Roll is also an essential record for the panchayat's regular activities, because the *Gram Sabha* is a body consisting of voters registered in the Electoral Roll. Furthermore, in Raina, the Electoral Rolls are essential for the sub-GP body (*Gram Sansad*) too, which consists of voters registered in the Electoral Roll within a constituency of the GP. In Raina, therefore, the Electoral Rolls are compiled in terms of both the *Gram Sansad* and the GP.

In Warwat Khanderao GP and Raina GP, the Electoral Rolls are established. The Electoral Roll contains each voter's identification number, full name, name of father, house number, age and sex. However, the Electoral Roll includes records on people who are temporarily or permanently living outside of the village. Therefore, it was not easy to identify valid records of the voters in the Electoral Roll. The number of voters in the Electoral Roll of Warwat Khanderao was 889 of a total population of 809 aged 18 and above (according to the FAS database). Thus, the Electoral Rolls are not usable without a validation check by knowledgeable persons or other independent data.

Both GPs maintain attendance registers and minute books for their *Gram Sabha* meetings. “Monthly Meeting Attendance Register” and “Proceeding Book” were available in Warwat Khanderao; the *Form 2* specified in the West Bengal Panchayat (Gram Panchayat Administration) Rules, 2004 was available in Raina. In Warwat Khanderao, the dates of GP’s monthly meetings and *Gram Sabha* meetings are reported to the BDO in the Annual Report, while in Raina most of this information is submitted through the Self Evaluation Schedule for Panchayats. The West Bengal Self Evaluation Schedule requests data on the number of voters (according to the Electoral Roll), frequency of the *Gram Sabh* meeting and attendance rate at the meeting. Similar information is also requested for the *Upa-Samitis* and *Gram Unnayan Samitis* (GUSs) for self-evaluation.<sup>1</sup>

*5-1-1-2 Data for use in the panchayat’s functional domain— how the panchayat has been functioning*

As mentioned in §2-2-1-2, data on how the panchayat functions, is indispensable for its self-governance. (1) Under decentralisation, a panchayat is to perform the devolved functions by itself. Not a few registers and records are generated and used as a part of functions performed by the panchayat and its satellite agencies. A set of panchayat-level data sources found in parallel to data items of the Village Schedule is nothing other than the data generated by these village-level functionaries for operational use. (2) Under “democratic” decentralisation, the panchayat has to disclose the data, partly for the democratic procedures of its self-governance. The functions of the panchayat—what the panchayat has performed and is going to perform— are requested to be transparent in the democratic procedures of self-governance. A person needs access to the database on the functions of the panchayat in order to participate in the panchayat activities.

Panchayat Acts in both States (Section 8 of the Bombay Village Panchayats Act, 1958 and Section 18 of the West Bengal Panchayati Raj Act, 1973) envisage that GP prepares for the *Gram Sabha* a report showing any work and activities done for each project, programme or scheme. Thus, the panchayat is accountable to the *Gram Sabha* for what the panchayat has been doing and how it has been functioning. The panchayat cannot be uninformed about matters for which it is responsible.

The panchayat’s functional domain is focused on “economic development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule” (Article 243G of the Constitution). *Gram Sabha* delegates powers to the sub-committees with respect to certain subjects or schemes in the functional domain of the GP (Section 49 of the Bombay Village Panchayats Act, 1958 and Section 66 of the West Bengal Panchayati Raj Act, 1973). In West Bengal, *Gram Sansad* may also delegate powers to the *Gram Unnayan Samiti* (GUS, or village development committee) with respect to such subjects or schemes (Section 70 of the West Bengal Panchayati Raj Act, 1973).

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<sup>1</sup> Department of Panchayats and Rural Development of West Bengal, *Self Evaluation Schedule for Gram Panchayat (2007-08)*, 2008.

As discussed in §2-2-1-2, data for a panchayat's functional domain will be delineated by the Activity Mapping. According to the Second Administrative Reforms Commission, Activity Mapping means “unbundling subjects into smaller units of work and thereafter assigning these units to different levels of government.”<sup>2</sup> Without information on Activity Mapping, we cannot examine data for each level of panchayat's functional domain.

The Second Administrative Reforms Commission observed that the progress in Activity Mapping exercises was very slow in most States.<sup>3</sup> In fact the actual status of Activity Mapping for Warwat Khanderao GP is considerably different from what was envisaged in the Village List of the Bombay Village Panchayats Act, 1958. The Activity Mapping in West Bengal is defined not by statute, but by executive order. As described in §3-2-2-7, however, we can easily interview panchayat officials to observe “de facto Activity Mapping” for the panchayat. The panchayat officials usually know what responsibilities have been assigned to them. We can validate this knowledge by a follow-up interview with the concerned BDO. Data use in the panchayat's functional domain can be examined in relation to the “de facto Activity Mapping” ascertained in this way.

Next, we will examine the possible use of the village-level databases identified in chapter 4 for this functional domain. However, the financial management in this functional domain will be treated as a special function in §3 of this chapter. The planning exercise in this functional domain with a high degree of autonomy will be discussed as a special function in §4 of this chapter.<sup>4</sup>

(Maharashtra)

As mentioned in §3-2-2-7, Activity Mapping was once legislated in Maharashtra through the Schedules of the Bombay Village Panchayat Act, 1958 and the Maharashtra Zilla Parishad and Panchayat Samitis Act, 1961. The *Gram Sevak* of Warwat Khanderao pointed to Schedule I (Village List) of the Bombay Village Panchayats Act of 1958, when we asked him about the Activity Mapping. However, as described in §3-2-2-7, “de facto Activity Mapping” was quite different from the statutory Activity Mapping provided in Schedule I (Village List).

#### *Primary Sector*

As mentioned in relation to subject 1: “Agriculture, including agricultural extension” in Schedule XI of the Constitution, identification of beneficiaries of schemes such as distribution of subsidised inputs is assigned to *Panchayat Samiti* (PS). With regard to subject 4: “Animal husbandry, dairying and poultry” identification of beneficiaries of schemes such as

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<sup>2</sup> Second Administrative Reforms Commission (2007), p. 146.

<sup>3</sup> *Ibid.*, p. 45.

<sup>4</sup> As observed in §3-2-2-8, when a GP functions within a framework of the “permissive functional domain,” the GP may have limited responsibilities such as the basic formalities only to fill forms. In such a case the GP has neither the responsibility of financial management, nor the authority to perform the planning exercise for the scheme. Even in such case, from the viewpoint of self-governance, the GP cannot be uninformed about the matters for which it is responsible.

distribution of subsidised inputs is assigned to *Tehsildar*. Announcement of such schemes was made by a drum-beater in Warwat Khanderao. Therefore, unlike the Raina GP in West Bengal, Warwat Khanderao GP does not require data for these functions.

However, as shown in §3-2-2-7, coverage of the GP's functional domain provided in Schedule I (Village List) of the Bombay Village Panchayats Act, 1958 is much broader. For example, Schedule I (Village List) includes a function: "Drawing up of programmes for increasing the output of agriculture and non-agricultural produce in the village" as the 60th subject of activities to be devolved to GPs, and a function: "Improvement of agriculture (including provision of implements and stores) and establishment of model agricultural farms" as the second subject of activities. That includes a function: "1. Making arrangement for co-operative management of lands and other resources in village, organisation of collective co-operative farming" as the 1st subject of activities to be devolved to GPs. If GPs in Maharashtra actually intended to perform these functions in the Village List, much more detailed data should be required of them.

With regard to subject 1: "Agriculture" in the Schedule XI of the Constitution, crop estimation in Warwat Khanderao is done by the *patwari*, *Gram Sevak*, *sarpanch* and Police Patel for PS. Their crop estimation is joint work with *patwari*. *Krishti Sahayak* from the State Agriculture Department signs the documents, and the panchayat forwards the document to *Tehsildar*.

With regard to subject 2: "Land improvement, soil conservation and land reform" in Schedule XI of the Constitution, distribution of vested land or other land is done by *Tehsildar*, but the GP sometimes suggests it. Although GP's function for land reform is so limited at present, the GP can, in principle, access to the *patwari's* land record if required. As "Maintenance of village records relating to land revenue" has been provided as the 58th subject of activities to be devolved to GPs in the Village List of the Bombay Village Panchayat Act 1958, GPs in Maharashtra are empowered to intervene in the maintenance of land records to correct and update data on the seasonal use of land and the landowner-tenant relationship. As mentioned before, village functionaries including *patwari* are statutorily under the control of the GP as provided by the 2003 amendment to the Mumbai Village Panchayat Act.

With regard to subject 3: "Minor irrigation" in Schedule XI of the Constitution, GP is responsible only for the basic formalities such as filling forms and attaching documents. These documents are then sent to the PS, which forwards them to the District Collector. Unlike the Raina GP, Warwat Khanderao GP has access to the plot-wise information on irrigation in *patwari* land records (Form 7/12).

### *Education*

As mentioned in subject 17: "Education, including primary and secondary schools", almost no function was assigned to Warwat Khanderao GP. Function for improving the infrastructure of schools was a responsibility of GPs until 2010 but has now been assigned to

the School Management Committee. One of the GP members, school headmaster and parents are members of the committee for primary and upper primary schools.

However, “Spread of education” and “Other educational and cultural objects” are statutorily provided as the 17th and 18th subject of activities to be devolved to GPs in Schedule I (Village List) of the Act of 1958. Nevertheless, Warwat Khanderao GP does not perform such functions as a matter of practice.

With regard to subject 20: “Libraries” in the Schedule XI of the Constitution, a charitable trust owns the village library and a committee has oversight for the library.

### *Health and Child Development*

As mentioned in relation to subject 23: “Health and sanitation, including hospitals, primary health centres and dispensaries” in Schedule XI of the Constitution, the State Sanitation Scheme is implemented by the GP. The Warwat Khanderao GP prepares a priority list for the State Sanitation Scheme. Certainly, “24. Preservation and improvement of public health” and “23. Maternity and child welfare” etc. are statutorily provided as GP’s functional domain in Schedule I (Village List) of the Act of 1958.

The Warwat Khanderao GP has access to the village ICDS registers. Although the PHC and Sub-Centres were located outside of Warwat Khanderao GP, an ANM regularly visits Warwat Khanderao. The ICDS workers sometimes collaborate with the ANM for immunizations and other tasks.

The Warwat Khanderao GP was an implementing agency for the *Grameen Sanvchbhta Vibhag* of Central government. Households, which reported not having a toilet in the BPL Census 2002, were given a grant of Rs. 2200. The money was allotted under a scheme called *Nirmal Gaon Seva*.<sup>5</sup> Therefore, data on latrines in “scoring parameters” in the village-wide BPL/APL households list generated from the BPL Census 2002 was essential for this function.

With regard to subject 24: “Family welfare,” the GP has no specific role in respect of implementation of schemes. The National Maternity Benefit Scheme (NMBS) is implemented by the PHC under the Public Health Department.

With regard to subject 25: “Women and child development”, there is a committee of the GP— *Mahila Baal Samiti*— for mobilising social support against social evils and discrimination against women. The committee discusses and resolves matters related to women and child welfare. Construction of ICDS (*Anganwadi*) centres and coordination of ICDS activities are functions assigned to the GP. The ICDS registers maintained at the village are an essential dataset for the functional domain of “women and child development”.

Income-generating activities are undertaken by Self-Help Groups (SHGs), but these SHGs are organised by NGOs in Warwat Khanderao.

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<sup>5</sup> Institutional Strengthening of Gram Panchayat (ISGP): Panchayat receives grant to construct community infrastructure and buildings that cannot be otherwise constructed under NREGS. The Scheme has been functional since 2010-11. [Interview with *sarpanch* at Warwat Khanderao on August 2011]

### *Poverty Alleviation and Social Welfare*

According to the *sarpanch* of Warwat Khanderao, GP's functional domain regarding subject 16: "Poverty alleviation programme" and subject 27: "Welfare of the weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes" in the Schedule XI of the Constitution is considerably limited in Warwat Khanderao. The *sarpanch* complained that "GP only fills the forms. All rights are with *Panchayat Samiti*" for poverty alleviation programme, and that "GP has no specific role in respect of implementation of schemes for SCs and STs."<sup>6</sup>

However, his remark reveals that PS does have certain roles in the poverty alleviation programme at the village level.

Unlike the Raina GP in West Bengal, the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) was not functional in Warwat Khanderao, the authority of GP over the scheme notwithstanding. Warwat Khanderao GP had issued 270 job cards in 2012-13. However, according to our interview with the *sarpanch*,<sup>7</sup> the wages paid under this scheme are even lower than those paid to agricultural labourers in and around this village. The *sarpanch* had asked workers' households to demand work, but it seems that workers were not interested in work under the MGNREGS for two reasons: the work is physically demanding and because agricultural work pays more. According to the web site of the Ministry of Rural Development (MRD), 270 households and 627 persons were registered within Warwat Khanderao GP in the MGNREGS as of 2012-13.<sup>8</sup> However, only three families received employment under this scheme in 2012-13.

Unlike the Raina GP in West Bengal, the Warwat Khanderao GP does not receive Indira Awaas Yojana (IAY) funds directly from the government agencies for implementation of the scheme. The GP sends to PS a list of people who do not have houses. The PS selects the beneficiaries of the IAY from this list. There are 171 buildings in the village. IAY houses are allotted to those people who reported not having a house in the BPL Census. Therefore, the GP needs the village-wide BPL household list to suggest a list of beneficiaries to the PS.

The Indira Gandhi National Old Age Pension Scheme (IGNOAPS) is implemented by *patwari* under the supervision of *Tehsildar*. The Sanjay Gandhi Niradhar Yojna and the National Family Benefit Scheme (NFBS) are also implemented by the *Tehsildar*. According to the *sarpanch*, the GP is responsible only for the formalities such as filling forms and attaching documents; the PS does everything else. However, the GP compiles the wish list of the Sanjay Gandhi Niradhar Yojna. *Patwari*, *Sarpanch* and Police Patel sign it and send it to the *Tehsildar* who sends it to Sub Divisional Officer (SDO). The village-wide BPL

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<sup>6</sup> Interview with *sarpanch* at Warwat Khanderao in August 2011.

<sup>7</sup> Interview with *sarpanch* at Warwat Khanderao in August 2011 and again in October 2014.

<sup>8</sup> <<http://www.nrega.nic.in/netnrega/home.aspx>> Retrieved on 25 April 2013.



household list is used to prepare the beneficiaries list, because these schemes primarily cover BPL households.

With regard to subject 28: “Public distribution system” in Schedule XI of the Constitution, GP is responsible for identifying the beneficiaries of Antyodaya and Annapurna schemes. The sub-committee of the GP— the *Dakshata* Committee— distributes the ration cards. Along with the Food Supply Officer, it hears complaints about supply through the Public Distribution System (PDS). The village-wide BPL household list is also required to discharge this function.

As far as the functions pertaining to the *Poverty Alleviation and Social Welfare* are concerned, the PS was given more rights than the GP.<sup>9</sup> More importantly, the *Tehsildar* was still powerful in the Warwat Khanderao GP.

Traditionally GP’s function legislated in Maharashtra for poverty alleviation has been limited and remains unclear even in Schedule I (Village List) of the Bombay Village Panchayats Act, 1958. The only provision made for poverty alleviation in the Village List is the 15th subject of activities: “Promotion of social and moral welfare of the village including promotion of prohibition, the removal of untouchability, amelioration of the condition of backward classes, eradication of corruption and the discouragement of gambling and useless litigation.” There is no further provision for the “amelioration of the condition of backward classes.” By contrast, details are provided for PS and *Zilla Parishad* (ZP) to fulfill the subject of activities: “Programmes for welfare of backward classes” in Schedule II and Schedule I of the Maharashtra Zilla Parishad and Panchayat Samitis Act, 1961. The demarcation of duties between PSs and GPs is also unclear in the Acts.

### *Infrastructure*

As mentioned in §3-2-2-7, all the responsibilities for subject 11: “Drinking water” in the Schedule XI of the Constitution are assigned to GP. Besides Schedule I (Village List), the water supply scheme was added to the duties of the panchayat in 1981 in Section 45 of the Bombay Village Panchayats Act, 1958. As mentioned in §3-2-2-8, the water supply scheme is a very important development activity in Warwat Khanderao GP. As will be seen later, the water tax is the largest source of tax revenue in total tax receipt excluding land revenue. It exceeds even the receipt of house tax in Warwat Khanderao GP.

Water supply facilities such as tanks and tubewells are recorded in *Item no. 25 Permanent Asset Register* of the GP register. Water tax from these facilities is also recorded in *Item no. 10 Tax Collection Receipt Book* of the GP register.

With regard to subject 13: “Roads, culverts, etc.” in Schedule XI, connectivity within the GP is a function assigned to GP. GPs have to raise the money and then make a list of work to be done. All roads within the jurisdiction of GP with information like length,

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<sup>9</sup> Interview with *sarpanch* at Warwat Khanderao in August 2011.

width and other descriptions were recorded in *Item no. 26 Details of Road under GP jurisdiction* of the GP register.

All responsibilities with regard to subject 14: “Rural electrification” in Schedule XI, rest with the Maharashtra State Electricity Board (MSEB). No function was assigned to Warwat Khanderao GP for this subject.

Responsibilities pertaining to subject 29: “Maintenance of community assets” in the Schedule XI, rest with the GP as far as they are the GP’s own assets.

All buildings, gutters, public toilets, water supply, wells, tanks etc. are to be recorded in *Item no. 25: Permanent Asset Register* of the GP. Land acquired from the State government and Zilla Parishad and open space acquired by the panchayat are also to be recorded in *Item no. 27 Land and Barren Space Register*.

The Maharashtra Village Schedule contains data items concerning some of the community assets to be maintained by the GP (whether or not facilities are available, and if not available, then distance in km to those facilities).

#### *Industry and Commerce*

Although the Schedule I (Village List) of the Bombay Village Panchayats Act, 1958 includes: “Promotion, improvement and encouragement of cottage and village industries” as the 47th subject of activities to be devolved to GPs, Warwat Khanderao GP has no specific role regarding subject 8: “Small scale industries” and subject 9: “Khadi, village and cottage industries” in the Schedule XI of the Constitution.

The Maharashtra Village Schedule contains data items of “Industries and business”. The Village Schedule on BSLLD contains in Block 15 data items on the number of small scale enterprises and workers therein. However, the large scale pilot scheme on BSLLD since 2009, which covered Akola, an adjoining district to the Buldana district, could not find documentary evidence for these data items. “Data is totally missing. There is no such arrangement to collect such data at village level.”<sup>10</sup> These data items had to depend on knowledgeable persons.

Warwat Khanderao GP has some authority over subject 22: “Markets and fairs” in Schedule XI of the Constitution. In fact, the GP collects a fee from shop owners as professional tax. Normally the site of the haat bazaar (weekly market) is auctioned every year and the GP takes the auction money. The person who pays the rent in the auction rents out the site to different stall-holders. According to the *sarpanch*, the highest bid for the right to collect tax from weekly market was Rs. 5000 in 2012, which is a part of the Own Source of Revenue of the GP. Schedule I (Village List) of the Bombay Village Panchayats Act, 1958 includes functions such as “Establishment and maintenance of markets, provided no market shall be established without prior permission of the *Zilla Parishad*” and “Control of fairs,

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<sup>10</sup> Directorate of Economics & Statistics, Government of Maharashtra, *Basic Statistics for Local Level Development: Report on Pilot Survey (Akola District in Maharashtra)*, 2012.  
<[http://mospi.nic.in/Mospi\\_New/upload/lld\\_data\\_13jan12/state\\_report\\_2012.htm](http://mospi.nic.in/Mospi_New/upload/lld_data_13jan12/state_report_2012.htm)> Retrieved on 30 November 2014.

bazars, tonga stands and car stands” as the 70th and 71st subject of activities to be devolved to GPs. However, Warwat Khanderao GP does not have any exhaustive tax list on trade that is comparable to the *Form 9 Assessment List* in Raina GP.

(West Bengal)

The Activity Mapping exercise in West Bengal was carried out by delegated legislation in the form of executive orders (executive order No. 6102/PN/O/dated 7. 11. 2005, No. 3969/PN/O/dated 25. 07. 2006, and No. 4769/PN/O/ dated 29. 10. 2007). The Executive Assistant of Raina GP considered Activity Mapping of West Bengal. The Block Development Officer of the Raina I block was also aware of this Activity Mapping and the demarcation of duties between the block office and GPs.

#### *Primary Sector*

As mentioned in relation to subject 1: “Agriculture, including agricultural extension”, subject 4: “Animal husbandry, dairying and poultry” and subject 5: “Fisheries” in the Schedule XI of the Constitution, identification of beneficiaries of schemes such as distribution of subsidised inputs are functions assigned to GPs in West Bengal. For these functions GPs and *Gram Unnayan Samities* (GUSs) in West Bengal needs a list of eligible persons or households engaged in these primary sectors. In order to perform these functions, unit-level data is preferable to aggregate numbers. It will be a check list for use in GP and GUSs to identify the beneficiaries. For example, in Raina, whenever the Agricultural Department distributes mini-kits, fertilizers, seeds, and other benefits, the Department specifies to the GP the number of beneficiaries to select from each panchayat or *Gram Sansad*. The GP then informs the *Gram Sansads*, and GUS selects the beneficiaries. In this process, unit-level data is more useful for a GP and GUSs to select the beneficiaries, while the Agricultural Department requires only estimates of the number of beneficiaries and the quantity of subsidised inputs for them. Since there is no such unit-level data, the GP and the GUSs have to depend on the villagers’ knowledge.

Raina GP has access to departmental data on livestock and fisheries. The Livestock Census data may be used for “vaccination of animals against epidemic”, with regard to subject 4: “Animal husbandry, dairying and poultry” in Schedule XI of the Constitution. However, at present, the Livestock Census data is not aggregated in relation to the households, although data is collected from houses, enterprises and institutions.

With regard to subject 2: “Land improvement, soil conservation and land reform” in Schedule XI of the Constitution, identification of beneficiary for distribution of vested lands to the landless people is a function assigned to GP. Land records available at the BLLRO are essential for the land reform. For the land reform, the Block Land and Land Reform Office (BLLRO) declares vested land. The GUS selects the beneficiary for granting title deed.

According to the Executive Assistant, Raina GP sometimes works on projects for land improvement though it is not listed in its Activity Mapping. GUSs identify projects in the Action Plans for land improvement. Based on these Action Plans, the GP prepares estimates and sends the project proposal to the BDO. The BDO approves the budget and disburses the funds to GP which then implements the project. In order to support such projects, the GP and the GUSs will have to depend on villagers' knowledge about the status of their land. In Raina there is no reliable plot-wise record even for land utilization. Land records at the BLLRO are updated only when a land holder seeks and applies for a mutation of records.<sup>11</sup>

With regard to subject 3: "Minor irrigation, water management and watershed development" in Schedule XI of the Constitution, GP may use data on area irrigated by source in Block 9 of the Village Schedule on BSLLD and in VD data of the District Census Handbook. However, unlike Warwat Khanderao GP in Maharashtra where GP has access to plot wise information on irrigation in *patwari* land records, the Raina GP does not have access to updated plot-wise information on irrigation. Accordingly, aggregate data on area irrigated should not be presumed to be reliable. The GP has to depend on villagers' knowledge in *Gram Sansad*.

With regard to subject 6: "Social forestry and farm forestry" and subject 7: "Minor forest produce" in Schedule XI of the Constitution, GP may use records for the MGNREGS and *Swarna Jayanti Gram Swarozgar Yojana* (SGSY), only when the concerned social forestry projects are related to these schemes.

### *Education*

As mentioned in subject 17: "Education, including primary and secondary schools" in Schedule XI of the Constitution, the School Education Department is the nodal department for administering the primary education. Parallel to this system, the Panchayats and Rural Development (P&RD) Department of West Bengal introduced an alternative para-teacher scheme, *Sishu Siksha Karmasuchi* (SSK) in 1997-98 with the objective of providing primary schools to students in areas without access to the formal education system. The Department started *Madhyamik Siksha Karmasuchis* (MSKs) under the alternative system of primary education in 2003-04 to extend the coverage up to Class VIII. Identification of villages to be concerned and supervision of these alternative school educations are functions assigned to GP in the Activity Mapping in West Bengal.

The GP may have access to the school registers and the village-level register of all children on an annual house-to-house enquiry conducted by the school teachers (see

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<sup>11</sup> In order to support such projects, GP may also seek a different type of information on land. For example, the Task Force on Devolution of Powers and Functions to Panchayati Raj Institutions constituted by Ministry of Rural Development (MoRD) suggested in its Activity Mapping that GP may assist technical experts in conducting soil tests and help in ensuring feedback from soil testing to farmers. [Ministry of Rural Development, Government of India, *Report of the Task Force on Devolution of Powers and Functions upon Panchayati Raj Institutions*, 2001, p. 56.]

§4-3-3-2). In addition, the GP has access to the Village Survey Register and the Child Register maintained at the village ICDS.

With a view to assessing the quality of functioning of both SSKs and MSKs, different aspects of functioning of the SSKs and the MSKs are captured by the Panchayats and Rural Development Department of West Bengal to work out a composite index, known as the School Efficiency Index (SEI).<sup>12</sup> Several parameters<sup>13</sup> such as net enrolment, drop-out rates, school infrastructure (including the number of schools, availability of electricity, drinking water facility, separate toilets for girls and availability of school buildings with a sufficient number of classrooms), number of teachers, attendance of teachers and students are used to assess the quality of functioning of SSKs and MSKs.

As mentioned in subject 19: “Adult and non-formal education” in Schedule XI of the Constitution, (i) publicity and supervision of Adult High Schools to impart education up to Madhyamik level to interested adult learners who are not enrolled in any formal school, (ii) regular contact with literates/neo-literates for attendance in Continuing Education Centre are functions assigned to GP. With regard to subject 20: “Libraries”, establishment and maintenance of libraries and reading rooms, and supervision of the activities of Rural Libraries/Community Library cum Information Centre (CLIC) are functions assigned to GP. Accordingly, information on the Adult High Schools, the Continuing Education Centre and libraries is required. This information is considered common knowledge among the villagers. However, in order to discharge these functions, the GP requires unit-level information on quality and maintenance of each facility rather than data on existence (non-existence) or total number of them as recorded in data items on in the Village Schedule on BSLLD (Block 2: Availability of some basic facilities and Block 3: Village Infrastructure, see §5-4-2-3). Data focused solely on the existence or total number of such facilities should not be enough on the ground for these functions assigned to GP.

#### *Health and Child Development*

As mentioned in the context of subject 23: “Health and sanitation, including hospitals, primary health centres and dispensaries” in the Schedule XI of the Constitution, GPs in West Bengal were assigned wide ranging functions such as maintenance of sub-centres, monitoring of community health through Self-Help Groups (SHGs), and disease surveillance to pre-empt outbreak, preventive measures against spread of communicable diseases.<sup>14</sup> With regard to subject 24: “Family welfare” in Schedule XI of the

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<sup>12</sup> Panchayats and Rural Development Department, Government of West Bengal, *Annual Administrative Report 2008-09*, p. 64.

<sup>13</sup> Jalan, J., Panda, J. Low Mean & High Variance, *Quality of Primary Education in Rural West Bengal*, Centre for Studies in Social Sciences, 2010.

<sup>14</sup> Institutional Strengthening of Gram Panchayat (ISGP): Panchayat receives grant to construct community infrastructure and buildings that cannot be otherwise constructed under NREGS. The Scheme has been functional since 2010-11. [Interview at the Raia GP on February 18, 2011]

Constitution, mobilisation of people for immunization, and assisting people in adopting family planning measures through efficient functioning of sub centres is functions assigned to GP. With regard to subject 25: “Women and child development”, alerting parents to the value of pre-school education and immunization of their children, organising SHGs for women, construction of ICDS (*Anganwadi*) centres, and the convergence meeting at GP level are also functions assigned to GP.

As described in §4-3-3-1, for convergence of health-related activities, the GP’s sub-committee (*Upa-Samitis*) member on Education and Public Health, functionaries of Health and Family Welfare Department, field level functionaries of the ICDS programme under Women and Child Development & Social Welfare Department and representatives of SHGs formed an interlinked health and child-care system in West Bengal. The convergence of these activities was assigned to GP. A regular meeting of GP functionaries, the “Fourth Saturday Meeting” was held at the GP office every month by ICDS supervisor, the ANM and Health Supervisor and GP officials. On the basis of this strong coordination mechanism, data sharing about births and deaths, morbidity, and the status of sanitation and drinking water supply in the GP was possible. The records of Primary Health Centre (PHC) and its Sub-Centres, the ICDS registers maintained at the village and other data related to public health and child-care were shared at the GP office.

The GP also requires data on SHGs in its jurisdiction to mobilise them. The brochure published by the Raina GP— the *Protibedon*— contains information on the SHGs in function in the GP’s jurisdiction.

The census-type household survey conducted in Raina in 2008 on instruction from the ZP to evaluate the rural sanitation scheme (see § 4-3-2) contains data on access to toilets and some socio-economic features of the households, such as social group (SC, ST, Others). Even its unit-level household data were available at the GP office. Data on latrines in the village-wise BPL/APL household list generated from the BPL Census was also usable for the GP.

#### *Poverty Alleviation and Social Welfare*

As mentioned in §3-2-2-8 in relation to subject 16: “Poverty alleviation programme”, subject 26: “Social welfare” and subject 27:<sup>15</sup> “Welfare of the weaker sections” in the Schedule XI of the Constitution, GPs in West Bengal act as a direct implementing agency for some government schemes, such as Sampoorna Grameen Rozgar Yojana (SGRY), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Indira Awaas Yojana (IAY), Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Provident Fund for Landless Agricultural Labourers (PROFLAL), National Family Benefit Scheme (NFBS), *Kishori Shakti Yojana* and *Balika Sambriddhi Yojana*. In each of these schemes the GPs receive

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<sup>15</sup> These activities are mapped separately to subject: “Women and Child Development” and subject: “Welfare of women & children” in the Activity Mapping in West Bengal. [see Third State Finance Commission West Bengal, *Report of the Third State Finance Commission West Bengal*, 2008, Annexure XII]

funds directly from the government agencies for implementation of the scheme. The GPs are responsible even for maintaining financial accounts for such schemes.

As mentioned in §3-2-2-8, GP is the most important unit of local government in respect of the MGNREGS. GP has a responsibility to issue job cards after registering the households, prepare a development plan and maintain a shelf of possible works to be taken up under the scheme as and when demand for work arises.<sup>16</sup> As mentioned previously, the MGNREGS is more functional in Raina GP than in Warwat Khanderao GP. Within the Raina GP, 3621 households and 8099 persons were registered in the scheme as of 2012-13. Out of 3621 households, 2990 were provided with employment under this scheme. The MGNREGS was a flagship scheme for the GP itself.

Although the MGNREGS is a Centrally Sponsored Scheme, Raina GP maintains its own NREGA register. According to the National Rural Employment Guarantee Act, 2005, “the Gram Sabha shall conduct regular social audits of all the projects under the Scheme taken up within the Gram Panchayat.” Therefore, “the Gram Panchayat shall make available all relevant documents including the muster rolls, bills, vouchers, measurement books, copies of sanction orders and other connected books of account and papers to the *Gram Sabha* for the purpose of conducting the social audit.” (Section 17)

GPs will also require data on basic infrastructure in the area to maintain a shelf of possible works to be taken up under the MGNREGS. According to Section 4 (3) of the National Rural Employment Guarantee Act, 2005, the focus of this scheme is on the following works in the concerned panchayat’s order of priority:<sup>17</sup>

- (i) water conservation and water harvesting;
- (ii) drought proofing (including afforestation and tree plantation);
- (iii) irrigation canals including micro and minor irrigation works;
- (iv) provision of irrigation facility to land owned by households belonging to the Scheduled Castes and Scheduled Tribes or to land of beneficiaries of land reforms or that of the beneficiaries under the Indira Awas Yojana of the Government of India;
- (v) renovation of traditional water bodies including desilting of tanks;
- (vi) land development;
- (vii) flood control and protection works including drainage in water logged areas;
- (viii) rural connectivity to provide all-weather access; and
- (ix) any other work which may be notified by the Central Government in consultation with the State Government.

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<sup>16</sup> “With the launching of the National Rural Employment Guarantee Act wef 2/2/2006 in ten districts in the first phase, and in seven more districts wef 1/4/2007 in the second phase, the SGRY was subsumed with NREGA in those districts” [Panchayats and Rural Development Department, Government of West Bengal, *Annual Administrative Report 2007-08*, p. 53.]

<sup>17</sup> Schedule I of the National Rural Employment Guarantee Act, 2005.

Creating durable assets and strengthening the livelihood resource base of the rural poor are important objectives of this scheme. The principles of community ownership and maintenance are applied to community-based assets.<sup>18</sup> With a view to implementing the MGNREGS, therefore, database on the community-based assets and other infrastructure in each *Gram Sansad* area is required with respect to the above works (i)-(ix). As will be mentioned later, some of records on GP's assets are available from the GP registers. However, in order to obtain information on all infrastructure, such as water tanks, watershed protection, irrigation facilities, water bodies, status of land, drainage, rural roads, GP and GUSs have to depend in part on the villagers' knowledge. For the implementation of this scheme, the GP requires unit-level information on quality and maintenance of each infrastructure rather than data on existence (or non-existence) of each kind of infrastructure as recorded in some data items in the Village Schedule on BSLLD (such as those in Block 2: Availability of some basic facilities, see §4 of chapter 5) and the VD data in District Census Handbook.

The GP will also require data for estimation of the demand of works to be provided by this scheme. The Department of Panchayats and Rural Development states in Section 12 of notification of the West Bengal Rural Employment Guarantee Scheme, 2006,<sup>19</sup> as follows:

For the purpose of identification of sufficient quantity of works the likely estimation of the demand is essential. This shall be done on the basis of the Below Poverty Line population, number of Marginal Agricultural Labourers, Migration figures and other parameters as may be decided by the district for each Gram Panchayat.

Thus, data such as the population living below the poverty line, number of marginal agricultural labourers, migration are required.

The Raina GP also oversees the implementation of the Swarna Jayanti Gram Swarozgar Yojana (SGSY), though it is not directly involved in the funding and administration of these schemes. As mentioned in relation to subject 25: "Women and child development", the GP assists in the formation and functioning of SHGs under the SGSY. In West Bengal, the convergence of SGSY with MGNREGS was also pursued. The Department of Panchayats and Rural Development states that:

More development has taken place in getting assistance of the SHGs for development of awareness about the programme and augmenting participation of the women and improving the

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<sup>18</sup> Notification of Government of West Bengal, Department of Panchayats and Rural Development, No. 684-RD/NREGA/18S-1/06 dated 02/02/2006. However, "appropriate arrangements for having an agreement with the owner of the land would have to be made by the Panchayati Raj Institutions or other bodies."



delivery system. The latter includes the capable SHG members being utilized as Supervisors of scheme and growing nurseries under NREGS for social forestry as well as development of horticulture.<sup>20</sup>

Here again the GP requires unit-level data on SHGs in its jurisdiction.

As mentioned in §3-2-2-7, beneficiary selection for the IAY through *Gram Sansad* and distribution of fund to individuals are functions assigned to GP in West Bengal.<sup>21</sup> In Raina too, IAY beneficiaries are selected from the BPL list.

Beneficiary selection for the National Family Benefit Scheme (NFBS) and for the IGNOAPS through *Gram Sansad* are also functions assigned to GP. The village-wide BPL household list can be used to discharge functions for NFBS and IGNOAPS because these schemes primarily cover BPL households.

Identification of the PROFLAL beneficiaries and collection of its subscriptions are also functions assigned to GP. Raina GP has its own records for the Provident Fund for the PROFLAL. There were about 1500 Provident Fund account holders in the Raina GP area. For this scheme the land records at the Block Land and Land Reform Office (BLLRO) are required, because eligible persons need to apply to the GP with documents of the land holdings obtained from the BLLRO to participate in this scheme. People who own less than 0.5 acres land are eligible for the scheme.

As mentioned in §3-2-2-8 in subject 28: “Public distribution system” in Schedule XI of the Constitution, beneficiary selection for *Antyodaya* and *Annapurna* schemes is a function assigned to GP. The village-wide BPL household list is used to implement these schemes.

#### *Infrastructure*

As mentioned in §3-2-2-8, identification of schemes and locations for wells, tanks, tube wells’ (ordinary hand pump), construction and maintainance, and open wells are functions assigned to GP with regard to subject 11: “Drinking water” in the Schedule XI of the Constitution. The GP maintains registers of the facilities being constructed. The Raina GP also maintained a tube well register.

With regard to subject 13: “Roads, culverts, etc.” in Schedule XI, connectivity between villages within the GP is also a function assigned to GP. Responsibilities for the construction and upgrading of roads/culverts not exceeding Rs. 2.00 lakhs rest with the GP. The Raina GP has no GP register comparable to the register *Item no. 26 Details of Road under GP jurisdiction* in the GP registers in Maharashtra. However, a Core Network Plan (CNWP) has been ported on GIS-based maps for each Block, which has been uploaded to the

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<sup>20</sup> Panchayats and Rural Development, Government of West Bengal, *Annual Administrative Report 2008-09*, p. 95.

<sup>21</sup> Activity Mapping in West Bengal relates this scheme to subject: “10. Rural housing” in Schedule XI as well.

website.<sup>22</sup> The CNWP consisting of existing roads as well as roads to be constructed to eligible unconnected habitations under the Pradhan Mantri Gram Sadak Yojana (PMGSY) has been prepared and approved by the *Zilla Parishads* for each district. The PMGSY was launched by the Government of India to provide connectivity to unconnected rural habitations as part of a poverty reduction strategy.<sup>23</sup>

As mentioned in §3-2-2-8 under subject 14: “Rural electrification” in Schedule XI, *Pradhan* issues certificates for the electrification of mouzas. The GP also mobilises consumers through SHGs for awareness generation. The Village Schedule on BSLLD (Block 2: Availability of some basic facilities) contains a data item on “Household electricity connection *at least for one household in the village* (Yes-1, No-2)”. The VD data in District Census Handbook contains similar data items. However, according to the ICDS worker in Bidyanidhi who has once joined the BSLLD pilot survey, unit-level information on households with electricity connections is not available at the GP.<sup>24</sup>

As mentioned in subject 29: “Maintenance of community assets”, (i) maintenance of community assets such as public tanks, ghats, public channels, reservoirs, wells, streets, drains, culverts, lamp posts etc., (ii) construction and maintenance of sarais, dharmasalas, rest houses, cattle sheds, cart stands, and protection and repair of buildings or other property vested in it, and (iii) power to acquire, hold and dispose of immovable property with the approval of State government are functions assigned to GP.

Raina GP does not have a comprehensive list of community assets under its jurisdiction. In our interview, GP officials answered that such facilities are of common knowledge. The information is available but not always recorded. GP maintains registers of the facilities that are currently being constructed.

Such community assets are not always recorded, notwithstanding the section 23 in the West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007, which stipulates that “A *Gram Panchayat* shall maintain in Form 20 a register for all immovable properties possessed by it and also of all public roads, paths and water courses within the concept and meaning of section 25 and records of all lands, buildings, tanks, ferries, fisheries, markets, huts and any other property vested in and controlled or created by the *Gram Panchayat*.” Here, Form 20 is the *Register of Immovable Properties* described in §4-3-1.

Facilities under the control of Raina GP are partly recorded in the *Form 9 Assessment List* specified in the Amendments 2006 of the West Bengal Panchayat (Gram Panchayat Administration) Rules, 2004. The *Form 9 Assessment List* includes in Part-VIII “List of Roads/Ferry/Bridges or other assets or resources from where tolls/fees may be collected” and in Part-IX “List of remunerative assets under the control of GP”. However, these records are prepared exclusively for the purpose of tax assessment. Indeed, data on the *Form*

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<sup>22</sup> <[www.trendswestbengal.org/pmgysy](http://www.trendswestbengal.org/pmgysy)> Retrieved on 30 November 2014.

<sup>23</sup> Panchayats and Rural Development, Government of West Bengal, *Annual Administrative Report 2008-09*, pp. 103-104.

<sup>24</sup> Interview with an ICDS worker at Bidyanidhi on 23<sup>rd</sup> February 2011.

*9 Assessment List* is useful for another function: “fixing and collection of toll, fee, rate as user charges for these community assets”, which is also assigned to GP in West Bengal with regard to subject 29: “Maintenance of community assets”.

However, unless the community assets are revenue sources or are being constructed, they are not recorded in GP registers in Raina.<sup>25</sup> As mentioned in §2-2-1-3, data on all facilities of the GP is required not only for managing them as revenue resources but also for maintaining those facilities. Tax system on panchayat’s assets may be simple for operational convenience, but maintenance of such assets has to be exhaustive. For the maintenance of the assets, therefore, the list of the assets needs to be comprehensive, and further needs to examine the details of quality and maintainance of each asset.

The Village Schedule on BSLLD (Block 2: Availability of some basic facilities and Block [4] Distance from the nearest facility) includes data items regarding community assets. These data items pertain only to the existence (or non existence) of each type of asset, or distance from the asset. This information is far from comprehensive and does not mention the quality and maintainance of the assets.

As information on basic facilities is common knowledge in the GP, the GP may compile a list of its own assets if required.

#### *Industry and Commerce*

As mentioned in §3-2-2-8 in the context of subject 8: “Small scale industries, including food processing industries” in Schedule XI of the Constitution, identification of micro-enterprise/entrepreneurs for PS and ZP to organise entrepreneur development program is a function assigned to GP. With regard to subject 9: “Khadi, village and cottage industries”, group formation for them and identification of needs for skill development training and of its beneficiaries are functions assigned to GP. However, we found that Raina GP does not have any authority over such industries other than collection of certain taxes and fees. The licences are granted by PS and ZP.

The Village Schedule on BSLLD contains in Block 15 data items on the number of small scale enterprises and workers therein. Although identification of micro-enterprise/entrepreneurs is as such a function assigned to GP, no record on each unit of such industries is available to the GP. Data from the Industrial Development Office (IDO) are also not available with the GP. A brief note on the occupation of each member of the households in the ICDS Village Survey Register was a possible souce of such unit-level data in Bidyanidhi. The Socio Economic and Caste Census (SECC) 2011 has also collected data on non-agricultural own account enterprise as a “main source of household income.” If

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<sup>25</sup> The Third State Finance Commission of West Bengal points out the similar issue on asset registers at the ZP-level. “Some of the Panchayat bodies, particularly the ZPs, have under their management and ownership various types of assets – land, buildings, water bodies, hats and bazaars, ferries etc., but most of the ZPs do not maintain proper Asset Registers.” [Third State Finance Commission of West Bengal, *Report of the Third State Finance Commission West Bengal*, 2008, p. 36.]

village-level Economic Census data would be disclosed, it may be used as information about these data items.

As mentioned in §3-2-2-8 in the context of subject 22: “Markets and fairs”, (i) management of hat/bazaar transferred to GP, and (ii) construction and regulation of markets, holding and regulation of fairs, melas and hats and exhibition of local produce and products of local handicrafts/home industries by State government are functions assigned to GP.

As described in §4-3-1, the *Form 9 Assessment List* specified in the Amendments 2006 of the West Bengal Panchayat (Gram Panchayat Administration) Rules 2004 includes a list of persons liable to pay registration/renewal fee for running a trade (wholesale or retail) within GP.

However, main sources for the data items of Block 11 “Number of storage and marketing outlets” and Block 15 “Industries and business (the number of small scale enterprises and workers therein)” in the Village Schedule on BSLLD are considered common knowledge among villagers.

#### *5-1-1-3 Coordination of activities between the Panchayat and outside agencies*

As mentioned in §3 of chapter 2, during the transition to constitutional devolution, line departments or parallel bodies are working in the panchayat’s functional domain and independently of the Panchayat Raj setup. Therefore, the PRI has to coordinate activities of these outside agencies to work on the functional domain described above. GPs have to coordinate matters in their functional domain not only with other tiers of the PRI—*Panchayat Samiti* (PS) and *Zilla Parishad* (ZP)— but also with these outside agencies under the control of the line departments. As mentioned in §3 of chapter 2, the PRI and even the GP need a comprehensive sector-wise list of current Central and State schemes and programmes—the “scheme census”.

As mentioned in §3-2-2-5, village-level functionaries such as revenue officials (*Patwari* and Revenue Inspector etc.), ICDS (*Anganwari*) workers, ANMs, ASHAs, health supervisors, technical assistants of the MGNREGS and school teachers are also working in the panchayat’s functional domain, using funds provided by the State or Central government that has its own decision-making system for resource allocation and project execution, independently of the Panchayati Raj setup. They generate and maintain their own databases independently of the panchayats. When the panchayat has control over these agencies, they are considered satellite agencies of the panchayat. These satellite agencies can be designated as agents to keep track of matters for self-governance on behalf of the panchayat.

Panchayats can also coordinate such outside agencies to establish a data-sharing mechanism with the panchayat. In practice, such a data-sharing mechanism with outside agencies is crucial for the panchayat to develop the village-level statistical database. An important recommendation provided by the Expert Committee on BSLLD is to establish formal data sharing mechanisms between the panchayat and different agencies working in

the panchayat area.<sup>26</sup> The Committee stated that “Efforts should be made to ensure coordination of activities among all these potential sources of regular information at Panchayat level ensuring that quality of data so gathered is maintained.”

(Maharashtra)

In Warwat Khanderao GP, the *sarpanch* is very familiar with the sector-wise information on current Central and State schemes and programmes. As the *sarpanch* knows such schemes and programmes very well, it would be possible for the Warwat Khanderao GP to compile, if required, a comprehensive list of on-going government schemes within the GP area. In fact “Village-level work under different schemes from last 5 years” is to be listed up in the Maharashtra Village Schedules described in §4-3-5-1. The list contains information on “Year”, “Work name”, “Sanctioned amount”, “Present status of work (completed/uncompleted)” and “Evaluation” of each scheme such as 12<sup>th</sup> Planning Commission scheme, Dalit Basti Sudhar Yajona, Thakkar Bappa, Rajiv Gandhi Gramin Nivara and Indira Awas.

As described in 3-2-2-5, under the Bombay Village Panchayat Act 1958 as amended in 2003, *Gram Sabha* in Maharashtra has been given disciplinary control over the Government and semi-Government employees working in the village. In Warwat Khanderao GP, therefore, all such village-level functionaries—*patwari*, ANM, ICDS (*Anganwadi*) workers, school teachers—are statutorily under the control of the GP.

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<sup>26</sup> Central Statistical Organisation, *Report of High Level Expert Committee on Basic Statistics for Local Level Development*, 2006, p.17, pp. 23-26 and p. 28-29. “A great amount of information is available from the records of Anganwadi Workers, Health / ANM Workers and Land Record Registers. Efforts should be made to ensure coordination of activities among all these potential sources of regular information at Panchayat level ensuring that quality of data so gathered is maintained.” [*Ibid.*, p.17]; (In Karnataka) “Consolidation and sharing of data between various development agencies take place at the district level. On eleventh of every month, there is Karnataka Development Programme (KDP) meeting at the district level and representatives of all the developmental agencies participate in the meeting. Once in a quarter, the Minister in charge of the district chairs the KDP meeting. The data sets available with different agencies are shared in these meetings. The Chief Planning Officer of the Zilla Panchayat is vested with the responsibility of compiling and maintaining local level statistics on various aspects. The items of information thus being collected include population, infrastructure, education and literacy, area and land utilization, crop production, live stock, industrial units, cooperatives, credit and loans, health and family welfare, etc. The compilation and consolidation of local level statistics is, however, being undertaken as a one-time operation rather than as a continuous regular operation. There is also no direct involvement of DES in the compilation and consolidation of these statistics though the officers and staff involved in the exercise in Zilla and Taluk Panchayats are taken from DES.” [*Ibid.*, pp. 23-24]; (In Maharashtra) “There is no formal data sharing mechanisms between different agencies working at Gram Panchayat, Tehsil or District levels.” [*Ibid.*, p. 25]; (In Haryana) “There is no data sharing between various agencies functioning at the Gram Panchayat, Panchayat Samiti and Zilla Parishads. The functionaries of different departments do have vertical system of reporting and at no stage the data get integrated to have a holistic view of any geographical region in all the dimensions of development. The Panchayati Raj Institutions do not have any access to such data sets and recently an exercise has been initiated to collect comprehensive data on village characteristics and infrastructure in respect of each village through a pre-designed schedule. The effort is still continuing with some success.” [*Ibid.*, p. 26]; “The functionaries at the village level particularly the Anganwadi workers, ANMs, Panchayat Secretaries and Revenue officials maintain a large number of registers, records and reports containing up to date data on every aspect of each village. There is, however, no mechanism to check the reliability of such statistics and to consolidate them at the Gram Panchayat level.” [*Ibid.*, p. 28]; “The concerned line Departments presently maintains the collected data only and Panchayats are generally not consolidating and maintaining such data. The situation needs to be changed and the Gram Panchayats should consolidate, maintain and own village level data. All the functionaries at the village level including the Anganwadi worker, ANM, and revenue official should share the data possessed by them with the respective Gram Panchayats. Such data should be verified, consolidated and maintained by the Panchayats in pre-designed formats. The Panchayats should also own such data.” [*Ibid.*, p. 29]

However, a strong coordination mechanism like West Bengal's "Fourth Saturday Meeting" does not exist in Warwat Khanderao GP. The village-level functionaries, with whom the GP has the potential to establish a coordination mechanism, are ICDS (*Anganwadi*) workers. The Warwat Khanderao GP has sub-committees (*Mahila Baal Samiti* and *Bal Vikas Samiti*) to coordinate activities of the ICDS, although, as mentioned in §4-3-3-1, they are not presently functional. The Warwat Khanderao GP also has the potential to establish a data-sharing mechanism with *patwari*.

Before 2008, the Gram Siksha Committee was formed at Warwat Khanderao as a GP's sub-committee, keeping *Sarpanch* as the president. However, under the Right to Education Act, 2009, the concept and formation of the Gram Shiksha Committee has been scrapped. Authority over this matter has been taken away from GPs.

As described in 3-2-2-5, there is presently no strong formal data-sharing mechanism among the outside agencies working at the GP, block (*tehsil*) and district levels. There are multiple lines of control and reporting mechanisms. "In the case of revenue officials, the line of reporting is from village officer (Talati) to the Circle Officer, Tehsildar and District Collector. The channels of reporting in the case of different functionaries at Gram Panchayat, Block Development Office and District Panchayat Office are through the respective line of control of the respective departments. The reports being received by different departments are generally not being integrated at any stage."<sup>27</sup>

As mentioned in 3-2-2-5, the Block Development Officer (BDO) is expected to coordinate the activities of these line departments, because the BDO receives information about planning and implementation of schemes of other departments done by the respective department officials. However, according to our interview with the BDO of Sangrampur, Buldana District, Maharashtra,<sup>28</sup> *Tehsildar* in Maharashtra wield greater administrative powers, as the *Tehsildar* is the Programme Officer for all programmes under the Ministry of Rural Development. Thus, the power of the BDO is limited. Unlike West Bengal, where the administrative duties of the Block Land and Land Reform Officer (BLLRO) are restricted to the areas of land reforms and land revenues only, the *Tehsildars* in Maharashtra wield greater administrative powers at the sub-district level.

Thus, institutional coordination mechanism of PRIs is not strong in Maharashtra. As far as Warwat Khanderao GP is concerned, a data-sharing mechanism would be possible, if required, under the Bombay Village Panchayat Act 1958 as amended in 2003. However, at the present time such a mechanism is not functional.

(West Bengal)

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<sup>27</sup> Central Statistical Organisation (2006), p. 25. For example, "Though the jurisdiction of the Block Development Office is the same as Tehsil, both the Block Development Officer and the Tehsildar have two different offices."

<sup>28</sup> Interview at the BDO of Sangrampur on April 25, 2014.

In contrast, in Raina GP, there are GP registers on current Central and State schemes and programmes. The West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007 specifies *Form 16: Programme Register* and *Form 17: Scheme Register*. “Date of meeting of GP/*Upa-Samiti* sanctioning Scheme”, “Serial No. of Scheme”, “Description of the Scheme”, “Proposed expenditure (Rs.)”, “Date of commencement of the Scheme” and details of expenditure etc. are recorded in *Form 17: Scheme Register*. However, the schemes and programmes recorded in *Form 16* and *Form 17* are only those sanctioned by GP/*Upa-Samiti* meetings. Those schemes and programmes carried out within the GP area by line departments which deal with matters that are not devolved to the GP—for example, some activities of the Agriculture Department—are not always recorded in *Form 16* and *Form 17*. Contact details of line departments and parallel bodies for each Central and State scheme and programme are provided at the last page of the Raina GP’s brochure: *Protibedon*.

The Executive Assistant of Raina GP knows well about each Central or State scheme and programme. Therefore, it would be possible for Raina GP to compile, if required, a comprehensive list of on-going government schemes within the GP area.

In Raina, Krishi Prani Sahayak (under the Department of Animal Husbandry Resources Development), Krishi Prajukti Sahayak (under the Department of Agriculture), fishery officer (under the Department of Fisheries), health supervisor (under the Department of Health and Family Welfare), female health assistant (under the Department of Health and Family Welfare), ANM (under the Department of Health and Family Welfare), ICDS supervisor (under the Department of Woman and Child Health-Social Welfare), Revenue Inspector (under the Department of Land and Land Reforms) are the departmental liaison officers who are responsible for assisting the GP. Furthermore, as mentioned in §3-2-2-6, five legislated sub-committees (*Upa-Samitis*) of the GP—(i) Finance and Planning sub-committee, (ii) Agriculture and Animal Resources Development sub-committee, (iii) Education and Public Health sub-committee, (iv) Women & Child Development and Social Welfare sub-committee, (v) Industries and Infrastructure sub-committee—are given wide powers to call for information and inspect any work in progress in Raina. Thus, village-level functionaries such as Revenue Inspector, ICDS (*Anganwadi*) workers, ANM and health supervisor are more or less under the control of the Raina GP.

Besides, as described in the functional domain concerning “*Health and Child Development*” we found that Raina GP has a strong coordination mechanism with the ICDS supervisor, the ANM, Health Supervisor and representatives of SHGs in the “Fourth Saturday Meeting”. On the basis of that institutional coordination mechanism, data sharing about births and deaths, cases of morbidity, and the status of sanitation and drinking water supply in the GP area was possible among these agencies. The records of the PHC and its Sub-Centres, the ICDS registers maintained at the village and other data related to public health and child-care were shared at the GP office.

This data-sharing mechanism makes it possible to check the reliability of each piece of data from different sources, which ensure the quality of that data. There is no such formal data-sharing mechanism in Warwat Khanderao.

#### *5-1-1-4 Data on panchayat's personnel*

As mentioned in §2-2-1-3, data on panchayat's personnel including elected panchayat representatives and their administrative staff reflects basic human resource of the panchayat's general administration. It is required for transparent self-governance in the post-constitutional amendment regime.

As the panchayat's personnel is common knowledge among panchayat officials, this information can be easily documented and disclosed. Data on the elected panchayat's representatives may be validated by the records of the State Election Commission. Data on GP-level administrative staff may be validated by the GP registers. The expenditure for salaries of the employees of GP is to be borne equally by the State government and the concerned GP in Maharashtra, but in West Bengal it is to be borne by the State government.

#### *5-1-1-5 Data on the panchayat's own assets*

As mentioned in §2-2-1-3, data on panchayat's assets reflects the underpinning of the panchayat's general administration. It is also required for transparent self-governance. The shortcomings of data on panchayat's assets have been mentioned in §5-1-1-2 under subject 29: "Maintenance of community assets" in Schedule XI of the Constitution.

The Village Schedule on BSLLD contains data items on some basic facilities of the village in Block-2, Block-3 and Block-4. However, except for distance from "panchayat HQS" in Block-4 (see §4 of chapter 5), its focus is not necessarily on the GP's general administration infrastructure. It is not even addressed to the quality and maintainance of the GP office building.

The Self Evaluation Schedule of the West Bengal contains queries of whether the GP has own building, whether there is a big hall (with seats for at least 60 people) for meeting/training in the GP building, drinking water, clean toilets, electricity, a telephone, fax line, and computer with internet access in the GP office. These queries are addressed to quality and maintenance of some panchayat's own infrastructure for general administration. GP officials have the common knowledge to respond to these queries.

In this respect the Village Schedule on BSLLD is not focused on the panchayat itself. As information on basic facilities is common knowledge in both GPs, the GPs can compile, if required, data on its own assets to make it transparent.

## **§2. Data on the Panchayat's Jurisdiction for Deepening the Self-governance**



Governance requires data on its object domain (a “target”). As described in §2-2-2, self-governance of the panchayat requires data on object domain of its functions in addition to data on the panchayat itself.

Since the region is the object of local governance, the panchayat’s object domain is, first of all, the geographically defined jurisdiction. In addition, the jurisdiction delineates the concerned local society related to inhabitants within the boundary of the region. Therefore, the panchayat’s object domain is the concerned local society within the region. Accordingly, data on the panchayat’s jurisdiction will include data on the panchayat’s territory in spatial terms, together with data on the local society within the region.

A panchayat is not responsible for everything in its geographical area; it is responsible just for the matters concerning its functional domain described in §5-1-1-2. Object domain of panchayat’s governance is exclusively with respect to its functional domain described as the panchayat itself in §5-1-1-2. However, this does not mean that data on functionings of the panchayat can easily double with data on its object domain. As discussed in §2-2-2, the object domain of the function should be distinguished from the functioning as such. Functionings of the panchayat are not self-contained. Certainly, data on functionings of the panchayat may precisely reflect the shape of the panchayat itself. But the object domain of that function may be external to the panchayat. In fact, as illustrated in §2-2-2, examining the registers or records generated by the panchayat and its satellite agencies, we often find unrecorded object domain of the panchayat with respect to its functionings. Unrecorded object domain is obviously external to the panchayat. A part of local society can be left out of the administrative record system. The panchayat may discover unknown administrative needs in this unrecorded object domain. The panchayat and its satellite agencies require more objective data or knowledge independently of their administrative records.

As mentioned in §5-1-1-2, not a few registers and records are generated and used as a part of functions performed by the panchayat and its satellite agencies. However, as mentioned in §2-2-2, since there may be unrecorded object domain of the functions, these administrative records must be cross-checked by other data or by villagers’ knowledge. As mentioned in §3 of chapter 2, panchayat may coordinate its outside agencies to check these records with different data sources. A data-sharing mechanism with outside agencies will often be required to cross-check village-level registers or records. The above-mentioned recommendation by the Expert Committee on BSLLD (see §5-1-1-3) to establish formal data sharing mechanisms between the panchayat and different agencies working at the panchayat area is not only for the purpose of saving cost for additional data collection but also for the purpose of cross-checking the reliability of those different data sources. The Committee stated that “The functionaries at the village level particularly the Anganwadi workers, ANMs, Panchayat Secretaries and Revenue officials maintain a large number of registers, records and reports containing up to date data on every aspect of each village.

There is, however, no mechanism *to check the reliability of such statistics* and to consolidate them at the Gram Panchayat level.”<sup>29</sup>

As mentioned in §4-2, some types of information on village community are common knowledge to most villagers.<sup>30</sup> Therefore, as will be illustrated in the context of the village-level discussion on the BPL list (see §5-2-4),<sup>31</sup> common knowledge among villagers in the GP or sub-GP body, and ultimately, under the direct democracy of the villagers, common knowledge among *Gram Sabha* members can be one of the reference information of such cross-check.

In this way a panchayat can deepen its self-governance, re-examining unrecorded object domain external to the panchayat.

#### *5-2-1 Panchayat's spatial data*

Self-governance of panchayat requires data on its territory (jurisdiction in spatial terms). Data on its territory presupposes spatial information such as maps or geographical information system (GIS). Both Warwat Khanderao GP and Raina GP have access to traditional cadastral maps (available at the *Patwari* office in Warwat Khanderao and at the BLLRO in Raina). Their State governments have already established the GIS to draw an outline of the area. Data on area and location of the panchayat can be mapped on the basis of such spatial information.

Data items on distance from the nearest basic facilities in the Village Schedule on BSLLD (Block 4: Distance from the nearest facility, see §4 of Chapter 5), the Maharashtra Village Schedule (Part 2 Details of facilities available in the Village), and VD data in the District Census Handbook also describe the location of the panchayat territory. As mentioned in §4-2, distance from nearest facilities is not documented in the village-level records but is common knowledge among villagers in both GPs.

As mentioned in §4-3-3-4, land records in both Warwat Khanderao and Raina contain data on area of each plot. They can generate the total cultivated area (in hectares or acres) in the region. For example, the *patwari* of Warwat Khanderao was able to articulate the area of the village, that is, the total area of the Warwat Khanderao village is 1300 acre and out of that 1236, 122 acres of land are cultivated. The rest of the land is used for drainage and housing.

As was seen in §4-3-3-4, land use information in Raina was not available in the land record at the BLLRO. Records are updated only when the land holder seeks and applies for a mutation of records. In contrast, Warwat Khanderao GP have access to land use information in the *patwari* land record if required.

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<sup>29</sup> Central Statistical Organisation (2006), p. 28.

<sup>30</sup> Bakshi, A. and Okabe, J., “Panchayat Level Data Bases: A West Bengal Case Study”, 2011. pp. 24-25 and p. 27.

<sup>31</sup> See in detail §4-3-4-1 as well.

As mentioned in §4-2, the existence (or non existence) or total number of some basic facilities and structures or buildings located in the area is common knowledge among villagers in both GPs. However, some unit-level information on structures is beyond common knowledge because of the large number. In order to gain unit-level information on all houses located inside the village, both GPs can depend on the exhaustive list of houses in the property tax (house tax) register, apart from the common knowledge among villagers. If the property tax (house tax) register is validated in *Gram Sabha* or *Gram Sansad* meeting, it is considered accurate.

The amounts of each type of livestock in the area can be obtained only from the quinquennial Livestock Census, which is available at the block level offices of both GPs.

#### *5-2-2 Data on people resident in the panchayat's jurisdiction*

People resident in the panchayat's jurisdiction are not only the object domain of the panchayat but also the main actors of the panchayat. Therefore, database on people resident in the region is an integral part of the panchayat-level databases.

As mentioned in §4-3-4-2, the Population Census is obviously the core statistics of immense importance for the PRIs. As the Rangarajan Commission stated,<sup>32</sup> it is a multi-purpose dataset to serve a wide range of the data needs of PRIs at the grass roots level. It has already been utilised for determining the seats and electoral boundaries for the panchayat election. As shown in Table 15 and Table 16, for example, migration data and data on employment status of villagers are not available at the GP offices (they can only access brief notes on migration and occupation for each member of the household in the comment column of the ICDS Village Survey Register), but the Population Census data contains the details.

However, the Rangarajan Commission has noted the undue delay in data processing of the Census. As observed in §4-3-4-2, the panchayat officials in both villages also see it as a problem.

More importantly, the limitation of the Population Census is that any unit-level private information collected in this Census must not be used for local administrative purposes, as it is taken as per the provisions of the Census Act, 1948.

GP and sub-GP bodies are the administrative units closest to the residents of a village, touching the lives of each and every resident. These bodies are sometimes responsible for allowing a certain groups or individuals in a section to improve their capabilities. At present, however, there is no official list of each resident in the panchayat's jurisdiction. GP and sub-GP bodies need a comprehensive people's list ready for disaggregation, as will be discussed in §5-3-1. We will examine in §5-3-1 the ICDS Village Survey Register and the BPL Census (or the Socio-Economic and Caste Census, SECC, 2011) as candidates for a core list of people.

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<sup>32</sup> National Statistical Commission, (2001), para. 9.2.16.

### 5-2-3 Data on demographical movement

As mentioned in §2-2-2-2, some data for the panchayat's jurisdiction is dynamic. Incidents and events in the region reflect changes in the status of its jurisdiction. Some of these changes are recorded by the panchayat and outside agencies. Among these records, data on vital events and migration of people resident in a panchayat's jurisdiction are indispensable for the panchayat to update information on its residents.

The Rangarajan Commission stated that the birth and death registers in the Civil Registration System (CRS) have the potential to provide records of vital events at the local level.<sup>33</sup> However, as will be seen in §5-3-2, place of registration of the CRS is not the place of usual residence, so that vital events recorded in the CRS are not always related to the residents in the panchayat's jurisdiction. Vital records in the ICDS registers, which keep track of births at the place of usual residence of the relevant persons, are more appropriate for data for self-governance in the panchayat's jurisdiction. In Warwat Khanderao and Raina, these two vital records can be cross-checked with each other. In Raina, as mentioned in §4-3-3-1, on the basis of interlinked health and child care system among the GP, ICDS centre, and Block Health Centre, data sharing among these agencies is possible. At the "Fourth Saturday Meeting" held at the GP office, data on institutional births are collected from health department officials and the number of home births is collected from the ICDS (*Anganwadi*) worker and they are combined and compiled at the GP office to prepare their monthly chart. The data-sharing mechanism makes it possible to check the reliability of each data from different sources.<sup>34</sup>

The register of all children in the village based on an annual survey on house-to-house enquiry conducted by the school teachers (see §4-3-3-2) can also be used to validate the vital records.

Data on out-migration and in-migration is also of immense importance for self-governance of the panchayat. However, many States reported that data items on migration in the Village Schedule on BSLLD (Block 13: Migration, see §6-1-1) have no documentary evidence at the village. As there is no official system of recording migration, no accurate data on migration is available at the village.<sup>35</sup> As a result, panchayats are uninformed about this important incident in its jurisdiction. This is a serious data gap in self-governance of the panchayat. The decennial Population Census collects data on migration, but the data is not available until 10 years later.

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<sup>33</sup> National Statistical Commission (2001), Para 2.7.8

<sup>34</sup> Bakshi, A. and Okabe, J. (2011), p. 26.

<sup>35</sup> Central Statistical Organisation, Ministry of Statistics and Programme Implementation, Government of India, *Report on Basic Statistics for Local Level Development (BSLLD) Pilot Study in Rural Areas*, 2014, pp. 69-70.

Therefore, a potential in the ICDS Village Survey Register draws attention. This register is updated every five years. When a new survey is conducted, the households that have migrated temporarily are deleted from the ICDS Village Survey Register.<sup>36</sup>

Moreover, as mentioned in §4-3-3-1, the ICDS Village Survey Register at Bidyanidhi village has a comment column, which notes, at any given point in time, information on deaths, marriages or migrations within the household. However, it is a mere comment column for operational use. Exact dates of the event are not always available. Based on the pilot study of BSLLD in the Akola district, Maharashtra State government reported that information on in- and out-migration is only available from records of the ICDS (*Anganwadi*) register but age-wise classification of this information is not available.<sup>37</sup>

#### 5-2-4 Data on object domain for each major function of the panchayat

##### *Primary Sector*

The Agricultural Census is expected to provide detailed statistics on the structure of operational holdings and their main characteristics such as number and area, land use, irrigation, tenancy and cropping pattern. The Agricultural Census addresses a major part of panchayat's object domain of *primary sector*. It may identify administrative needs in the primary sector. Nevertheless, the potential of sub-district level data of the Agricultural Census is not discussed in both States.

The population enumeration data in the Census of India includes data on the “category of economic activity” (cultivator; agricultural labourer; worker in household industry; other worker) on a decennial basis.

The BPL Census 2002 collected data on “type of operational holding of land” (owner; tenant; both owner and tenant; none) and the Socio Economic and Caste Census (SECC) 2011 collected data on “main source of household income” (cultivation; manual casual labour; part-time or full-time domestic service; foraging, rag picking; non-agricultural own account enterprise; begging/ charity/ alms collection; others) and data on “land owned” (own any land, yes/no; total un-irrigated land in acres; total irrigated land in acres).

The ICDS Village Survey Register has brief notes on occupation in the comment column for each member of the households.

##### (Maharashtra)

In Maharashtra where *patwari* land records are kept, all the villages including Warwat Khanderao are, allegedly, covered by the Agricultural Census through re-tabulation of *patwari* land records. A list of operational holdings is to be compiled, matching the part-holders

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<sup>36</sup> However, as mentioned in §4-3-3-1, in cases where some of the household members have migrated (for example, a son and his family while the parents stayed behind), details of all members of the undivided household are recorded even when the migration is permanent.

<sup>37</sup> *Ibid.*, 2014, p. 70.

scattered over more than one village.<sup>38</sup> Nevertheless, the *patwari* of Warwat Khanderao has no idea of the Agricultural Census operation.<sup>39</sup> Actually, the re-tabulation of the village land records should be insignificant with a view to produce statistics on operational holdings, since land records in Maharashtra are primarily ownership-holding, not operational-holding. As witnessed by the *patwari* of Warwat Khanderao, its information on tenants is considerably inaccurate. As mentioned in §4-3-3-4, regardless of whether the land is leased in or cultivated by the landowner, the landowner's name is written in the column for tenancy. Landowners do not report tenancy because of the fear that the tenants may claim ownership of land. Therefore, even though *patwari* land records are re-tabulated, the accuracy of the result is still questionable. That is to say, it should not be possible to produce statistics of operational holdings without village-level land record on tenants.

Since the Bombay Village Panchayat Act 1958 has a function: "maintenance of village records relating to land revenue" as the 58th subject of activities to be devolved to GPs, the GPs in Maharashtra have the potential to revise the information on tenants in the land records. Statutorily, the village land records can be a matter of concern to the GP or *Gram Sabha* members.

If the Agriculture Census data is available to the panchayats, detailed statistics on operational holdings would be cross-checked by the information from the Population Census, the BPL Census (or the SECC 2011) and knowledge among villagers.

(West Bengal)

In West Bengal where there is no comprehensive land record, the Agricultural Census is to be conducted through a complete house-to-house enquiry about operational holders in a 20 per cent sample of villages, including all the sample villages selected under the scheme for Establishment of an Agency for Reporting Agricultural Statistics (EARAS).<sup>40</sup> However, as mentioned in §4-3-4-4, the GP officials in Raina have no idea of the Agricultural Census. According to an Agricultural Officer of Raina I block, no data of Agricultural Census and not even data generated from the EARAS scheme are available at the block level.

If the Agriculture Census data is available to the panchayats, the statistics on operational holdings would be cross-checked with the information from the Population

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<sup>38</sup> "For preparation of a list of operational holdings, necessary matching of the part-holders scattered over more than one village has to be done. A holding may cut across the boundary of a village/Patwari circle/Revenue Inspector Circle/Tehsil/District/State. As in the previous Censuses, the tehsil will be the outer limit for pooling of all the parcels of an operational holding. If a holding is spread over more than one tehsil, that part of the holding which is lying outside the tehsil of residence of operational holder will be treated as a separate operational holding." [Ministry of Agriculture, Government of India, *Agricultural Census 2005-06: Manual of Schedules and Instructions for Data Collection (Land Record States)*, p. 3.]

<sup>39</sup> Interview at *patwari* office in Warat Khanderao in August 2011.

<sup>40</sup> "These sample villages have to include all the villages selected under the scheme for Establishment of an Agency for Reporting Agricultural Statistics (EARAS)." See Ministry of Agriculture, Government of India, *Agricultural Census 2005-06: Manual of Schedules and Instructions for Data Collection (Non-Land Record States)*, p. 3.  
<[http://agcensus.nic.in/report/ac\\_nlr\\_200506.pdf](http://agcensus.nic.in/report/ac_nlr_200506.pdf)> Retrieved on 30 November 2014.

Census, the BPL Census 2002 (or the SECC 2011), the ICDS Village Survey Register (occupation data) and knowledge among villagers.

The statistics of the Agriculture Census and the unit-level data in the BPL Census or the ICDS Village Survey Register would be useful for the GP and *Gram Unnayan Samities* (GUSs) to look into exhaustiveness of the list of eligible persons or households engaged in agriculture under the schemes for distribution of subsidised inputs. The selection of beneficiaries would be carried out objectively and their administrative services would reach each beneficiary.

### *Education*

Data on the major part of panchayat's object domain of *education* is the village school register and the village-level register of all children on an annual house-to-house enquiry conducted by the school teachers (see §4-3-3-2). This annual enquiry can validate the record of students in the village school register. In fact, as mentioned in §4-3-3-2, some children in Bidyanidhi are sent to the private schools outside the village and are therefore not recorded in the village school register. In the Raina GP area, there are three private primary schools (Classes Nursery to IV), but they are not found in the village-level school directory generated from the All India School Education Survey (AISES). The annual house-to-house enquiry counts children enrolled at schools outside that village. The ICDS Child Register and the ICDS Village Survey Register also cover those children.

Data on literate and illiterate population would be useful to explore the panchayat's object domain (possible beneficiaries) of adult education. The decennial Population Census provides the size of the illiterate population. The village-wise unit-level database on households generated from the BPL Census 2002 contains data on literacy status of the most literate adult in each household.<sup>41</sup> The Socio Economic and Caste Census (SECC) 2011 collected data on "Highest educational level completed" (including "Illiterate") for each person in the household. The census-type surveys independently conducted by PRIs—particularly household surveys conducted in 2008 on instruction from the *Zilla Parishad* (ZP) to evaluate the rural sanitation scheme (see § 4-3-2) collected data on number of literate members and the educational attainment of the most educated member of the household with some socio-economic features of the households, such as social group (SC, ST, Others). Its unit-level household data was also available at the GP office. The ICDS Village Survey Register also contains unit-level data on the educational attainment of each household member. These data on literacy status can be cross-checked with each other.

### *Health and Child Development*

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<sup>41</sup> The BPL Census database in Warwat Khanderao also contains data on each household member with respect to education status (including literacy status), but this person-wise information was not available in Bidyanidhi.

Data on major part of panchayat's object domain of the functions pertaining to the *health and child development* is in the records at the Primary Health Centre (see §4-3-3-3) and the village ICDS Registers (see §4-3-3-1). As mentioned in §4-3-3-1, the data-sharing mechanism on the basis of such interlinked health and child care system among the GP, the ICDS centre, and the Primary Health Centre, make it possible to cross-check the reliability of each piece of data from different sources.<sup>42</sup>

Since the ICDS (*Anganwadi*) workers in Warwat Khanderao sometimes work jointly with the ANM for tasks such as immunization, there is a possibility of data-sharing mechanism between them.

#### *Poverty Alleviation and Social Welfare*

Major data on the panchayat's object domain of the functions pertaining to the *poverty alleviation and social welfare* is data from the BPL Census 2002 and the SECC 2011. However, there was widespread discontent in the both Warwat Khanderao GP and Raina GP regarding the BPL lists generated from this Census. As observed in §4-3-4-1, both GPs have conducted a house-to-house re-survey to revise the BPL list generated from the BPL Census 2002 (also referred to as the Rural Household Survey [RHS] in West Bengal).

This fact suggests that both GPs can organize and conduct a house-to-house re-survey in their jurisdictions. This experience of the re-surveys shows that these panchayats have the ability and expertise to identify discrepancies in data from surveys conducted by other organisations. Such arguments between the GP and other organisations about the accuracy of village data suggest that the quality of village data is a matter of concern to the GP and the *Gram Sansad*.

Data from the BPL Census 2002 and the SECC 2011 can be cross-checked by the information from the Population Census and the ICDS Village Survey Register. In §5-3-1, we will compare lists of persons and households generated from the BPL Census 2002 and the ICDS Village Survey Register, and match each person and household in these lists. We will analyse micro-level discrepancies in these lists.

The discussion in these villages on the BPL list reveals that the knowledge among villagers in the GP or sub-GP body, and ultimately, under the direct democracy of the villagers, the knowledge among *Gram Sabha* members can also be one of the information to cross-check the village-level records. Initial doubt about the BPL list was raised on the common knowledge among villagers. Thus, the common knowledge was of the utmost importance, even though their assessments were not necessarily conclusive.

#### *Infrastructure*

All community assets owned by the GPs are to be recorded in GP registers such as “*Item no. 25 Permanent Asset Register*” in Warwat Khanderao GP and “*Form 20 is the Register of Immovable*

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<sup>42</sup> Bakshi, A. and Okabe, J. (2011), p. 26.



*Properties*” in Raina GP. However, unless the community assets are revenue sources or are being constructed, they are actually not thoroughly documented in the GP registers.

In the two GPs, basic facilities that are present in the GP area are common knowledge. The information is available but not always recorded. As panchayat is a meeting place for the village people, even if data are undocumented, most of the information on panchayat may be their “common knowledge.”<sup>43</sup> Therefore, the two GPs may compile a list of their own assets if required.

### *Industry and Commerce*

The main village-level data source of industrial and commercial establishments should be the Economic Census. The Economic Census covers all the village-level units (establishments) engaged in economic activities, except those involved in crop production. The information on location of establishment, description of economic activity carried out, nature of operation, type of ownership, social group of owner, use of power/fuel, total number of workers usually engaged with, its hired component and composition of male and female workers were collected in the Economic Census.

As mentioned in §4-3-4-5, we ascertained the field operations of the Economic Census carried out at the village. The Economic Census directly addresses “small scale industries, including food processing industries,” “khadi, village and cottage industries” and commercial establishments in the panchayat’s jurisdiction. Nevertheless, any data of the Economic Census were not at all available in the PRIs.

Main sources for the data items of Block 15 “Industries and business (the number of small scale enterprises and workers therein)” and Block 11 “Number of storage and marketing outlets” in the Village Schedule on BSLLD is common knowledge among villagers. However, information on non-agricultural unorganized establishments is a subject of dispute. For example, as the Rangarajan Commission observed (see §4-3-4-5), the number of enterprises in rural area engaged in unregistered manufacturing activities according to the Economic Census is questionable. If the Economic Census data is disclosed at the village level, these discrepancies would be examined in detail.

The ICDS Village Survey Register has brief notes on occupation in the comment column for each member of the households. This is unit level information on such economic activities. The Socio Economic and Caste Census (SECC) 2011 has also collected data on non-agricultural own account enterprise as the “main source of household income.” The population enumeration data in the Census of India includes data on the “category of economic activity” (‘Worker in household industry’ and ‘Other worker,’ apart from ‘Cultivator’ and ‘Agricultural Labourer’). These data on non-agricultural establishments can

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<sup>43</sup> “As it [PRI] is a meeting place for the village people, if some data are collected without records, probability of getting correct information is very high.” [Central Statistical Office, Ministry of Statistics and Programme Implementation, Government of India, *Cross-Sectional Synthesis Report on Pilot Scheme of Basic Statistics for Local (Village) Level Development: Based on Results of the Pilot Scheme on BSLLD executed in Selected States and UTs*, 2011, D-21.]

be used to cross-check the validity of the village-level data of the Economic Census.

*5-2-5 Requirement for the principle of the village-level records entirely related to the panchayat's jurisdiction*  
As mentioned in §2-2-2-3, there has been a shift in the requirement for data-recording principles in the village. The village-level records in India evolved to meet the requirements of highly centralized systems of administration. In the post-73rd Amendment regime, however, the way of recording matters in the village has to suit the self-governance of the panchayat. For the most effective use of data for self-governance, village-level records have to be documented accurately in relation to people resident in the panchayat's jurisdiction. Even when a record looks seems to be available at the village, its recording structure may not be oriented to people resident in the area and causes inconvenience in the use of data.

There are two such issues. The first issue is that the administrative jurisdiction of panchayat's outside agencies under the control of line departments may be different from that of the panchayat so that village-level data cannot be taken from the records maintained by these agencies. It may interfere in the use of the data. For example, the administrative jurisdictions of the Block Primary Health Centres (BPHCs) and Sub-Centres in rural West Bengal may be different from the jurisdictions of the panchayats. As for the Raina GP, boundaries of the jurisdiction of two Sub-Centres were identical to the boundaries of the GP area. The boundaries of the two Sub-Centres did not cut across the panchayats' boundaries. But the jurisdiction of a Sub-Centre covers more than one village (*Gram Sansad* area), so that the data maintained by the Sub-Centre need to be sorted out for each village. Similar problems arise elsewhere in India. The MoSPI indicates that<sup>44</sup>

In view of the fact that jurisdictions of local institutions are overlapping over villages, village-level data cannot be culled out from the records maintained by these institutions. In such cases, a mechanism may be evolved to get the village-level data from the institutional data with the help of other available records/the other village-level functionaries.

Even if no such problem arises, the second issue emerges: the village-level records may not be related to people resident in the geographical area. As mentioned in §2-2-2-3, the village-level records may not document matters at the place of usual residence of the people concerned. In §5-3-2, we will see this issue with a special focus on village-level birth records. Place of registration of the Civil Registration System (CRS) is the place of occurrence of the vital event and not the place of usual residence of the person in question. Therefore, it does not register children born outside the jurisdiction of the panchayat because their mothers return temporarily to their native villages for delivery or go to a nearby town for institutional delivery. Thus, the recording structure of the CRS is not oriented to children resident in the

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<sup>44</sup> Central Statistical Organisation, Ministry of Statistics and Programme Implementation, Government of India, *Report on Basic Statistics for Local Level Development (BSLLD) Pilot Study in Rural Areas*, 2014, p. 142.

panchayat's jurisdiction. If all children, born outside the jurisdiction of the relevant panchayat or municipality, are born inside the boundary of the State, the number of children born outside each panchayat or municipality will balance out each other in the State. Therefore, this issue does not interfere with the use of macro-level data for large States. It was not a matter of serious concern for highly centralized systems of administration. However, under the post-73rd Amendment regime, the favoured data source with respect to village-level births has been shifting from records such as the CRS to records such as the ICDS (*Anganwadi*) Child Registers that is recorded in the place of usual residence of children. Therefore, panchayat officials in Raina claim that the birth registers maintained by ICDS (*Anganwadi*) workers are the most reliable.

Similar issue arises in *patwari's* land records. The *patwari's* land records are not only irrelevant to operational holdings (see §4-3-3-4) but also limited to a list of land owners resident in the GP's jurisdiction. While the land record includes information on land owners who live outside the village in question but who own plots in the village, the same land record does not include information on land owners who live in the village but who do own plots outside that village. It sometimes hinders data use.

The *patwari* in Warwat Khanderao has, besides his plot-wise land records, a list of land owners ("occupants") living in the village to link with information on all their plots within the village. But he has no information on their plots outside of his jurisdiction. Therefore, the Agricultural Census has been trying to solve this problem (although the purpose of this Census is to compile a list of "operational holdings" and not ownership holdings). *Manual of Schedules and Instructions for Data Collection (Land Record States)* for the Agricultural Census describes the re-tabulation of village-level land records as follows:

Some holdings may not be located completely within the village and they may be spread over to other villages. For preparation of a list of operational holdings, necessary matching of the part-holdings scattered over more than one village has to be done. A holding may cut across the boundary of a village/Patwari circle/Revenue Inspector Circle/Tehsil/District/State. As in the previous Censuses, the tehsil will be the outer limit for pooling of all the parcels of an operational holding.<sup>45</sup>

GPs in Maharashtra can solve this problem by citing the Bombay Village Panchayat Act 1958 that makes "maintenance of village records relating to land revenue" a subject of activities to be devolved to GPs. PRIs in Maharashtra also have the potential to pool "the part-holdings scattered over more than one village", using the same method as the Agricultural Census.

The BLLRO in West Bengal has a dual land recording system. It has, in addition to the plot-wise ownership holdings registers, the holder-wise land registers that bring together

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<sup>45</sup> *Agricultural Census 2005-06: Manual of Schedules and Instructions for Data Collection (Land Record States)*, p. 3. <[http://agcensus.nic.in/report/ac\\_lr\\_200506.pdf](http://agcensus.nic.in/report/ac_lr_200506.pdf)> Retrieved on 30 November 2014.

information on their all ownership holdings within the area of the block. This dual land recording system is useful in the land reform to find excess of the ceiling limit of individual holders.

A similar issue also arises in the data of the All India School Education Survey (AISES). In the AISES data, students are recorded at the place of their schools. While the AISES data includes information on students who live outside the village in question but are enrolled at schools in the village, it does not include information on students who live in the village but are enrolled at schools outside that village. It sometimes causes difficulties in data use. For example, as mentioned in §5-2-4, some children in Bidyanidhi who are sent to private schools outside the village are not recorded in the village school register.

However, the village-level register of all children on an annual survey on house-to-house enquiry conducted by the school teachers includes children enrolled at schools outside that village. The ICDS Village Survey Register also records those children.

Thus, under the post-73rd Amendment regime, requirement of village-level records has shifted to a new type of documentation that is focused on the place of usual residence of the people concerned. The new type of records has to be organised entirely in relation to people resident in the GP, and suit the democratic kind of self-governance.

### **§3 People's List and People-oriented Recording Principle**

#### *5-3-1 Data on people resident in the area —the People's List*

As mentioned in §5-2-2, people living in the jurisdiction of panchayat are the main actors in the panchayat. The panchayat— especially the GP and its sub-GP bodies— is the nearest available administrative institution for people living in villages. Therefore, the panchayat is expected to be a democratic and people-oriented local government.

The panchayat has responsibilities with regard to each and every resident in its jurisdiction, and sometimes with regard to certain groups or individuals in designated social groups, in order to improve their capabilities. In order to be a people-oriented local government, the panchayat requires a comprehensive People's List: a comprehensive list of all persons and households in its jurisdiction. The panchayat needs this list even though the Population Census covers every village, because unit-level records produced by the Population Census are not available to it as mentioned in §4-3-4-2. Without a complete list of residents in its jurisdiction, the panchayat's public policies would be inefficient or discretionary, and less objective. It would be difficult for the panchayat to formulate its public policies in relation to its residents. At present, however, no such comprehensive list of people—that we refer to, hereinafter, as a "People's List"— is available in the panchayat office. There is no official list of each and every resident in the panchayat area.

The *Gram Sevak* of Warwat Khanderao argued that he could use the Electoral Roll with the Property Tax Register (House Tax Register), if necessary, to identify households and individuals in the GP. These lists can be used to identify target beneficiaries for government schemes.

The Electoral Roll is a core list of adults and therefore does not cover all residents. For example, out of 1,308 persons in the FAS list for Warwat Khanderao as of 2008, 499 persons were younger than 18 years old. In addition, the Electoral Roll may include persons temporarily or permanently living outside the village. For example, as mentioned in §5-1-1-1, the number of voters in the Electoral Roll of Warwat Khanderao was 889 from a total population of 809 aged 18 and above. Out of 809 persons in the FAS data, 662 persons were identified in the voters' list.

Property Tax Register contains information on each "house" in the panchayat's jurisdiction, with its owner and "house number"<sup>46</sup>, but it does not contain any information on members of the owner's household. Furthermore, if more than one "household" (a group of persons normally living together and taking food from a common kitchen) lives in the house, no household other than the owner's would be covered by the Property Tax Register. Therefore, it does not necessarily cover all heads of households. For example, in Warwat Khanderao the number of "house numbers" given to voters was only 209 when matched with the FAS database, but the actual number of families in the FAS database matched with the Electoral Roll was 239. The reason is that some "house numbers" were given to more than one FAS family. The number of "house numbers" given to more than one FAS family was 37, whereas the number of FAS families to which more than one "house number" was given was 16. Thus quite a few families were absent from the Property Tax Register.

As the institution nearest to the people of a village, the GP requires not only aggregate data but also unit-level records for data retrieval. In fact, in an interview, a panchayat leader at Raina stated that a type of People's List would be most desirable for his panchayat's activities. Thus we examine some records that have the potential to function as comprehensive lists of residents in the jurisdiction of a panchayat, that is, the ICDS Village Survey Register and the village-wise BPL/APL household list of the BPL Census.

As described in §4-3-4-1, the BPL Census 2002 has already been widely criticised

Table 19

No. of FAS Family with House Number in the Electoral Roll	239
No. of House Number of FAS Family matched with the Electoral Roll	209
No. of FAS Family with more than one House Number	16
No. of House Number given to more than one FAS Family	37

<sup>46</sup> As far as Warwat Khanderao is concerned, house number in the Property Tax Register (House Tax Register) and house number according to voter list are different. Two sets of the house numbers are not necessarily linked with each other.

by the rural poor and their organizations, and by scholars. There is a suspicion that some poor households were excluded from the BPL list and some non-poor households included. There is widespread discontent among village residents regarding the BPL list generated from the BPL survey data. As mentioned in §4-3-4-1, on the basis of a micro-level discrepancy analysis, comparing each head of household in the BPL list with the corresponding person in the FAS list, we found that some parameters estimated by the BPL Census were very inaccurate. However, as will be seen below, the *coverage* of the BPL/APL persons of the BPL Census was in itself not so bad.

On the one hand, the more frequently updated a People's List is, the more usable it is. In this respect the ICDS Village Survey Register discussed in §4-3-3-1 is preferable as a core People's List as it is updated regularly.

On the other hand, although the BPL Census database is not updated regularly, it is available in digitised format. That will help not only in producing statistics but also in identifying each and every rural household by a uniquely generated household code. As mentioned in §4-3-4-1, the Panchayats and Rural Development Department of West Bengal described in detail how the digitised database of the Rural Household Survey (RHS) is usable for the PRIs.<sup>47</sup>

In addition, some of the questions incorporated in the BPL Census questionnaire are designed independently of the daily operations of public administration.

The panchayat leader at Raina who told us in an interview that a type of People's List is desirable for his panchayat's activities also said that the village-wise all-household list (BPL/APL household list) of the Rural Household Survey is not too bad for their use. He said so notwithstanding his dissatisfaction with the accuracy of the list of BPL households and with the scores obtained by households on each of the parameters.

Using the FAS database as a point of reference, we made an assessment of the "candidate lists" for the People's List; that is, the ICDS Village Survey Register and the BPL Census 2002 (or the Rural Household Survey).

FAS Survey Database	1308
BPL Census Database	1322
ICDS Village Survey Register	1319

FAS Survey Database	643
BPL Census Database	***
ICDS Village Survey Register	896

<sup>47</sup> Panchayats and Rural Development Department, Government of West Bengal, *Annual Administrative Report 2007-08*, pp. 123-125

As far as the person-wise People's List is concerned, the number of persons in these two lists is shown in Table 20 and Table 21.

**Table 21.1 Micro-level Data Matching: A Sample from Warwat Khanderao**

Matching status				FAS Database					ICDS village survey register			BPL Census								
Person's Serial No in FAS Database	Household's Serial No in FAS Database	Person's Serial No in BPL Census	Household's Serial No in BPL Census	Person's Serial No in ICDS Register	Household's Serial No in ICDS Register	Serial No in Voter's List	House No in Voter's List	Family Name #	Name #	Sex	Age	Relationship	Cleaned Name #	Age	Sex	Name of Head of Household #	Member Name #	Gender	Age	Relation With Head
310	60	1092	261	322	75	678	182	K.	B.	M	22	Son	K. B. P.	Not	M	K. P. R.	K. B. P.	M	18	Son
311	61	1090	261	323	76	679	182	K.	G. P.	M	35	Self	K. G. P.	28	M	K. P. R.	K. G. P.	M	30	Son
312	61	1093	261	324	76	680	182	K.	M.	F	31	Wife	K. M. G.	26	F	K. P. R.	K. M. G.	F	26	Other s
313	61		261	325	76			K.	S.	F	9	Daughter	K. S. G.	8	F					
314	61		261	326	76			K.	S.	M	6	Son	K. S. G.	5	M					
315	61		261	325	76			K.	S.	F	24 m	Daughter	K. S. G.	1	F					
316	62	869	214	311	73	484	127A	K.	G. S.	M	30	Self	K. G. S.	25	M	K. G. S.	K. G. S.	M	26	Self
317	62	870	214	312	73	485	127A	K.	U.	F	22	Wife	K. U. G.	21	F	K. G. S.	K. U. G.	F	20	Wife
318	62	871	214	313	73	482	127A	K.	M.	F	65	Mother	K. M. G.	1	M	K. G. S.	K. M. S.	F	70	Mother
319	62		214		73			K.	K.	F	12m	Daughter								
320	63	438	116	/		478	127	P.	W. S.	M	38	Self				P. W. S.	P. W. S.	M	45	Self
321	63	439	116	/				P.	U. B.	F	28	Wife				P. W. S.	P. U. W.	F	25	Wife
322	63		116	/				P.	D.	F	24 m	Daughter								

# Names are anonymised. Only initials are shown in this Table. However, data-matching was more difficult than the sample shown in initials. We had to correct the spelling of names. There was no standard Romanisation of the Hindi or Marathi scripts. There were also entry errors and spelling mistakes. Nicknames were sometimes used for children.

The BPL Census database for Bidyanidhi contains a complete list of all households and the scores obtained by each household on each of the parameters used for identification of the poor. However, the database does not list the members of each household. Of the 151 households listed in the Census database, information on household members is available for only 17. For this reason, the data could not be used for our micro-discrepancy analysis and the number of persons in the BPL Census database is blank in Table 21.<sup>48</sup>

For the purpose of assessment of these candidate lists, we conducted a micro-level discrepancy analysis,<sup>49</sup> comparing each and every person and household in these lists with the corresponding person and household in the database collected from census-type household surveys conducted by the FAS. We tried to match each and every person and household in these candidate lists with the corresponding person and household

<sup>48</sup> Please see below for an explanation of the discrepancies found in Bidyanidhi between different lists.

<sup>49</sup> OECD, *Measuring the Non-Observed Economy: A Handbook*, 2002, p. 53.

in the FAS (or PARI—Project on Agrarian Relations in India) database. First, we tried to match them using their names, ages, etc. We then conducted a follow-up interview for unmatched cases with persons in the village, including village-level functionaries. On the basis of the interviews we corrected the spelling of names and tried to match them again as far as possible. There was no standard Romanisation of the Hindi, Marathi, or Bengali scripts. There were also entry errors and spelling mistakes. Nicknames were sometimes used for children. Therefore, it was not easy to undertake data-matching. From the follow-up interview we found several reasons for the discrepancies. Finally, we examined the overall matching status of person-wise and household-wise lists.

The “matching status” of each of the two person-wise lists with the persons list of the FAS database is shown in Table 22 and Table 23. In the tables, row entries show the matching status of each list in the left column with each list in the first row. As the list shown in the left column is the reference point, the matching status of, say, x list with y list is not identical to the matching status of y list with x list.

	FAS Survey		BPLcensus		ICDS Village Survey Register	
	Matched	Not matched	Matched	Not matched	Matched	Not matched
FAS Survey Database	***	***	973	335	956	352
BPL Census Database	973	349	***	***	908	414
ICDS Village Survey Register	956	363	908	411	***	***

	FAS Survey		ICDS Village Survey Register	
	Matched	Not matched	Matched	Not matched
FAS Survey Database	***	***	632	11
ICDS Village Survey Register	632	264	***	***

Age code	F	M	総計
5 and under	26.1%	24.3%	25.2%
5-10	63.9%	71.9%	68.0%
10-15	81.5%	80.0%	80.8%
15-20	75.6%	92.5%	83.7%
20-25	40.0%	84.2%	61.5%
25-30	84.0%	69.6%	76.4%
30-50	86.1%	92.4%	89.2%
50-55	84.2%	85.0%	84.6%
55-60	82.1%	95.7%	88.2%
60-65	73.7%	96.3%	87.0%
65-70	80.0%	100.0%	89.5%
70-	27.3%	87.5%	63.0%
総計	69.6%	79.1%	74.4%



Caste_group_1	ICDS Village Survey Register	BPL Census
Muslim	52.6%	68.5%
Nomadic tribe	72.9%	79.2%
OBC	80.6%	75.0%
Scheduled caste	86.8%	77.2%
Total	72.9%	74.4%

The person-wise People's Lists in the BPL Census database and the ICDS Village Survey Register in Warwat Khanderao were not adequate with respect to data quality. They did not properly document 20 to 30 percent of the village population.

As shown in Table 24 non-matched persons in the BPL census database were concentrated in children under 10 years old, women around 20 years old and women older than 70. The BPL census was conducted in June 2003 and the FAS Survey was conducted in May 2007, so that there was a four-year time lag between both surveys. But the matching status of children aged 4 through 10 years was also not so good. Some children's names were not recorded in the list and some names were misspelled. Some young women married men who were resident in other villages during those four years. It was sometimes difficult to identify the families to which elderly widows belonged: they were sometimes recorded as family members of one of their children, and sometimes as one-person households. Except for children and elderly widows, about 80 percent to 90 percent of residents in the BPL Census database were matched with the persons list of the FAS database.

As shown in Table 25, matching status of Scheduled Caste (SC) and Scheduled Tribe (ST) persons in the ICDS Village Survey Register was not particularly bad, but the status of Muslim persons was not good. The matching status of Muslim persons in the BPL census database is also not as good as hoped.

The person-wise list in the ICDS Village Survey Register in Bidyanidhi was of high quality. As shown in Table 23, it covered most persons in Bidyanidhi, that is, 98.3 per cent of persons in the FAS survey database on Bidyanidhi. The information was updated regularly. Non-matched cases in the ICDS Village Survey Register were as many as 264. However, that is not necessarily a sign of the weakness of this Register. The current status of most of these unmatched cases is specified in the Register, as shown in Table 26. In Bidyanidhi, even with the ICDS Village Survey Register being updated every five years, a lot of information on births, deaths, marriages and migrations it was added and

Born after FAS survey	49
Expired before FAS survey	29
Married and left village	29
Married into village after survey	28
Non-resident	95
Other	6
Unspecified	26
(Blank)	2
Total	264

modified.-The register includes records on children born after the FAS survey and persons married and come into village after the survey, which suggests that the information is updated regularly. However, details of all members of the undivided household are still recorded even when a part of the household members have migrated permanently. Therefore, the Register includes records of non-residents such as persons who have married and left the village. It also includes records of persons who died before the FAS survey. It leaves them unremoved with explanatory notes. Thus Panchayat officials in Raina put a high value on the registers maintained by ICDS workers.

Household-to-household matching is even more difficult than person-to-person matching. As far as a household-wise or family-wise People's List is concerned, the numbers of all families in these candidate lists are shown in Table 27 and Table 28. Unlike the number of all persons, the number of all households varied considerably depending on the lists. The definition of "household" looks identical among these lists, that is, "a group of persons normally living together and taking food from a common kitchen." However, in some situations, it may be difficult for enumerators to apply the definition of household strictly as given above. In fact the Instruction Manual for Enumerators: Socio-Economic and Caste Census 2011- Rural (Ministry of Rural Development) indicates this issue as follows:<sup>50</sup>

In a few situations, it may be difficult to apply the definition of household strictly as given above. For example, a person living alone in a Census house, whether cooking meals or not, will have to be treated as a single member household.

The Manual further indicates:

If any female member of a household decides to declare herself as a separate household, she should be recorded as a separate household. Widowed, separated, second wives, single women are some examples of women who could declare themselves as a separate HH.

A group of persons living together could be considered a joint family, or as sub-divided into several nuclear families. Where a married son lived with his parents and others, he and his family could be either regarded as members of the larger joint family or as forming a separate household. A similar problem arose with elderly persons living with their adult children.

The sub-division of a household leads to a lower BPL score, which causes a respondent bias among persons who want BPL cards.

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<sup>50</sup> Ministry of Rural Development, Government of India, *Instruction Manual for Enumerators: Socio-Economic and Caste Census 2011- Rural*, p. 13.

Consequently, the definition of “household” in the Socio-Economic and Caste Census (SECC) 2011 was a little modified, allowing the actual respondent bias.<sup>51</sup> The Expert Group chaired by N. C. Saxena (the Expert Group to advise the Ministry of Rural Development on the methodology for conducting the BPL Census for 11th Five Year Plan) provided the following definition of household:<sup>52</sup>

Household will mean

- A joint family comprising all adults and children who eat from a common hearth and reside under a common roof.
- However, for the purpose of inclusion and survey, within households which may even share a kitchen and roof, the following will be treated as separate households:
  - a single woman
  - old individuals or couples in which one or both are beyond the age of 60 years.
  - every adult with TB, leprosy, disability, mental illness or HIV AIDS with spouse and children; and
  - bonded labourers with spouse and children

Thus, any couple or even a single woman/widow wants to declare herself as a separate household, they are allowed to do so. Therefore, definition of household in the BPL Census 2002 (and SECC 2011) is a little different from other Census or surveys.<sup>53</sup> As a result, the size of household ascertained in the BPL Census tends to be smaller than in others. The number of households in the BPL Census list tends to be larger than in other lists.

Table 27 Total Number of Household	
Warwat Khanderao	
FAS Survey	250
BPLcensus	306
ICDS Village Survey Register	295
(Census 2001)	286
(Census 2011)	?

Table 28 Total Number of Household	
Bidyanidhi	
FAS Survey	142
BPL Census	151
ICDS Village Survey Register	109
(Census 2001)	
(Census 2011)	

<sup>51</sup> Ministry of Rural Development, *Report of the Expert Group to advise the Ministry of Rural Development on the methodology for conducting the Below Poverty Line (BPL) Census for 11th Five Year Plan*, August 2009, p.33.

<sup>52</sup>

<sup>53</sup> Himanshu is of the view that “while the National Sample Survey Organisation and the census recognize a common kitchen as the basis of identifying a household, the below-poverty-line (BPL) census and the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) use the definition of a nuclear household.” [Himanshu, “Poverty’s definitional woes”, *Live Mint*, 2010 (First Published: Thu, May 27, 2010)]

	FAS Survey		BPL Census		ICDS Village Survey Register	
	Matched	Not matched	Matched	Not matched	Matched	Not matched
FAS Survey	***	***	231	19	200	50
BPL Census	241 (230)*	65 (76)*	***	***	230	76
ICDS Village Survey Register	221	74	244	51	***	***

Note: Matched household does not mean the case where all household members match with each other. It is the case where more than one household member of both households matches with each other.

\*: Matched head of household in BPL Census list found in the PARI's persons list.

The matching status between two household-wise lists and the household list of the FAS database is shown in Table 29 and Table 30. In the tables, row entries show matching status of each household list in the left column with each household list in the first row. (A matched household is one in which at least one household member of both households matches, and does not necessarily mean that all household members match in both lists.)

	FAS Survey		BPL Census		ICDS Village Survey Register	
	Matched	Not matched	Matched	Not matched	Matched	Not matched
FAS Survey	***	***	133*	9*	138	4
BPL Census	139*	12 (9+3)*	***	***	?	?
ICDS Village Survey Register	99	10	?	?	***	***

\*: This is matching between heads of household in the BPL Census list and the list of all household members in the FAS Survey database. If the head of household in the BPL Census list is found in household members in the FAS Survey database, the household is considered as a matched household. More than one head of household in the BPL Census list can be matched with a household in the FAS Survey database.

As observed above, person-to-person matching is not as difficult as household-to-household matching.

As described in §4-3-3-1, we found that a data-sharing among these agencies was possible in Raina on the basis of the interlinked health and child-care system (the “Fourth Saturday Meeting”) among the GP, the Block Primary Health Centre and the ICDS (*Anganwadi*) centre. The data-sharing mechanisms make it possible also to check the reliability of data from different sources.

If the GP were to designate a core list of people and check its reliability on the basis of a data-sharing mechanism among different data sources, the quality of data in the People’s Lists could be improved in Warwat Khanderao as well. The ICDS Village Survey Register or database from census-type surveys such as the BPL Census can serve as a core population list. Besides the BPL Census, other census-type surveys such as those organised by PRIs, Central or State governments can also be candidates for the population list.

The following person-wise lists are, in part, available in the village as check lists to validate and update the core lists of its people:

1. Electoral Roll together with Property Tax Register (House Tax Register)
2. Records at the Primary Health Centre
3. Birth and Death Register of the Civil Registration System (CRS)
4. Records at village school (especially where an annual survey is conducted by the school teachers on all households in the village)
5. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA) register.

We suggest that there are some possible ways of generating population lists through data sharing:

*Alternative (1).* The GP can designate and coordinate the ICDS Village Survey Register as the core list of the people of the village. ICDS (*Anganwadi*) workers or a group of officials in an interlinked health and child-care system can then update it regularly. Databases from census-type surveys such as the BPL Census can be used to check its reliability. Further, the various check-lists mentioned above can be used to validate in part and update the ICDS Village Survey Registers.

*Alternative (2).* The GP can initially designate a database from a census-type survey such as the BPL Census (or the Socio-Economic and Caste Census, SECC, 2011) as being the core list of the population. ICDS (*Anganwadi*) workers or a group of officials in an interlinked health and child-care system can then update the list regularly. Subsequently, the various check-lists mentioned above can be used to validate in part and update the initial core list of the people.

*Alternative (3).* As the project to create the National Population Register (NPR) is now ongoing, the GP can designate the NPR as the core list of the people. The NPR is a process of mandatory registration of all usual residents of a locality under the Citizenship Act 1955 and the Citizenship (Registration of Citizens and Issue of National Identity Cards) Rules, 2003. The first phase of the project, which required the registration of usual residents through a door-to-door survey, was completed with the first phase of Census 2011 in April–September 2010. However, collection of biometric information and issuing citizenship identity cards under the project remain a controversial issue due to the fact that the collection of biometrics does not have statutory backing in the Citizenship Rules 2003, and the obvious overlap between the NPR and the Unique Identification Authority of India (UIDAI) project of the Government of India, which also entails collecting biometric data and issuing a unique identification number to all citizens of the country.

The ICDS Village Survey Register is not recorded digitally, whereas the BPL Census database and some of the checklists mentioned above are maintained in digitised form. It would be

useful for the GP if the database from the ICDS Village Survey Register was digitised at the block or district level. It would be useful even as a paper document if there were comment columns in which to record additional information on each record. In fact panchayat officials in Raina regarded the registers maintained by ICDS workers highly, even though they were not digitised.

*5-3-2 Shift of requirement for the recording principle of birth record—Village level record properly related to people resident in the area*

As mentioned in §2-2-2-3, the village-level databases in India evolved to suit the requirements of highly centralized systems of administration and planning. But under the Constitution (73rd) Amendment Act, 1992, there has been a shift of requirement for the principle of village level recording. Data-recording principle needs to be evolved to suit the self-governance of the Panchayat. Thus, new and accurate databases of people resident in the area, are required at the village level.

All the village level records look as if they are entirely related to people resident in the village and are focused on the people there. But that is not always the case. Although the Rangarajan Commission stated that the Civil Registration System (CRS) has the potential to provide estimates of vital events at the local level,<sup>54</sup> vital village-level records in the CRS are not necessarily related to people resident in the area. The existing CRS is often out of focus as databases required for the self-governance of GPs.

There are two ways of recording vital events: at the place of occurrence or at the place of usual residence<sup>55</sup>. The CRS determines the place of registration according to the place of occurrence of vital events. Vital events in the life of a resident occurring outside the jurisdiction of the GP are not registered in the CRS of the GP, even if that resident usually lives in the GP area. For example, the CRS of a GP does not register children born outside the jurisdiction of the GP because their mothers may return temporarily to their native villages for delivery or go to nearby towns for institutional delivery. They are registered outside the GP area in which their usual residences are located. In this respect, the recording principle of birth records in the CRS does not suit self-governance of the GP. The birth records in the CRS are not entirely related to people resident in the area and are not focused on the people there.

Using the FAS database as a point of reference, we conducted a micro-level discrepancy analysis, comparing each and every birth event recorded in the CRS in Warwat Khanderao GP from 2002 to 2007 with the corresponding person in the FAS database—that is, all children in the age-group 5 years and below in the FAS database. Furthermore, we conducted interviews with all households in which children were born from 2002 to 2007,

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<sup>54</sup> National Statistical Commission (2001), Para 2.7.8

<sup>55</sup> United Nations, Statistics Division (2001), *Principles and Recommendations for a Vital Statistics System, Revision 2*, p. 59.

and whose names were not in the CRS but present in the FAS database<sup>56</sup>.

The major finding that emerges out of this assessment is that, even if we assume 100 per cent registration, the CRS gives information only about births occurring within the village, whereas in most cases mothers go to their native villages for delivery or go to the nearest town for institutional delivery. As shown in Table 31, out of 130 children in the 0-5 age-group in 2007 in the FAS database, only 22 per cent were registered under the CRS at the GP in Warwat Khanderao. About 63 per cent of children were not registered at the GP in Warwat Khanderao but were registered at other GPs or local bodies outside Warwat Khanderao. Thus, the birth of most children in the age-group 0-5 years in the FAS database were registered outside Warwat Khanderao. Almost all institutional births were recorded as demanded by the law. However, since there was no medical facility in Warwat Khanderao,

Category	Number (%)
All children less than or equal to age five appeared in FAS database for 2007	130 (100.0%)
Registered births in the CRS at Warwat Khanderao or elsewhere	111 ( 85.4%)
Registered births in the CRS at Warwat Khanderao	29 ( 22.3%)
Registered births in the CRS elsewhere outside Warwat Khanderao	82 ( 63.1%)
Unregistered births in the CRS neither at Warwat Khanderao nor elsewhere	18 ( 13.8%)
Other	1 ( 0.8%)
Registered births in the CRS at Warwat Khanderao but not in FAS database for 2007	40
Their mother came to Warwat Khanderao for delivery	23
Other	17

Source: PARI Survey data, 2007

mothers had to go to facilities located in neighboring town. Moreover, it is a general custom that mother returns to her parents' home for her first delivery.

Conversely, the registers under CRS at the GP in Warwat Khanderao included 23 children whose births were registered in the village because their mothers, who were married to men resident in other villages, came temporarily to Warwat Khanderao for delivery.

Thus the information from the CRS of a particular village cannot be used for the purpose of obtaining data on children needed for local level administration, as it does not cover all children resident in the village.<sup>57</sup>

The micro-level picture on birth records at the village is somewhat different from a macro-level view based on the Sample Registration System (SRS) or the National Family

<sup>56</sup> Okabe, J. and Surjit, V., Village-Level Birth Records: A Case Study, *Review of Agrarian Studies*, Volume 2, Number 1, 2012. <<http://www.ras.org.in>>

<sup>57</sup> A similar exercise could not be carried out in Bidyanidhi. On our visit to the Raina panchayat office on September 10, 2009, we found that birth registers were only available from August 2005. The FAS survey in Bidyanidhi was conducted in May-June 2005: all children recorded in the FAS survey were thus born before the present registers began.

Health Survey<sup>58</sup>. If at all children, born outside the jurisdiction of the relevant panchayat or municipality, are born inside the boundary of the State, the number of children born outside each panchayat or municipality will balance out each other in the State. Therefore, this issue does not seriously impair its use as macro-level data in large States. It was not a matter of great concern for highly centralized systems of administration. Although both the CRS and the SRS provide us with State-level macro data, we found difficulties in using the CRS data for the purpose of local-level administration. Certain systematic changes are required to establish birth registration at the place of usual residence if the CRS data are to meet the increasing requirement and demand for decentralised databases in the post-73rd Amendment regime.

At the same time, we examined the potential of the ICDS (*Anganwadi*) Child Registers in Warwat Khanderao. These registers should not have the problem of undercounting of children since all children, whether born in the village of residence (here Warwat Khanderao), or in the native village of their mothers, or at medical facilities located in a neighboring town, are to be registered in the ICDS Child Register. In principle, the place of registration of the ICDS Child Register is the place of usual residence, whereas the place of registration of the CRS is the place of occurrence.

We also tried to match each child in the ICDS Child Register for the period 2005 to 2007 with children present in the FAS database for Warwat Khanderao. Out of 51 children identified in the FAS database as children born from 2005 to May 2007, 33 children (or 65 per cent) were recorded in the ICDS Child Register during and after 2005 to May 2007. Out of 50 children recorded in the ICDS Child Register for 2005 to May 2007, 29 children (or 58 per cent) were present in the FAS database. Therefore, although the ICDS Child Register may cover more children in the village than the CRS birth register, the quality of its data remains open to question and merits further investigation.

Table 32 Results of Matching for the period of 2005–2007 Warwat Khanderao

	FAS Survey		ICDS Child Register	
	Matched	Not matched	Matched	Not matched
FAS Survey Database	***	***	33 (64.7 %)	18 (35.3 %)
ICDS Child Register	29 (58.0 %)	21 (42.0 %)	***	***

Further, we tried to match each child in the ICDS Child Register for the period January 2000 to June 2005 with children present in the FAS database in Bidyanidhi.<sup>59</sup> We compared this list with the list of children aged 5 years and below from the FAS survey data. According to the ICDS Child Register, 59 children were born in the village between January

Table 33 Results of Matching for the period from January 2000 to June 2007

	Bidyanidhi			
	FAS Survey		ICDS Child Register	
	Matched	Not matched	Matched	Not matched
FAS Survey Database	***	***	54 (88.5 %)	7 (11.5 %)
ICDS Child Register	54 (91.5 %)	5 (8.5 %)	***	***

<sup>58</sup> International Institute for Population Sciences (2007), *National Family Health Survey (NFHS-3) 2005-2006*, Volume I, Mumbai.

<sup>59</sup> We were able to obtain the child register for the year 2006 from the ICDS centre. The 2005 child register was not readily available because the present ICDS worker at the centre had joined in 2006.



2000 and June 2005. According to the FAS survey data, 61 children were in the age-group 0-5 years in June 2005. The names of 54 children were found in both the lists.

We examined this discrepancy closely, allowing for some divergences on account of temporary or permanent migrations, and misreported age during the FAS survey.<sup>60</sup> From this analysis we were able to conclude that the coverage of the ICDS Child Register in Bidyanidhi is excellent.

The ICDS Child Registers, recorded in the place of usual residence, are intended to include the births of all children resident in the village, so it is useful as a basis for village-level administration and planning. Under the post-73rd Amendment regime, therefore, the favoured data source with respect to village-level births has been shifting from a record such as the CRS to a record such as the ICDS Child Registers, which is related directly to people resident in the GP.

#### **§4. Village-level Data Potentially Usable for Public Finance**

##### *5-4-1 Account data*

(Maharashtra)

Warwat Khanderao GP maintains account data in the GP registers as shown in Table 17-1. Under provisions of Section 62 (4) of the Bombay Village Panchayats Act, 1958, *Gram Sevaks* are required to prepare annual accounts. The GP is to submit annual accounts to *Gram Sabha* for approval.

We authenticated the accounting data of 'Annual Budget Report on Gram Panchayat in Maharashtra.' As shown in Table YYY, the total revenue and expenditure of Warwat Khanderao GP in 2007-2008 were total amount of Re 1,66,117.32 and Re 1,57,354.00, according to the Report. Own source revenues was Re 86,456.89. Grants from government agencies were not recorded except for grant for SGRY (Re 25,117), 12th Finance Commission grant (Re 35,281.43) and Government subsidy for remuneration/salary,

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<sup>60</sup> Five names in the ICDS list were not found in the survey list. In three of the five cases, the households in which the children belonged (identified by the name of the child's father) were not found in the survey database. It could be that the households were not present in the village at the time of the survey or were not covered in the survey for some other reason. There is also a possibility that the household had settled in the village after June 2005 (but before January 2006). In the remaining two cases, the children's names were not recorded during the survey (Both the children belonged to the same household and the error was corrected during a later survey conducted in the same household in 2006). Seven children in the survey list were not found in the ICDS list. All these children were reported to be five years old. Hence there is a very high possibility that their age was under-reported during the survey and hence their names were not registered in the ICDS centre. There are reasons to believe that the ICDS data on age are more accurate than the survey data. First, data on the date of birth of the children were not collected in the household survey, but the ICDS register records the date of birth of each child. Secondly, in four of the eight cases, other children from the same households were recorded in the ICDS register.

meeting allowance (Re 9,900) etc. The 12th Finance Commission grant recorded in the Report can be considered an “untied fund.” Untied funds are not tied to specific schemes or activities, but there are specific rules regarding the expenditure of such funds.

As mentioned in §3-2-2-10, according to the C&AG of India, 63 out of test checked 80 GPs in Maharashtra had submitted their annual accounts every year to *Gram Sabha* for approval for the period 2003-08, but 17 out of 80 GPs had not submitted them every year. Besides, none of the test checked 80 GPs had submitted their annual accounts to the ZPs during that period. The C&AG’s scrutiny of records revealed that 70 GPs out of test checked 80 GPs did not maintain Form 3 to Form 27 required in the Bombay Village Panchayats (Budget and Accounts) Rule, 1959. As per the above rule, however, the *Gram Sevak* of GP is to keep the account data in Form 3 to Form 27 for proper accounting. The C & AG argued that “this also shows lack of proper control and supervision of GPs by higher officials like BDO of PS and CEO of ZP.”<sup>61</sup>

As far as the Warwat Khanderao GP is concerned, we ascertained the existence of such forms shown by the *Gram Sevak*. The GP submitted annual accounts to *Gram Sabha* for approval. In addition, Warwat Khanderao GP submitted the Annual Budget Report to the BDO.

According to the C & AG, test check of cash books of six GPs selected from three ZPs revealed that cash books were not consistently maintained from 2003 to 2008. The C&AG also observed that GPs were making huge cash payments, in violation of all codal instructions.<sup>62</sup> We ascertained the existence of cash book as well in the Warwat Khanderao GP, which was shown by the *Gram Sevak*. However, village-level functionary for book keeping is severely understaffed—a *Gram Sevak* stays at the Warwat Khanderao village only two days a week.

As mentioned in §3-2-2-10, the annual account of Warwat Khanderao GP is consolidated at the block level and audited by the Local Fund Audit Department annually and by the C&AG once in three years.<sup>63</sup>

Accounting data of Warwat Khanderao GP was produced primarily in relation to its own source of revenues. Therefore, accounting data on the Central and State schemes implemented within the GP’s jurisdiction constituted a large information vacuum for the financial management of the GP. Since the Warwat Khanderao GP is not responsible for maintaining annual accounts for the schemes in which it is not directly involved, the GP was able to include little information in its Annual Budget Report on grants from State and

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<sup>61</sup> *Ibid.*, pp. 38-40.

<sup>62</sup> *Ibid.*, p. 37. “According to Rule 5(A) of the BVP [Bombay Village Panchayats], (Budget & Accounts) Rules, 1959 payment of any sum in excess of Rs 500 out of the village fund shall be made by cheque signed by the Sarpanch and Secretary of the GP. ...Scrutiny of the records revealed that in 72 selected GPs money was drawn in cash from the village/scheme funds and payments in excess of Rs 500 in 1511 cases involving an amount of Rs 88.47 lakh were made to the parties concerned in cash during the period 2003-04 to 2007-08.”

<sup>63</sup> Interview at the BDO of Sangrampur on April 25, 2014.

Central government. Since the progress of financial devolution to the GP is slow or stalled, the GP-level accounts cannot cover all grants from the State and Central Government.

Even though the accounting data is focused mainly on funds from its own source of revenues, it does not provide details of revenues collected through the *patwari* system to allocate to the GP. Revenues in the *patwari* system are collected outside the panchayat raj setup.

Expenditure of the accounting data in the Annual Budget Report was detailed as shown in Table YYY.

Table YYY

Annual Budget Report on Gram Panchayat in Maharashtra: 2007-08  
Village Gram Panchayat Office: Warwat Khanderao

Serial no	Particular	Total income in current year	Particular	Total expenditure in current year
<b>1</b>	<b>Village fund</b>		<b>1 Village fund</b>	
	1. Property tax		1. Sarpanch remuneration	3600
	2. Streetlight tax	80197	2. Panchayat member meeting allowance	690
	3. Sanitation and water tax		3. Traveling allowance	156
	4. Shops and small enterprises		4. Employee salary and PF	18920
	5. Fair		5. Employee uniform	390
	6. Entertainment tax		6. Official expenditure (Stationary and Xerox)	8095
	7. Cycle and other vehicle tax		7. Maintenance	2429
	8. Toll tax		8. Sanitation	
	9. Jakhat tax		10. Electricity bill	25200
	10. Octroi		10. Water supply (pending)	
	11. Forest development tax		10a. Bleaching powder	2400
	12. Service tax		10b. Pump reparing	2032
	13. Other deposit tax		10c. Maintenance of tap	
<b>2</b>	<b>Non-tax income</b>		10d. Maintenance of dam	
	1. Market fee (Auction)	1500	10e. Maintenance of well	
	2. Reickshaw stand fee		10f. Other (furniture)	3800
	3. Car stand fee		10g. Maintenance of street light	1966
	4. Allocation received from 12 I	3832	11. Equipments and others	
	5. General		12. Education and health	
	6. Private		13. Subsidy for toilet construction	1200
	7. Sanitation fee		14. Roads and gutter cleaning	6250
	8. Cattle grazing fee		15. Other construction	
	9. D.V.F interest (2.5 per cent)		16 Library	
	10. Land lease fee		17. To maintain roads	7450
	11. Interest deposit (Bank)	3959.89	18. Social Welfare for Dalit and Tribal hamlets(10 per cent)	4050
	12. Land rent		19. DVD F contribution	801
	13. Cattle shade		20. Women and child welfare	
	14. Donations		21. Social and cultural work	
	15. Other fees (Grant-in-aid)	800	22. Cattle shade	
<b>3</b>	<b>Transferred fund</b>		22a. Fine	
	1. Stamp duty	3700	22b. Fodder	
	2. Sub-tax	1770	22c. Donation	
	3. Land revenue		Miscellaneous	7797
	4. Levelling of land		Total	
	5. Minor minerals		<b>2 Government subsidy expenditure</b>	
	6. Aid for street light		Toilets in Dalit basti	
	7. Tap water supply (50 per cent subsidy)		Water supply	
	8. Assistance for backward and tribal area		Construction	
	9. Subsidy other than fair and festival tax		Schools	
	10. Compensation for toll		Health	
	11. Other subsidy		Agriculture	
	Total transfer fund		Other (Public welfare works)	4510
<b>4</b>	<b>Government subsidy deposits</b>		<b>3 Government subsidy expenditure (Schemes)</b>	
	1. Toilet		SJSY	
	2. Development of Dalit basti		JGSY	
	3. Water supply/TCL subsidy	60	SGRY	25150
	4. Construction		12th Finance Commission	30115
	5. School		Small expenditure	
	6. Remuneration/salary, meeting allowance	9900	Deposits	
	Total government subsidies		Installment, Interest and bank commission	353
<b>5</b>	<b>Fund from MP, MLA and backward area development</b>		Advances	
	1. DRDA		Total	157354
	2. Central government subsidies		General, water supply, 12 Finance Commission*	136220.16
	2a. SGSY		Total	293574.16
	2b. JGSY			
	2c. SGRY	25117		
	2d. 12 <sup>th</sup> Finance Commission	35281.43		
	2e. Hamlet development scheme			
	Total			
<b>6</b>	<b>Opening balance</b>	127456.84		
	Total (1+2+3+4+5)	166117.32		
	Grand total	293574.16		

\* 'General, water supply, 12 Finance Commission' is unspecified, which may include closing balance.

However, the revenue and expenditure of budget are not classified by functions in respect of 29 subjects mentioned in the Schedule XI of the Constitution. Although the Government of Maharashtra adopted in 2003<sup>64</sup> the new format of accounting system for

<sup>64</sup> "It was also envisaged that the formats for preparation of budget and keeping accounts by PRIs shall be prescribed by C&AG. Accordingly, C&AG had prescribed the Budget and Accounts formats for PRIs in 2002. These formats were

PRIs as prescribed by the C&AG of India, the new accounting system is being introduced only at the ZP level. Yet ZPs and PSs did not compile the accounts in this format.<sup>65</sup> The C&AG's scrutiny of records of selected PSs and GPs revealed that none of the selected PSs/GPs had prepared and submitted their accounts in the formats prescribed by the C&AG for 2003-08. The Block Development Officer that exercises jurisdiction over Warwat Khanderao certainly knew the new format of accounting system as prescribed by the C&AG, but he said it was introduced only at the ZP level.<sup>66</sup> In fact it was introduced neither at the BDO of Sangrampur nor at the Warwat Khanderao GP.

The *Gram Sabha* in Warwat Khanderao may cross-check the accounting data maintained at the Warwat Khanderao GP with data at the BDO or data audited by the Local Fund Audit Department and the C&AG of India.

Since the progress of financial devolution to GPs is either slow or stalled in Maharashtra, the GP has to consult the accounting data at the *Panchayat Samiti*-level or *Zilla Palishad*-level to find information about grants from the State and Central Government.

(West Bengal)

The Raina GP maintains account data as a part of the GP registers as shown in Table 17-2. West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007 specifies the format of accounting. We saw some of filled-up forms. Unlike Maharashtra, even sub-GP bodies (*Gram Sansads*) and Sub-Committees of the GP (*Upa-Samiti*) prepare outline budgets. The Executive Assistant under the direction of *pradhan* draws up an outline budget of the GP. The Executive Assistant of the GP with the assistance of the Secretary and other employees prepares monthly, half-yearly or annual statements of receipts and payments. GP is to submit its annual account to *Gram Sabha* for approval. *Pradhan* cannot sanction any fund for a scheme, programme or project without considering the views of the members of *Upa-Samitis* to whom powers have been delegated by the GP with respect to such scheme, programme or project. Accounting data of GPs are brought under the internal audit of the Panchayat Audit and Accounts Officer<sup>67</sup> posted at the Block office.

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approved by Government of Maharashtra (GOM) and circulated to all ZPs (November 2003) for implementation with effect from 2001-02." [Comptroller and Auditor General of India (C&AG), Audit Report (Local Bodies) for the year ended March 2008, p. 9-10.]

<sup>65</sup> *Ibid.*, p. 22 and p. 42.

<sup>66</sup> Interview at BDO that exercises jurisdiction over Warwat Khanderao in August 2011.

<sup>67</sup> Third State Finance Commission of West Bengal attaches importance to the Panchayat Audit and Accounts Officer. "The main problem has, however, remained at the GP level where substantial amounts are being spent for implementation of various assigned schemes. The services of the Panchayat Audit and Accounts Officer posted at the Block office are often used for various other purposes by the Block Development Officer (BDO). Authority responsible for internal auditing the panchayat offices should be independent of any tier of panchayat bodies. Offices of the Panchayat Audit and Accounts Officer should desirably be made independent of Panchayat Samitis." [Third State Finance Commission of West Bengal (2008), pp. 110-111.]

As mentioned in §4-3-5-4, we obtained from Raina GP a booklet named *Protibedon*,<sup>68</sup> which described the activities of the GP. This brochure also contained the accounting data maintained by the Raina GP. Thus, as far as Raina GP is concerned, accounting data is transparent and open for discussion among villagers. This information is disclosed just for the purpose of accountability to the villagers. It is not intended to be sent upward to the ZP- or the State-level. It is not submitted to higher officials like BDO.

According to the *Protibedon*, the total revenue and expenditure for 2007-08 was Rs 166,66,309.53 and 167,25,805.20 respectively. Of the total revenues, the largest component was amount received and spent on MGNREGS (Rs 1,29,48,347 or 77.7%). Of the remaining (Rs 37,17,962.53), own source revenue was Rs 2,53,218 (1.52 %), untied funds from Central Finance Commission and the State was 5,63,172 (3.38 %) MP/MLA Local Area Development fund was 2,15,000 (1.3%). The remaining amounts were receipts from various government schemes and grants. Hence the major source of revenue and expenditure of Raina GP was from government schemes, the most important being MGNREGS. Both the State Finance Commission and the Examiner of Local Accounts (ELA) of West Bengal are concerned with the weakness of financial management of PRIs in West Bengal.

As mentioned in chapter 3, in the process of audit of 18 ZPs, 151 PSs and 3,214 GPs during 2008-09, the ELA found that internal audit of Bankura and Bardhaman ZPs, 67 PSs and 1,252 GPs was not conducted for the period ranging from one to five years.<sup>69</sup> According to the ELA, that is considered indicative of inefficient internal controls in PRIs in West Bengal. For GPs the West Bengal Panchayat (GP Miscellaneous. Accounts and Audit) Rules, 1990 prescribes that internal audit of GPs shall be conducted by the Panchayat Accounts and Audit Officers (PA & AO) at least once a month.

All GPs in West Bengal are to maintain accounts specified by West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007. In the its 2008-09 audit, the ELA found that 29 PSs and 28 GPs out of 151 PSs and 3,214 GPs did not prepare the account in the prescribed format. The ELA found that 735 PRIs did not maintain the Demand and Collection Register (Form 7), 1,039 PRIs did not maintain the Appropriation Register (Form15) and 1,589 PRIs did not maintain the Advance Register (Form 14), among others.<sup>70</sup>

As far as Raina GP is concerned, however, we ascertained the existence of these Forms maintained by the Executive Assistant there. The GP submitted annual accounts to *Gram Sabha* for approval. The Raina GP also distributed to the public the brochure *Protibedon*, which contained detailed accounting data.

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<sup>68</sup> Raina Gram Panchayat (2008).

<sup>69</sup> Examiner of Local Accounts West Bengal, *The Report of the Examiner of Local Accounts on Panchayat Raj Institutions for the year ending 31 March 2009*, p. 17, p. 19 and p. 20.

<sup>70</sup> Examiner of Local Accounts West Bengal, *The Report of the Examiner of Local Accounts on Panchayat Raj Institutions for the year ending 31 March 2009*, p. 19 and pp. 85-86.

The ELA found in its audit that Jalpaiguri ZP, 17 PSs and 85 GPs did not reconcile differences between the cash book and the pass book balances of banks and treasuries as of 31 March 2008. The Third State Finance Commission of West Bengal suggests that “the accounts keeping by all the three tiers are not in order,”<sup>71</sup> as different sources mention different figures.

We verified the existence of a cash book in Raina GP. It was maintained by the full-time Executive Assistant.

In West Bengal, the double entry system of accounts was introduced with computerization, which has been initiated and completed in ZPs. However, the same were in progress in PSs and GPs.

We actually met the Panchayat Accounts and Audit Officer of Raina block in charge of Raina GP.<sup>72</sup> He undertakes the internal audit of all GPs within the block. He was able to show us a filled-up annual statement of receipts and payments (Form 27) of the Raina GP dated October 23, 2009. As mentioned in §3-2-2-10, the Examiner of Local Accounts (ELA) functions as statutory auditor for examining cent per cent accounts of all the GPs every year.

In West Bengal, the GP is the main implementing agency for all of the major Central and State government schemes and programmes. The schemes such as SGRY, MGNREGS, IAY, IGNOAPS, PROFLAL, NMBS and the State Sanitation Programme were directly implemented by the GP in West Bengal. In each of these schemes the GPs receive funds directly from the government agencies for implementation of the scheme. As described earlier, scheme-related funds constituted the majority of the panchayat receipts in Raina. As a result, “Receipts of Grant in Aid from Central/State Government” and “Payments out of Grant in Aid from Central/State Government” are recorded in the accounting data (see Table 34).

Raina GP also provided information on “untied funds” from the Central and State Finance Commission. In fact, “Receipts of Grant in Aid from Central/State Government for Programme Implementation as untied fund under the recommendation of-(i) Central Finance Commission, (ii) State Finance Commission and (iii) others” is recorded in the accounting data (see Table 34).

### **Table 34**

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<sup>71</sup> Third State Finance Commission of West Bengal (2008), p. 33. The Commission stated “The analysis vindicates the evidence adduced by the Auditors and Examiner of Local Accounts before the Commission.”

<sup>72</sup> Interview at Raina GP office and Raina I BDO in February 2011.

Form – 27  
[see rules 27(2) and 27(3)]

Part – I

Half- yearly/ Annual Statement of Receipts and Payments  
of ----- Gram Panchayat for the period from.....to .....

Receipts				Payments		
Particulars	Opening Balance	Receipts during the period	Total amount	Particulars	Payments during the period	Closing Balance
	(Rs.)	(Rs.)	(Rs.)		(Rs.)	(Rs.)
<p>A. Receipts of Grant in Aid from Central/State Government:</p> <p>1. For Programme Implementation:</p> <p>(a) As Sponsored Programmes-</p> <p>(i) WBREGS</p> <p>(ii) NOAPS</p> <p>(iii) IAY</p> <p>(iv) .....</p> <p>(b) As assigned functions-</p> <p>(i) .....</p> <p>(ii) .....</p> <p>.....</p> <p>(c) As untied fund under the recommendation of-</p> <p>(i) Central Finance Commission</p> <p>(ii) State Finance Commission</p> <p>(iii) others</p> <p>.....</p> <p>.....</p>				<p>A. Payments out of Grant in Aid from Central/State Government: 1.</p> <p>For Development Works:</p> <p>(a) As Sponsored Programmes-</p> <p>(i) WBREGS</p> <p>(ii) NOAPS</p> <p>(iii) IAY</p> <p>(iv) .....</p> <p>(b) As assigned functions-</p> <p>(i) .....</p> <p>(ii) .....</p> <p>.....</p> <p>(c) As untied fund under the recommendation of-</p> <p>(i) Central Finance Commission</p> <p>(ii) State Finance Commission</p> <p>(iii) others</p> <p>.....</p> <p>.....</p>		
<p>2. For establishment:</p> <p>(a) Honorarium for Pradhan, Upa-Pradhan and Sanchalak</p> <p>(b) Fixed Traveling Allowances of members of Gram Panchayat including Pradhan</p> <p>(c) Salary of employees</p> <p>(d) Allowance for Tax Collector</p>				<p>2. For establishment:</p> <p>(a) Honorarium for Pradhan, Upa-Pradhan and Sanchalak</p> <p>(b) Fixed Traveling Allowances of members of Gram Panchayat including Pradhan</p> <p>(c) Salary of employees</p> <p>(d) Allowance for Tax Collector</p>		



B. Contribution from ZP/PS/ Other Agency: (i) MP LAD (ii) BEUP (iii) SHG Training and so on				B. Payment out of Contribution from ZP/PS/ Other: Agency... (i) MP LAD (ii) BEUP (iii) SHG Training and so on		
C. Own source revenue: (i) Tax (ii) Non-tax (iii) Others				C. Payment out of Own source revenue (Specify): (i) (ii) (iii)		
D. (a) Loans/ Advances/ Deposits:  (b) Interest on Savings Bank Accounts: From- (i) WBREGS (ii) IAY (iii) SGRY (iv) NOAPS (v) MP LAD (vi) Own Source Revenue and so on				D. (a) Repayment of Loans/Advances/ Deposits etc.: (b) Bank Charges, Commissions etc. for- (i) WBREGS (ii) IAY (iii) SGRY (iv) NOAPS (v) MP LAD (vi) Own Source Revenue and so on		
E. Miscellaneous Receipts:				E. Miscellaneous payments:		
Total :				Total :		

Source: West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007

There is as yet no standardised format in West Bengal to give a detailed breakdown of expenditures in the GP accounting system. The format of annual statement of receipts and payments of GP (Form 27) specified in West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007 does not give detailed information on expenditures. For example, as shown in Table 34, an untied fund under the recommendation of Central or State Finance Commission is present on both the receipts and payments sides of the annual statement. The annual statement does not the clarify payment details of the untied fund, let alone a detailed breakdown classified by functions, programmes and activities capturing expenditure in all 29 subjects mentioned in Schedule XI of the Constitution. As a result, sector-wise allotment and expenditure therefrom cannot be identified in PRI accounts. Therefore, the Third State Finance Commission of West Bengal stated that “Analysis of expenditure by the Panchayats at three tier level is more difficult as the state of affairs with respect to data availability and reliability is more precarious in this field. P&RD [Panchayat and Rural Development Department] Annual Reports give the yearwise expenditure of the Central Government flagship schemes only. Funds for State Government schemes including

those for salary and pensionary benefit are released and credited to the Local Fund accounts and bank accounts of the Panchayat bodies, expenditure from which are hardly monitored.”<sup>73</sup>

The Simplified Accounting System prescribed by the C&AG had not been introduced in West Bengal at the time of our study even though the Simplified Accounting System has provided the object heads which represent each object item of expenditure in relation to the Schedule XI of the Constitution. The system of accounting in West Bengal has no similarity to codes list for functions, programmes and activities prescribed by the C&AG.<sup>74</sup> The Panchayat Accounts and Audit Officer at the Raina I block certainly knew the new format of accounting system prescribed by the C&AG but it had not yet been introduced in West Bengal.<sup>75</sup>

Without details of expenditures in the accounting data, financial needs in the GP cannot be accurately assessed. The GP’s expenditures cannot be assessed in relation to its functional domain, the database for which we discussed in §5-1-1-2.

However, the Raina GP in its booklet *Protibedon*<sup>76</sup> gave a detailed breakdown of the GP’s expenditure, particularly of Central Finance Commission and untied funds. For example, in 2007-08, Raina GP obtained Rs 2,19,498 from the central finance commission. It spent Rs. 78,209 on the expansion and construction of the panchayat office, Rs 32,578 to purchase a computer, Rs 16,600 for construction of culverts at two locations, 18,640 for road repair, Rs 36,562 for distributing chickens to SHGs and the remaining for maintenance of wells. Similar detailed information is presented for expenditure from untied funds.

This information was disclosed only for accountability to the villagers. It is detailed but specific to the GP. The information is not relayed upward to the ZP or the State.

Nevertheless, the fact that a detailed breakdown of the Raina GP’s expenditure was independently disclosed to the public, suggests that the GP could produce such data if required, but the GP did not do so. The information cannot move upward to the ZP or the State without an uniform format among GPs.

Since accounting data in Raina GP is internally audited by the Panchayat Accounts and Audit Officer and statutorily audited by the Examiner of Local Accounts (ELA), West Bengal every year, the *Gram Sabha* in Raina should be able to cross-check the accounting data maintained at the Raina GP with data checked by these auditors.

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<sup>73</sup> Third State Finance Commission of West Bengal (2008), pp. 32-33.

<sup>74</sup> “The Secretary, MOPR requested (October 2009) the Chief Secretaries of all States and Union Territories to operationalise the format with effect from April 2010. The State Government had intimated (May 2010) that they had already adopted cash based Double Entry System of Accounting in all tier of PRIs.” “The P&RDD developed and introduced (April and June 2003) two software packages, namely Integrated Fund Monitoring and Accounting System (IFMAS) and Gram Panchayat Management System (GPMS) for maintenance of accounts and database for ZP/PS and GP respectively.” [Examiner of Local Accounts West Bengal, op. cit., p. 6.]

<sup>75</sup> Interview at Raina I BDO in February 2011.

<sup>76</sup> Raina Gram Panchayat (2008).

Since the Raina GP's booklet *Protibedon* has not disclosed after 2008, one cannot discuss at present the expenditures of the GP in relation to its functional domain as described in §5-1-1-2.

#### 5-4-2 Data for assessing own source revenues

Own source revenue is important for the fiscal autonomy of the PRIs, since PRIs have discretion over how to use their own source revenue. Further, data on own source revenue is required for the intergovernmental financial adjustment that aims at financing a resource gap between administrative needs on the one side and financial capability (including tax collection capability) on the other.

(Maharashtra)

(1) Maharashtra is the erstwhile temporarily settled or ryotwari areas that are cadastrally surveyed and where *patwari* agency exists for collection and annual revision of village-level land records. *Patwari*'s work is to keep land records as described in §4-3-3-4 and collect land revenue using the land records. However, accounting data in Warwat Khanderao GP did not properly reflect the revenues allocated from the *patwari* system to the GP. We could not identify in the accounting data of the GP the amount of funds come from the *patwari* system. According to the BDO of Sangrampur block, amount of land revenue collected by *patwaris* is negligible. Amount of land registration fee on land purchases and transfers is much larger than land revenue.

(2) At present, the major own tax source of GP in many States is property tax. Warwat Khanderao GP also collects property tax referred to as the house tax. As described in § 4-3-1, all taxable buildings under the GP jurisdiction are recorded in the *Item no. 7: General Receipt Book* and *Item no. 8: House tax*. Thus, Warwat Khanderao GP has a list of houses in its jurisdiction. The GP updates this register every four years. We authenticated the one updated in 2005-06. Unpaid taxes are recorded in *Item no. 9: Tax demand-collection and Balance register*. According to the *Gram Sevak*, about 71% of house tax is collected every year.

Table xxx2

OWN SOURCE REVENUE 2007-08		20011-12		
	Rs	Rs	Per cent	
Property tax, Streetlight tax, Sanitation and water tax	80,197	Property tax Street light Sanitation Water tax General water tax Private water tax Total	59,891 7,340 5,835 78,313 21,626 86,400 259,405	23.1 2.8 2.2 30.2 8.3 33.3 100.0
<b>Non-tax income</b>				
Market fee (Auction)	1,500			
Interest deposit (Bank)	3,959.89	Interest deposit	1,380	

(Bank)

Source: *Annual Budget Report on Gram Panchayat in Maharashtra: 2007-08 and 2011-12.*

Note: Since 2009 new water taxes have been imposed in Warwat Khanderao.

There are 255 houses in the village that are required to pay the house tax. In 2010-11, a total of 173 houses paid tax. The total tax assessment for the entire village was Rs. 43,337. In 2010-11, the actual collection of house tax was Rs. 30,828.

In order to assess and evaluate the base of house tax, aggregate data collected by census type household surveys such as the Census of India (especially the houselisting and housing data) and the BPL Census may be usable, though the house tax register is a list of “houses” (or house owners) and not a list of “households.”

(3) Warwat Khanderao GP also has registers for other revenues. According to *sarpanch*, water tax is a major source of income for Warwat Khanderao GP. Tax receipts from water supply (with underground pipe) are recorded in *Item no. 10: Tax Collection Receipt Book*. Under the Maharashtra Gramin Paani Parota Yojana (MGP) scheme, two 18,000- litre water tanks were constructed in the village. The GP also owns a tubewell and 110 households were given connection to that. One 5,000 litre tank is also filled with this tubewell. Eight general taps were constructed. Water tax

of Rs. 75 per household is imposed on all households for tubewell water and Rs. 250 on all households for tank water, Rs. 720 on those households that have taps in their houses.

Although amount of water tax is combined with that of property tax (house tax) etc. in 2007-2008, total amount of water taxes is more than 70 per cent in 2011-2012. It is much larger than the property tax (house tax).

Table XXX

Own source revenue	Rs	Per cent
Property tax	144125	56.7
Professional tax	32970	13.0
Toll tax	35735	14.0
Registration of vehicle fees	410	0.2
House construction fees	11180	4.4
Sale of trees	2564	1.0
Contingency	447	0.2
Miscellaneous	1771	0.7
Leasing of pond	12500	4.9
Cattle shed	600	0.2
Receipt from principal etc.	1360	0.5
Scrap fund	350	0.1
Sale of old news paper and others	60	0.0
Transport charges	9088	3.6
Birth and death registration fees	58	0.0
Sale of old sack	1133	0.4
Total	254351	100.0

source: *Protibedon* (2008), pp. 3-5

(West Bengal)

(1) West Bengal is the erstwhile permanently settled or zamindari areas that are cadastrally surveyed but where there is no *patwari* agency at the village level for collection and annual revision of land records. Instead, the Block Land and Land Reform Office (BLRO)

maintains land records for villages in the block. As described in §4-3-3-4, the land records that give the total extent of land held by individual holders, are also used for levying land revenue in Raina GP. The revenue inspector's office is responsible for obtaining the records of total land ownership of individual holders, assessing and collecting land revenue at prevailing rates. According to the BLLRO of Raina I block, there was no land revenue for holdings smaller than 4 acres.

(2) As described in § 4-3-1, Raina GP collects property tax (tax on land and building) using *Form 6: Register for market value of land and building located within GP* specified in West Bengal Panchayat (Gram Panchayat Administration) Rules, 2004 and its Amendments, 2006. According to the Panchayats and Rural Development Department of West Bengal, property tax contributes around 40 per cent of GP's total own source revenue. As far as Raina GP is concerned, property tax contributes 56.7 per cent of total own source revenue. Based on the *Form 6* and other forms, an assessment list of persons liable for tax on land and building within the GP is to be prepared using Part-I of *Form 9: Assessment List* (List of persons liable to pay tax on land and building within GP) to be approved by the meetings of the GP and *Gram Sansads*. Therefore, the list of persons liable for tax on land and building is open for discussion at the *Gram Sabha*. Unpaid taxes are to be recorded in *Form 7: Register for Arrear and Current Demand and Collection of Taxes* in the GP Rules, 2007. When we visited the Raina GP office in February 2011, the GP showed us a "Panchayat Property Tax Assessment Sheet." In Raina, all households in the village are taxed. Even a landless household has to pay a minimum annual tax of Rs. 3. In Raina the GP collects property tax for agricultural land as well as homestead land and house.<sup>77</sup> There were 3,581 panchayat property tax assesseees in Raina GP. According to the Executive Assistant, total tax assessed in financial year 2009-10 was Rs. 137,395 and actual collection was Rs. 106,000 on current assessment. He estimated that approximately 80 per cent of the tax assesseees pay tax each year.

However, in general, the collection rate of the total demand for tax, fees, rate in West Bengal is not considered high. The Examiner of Local Accounts found that "3,068 GPs could collect only 23.93 crore in the shape of tax, fees, rates etc. against total demand of 95.01 crore during 2007-08. Thus, the collection was only 25 per cent of the total demand."<sup>78</sup> The Third State Finance Commission suggests that "It is, however, true that there are no firm figures of own revenue of the PRI bodies—different sources have mentioned different figures. The Commission also failed to get firm figures as the PRI bodies did not furnish the information asked for."<sup>79</sup> According to the Commission, figures on own source revenue may

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<sup>77</sup> Land is valued at Rs. 25,000 per acre. A house is valued at Rs. 10,000 for a pucca construction, Rs. 2,000 for a kutchha construction and Rs. 4,000 for a semi-kutchha construction. Tax is assessed at 6 per cent of total value of property. The tax rate is 1 per cent if the assessed value is up to Rs. 1,000 and 2 per cent if the assessed value is higher than Rs. 1,000. [Interview with Executive Assistant at Raina GP office on September 14, 2009]

<sup>78</sup> Examiner of Local Accounts West Bengal, op. cit., p. 19.

<sup>79</sup> Third State Finance Commission of West Bengal (2008), p. 28.

be much less than what has been shown in *Annual Administrative Report* of the Panchayats and Rural Development Department. “The results of the study reflect that the per capita collection of own revenue is much less than what has been shown in the Annual Reports of the Department.”<sup>80</sup>

As in the Warwat Khanderao GP, in order to assess and evaluate the base of property tax, aggregate data collected by census-type household surveys such as the Census of India (especially the houselisting and housing data) may be usable.

(3) GPs in West Bengal can, in principle, impose conservancy rate, drainage rate and general sanitary rate and fees for grazing cattle on vested land, for use of burning ghat, registration of shallow or deep tube well, licence on dogs, birds and domestic animals, etc., and also tolls for use of roads, bridges, ferries vested in them or under their management, rates as water rate, lighting rate and fees for arranging sanitary arrangements at the places of worship, pilgrimage, fairs and melas, fees for registration of running trade and income from assets generated by them.<sup>81</sup> However, the Third State Finance Commission states that “Although in terms of numbers, there are as many as 66 different types of taxes, fees and charges which can be imposed by them, most of the levies are only in the statute books and are just not levied as none of these revenue handles is significant from the view point of generating revenues except the Property Tax.”<sup>82</sup> Own source revenues of Raina GP are shown in Table xxx.

The Third State Finance Commission of West Bengal points out that “some of the Panchayat bodies, particularly the ZPs, have under their management and ownership various types of assets – land, buildings, water bodies, hats and bazaars, ferries etc., but most of the ZPs do not maintain proper Asset Registers.”<sup>83</sup>

#### *5-4-3 Data for inter-governmental fund allocation*

As mentioned in §2-4-4, an asymmetry between the taxation power and the responsibility to meet their functional requirements necessitates transfer of funds from higher tiers of government to the local governments either through untied grants or through a share in other State Taxes or as part of various development schemes. That requires the Central-State and the State-local intergovernmental fund transfer, and further inter-PRI fund allocation. In §2-4-4, we define such fiscal transfer as an intergovernmental financial adjustment. Generally, fiscal transfers among local bodies require principles for fund allocation. India has created a

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<sup>80</sup> *Ibid.*, p. 30.

<sup>81</sup> *Ibid.*, p. 27. Also see West Bengal Panchayat (Gram Panchayat Administration) Rules 2004, Part II, Chapter X (Imposition of Taxes, Fees and Rates by Panchayats)

<sup>82</sup> *Ibid.*, p. 34.

<sup>83</sup> Third State Finance Commission of West Bengal, *Report of the Third State Finance Commission West Bengal*, 2008, p. 36. “The Commission feels that there is considerable scope of augmentation of resources through proper management of the assets owned by them and/or transferred to the PRI bodies.”

necessary condition towards rationalizing State-local intergovernmental financial adjustment by creating the State Finance Commission (SFC) through the 73<sup>rd</sup>/74<sup>th</sup> constitutional amendments.<sup>84</sup>

(Maharashtra)

As mentioned §3-2-2-11, details of recommendations and reports of the State Finance Commission (SFC) of Maharashtra are not available in public domain and we were not able to access the SFC reports. A report on budget transparency in India prepared by Centre for Budget and Governance Accountability (CBGA) in 2011 identified the following (among others) as major gaps and shortcomings in budget transparency in Maharashtra:

- “The report of the latest finance commission has not yet been published.
- The executive does not hold consultations with the legislature on the memoranda/demands to be submitted by the State to Finance Commission and Planning Commission.
- It does not make public the memoranda submitted to Finance Commission and Planning Commission.
- The State government either does not present the Action Taken Report on the recommendations of the SFC to the legislature, or when it does, it is delayed by more than a year after the submission of the SFC report” (CBGA, 2011).<sup>85</sup>

According to the CAG report of local bodies in Maharashtra 2010-11, the Second State Finance Commission of Maharashtra had recommended allocation of 40 per cent of the state revenues to local bodies. However, the state government did not accept the recommendation. In 2010-11, 15.93 per cent of the state revenues were allocated to local bodies.

We could not verify if the state follows any uniform principle in allocating funds to local bodies and determining the amount of allocation across local bodies.

(West Bengal)

The State Finance Commission of West Bengal have provided principle and methodology of “untied” fund allocation.<sup>86</sup> The four units of self-governance, namely, Urban Local Bodies (ULBs), ZPs, PSs and GPs have been assessed on a statewide basis of some common and specific indicators, the choice of which has been greatly influenced by the availability,

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<sup>84</sup> The 12th Central Finance Commission argues that State Finance Commissions have not worked properly in most of the States. [Report of the Twelfth Finance Commission, 2004, pp. 149-151, p159-160] Oommen (2008) argues that “the State Finance Commissions have not performed their onerous tasks satisfactorily.” [Oommen(2008), p.9]

<sup>85</sup> CBGA (2011), Transparency in State Budgets in India: Maharashtra, available in [http://www.cbgaindia.org/files/policy\\_briefs/Maharashtra.pdf](http://www.cbgaindia.org/files/policy_briefs/Maharashtra.pdf), accessed on January 23, 2015

<sup>86</sup> Third State Finance Commission of West Bengal (2008), pp. 133ff.

reliability and transparency of the database. Each of these indicators has been assigned a definite weight, indicative of its role and importance in the combined index.

Principle and methodology of fund allocation provided by the Third State Finance Commission is as follows. At the outset the State has been divided into a Municipal and a PRI population and all allocable funds available at the State level have been apportioned accordingly: 76% for PRI bodies and 24% for ULBs. Next, the Commission recommends a larger share of the PRI fund for the GPs, since “there is a growing shift in the focus of development activities towards the GP level under the evolving decentralized planning environment.” Sub-allocations of the PRI fund are as follows:

Zilla Parishad (ZP)	12 Per cent
Panchayat Samitis (PS)	18 Per cent
Gram Panchayats (GP)	70 Per cent

Further, proportionate share for each GP among all GPs is calculated using a combined index that comprises indicators and their relevant weights. The combined index for a Gram Panchayat (GP<sub>i</sub>) will work out as:

$$GP_i = 0.598 GP_{1i} + 0.1 GP_{2i} + 0.1 GP_{3i} + 0.1 GP_{4i} + 0.051 GP_{5i} + 0.051 GP_{6i}$$

where i=1,2, ..... to n. (number of Gram Panchayats).

These indicators and the relevant weights accorded are provided as:

1a) Undifferentiated Population	0.500
1b) Backward population Segments	0.098
1) Weighted Population (GP <sub>1i</sub> )	0.598
2) Female Non-Literates (GP <sub>2i</sub> )	0.100
3) Food Insecurity (GP <sub>3i</sub> )	0.100
4) Marginal Workers (GP <sub>4i</sub> )	0.100
5) Total Population without drinking water or paved approach or power supply (GP <sub>5i</sub> )	0.051
6) Sparseness of Population [inverse of population density] (GP <sub>6i</sub> )	0.051

The Third State Finance Commission states that “Constrained by the availability of data right down to the Gram Panchayat level an effort has been made to use proxy indicators which are expected to reflect the four broad areas of education, health & nutrition, employment & livelihoods and infrastructure.” According to the Commission, “As a complete set of more recent data was unavailable we have had to rely on the detailed data set that was made



available by the 2001 Census right down to the Gram Panchayat level. For Food Insecurity parameters we have used the data provided by the Rural Household Survey (2005).”

The premise of the combined index is that the administrative needs for resources for development is strongly and positively correlated with the population size (1a) and backwardness (1b, 2-6) of the region. However, the combined index does not include a parameter for financial capability. The combined index only for ULBs includes parameter of “ratio of own revenue to total revenue,” but there is no such parameter in the index for PRIs. As the intergovernmental financial adjustment, in principle, aims at financing a shortfall between administrative needs and financial capability, information included in the combined index for GPs is insufficient in this respect.

Not only data from the Population Census and the Rural Household Survey (2005) but also some of village-level data such as the Village Schedule data on BSLLD may be usable to construct indexes for fund allocation among GPs. It may compensate for the data constraint at the GP level.

#### *5-4-4 Separate budget window for the State-Panchayats fiscal relationship*

It has become absolutely essential for the State government to arrange for a separate budget head in which devolution of funds, pertaining to all matters devolved to panchayats, are separately indicated.

If the State government produces a list of state departments whose funds are channelised through the local government sector window and decides upon the formula for distribution of local government components, PRIs can prepare the plan for their areas based on specific ideas about the financial resources available to meet their responsibilities.<sup>87</sup> In this regard, Kerala is the only state whose budget is disaggregated to the level of each local government.<sup>88</sup> “Appendix-IV” of the State Budget gives details of funds allocated to each local self-government institution, under different heads of accounts. Each Panchayat can easily find out its budget directly from the State Budget.

Parallel to this separate budget window, the 13<sup>th</sup> Central Finance Commission recommends that all states adopt an accounting framework and codification pattern consistent with the Model Panchayat Accounting System prescribed by C&AG.

(Maharashtra)

The *Gram Sevak* of Warwat Khanderao said that the GP estimates a fund flow for the current year to be approximately 10 per cent higher than the fund flow of the previous year. GP does not know in advance the precise fund flow the GP will receive.<sup>89</sup>

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<sup>87</sup> Planning Commission, *Manual for Integrated District Planning*, 2008, p. 37.

<sup>88</sup> *Ibid.*, 2008, p. 36.

<sup>89</sup> Interview at Raina GP office and Raina I BDO in February 2011.

(West Bengal)

According to the Executive Assistant of Raina GP and the Panchayat Accounts and Audit Officer at Raina I Block Development Office, GP does not know the exact fund flow it will receive in the next year. Therefore, GP estimates a fund flow 10 per cent higher than the fund flow of the previous year. The budget outline is then sent for approval to the *Panchayat Samiti*. Based on the fund flow till December each year, the GP prepares a revised or supplementary budget. The supplementary budget is sent for approval in February.<sup>90</sup> As described before, GPs in West Bengal are still overwhelmingly dependent on grants from the Central and State governments. This fact suggests that, unlike GPs in Kerala, GPs in West Bengal cannot estimate its budget in relation to fund allocation from budgets of the Central and State governments.

Arrangement for separate budget windows in the State budget is said to be underway in West Bengal.<sup>91</sup> The Third State Finance Commission of West Bengal recommended that West Bengal Government should review Kerala's experience.<sup>92</sup> Arrangement for separate budget windows in the state departments presupposes that the State Government has taken the obligatory steps for devolving the functions to the PRIs with appropriate Activity Mapping. However, the Third State Finance Commission is critical of the current status of functional devolution in West Bengal, because devolution through Activity Mapping has been done only by executive order. Such orders are not published in the official gazette as required under the West Bengal Panchayat (Amendment) Act, 1994. Separate budget windows are not put in place, unless formal notifications for such devolution of functions to different tiers of Panchayats are published in the official gazette as required under the law.

#### *5-4-5 Data on funding stream for all schemas and programmes within the GP jurisdiction*

As mentioned in §5-1-1-3, it is potentially possible for the Warwat Khanderao GP to compile comprehensive list of on-going central and state schemes and programmes carried out in the

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<sup>90</sup> Interview at Raina GP office and Raina I BDO in February 2011. Their working formula is as follows:

The total fund for Panchayat consists of  
Administrative Fund: 25 per cent  
Women and Child Development Fund: 10 per cent  
Backward Class Development Fund: 15 per cent  
Atithi Bhatta: 2 per cent  
Handicapped: 2 per cent  
Other Development Funds: Rest

<sup>91</sup> Panchayats and Rural Development Department, Government of West Bengal, *Annual Administrative Report 2008-2009*, p. 129.

<sup>92</sup> Third State Finance Commission of West Bengal (2008), pp. 131-132. "The efforts reportedly made by the States of Kerala and Karnataka may not be irrelevant in this connection. In Kerala, the Government has devolved the functions and announced local government-wise share of funds under three tier PRIs for five years starting from 2006-07. A separate document has been annexed as part of the State budget indicating local government-wise allotments. The funds are automatically credited to the local governments and the local governments are allowed to carry over 20% of their funds to the next financial year."

GP area, since GP officials such as *sarpanch* are well-versed in sector-wise information on current central and state schemes and programmes. However, at present it is difficult to obtain financial data on all schemes and programmes including those carried out by outside agencies within the GP jurisdiction.

Raina GP has *Form 16: Programme Register* and *Form 17: Scheme Register* to keep track of on-going central and state schemes and programmes carried out in the GP area. *Form 16: Programme Register* and *Form 17: Scheme Register* contain detailed information on expenditure. However, as mentioned in § 3-4-4, the schemes and programmes recorded in the *Form 16* and *Form 17* are only those sanctioned by GP/Upa-Samiti meetings. The *Form 16* and *Form 17* do not contain information on schemes and programmes carried out within panchayat's jurisdiction by departments dealing with matters not devolved to the GP—for example, a wide variety of activities of the Agriculture Department that are not devolved to PRIs, as illustrated in Table 7. Raina GP does not necessarily know about the funding streams toward outside agencies working within jurisdiction of the GP.

Therefore, the “scheme census” is again required in this regard. It even needs to cover information on funding stream for each scheme entrusted to outside agencies working within the jurisdiction of the GP. Various documents such as state budget documents and central government documents provide detailed information for the “scheme census.” This resource mapping exercise often becomes a reconstruction of the financial picture from available bits and pieces of data.<sup>93</sup> Therefore, the Planning Commission suggests that the mapping of budgets and conveying them to every panchayat should be the responsibility of the State and the District Planning Committee.<sup>94</sup>

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<sup>93</sup> Planning Commission, *Manual for Integrated District Planning*, 2008, p. 78. “below the block level, the resource mapping exercise often becomes a process of reconstruction of the financial picture from available bits and pieces of data.”

<sup>94</sup> *Ibid.*, p. 77.