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FOREWORD

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KARNATAKA'S PANCHAYAT RAJ SYSTEM

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DECENTRALISED PLANNING IN KARNATAKA

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## FOREWORD

*When Gandhiji spoke of Grama Swaraj, few people understood its real implication. Even during the British time, there were local self government institutions such as municipal and district boards. These institutions were invested with certain powers and resources. But ironically it was after the advent of freedom that the local self government institutions lost whatever powers they had. Jawaharlal Nehru gave a new thrust to the concept of local self government and chose Shri S.K. Dey as his instrument for the implementation of a new programme called "democratic decentralisation". Balwantrai Mehta Committee's report was accepted by the governments both at the Centre as well as in the States. But in many States, its implementation was only half-hearted.*

*The new leadership that emerged mostly from rural areas having tasted the power at the State level was reluctant to share the new found power with the institutions at district and village levels. Therefore, serious attempts in some States including Karnataka in the early 1960s to introduce radical changes in the local self government system proved abortive.*

*The Ashok Mehta Committee appointed by the Janata Government in the Centre in 1977 made certain revolutionary recommendations. The Panchayati Raj Act of Karnataka today is based on these recommendations. We have enacted this law with a view to translating Gandhiji's concept of Grama Swaraj into reality. It also symbolises our conviction that a large and diverse country like India cannot survive as a democracy unless it adopts a four-tier federal system with functioning units of Government at Mandal, District, State and National levels. These units will function as governments at the respective levels in the real sense.*

*When we say "democratic decentralisation" we admit that there is centralisation of power and we want to remedy a wrong thing that has happened. That is, we start from the wrong end. In a*

democracy, the people are sovereign and therefore distribution of power should be from the base upwards. The Grama Sabha of a Mandal, the fundamental unit of democracy, should determine what powers it should keep for itself for the purpose of administration and development of the Mandal. The residuary powers will be delegated to the other levels. Similarly, the district government should decide what powers it requires for the purpose of administration and development of the district and again the state government should decide likewise. The resources have to be distributed correspondingly. This exactly, should be the way of distribution of power. The very expression of democratic decentralisation carries an odour of condescension. We are not doing any favour to the people by giving back certain powers to them. We forget that the power belongs to them. One who has power in his hands always thinks that he is best suited to use it and gives a hundred reasons as to why others cannot be trusted with the same power.

The experiment we have started in Karnataka with full confidence in the ability and wisdom of the people has already shown the signs of success. I am sure this will be a model system to the rest of the country. We have the experience of one financial year and the initial problems have been sorted out in a democratic manner. I am confident that the remaining problems that we are discussing with the Adhyakshas of Zilla Parishads will also be resolved shortly. We have fulfilled one of the important promises we made, in our Election manifesto, to the people of Karnataka.

*Ramakrishna Hegde*

BANGALORE  
JULY 22, 1988

# Karnataka's Panchayat Raj System

## I. General

Karnataka's Panchayat Raj system has been recognised as the most far-reaching effort in democratic decentralisation in the country. The objective is to meaningfully carve out **a third tier of Government—the District Government**. The State Government has consciously framed a system which gives status and stature to the panchayat raj bodies; entrusts them with all those welfare, development and civic functions and responsibilities whose ambit lies within their respective jurisdiction; equips them with resources by way of budgetary support, staff and powers to perform these entrusted tasks satisfactorily with statutory autonomy of decision-making. This will give to its people the factum of **full participation** and secure their **deep involvement** in the ongoing challenge of socio-economic development with distributive justice.

## II. Chronology and Statutory Framework

2. The Karnataka Zilla Parishads, Taluk Panchayat Samithis, Mandal Panchayats and Nyaya Panchayats Act, 1983, received presidential assent on July 10, 1985 and was gazetted on August 2, 1985. It has created KARNATAKA'S PANCHAYAT RAJ SYSTEM.

3. **The Act of 1959:** The Karnataka Village Panchayat and Local Boards Act, 1959 introduced the earlier system of panchayat raj, with directly elected Taluk Development Boards/Village Panchayats, co-terminus with taluks/groups of villages. It related to the Community Development Block; retained the district administration structure more or less intact; and the **Deputy Commissioner as its head was responsible for both development and regulatory functions**. A District Development Council was provided with a consultative, advisory and coordinating role. No plan/non-plan scheme or staff were transferred to these elected bodies; though these bodies were utilised by the State administration to implement various local-oriented plan schemes and the BDO was the Chief Executive Officer of the Taluk Development Board. In the planning/development process, they were almost entirely **implementing bodies, not plan formulating bodies**. The 1983 Act has replaced this Act.

#### 4. **Constitution and Commencement of Business:**

– Elections to the Zilla Parishads (ZPs) and Mandal Panchayats (mandals) took place in January, 1987.

– Notifications constituting them were gazetted immediately thereafter.

– A conference of the elected members of these panchayat raj bodies was held in Bangalore in January, 1987 chaired by the Chief Minister.

– Elections of Adhyakshas and Upadhyakshas of ZPs and Pradhans and Upapradhans of mandals were completed in February/March, 1987.

– Both bodies appointed their Standing Committees and Chairmen thereafter.

– Rules under the Act were framed and gazetted to the full extent required for constituting the bodies and enabling them to commence business, in 1986 and early 1987.

– A High-Power Committee under the chairmanship of the Chief Secretary was set up in March 1985 and resolved various administrative and procedural problems. It continues as the main authority for resolution of inter-department issues. It has held 31 meetings and taken 457 operational decisions until June 30, 1988.

– The Chief Secretaries of the ZPs were appointed in February/March, 1987 and were all in position before April 1, 1987.

– Transfer of schemes for administration by the ZPs and mandals was effected on April 1, 1987 (copy of order at Annex-I) with the requisite budget provision; all the requisite posts thereunder; as also, staff to man those posts.

– Fresh posts as required were created for these bodies before April 1, 1987 and orders of deputation there-against finalised within March/April, 1987.

– Thus, all effective steps to usher in PANCHAYAT RAJ and ensure the full-fledged functioning of these institutions had been taken and the bodies became fully operational and did commence business on April 1, 1987.

### **III. Basic Structure**

5. **Gramsabha:** The gramsabha is the basic tier of the system and is a college comprising all eligible voters under the panchayat raj system i.e., all persons above the age of 18 years of that village. There is a gramsabha for each

of the 27,024 inhabited villages in the State. It is required by law to meet not less than twice a year but is encouraged by the Government to meet more often, say 4 to 5 times a year. It discusses and reviews all development problems/programmes of the village; selects beneficiaries for all beneficiary-oriented programmes transferred to the panchayat raj system; plans for local improvement, including minimum needs, welfare and production-oriented programmes including the cropping pattern for the season for the village, etc.; constitutes the Land Army consisting of all able bodied persons, etc. The Government envisages the Gramsabha as the **very bedrock of panchayat raj** and endeavours by all means to provide the fullest consideration to decisions of the Gramsabhas. Attendance of senior officers for every Gramsabha meeting, drawing up records of their discussions, and monitoring action thereon, has been insisted upon.

6. **Mandal Panchayat:** The Mandal Panchayat is the first elected tier of the system. It is entrusted with **all civic functions and powers** and responsibility for development and welfare programmes with an intra-mandal orientation. The number of seats is one for every 400 population. 2,536 mandals (including 67 deemed Panchayats) have been constituted with 55,188 elected members. 25% of the membership has been earmarked for women (of which at least one should belong to SC/ST) and 18% for SCs/STs. The mandal covers a group of villages with a population, as per 1981 census, between 8,000 and 12,000, suitably reduced for the "Malnad" (hill areas). The average configuration of a mandal is given at Annex-II. The Pradhan and Upapradhan are elected by the elected members of the mandal.

7. **Taluk Panchayat Samithi:** This is a purely nominated body comprising, *ex-officio*, all the Pradhans of mandals in the taluk; all MLAs/MLCs representing any part of the taluk (excluding urban areas); members of the ZP representing any part of the taluk; President, TAPCMS; President PARDB; plus five members belonging to SC, ST, backward classes and women by co-option with the approval of the ZPs. The MLA representing the major part of the taluk is the Chairman of the Taluk Panchayat Samithi. This body is entrusted with **advisory, supervisory, review and inter-mandal coordination functions** vis-a-vis the mandals of the taluk.

8. **Zilla Parishad:** The ZP is the second directly elected tier of the panchayat raj system. Its functions, responsibilities and powers are formulated to render it **unambiguously the head of the district's development and welfare administration**. It administers schemes and programmes transferred to it; or evolved by it; maintains cadres for manning the ZP & mandal staff; formulates

the District Plan; frames and approves its budget; and, approves the budgets of the mandals. There are 19 ZPs, one for each district (i.e., all except Bangalore Urban) with 887 directly elected members. Members of Parliament and members of the State Legislature whose constituencies cover the district or a part thereof, are members of the ZPs but do not have the right to hold office in the ZP. Similar reservations for women and SCs & STs as in the case of mandals, are provided for the ZPs also. ZPs have one seat for every 28,000 population except the Kodagu ZP which has one seat for every 12,000 population. The Adhyakshas and Upadhyakshas of ZPs are elected by members of the ZP. The Adhyaksha of the ZP has the rank of a Minister of State and the Upadhyaksha the rank of Deputy Minister. The Adhyaksha has been declared the executive head of the ZP.

9. **State Development Council:** At the apex of the panchayat raj system is the State Development Council which is chaired by the Chief Minister and comprises the Adhyakshas of all ZPs in the State, six ministers of the State and the Development Commissioner as member-secretary. It is to meet once a quarter and provide a forum for continuous review and direction of the panchayat raj movement in the State; in addition to providing a sounding board for policy and procedural formulations as also interaction between the political executive and the panchayat raj system.

10. **Staff:** The official machinery of the ZP is headed by its Chief Secretary. The post is encadred for the IAS and has been given the status and powers of a major Head of Department. The Chief Secretary of the ZP is invariably senior in rank to the Deputy Commissioner of that district who now continues to be responsible for the maintenance of law and order, land revenue administration and all other regulatory functions which are vested with the State Government. Each ZP has a strong accounting and internal audit set up under a Chief Accounts Officer who is drawn from the State Accounts Department. It also has a planning cell of experts headed by a Chief Planning Officer. The district level officers with their supporting staff of all development departments have been brought under the ZP. More than 50% of the 4.5 lakhs (approximately) State Government employees are now on deputation in the ZPs. Group A and Group B staff will continue to be on deputation from Government Departments; arrangements to permanently absorb/directly recruit Group C & D staff by ZPs including senior staff of the mandal panchayats (who will be from regular ZP cadres) is under way. The necessary cadre constitution and recruitment rules are under finalisation and are to come into force in 1988-89.



Each mandal has a Secretary and the Village Extension Worker/Agricultural Assistant on deputation from Government. Mandals are being entrusted with powers to locally appoint other subordinate category staff with the prior approval of the Chief Secretary of the ZP to meet strictly local needs.

11. **Devolution of Schemes:** In deciding the devolution of schemes, the principle has been observed that **all schemes with a mandal orientation**, have been transferred to the mandal; **all schemes with an inter-mandal, inter-taluk or district orientation** have been transferred to the ZP; the schemes remaining in the State sector being strictly those with a pronounced inter-district orientation or World Bank and other externally-assisted programmes. The entire special component plan and the tribal sub-plan is made over to the ZPs for implementation.

12. **Resources:** The State Government has effected from its budgets, a **massive transfer of resources to the District Sector**. It constitutes at present the bulk of ZP/mandal resources. The sectoral allocations for the District Sector are distinctly provided in the State budget. The district-wise allocation thereof is provided in a link document which forms an integral part of the Budget documents. The ZP has freedom within the national discipline of "earmarked funds" and "minimum needs programme", to make inter-sectoral reallocations of the funds so transferred to it.

– In 1987-88, this amounted to Rs. 951 crores – Rs. 220 crores out of the total State Plan of Rs. 870 crores, Rs. 597 crores from the State's non-plan budget of Rs. 3134 crores and Rs. 134 crores as central share of centrally sponsored schemes implemented by these bodies. Significantly, when the State Plan was cut to Rs. 769 crores, the allocation for panchayat raj bodies was retained at Rs. 220 crores.

– In 1988-89, the total District Sector provision budgeted for transfer is Rs. 837 crores and Rs. 597 crores from the State non-plan budget of Rs. 3,516 crores. Significantly, when Planning Commission reduced the draft State Plan outlay from Rs. 1,000 crores to Rs. 900 crores, again the District Sector schemes provision was reduced from Rs. 245 crores to Rs. 240 crores only.

– Notably, an increase of 9% in plan provision for the District Sector over 1987-88 compares with an increase of 3.4% in the total State Plan outlay. The conscious effort of the State Government to support the funding of the District sector is thus, quite patent.

– The plan provision includes an **untied per capita grant** of Rs. 10 per year from the State Budget to be shared by the ZPs and mandals in the ratio 1:3. This is given by the State Government over and above the transferred schematic provisions. This is intended to enable the institutions to have money at their disposal to take up activities of their choice.

– The 1987-88 budget was formulated in the normal manner before the panchayat raj institutions came into being. A provision was made however, to enable them to transfer up to 10% of the provision under any scheme/sector to any other scheme/sector at their discretion, in order to provide for some plan/programme formulating autonomy. In 1988-89, they participated fully in the plan formulating process in a grass roots-to-top approach.

– There is a statutory provision for setting up a **Finance Commission every 5 years** to determine the principles on which the resources are to be shared between the State Government and panchayat raj institutions and the basis on which allocations would be made among the ZPs/mandals. Pending its recommendations, the inter-se allocation is based on the Gadgil formula which takes into account population; unemployment; per capita income; etc. For ensuring equity in the distribution of funds to mandals by the ZP, another formula has been prescribed, namely population; area of the mandal; dry land area; population of agricultural labour; and, per capita resources raised by the mandal.

– ZPs do not have powers to levy taxes or cesses but have powers to raise their own resources by borrowings, investments and remunerative assets, etc. They retain all accruals from income-generating schemes which are transferred to them. Mandals have the power to levy traditional taxes like property taxes, taxes on transfer of property, etc. It is hoped that these will in due course provide considerable independent funding to the panchayat raj bodies.

13. **Control:** The State has retained over the ZPs **only the power of dissolution** for excess or abuse of their powers, persistent default in or incompetence to perform their statutory duties. Reconstitution by **election is mandatory within six months** of such dissolution.

– In respect of mandals, the ZP has similar power of dissolving the mandal plus the power to approve the annual budget, and the power to suspend any resolution or order of the mandal or its officer/s. Here, too, reconstitution by election is mandatory within six months. There is a conscious effort to ensure that the mandals function autonomously, independent of the ZPs; even as the

ZPs are expected to function autonomously, independent of the State Government.

– Observance of national and state priorities and observance of statutes is required. Significantly, the **State has not stipulated any priorities** to which the panchayat raj bodies are required to conform, save those which flow from the national priorities like “MNP”, “earmarked funds”, etc.

#### **IV. Some Features**

14. **Women:** While reservations for SCs/STs are to be found in panchayat raj systems of almost all states, the reservation to the extent of **25% for women** in the Karnataka system is unique. It has thrown up a work force with all the power and prestige of an elected representative numbering over 14,000 in every nook and corner of the State. The latent reservoir of new leadership and energy which this has generated, is patent.

– Within the reservations for women, there is again a provision that at least one shall belong to SC/ST community, thus providing for representation for the weakest amongst the rural womenfolk in the democratic, decentralised Government set up.

15. **Weaker Sections:** In the unlikely event of no person from the backward class being elected in any mandal, the Act requires the ZP to nominate two persons of this category to the mandal.

16. **Accent on Youth:** The **voting age has been brought down to 18 years**, giving vastly enhanced scope for rural youth to participate in district governance.

17. **Massive Transfer of Resources in favour of ZPs/Mandals:** The transfer of provisions/schemes to the ZPs and mandals from the State plan and non-plan budget is, perhaps, the most massive sharing of the State budget by transfer to the panchayat raj bodies. The attendant transfer of staff to the complete control of the panchayat raj bodies is there in only a very limited number of States.

18. **Autonomy:** The extent of autonomy statutorily ensured to the ZPs and the mandals is **unique in the Karnataka system**. Thus,

i) No government officer can suspend a resolution of a mandal or a ZP.

ii) There is no provision to declare the Divisional Commissioner or, for that matter, any other government officer as the controlling officer.

iii) The DRDS has been abolished and its functions, covering as they do the whole range of anti-poverty and area-oriented schemes, merged fully into the ZP.

iv) Subject to budgetary ceilings and national/state priorities set by the Government of India/Planning Commission, plans/budgets formulated by the mandals are not amended by the ZP/State Government; similarly, district plans of the ZPs incorporating, inter-alia, such mandal plans are not amended by the State Government.

v) There is no apex body above the ZP like a District Planning Board, District Planning and Development Council comprising not only Zilla Parishad members but also other functionaries of Government such as the Deputy Commissioner of the district or the District Minister.

vi) The Adhyaksha is, by statute, declared to be the executive head of the ZP. He is also the Chairman of the District's Karnataka Development Programme (KDP) Committee which meets on the 11th day of every month and reviews all plan progress as also action under all other major areas of development and related activities. Its membership includes not only the ZP Chief Secretary and district heads of all development departments under the ZP but also, the Deputy Commissioner, the district heads of other departments of the State Government, district heads of statutory bodies, lead banks, service undertakings, etc. Decisions of the KDP are respected by all concerned.

vii) The elections to the ZPs and mandals are conducted by virtue of Rules framed under the Act, under the superintendence, direction and control of the Chief Electoral Officer.

viii) Electoral reforms, such as free supply of electoral rolls to all candidates have been introduced already for these elections.

## **V. Relationship with others**

19. The merit of the Karnataka system is that it embodies a conscious decision to share effectively and sincerely with the panchayat raj bodies, the powers hitherto concentrated in the State Government and the district administration. Having done this, the success of the institutions and the system will be governed by the effectiveness with which a harmonious working relationship is evolved between these bodies and other major instruments of both development and regulatory administration. Karnataka's dispensation in this respect are summarised as follows:

20. **With Deputy Commissioners of Districts and other State Government Functionaries:** The Deputy Commissioner (DC) is outside the direct panchayat raj institutional framework but continues to represent the State Government at the district level. All conscious efforts have been made to ensure that the equation between the DC and panchayat raj bodies is based on **mutual respect and appreciation** of the complementarity of each others' roles to secure the maximum public good. DCs and other Government officers at the district level are required to attend meetings of the ZPs whenever invited to do so in the context of specific subjects relating to them. Informal meetings of the ZP functionaries and the DCs/Divisional Commissioners to sort out matters of mutual interest have been encouraged. In subjects where the involvement of the DC and other State Government officers at the district level is important for optimising results, the DC has been inducted as a senior member of the concerned district committee as e.g., in regard to family welfare, small savings, CLUMP, etc. and designated as co-Chairman/ co-Vice-Chairman where the Chief Secretary is, respectively, the Chairman or Vice-Chairman. By and large, relationships are smooth, cordial and effective.

21. **With Heads of Departments:** HODs have been encouraged to look upon the panchayat raj bodies as the new and more effective instruments available to them for pushing through their departmental goals and programmes. They continue to be fully responsible to Government for effective implementation and fulfilment of targets for even decentralised schemes. They have the statutory right to inspect works and schemes and send their observations to the ZPs. ZPs have also appreciated the strong need for technical guidance and supervision by the HODs and their senior officers to secure good implementation. Government has required HODs to discharge these responsibilities punctiliously. Coordination issues between departments and panchayat raj bodies are ironed out in the High Power Committee headed by the Chief Secretary and in the State Development Council chaired by the Chief Minister.

22. **With District Ministers, MLAs, etc.:** The District Minister continues to be the Chairman of the 20-Point Programme Committee of the District. The Adhyaksha has been inducted as its Vice-Chairman. The Committee does review at regular intervals the progress under various items of the 20-Point programme and action based on such reviews is taken by all concerned. District Ministers in their capacity as MLAs/MLCs (provided any part of their constituency is part of the district) are members of the ZPs in which capacity they attend meetings of the ZPs and participate constructively in decision-making,

as do other MLAs, MLCs and Members of Parliament. Thanks to the proximity of decision-making and decision-makers to the voters/field, such discussions and decisions have tended to be **constructive, equitable, fair and non-partisan**. In turn, it has contributed to enhancing the effectiveness of the panchayat raj bodies.

23. ***With non-Government Organisations and Cooperatives:*** A two-day workshop was organised by the State Government in March, 1987 bringing together the Adhyakshas and Chief Secretaries of ZPs, representatives of a large number of non-governmental organisations in the State and the heads of departments/statutory boards/public sector undertakings, etc. and Secretaries to Government. This was primarily to consider the new equations which have to be evolved in the context of the new system. The State has always attached high importance to the role of non-governmental organisations in development and welfare administration and, by and large, the panchayat raj bodies are continuing the tradition. Government has recognised the need to provide strong economic institutions as complements to the panchayat raj system. Of these, the cooperative movement has unique importance. Government has accordingly taken a decision to render the jurisdiction of primary cooperative societies co-terminus with that of the mandal. Steps towards the requisite re-organisation so involved will be swiftly taken. This consideration is also responsible for providing associate membership of the ZP to the President, District Cooperative Central Bank, and representation on the Taluk Panchayat Samithi to the TAPCMS and the PARDB.

## **VI. Nyaya Panchayats**

24. To secure speedy and inexpensive justice in civil and criminal matters of a relatively minor nature, Nyaya Panchayats have been envisaged under the Act. It comprises five members of whom not less than three i.e. the majority, will belong to the following reserved categories which are generally accepted as weaker sections of society:

1. SCs/STs
2. Backward Classes
3. Women

Having regard to the delicate and sensitive nature of this authority, safeguards have been introduced by the statute, such as, the subject matter of the suit or the case be of a very minor nature; exclusion of imprisonment from its competence; exclusion of lawyers from proceedings; the majority of the

Nyaya Panchayat membership comprising acknowledgedly weaker sections of the population, etc. However, the effectiveness of **social sanction**, the widespread experience that **truth surfaces locally** without elaborate evidenciary procedures; the salutary effect of **shortening the span between crime and punishment, injury and redress**; need to be utilised in any system of decentralised democratic administration. That is the major rationale leading to these provisions. Government has further recognised that the positive attributes of this system can surface more confidently after the working and credibility of these institutions have stabilised. Government has therefore taken a conscious decision to bring Nyaya Panchayats into effect, five years after the commencement of panchayat raj.

## **VII. Support Systems**

25. To enhance the effectiveness of panchayat raj bodies in optimally promoting good local government particularly in socio-economic development and welfare administration, some major support systems and programmes are necessary. Karnataka has initiated these and launched a massive plan to upgrade coverage thereunder in the coming years.

26. **Training:** The need for a **comprehensive programme of training** is obvious. The philosophy, the responsibilities and the powers of the panchayat raj bodies have to be understood; the procedure and implementation mechanics governing schemes and programmes transferred to these bodies have to be fully grasped; the budgetary, accounting, planning and financial control areas have to be studied and comprehended; above all, the important area of relationships with other functionaries concerned with administration at the local, regional and state levels has to be appreciated and put on the sound footing of mutual respect and inter-dependence. The requirement not only involves initial training but continuous re-orientation and updating, through a mix of seminars/workshops, local peripatetic training and institutionalised training as well. The training has to cover staff of the panchayat raj bodies at senior, intermediate and junior levels as also staff of the departments, representatives of non-governmental organisations and co-operatives, members of State Legislature and Parliament and, above all, the elected members of the ZPs and mandals. The programme has been launched from early 1987 onwards. Substantial funding support is required to ensure its organisation and implementation on a truly comprehensive and systematic footing. Various possibilities for the same are being explored.

27. **Data Base:** When planning and implementation responsibilities resided principally at State headquarters, macro-oriented data was principally relied upon as a tool for both plan formulation and monitoring. With gram-sabhas and mandals becoming effective participants in the planning and monitoring process, obviously, the available data base and update mechanism is an inadequate tool. Kamataka has been the first state to evolve the concept of a computerised rural information and monitoring system. This has now been dovetailed with the hardware provisioning under the National Informatics Centre Programme. Kamataka's approach, however, has been very advanced and has generated a great deal of interest even in the Planning Commission and other wings of Government of India. Fourteen Task Forces have been set up for this work. The accent has been on evolving a data gathering and update mechanism which will virtually provide **updated information not older than 10 days**, with the following broad configuration:-

- a) Family wise.
- b) Survey No. wise.
- c) Infrastructure element wise.

The data thus gathered will cover demographic, agro-economic, socio-economic, natural resources, minimum needs and infrastructure attributes; the data flowing directly from the field where the action is and reporting responsibility will be made to reside, to the district for keying in; from where the outputs will flow downwards to the taluks, laterally to the district level offices, and upwards to the State headquarters. The work of these task forces is co-ordinated by a committee chaired by the Development Commissioner; the task of which has been to identify attributes of all these three configurations required by each department for the purposes of planning and monitoring each of its schemes/programmes. The work of the task forces is nearing completion and all reports and systems involved therein will be finalised by end September, 1988.

28. **Comprehensive Land Use Management:** The major outcome of the panchayat raj system is a newly generated ability within the administration at local levels i.e. district and mandal to observe, conceptualise and programme development activity in an exceptionally comprehensive and co-ordinated fashion, effectively recognising the **inter-dependence, inter-connection and linkages** between programmes of various departments and inputs/outputs of various schemes. The State sees this development as providing the sharpest



possible focus to a basic tenet of good development programming, namely, a land use policy and a comprehensive land use management approach. Its absence hitherto has been conspicuous and the disastrous consequences thereof have manifested themselves in compromised agro-climatic situations resulting in erratic seasonal conditions year in and year out and erosion of basic resources like soil, tree cover, ground water, fodder, fuel and other rural energy requirements etc. Karnataka has evolved a land use policy approach and a Comprehensive Land Use Management Project (CLUMP) and initiated a pilot effort at implementation in 15 mandals comprising 192 villages in five districts, presenting a variety of agro-climatic and socio-administrative situations. The policy focuses on the importance of restoring and sustaining, a minimum tree cover to promote the vital evapo-transpiration and monsoon precipitation cycle; compute and monitor this not for the State as a whole, but for each mandal, and, possibly, for each village; estimate the habitat development and infrastructure development required and set apart the land required for this use with no current user which will compromise its later use for habitat/infrastructure; recognise the crucial importance of bovine management and the related area of waste land management as a factor governing ecology and environment conservation; secure local solutions for good rural energy management; and rapidly extend innovative but established technology for watershed management involving optimised soil and water management with an accent on in situ moisture conservation, and using stored water and ground water resources to supplement the basic resource of monsoon to bring about a massive increase in crop intensity and, thereby, in agricultural productivity. In the fifteen mandals where this programme has been initiated, the gramsabhas have enthusiastically endorsed the programme and the mandals have contributed massively to the successful completion of the surveys. Detailed project formulation exercises are in progress and outputs from these will be presented to the gramsabhas in the next few weeks before being considered by mandal and ZPs for execution and implementation.

The Comprehensive Land Use Management Project takes the **watershed as the technical unit of planning all land-based activity and the mandal as the administrative unit**. It also provides the basic framework into which all other programming could be fitted in, to optimise results under various schemes.

29. **Supporting Physical Budgets:** Good programme formulation by the mandals and ZPs will require the preparation and continuous monitoring of the following **physical budgets**, the objective being to balance these in as short

a time frame as possible on the demand and the supply side at the mandal level and, to the fullest extent possible, at the village level also.

- a) Rural energy budget
- b) Fodder budget
- c) Employment budget, with its concomitant promotion of land armies of all able bodied persons
- d) Water budget for irrigation support to all arable and some non-arable areas as well.

30. Karnataka's panchayat raj system has broken **distinctly new ground**. The intensity of attention to detail in framing the statute; during their widest possible consideration and examination by the legislature; and, thereafter, in the administrative arrangements needed to effect as trouble-free a transition as possible to the new system, have played their role in rendering the transition fairly smooth. It is beyond human ingenuity to envisage and provide for every eventuality and contingency that may arise in such a basic transformation of the system of administration. Merit lies in what the Government has done, namely, to recognise the possibility of problems arising from time to time and create mechanisms and an environment for quickly considering and resolving them and, while doing so, never losing sight of the basic objective of a **sincere transfer of power** to secure for the people, a better and more responsive administration.

– Meanwhile, even in this short span of fifteen months, some remarkable results are witnessed. For example, attendance of school teachers, medical officers, para-medical staff in rural institutions improved remarkably; revenues from assets transferred to these bodies, such as auction of fishing rights in tanks have jumped up; financial improprieties by mandal office-bearers have been exposed in gramshabhas and culprits have made good losses caused or gains wrongfully obtained. These are significant, positive gains of a vibrant decentralised democratic government at work to secure to its people the benefits of **responsive administration**.

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**ANNEX 1**  
**GOVERNMENT OF KARNATAKA**  
**Rural Development and**  
**Panchayat Raj Secretariat**

Sub: Transfer of Plan Schemes to Zilla Parishad/Mandal Panchayats

**Preamble:**

The Karnataka Zilla Parishads, Taluk Panchayat Samithis, Mandal Panchayats and Nyaya Panchayats Act, 1983 (Karnataka Act No. 20 of 1985) hereinafter referred to as "the Act", envisages functions to be carried out by Zilla Parishads and Mandal Panchayats and it is necessary to specify clearly the responsibilities entrusted to them.

2. The High Power Committee constituted for implementation of the Act constituted a Sub-Committee to delineate the schemes that can be transferred to Zilla Parishads and Mandal Panchayats and also frame the delegation of administrative, technical and financial powers keeping in view the functions spelt out in the Zilla Parishads Act.

3. The said sub-committee in consultation with all Secretaries to Government and Heads of Department recommended the schemes which may be retained at State Level and schemes that may be transferred to Zilla Parishads and Mandal Panchayats having regard to their functions as enumerated in the Act.

4. The recommendations of the sub-committee were considered in detail by the High Power Committee which recommended transfer of schemes to Zilla Parishads and Mandal Panchayats as specified in Statements I and II.

5. The recommendations of the said High Power Committee have been accepted by the Government for implementation. Hence the Order.

**Order No. RDP 183 VAC 86, Bangalore, dated 1st April 1987**

1. Government of Karnataka hereby transfers the ongoing schemes included in the VII plan to Zilla Parishads and Mandal Panchayats under Sections 182 and 56 respectively of the Karnataka Zilla Parishads, Taluk Panchayat Samithis, Mandal Panchayats and Nyaya Panchayats Act, 1983 as specified in Statements I and II respectively appended to this Order for implementation during the year 1987-88.

2. As per the provisions of Section 182 of the Act the following are retained at the State Level in addition to the schemes not specifically transferred to Zilla Parishads and Mandal Panchayats.

- a) All externally aided projects of different departments.
- b) All activities of various Boards and Corporations.
- c) All Research and Training Programmes and Projects of a Pilot nature.
- d) Institutions/Schemes having their operation in more than one district.
- e) Life irrigation schemes taken up by Public Works Department.

**3. The transfer of these schemes is subject to the following conditions:**

I. In the planning exercise the entire district should be the unit of Planning leaving only such civic functions as are performed by municipalities/corporations.

II. Any scheme/project/work involving an outlay of more than Rs. 2 lakhs shall have the technical sanction of the competent Departmental Officer. No technical sanction for such scheme/project/work shall be accorded by a Zilla Parishad.

III. Zilla Parishads may accord administrative sanctions for all the schemes within an outlay of Rs. 10 lakhs. Zilla Parishads may also accord administrative sanctions for all on-going sanctioned schemes within the approved financial limits.

IV. Wherever functions have been clearly assigned to Zilla Parishads and Mandal Panchayats in externally aided projects of any Department, the planning, scope, location, etc. should be decided by the concerned Department in consultation with Zilla Parishads/Mandal Panchayats as the case may be. Implementation of the projects in such cases at the instance of the concerned department of Government can be entrusted to the Zilla Parishads/Mandal Panchayats.

V. Corporations/Boards shall list out such of their programmes as get implemented in different districts and keep the respective Zilla Parishads informed about them, so that the Zilla Parishads will be in a position to take these programmes into consideration at the time of formulation of the District Plans. This will also avoid duplication and help better integration of plan programmes at the area level.

VI. The various Corporations, Boards and Statutory authorities in the State which implement programmes having considerable impact on the socio-economic life of the district should constantly keep in touch with Zilla Parishads and keep them informed of their programmes. If necessary, they may entrust their implementation of supervision to Zilla Parishads particularly, if they do not have their own staff in the districts.

VII. All the rules governing the schemes as laid down in the applicable Government Orders and Circulars shall be strictly followed. The District Officers of concerned Departments, who have been implementing the schemes would be familiar with these rules/orders, etc. However for convenience, the concerned Heads of Departments shall codify as early as possible a "Manual of Schemes" which shall set out, with regard to each scheme, (a) Policy (b) Objectives (c) Guidelines (d) Government Orders, Circulars, Rules and Instructions (e) Procedure of Implementation and (f) Procedure of Inspection, Evaluation, Monitoring and Reporting.

VIII. The schemes shall be implemented in accordance with the monthly physical and financial schedule fixed by the Zilla Parishad/Mandal Panchayat at the time of approval of its Budget under Section 198/124 of the Act before the commencement of the financial year. Wherever any targets have been fixed by Government of India/State Government, they shall be followed.

IX. The progress of implementation of the schemes shall be reviewed by the Zilla Parishad/Mandal Panchayat every month in the same manner as is presently in vogue and in such other manner or format as Government may prescribe from time to time and reports shall be sent to Government on the prescribed dates.

X. Funds also will be released by Government in accordance with the schedule so fixed and having regard to unspent balance in previous releases.

XI. Under sub-section (2) of section 183 of the Act, Government has the power, (a) to inspect schemes/works (b) to review their progress with respect to the schedules fixed (c) to evaluate the performance under schemes and to send a report of findings to the Zilla Parishad/Mandal Panchayat. Such reports may be used by Government at the time of finalising the plan of the succeeding year.

XII. A Zilla Parishad shall not unilaterally alter or order changes in the schemes of a Mandal Panchayat after it has been approved as part of the Mandal Panchayat budget under Section 124.

XIII. In case any Zilla Parishad/Mandal Panchayat wishes to modify any rules governing an on-going scheme or wishes to introduce any new scheme, such modification shall be mutually agreed upon between Government and the Zilla Parishad before the plan is finalised for the succeeding year. No new post shall be created except as an integral part of a scheme of the Zilla Parishad/Mandal Panchayat so agreed upon.

By Order and in the name of the Governor of Kamataka,

T.H. NAYAK,  
Under Secretary to Government,  
Rural Devt. and P. Raj Department.

## **STATEMENT I**

### **List of Zilla Parishad Schemes**

Schemes transferred to Zilla Parishads for which they will be responsible.

#### **Agriculture**

1. Taluka establishments
2. Seed Farm units as per annexure to this Statement
3. Plant protection
4. CSS for Eradication of pests and disease on crops in Endemic Areas—Control of special pests of Agricultural Importance
5. Scheme for Crop protection against Turpod Borer
6. Coffee stem borer control
7. CSS for Intensive Cotton District Programme – Rainfed
8. CSS for Intensive oilseed development Programme sunflower Development
9. CSS for National oilseed Development Programme
10. Development of Sugarcane
11. Agricultural Fairs and exhibitions
12. Transferred Scheme of Farmers Training and Education Centres
13. Bidar Integrated Rural Development Project

#### **Horticulture**

1. CSS for development of Cashew (Plant Protection)
2. Coconut Development on Canal bunds
3. Aland Project of Intensive Development of Horticulture (Cocoa Development)
4. B II
5. Distribution of Minikits
6. Marketing of Fruits and Vegetables
7. Training of farmers
8. Assistance for Development of Nurseries
9. Horticultural Buildings

#### **Soil Conservation**

1. Soil Conservation works as watershed basis

## **Animal Husbandry**

1. Direction and Administration
2. Opening of Rural Veterinary Dispensaries and Upgrading of Rural Vet. Dispensaries to Taluka Type
3. Mobile Veterinary clinic
4. Hospitals and Dispensaries
5. Establishment of Cross Breed Heifer Project
6. Artificial Insemination Project (Transferred from DRDS)
7. Pig Breeding Station

## **Fisheries**

1. Executive Establishment
2. Buildings
3. FFDA – Intensive Development of Inland Fish Culture-1 Grant in Aid
4. CSS–FFDA–Intensive Development of Inland Fish Culture
5. Fish Production, Rearing and Distribution
6. Mariculture (Revenue and Capital accounts)
7. CSS for Pilot Project for Development of Brackish water Fish Culture
8. Maintenance of landing and Berthing facilities
9. NCDC sponsored scheme for Financial Assistance for Fisheries Co-operatives – Subsidy, Investment and Loans
10. Exhibitions
11. Fisheries Link Roads
12. (a) Transferred scheme of Infrastructural facilities to Coastal fishing villages  
(b) Buildings (Revenue and capital)

## **Forest**

1. Buildings
2. CSS soil conservation scheme in catchment of River Valley Project (100% G.O.I.)

## **Rural Development**

1. Per capita grant to Zilla Parishads (Grant-in-aid)
2. Remuneration to Biogas supervisors



## **Minor Irrigation**

1. Water Tanks
2. Direction and Administration
3. Tribal sub Plan
4. Construction of New tanks
5. Construction of pickups, Anecuts and Feeder-channels
6. Restoration of tanks including breached tanks
7. World Bank assisted Minor Irrigation Projects (Tanks with an outchkat of less than 200 hectares)
8. Flood Control and Kharland Schemes

## **Roads and Bridges**

1. Roads in Sugar Factory areas
2. Railway Safety works
3. Other Roads Formation
4. Direction and Administration
5. Machineries and equipment
6. Survey
7. Asphaltting of roads, treating sub grade and preparing the surface
8. Construction of bridges and culverts and improvements to existing ones

## **Nutrition**

1. Transportation charges of foodgrains
2. Administration

## **Primary and Secondary Education – Primary Education**

1. Inspection
2. Primary schools
3. Construction of Classrooms – Grant in Aid (MNP)
4. Residential schools for talented SC girls in 4 divisions
5. Programme for continuing education (Akshare sene) (MNP)
6. Appointment of school mothers
7. Supply of free text books, stationery and uniforms etc. (MNP)
8. Buildings

## **Secondary Education**

1. Inspection
2. High Schools
3. Residential High Schools

4. Private High Schools completing five years' existence (Grants-in-aid)
5. Buildings

### **Indian Systems of Medicine**

1. Opening of and Maintenance of Ayurvedic Hospitals
2. Upgrading of Ayurvedic Dispensaries
3. Additional Staff to Ayurvedic and Unani dispensaries
4. Opening of Homeopathic dispensaries in rural areas
5. Opening of Unani dispensaries in rural areas
6. Upgrading of Unani dispensaries
7. Opening of nature cure dispensaries in rural areas

### **Rural Health – 2210**

1. Health Sub-Centres
2. Extension of Primary Health Units
3. Primary Health Centres
4. Health Sub-Centres
5. Upgrading of Primary Health Centres (Community Health Centres)
6. Buildings
7. Provision for ambulance
8. Establishment of blood banks
9. Centrally sponsored Scheme of National T.B. Control Programme (State share)
10. Mobile Health Units
11. Buildings

### **Other Hospitals**

12. Buildings – Ancillary Sub-Centres (additions and alterations)

### **Primary Health Centres Buildings**

13. Buildings – Health Sub-Centres
14. Taluka level General Hospitals
15. Provision of X-ray facilities to Taluka hospitals

### **Other Expenditure**

16. Buildings – Primary Health Units
17. Centrally sponsored school services
18. Repairs to hospital equipments
19. I.C.Ds. Projects

20. Drinking Water Supply to Rural Health Institutions
21. Mental Health Project
22. Centrally Sponsored National Leprosy Control Project
23. Centrally Sponsored Eradication of Felaria Programme
24. National Guinea Worm eradication
25. National Programme for Control of Blindness

### **Rural Health – 4059**

1. District health offices buildings

### **Rural Health – 4210**

1. Upgrading of Primary Health Centres (Community Health Centres) – Buildings

### **Family Welfare**

1. Family Welfare Bureau
2. Rural Family Welfare Centres (Under PHC)
3. Rural Sub-Centres (Opened Under Family Welfare)
4. Urban Family Welfare Centres run by State Government
5. Universal immunization programme

### **Transport Family Welfare**

6. Rural Family Welfare Centres
7. District Family Welfare Bureau
8. State Health Transport Organisation
9. Scheme of Issue of Karnataka Lottery Tickets to acceptors of Sterilisation
10. Mass Education – Publicity and Propaganda

### **Welfare of SCs and STs**

### **Welfare of Scheduled Castes**

### **Economic Development**

1. Supply of Sewing Machines
2. Law, Medical and other Professional graduates
3. Award of Prize money to Students who passed in SSLC in I Class
4. Award of Prize money for College Students
5. Admission of Scheduled Caste Students to the Institutions like Ramakrishna Ashrama
6. Financial Assistance to Voluntary organisations of construction of Hostel Buildings
7. Supply of Free Text Books and Uniforms (Vidya Vardhaka Scheme)

8. Hostels
9. Payment of Extra Boarding Charges over and above the Post-Matric Government of India Scholarships
10. Grant-in-aid to private Hostels (Boarding Charges)
11. Residential Schools
12. Trainees in Industrial Training Institutions and Industrial Training Centres
13. Starting of Government Hostels for College Students
14. Payment of Extra Study Tour Charges
15. Training centres in Self-Employment Schemes
16. T.C.H. Training for Girls
17. CSS of Pre-Matric scholarships to the children of those engaged in unclean occupation
18. Subsidy for construction of Houses
19. Providing Electricity to Harijan Houses
20. Legal Assistance
21. Contribution to NREP for construction of SC/ST Hostel Buildings
22. Scheme for Removal of Untouchability Centrally Sponsored Scheme for book banks for SCs and STs Students in Medical/Engineering degree colleges

### **Welfare of Tribes**

23. Award of Prize money to SSLC I Class Students
24. Award of Prize money to College Students
25. Hostels
26. Payment of Extra Boarding and Lodging charges
27. Grant in aid to private Hostels
28. Ashram Schools
29. Payment of Extra Study tour charges to post-matric students
30. Training Centre for Self-Employment scheme
31. Providing Electricity to ST's Houses
32. Buildings (State and Centrally Sponsored Scheme)
  - (a) Hostels for Boys
  - (b) Hostels for Girls

### **Welfare of Backward Classes and Minorities**

1. Hostels for denotified tribes
2. Supply of books and equipments to post-matric students
3. Payment of extra study tour charges to post-matric students

4. Grants for General Hostel Buildings (Transferred from Education Department) Grant-in-aid
5. Incentive to Hostellers
6. Pre-matric hostels for boys and girls
7. Post-matric hostels for boys and girls
8. Increasing the student strength in pre-matric hostels (new schemes)
9. Improvement of hostels (new schemes)
10. Training for self-employment (new schemes)
11. Supply of Sport materials
12. Construction of BC Hostels under NREP
13. Buildings

### **Stipendiary Employment Scheme for Unemployed Graduates and Diploma Holders**

#### **District Planning Machinery**

1. Strengthening of District Planning Machinery (State and Central)

#### **Social Welfare**

1. Scheme for care and maintenance of destitutes/orphan children
2. CSS of Integrated Child Development Service
3. CSS for Care and maintenance of Destitutes and orphan children
4. Creches for working mothers
5. BIRD
6. Social Input for Area Development
7. Taluka Mahila Mandals
8. Widow/Devadasis remarriage
9. Taliya Bhagya

#### **Housing**

1. Supervisory Establishment of People's Housing Schemes
2. Residential accomodation for village level functionaries

#### **Sericulture**

1. Farms

### **Karnataka Sericulture Project with the Assistance of World Bank**

2. Technical Service Centres
3. Administration

## **Sericulture Co-operatives**

4. Subsidy
5. Investment
6. Assistance to Sericulturists – SCP village and small scale industries

## **Village and Small Industries**

### **2851 Village and Small Industries**

1. District Industries Centres – (CSS)
2. Interest subsidy for artisans
3. Collective Handlooms/Centres (Subsidy)
4. Housing Colony (Handlooms)
5. Big Dye Houses (Handlooms)
6. Improved Appliances (Handlooms)
7. Training of Handloom Weavers
8. Managerial grants to primary handloom weaver societies
9. Assistance to Coir Co-operatives
10. Apiculture

### **4851 – Capital outlay in village and small industries**

11. Investment in handloom weaver Co-operative Societies
12. Investment in Coir Co-operative Societies
13. Share capital investment to Industrial Co-operatives

### **6851 – Loans for Village and Small Industries**

14. Big Dye Houses – Loans
15. Housing Colonies – Handlooms
16. Loans to Collective Weaving Centre – loans
17. Loans towards share capital to new members
18. Improved appliances
19. Loans to Industrial Co-operatives
20. Loans to Coir Co-operatives
21. Seed Margin Money for tiny and SSI Units in Rural Areas

### **Co-operation – 2425-Co-operation**

1. CSS of NCDC – Construction of Rural Godowns Subsidy
2. Completion of Incomplete Godowns – Subsidy
3. Interest in MT loans to small and marginal farmers, agricultural labourers
4. NCDC scheme of construction of Godowns by Marketing Federation subsidy (State share)

5. Interest subsidy on loans to Marketing Societies
6. Special Component Plan
7. NCDC scheme of students consumer societies
8. Interest subsidy to weaker Co-operatives including wholesale Co-operatives
9. CSS of revitalisation of Weak Co-operatives
10. Construction of Business Premises

#### **4425 – Capital outlay in Co-operation**

11. Investments in District Central Co-operative Banks
12. Investments in Service Co-operative Societies
13. Investments in Urban Co-operative Banks
14. Share Capital contribution for setting up of Grainage-cum-Chawki rearing centre by Sericulturist-cum-Farmers Service Co-operative Societies – NCDC Scheme (State Component)
15. Additional share capital by Government on behalf of small and marginal farmers to obtain irrigation loans
16. Contribution to Primary Marketing Societies for the purpose of working capital (Investments)
17. Share Capital for construction of Godowns by P.A.C./Marketing Societies/ Federation under NCDC III Project through World Bank Assistance for storage (State Component)
18. CSS for NCDC Share Capital for construction of Godowns Cotton by PACs/Marketing Societies/Federation under World Bank Assistance
19. Share Capital Contribution to Processing Societies and Other Societies for establishment of Processing Units – NCDC Scheme
20. CSS NCDC Scheme of strengthening of share capital base in PACs on revitalization/development and business activities (central share)
21. Share Capital contribution to Fruits and Vegetable Growers Co-operative Societies

#### **5475 Capital outlay in other General Economic Services**

22. NCDC Scheme of Distribution of Consumer Articles in rural areas – Investment
23. Students Consumer stores – NCDC Scheme
24. CSS – Assistance for opening small branches by Consumer Co-operatives for Weaker Section
25. CSS – Assistance for opening departmental stores/LSR/Common Kitchen Centre

26. CSS of NCDC for providing Margin Money to Agricultural Credit Services/ Co-operative Societies for distribution of consumer goods in rural areas
27. CSS Scheme for rehabilitation of weak consumers Co-operative Societies
28. Central Co-operative Wholesale stores – Investment

### **6425 – Loans for Co-operation**

29. Loans to TAPCMS – linking credit with production and marketing
30. Loans towards Share Capital for the members of Sericulturist-cum-Farmers Co-operatives
31. CSS of NCDC – Loans for setting up of Grainage-cum-Chawki rearing centres
32. Loans for purchase of defaulters' properties by Government in PLD Banks
33. Loans for construction of Godowns – NCDC Scheme – loans to Marketing Societies
34. Central Sector Scheme of NCDC – Loans for construction of Godowns
35. Loans for completion of Incomplete Godowns
36. Loans to Co-operative Societies including House Building Co-operative Societies
37. Working Capital Loan to Employees' Co-operative Societies
38. CSS – NCDC loans for small and medium sized processing units
39. Interest free loan for additional share capital in Co-operative Societies (Special Component Plan)

### **Tribal Sub-Plan (6425 loans to Co-operation)**

1. CSS Scheme for providing assistance to co-operative institutions and weak co-operatives
2. CSS Scheme of NCDC loan for construction of godowns
3. FA for opening of processing units of forest produce by LAMPS
4. Loans for opening of purchase and sale point

### **7425 Loans for other General Economic Services**

40. NCDC Scheme – Loans for distribution of consumer articles in rural areas
41. CSS – Opening of small branches by consumer co-operatives for weaker section
42. CSS – Opening of departmental stores LSR/Common Kitchen Centres

### **3456 – Civil Supplies**

43. NCDC Scheme of distribution of consumer articles in rural areas – subsidy



44. Students Consumer Stores–NCDC Scheme
45. CSS of subsidy for opening of small branches of consumer co-operatives for weaker sections
46. CSS of Assistance for opening of Departmental Stores, LSFO and Common Kitchen Centres
47. Assistance to weak consumer stores including Wholesale Stores – Subsidy
48. Assistance for purchase of van for rural distribution centres

### **2230 – Labour and Employment**

49. Assistance to Labour Co-operatives – Subsidy

### **4250 – Capital Outlay on other Social Services**

50. Investment in Primary Labour Co-operatives

### **2204 – Sports and Youth Services**

1. Construction of Gymnasia and Scholarship to Rural Gymnasts
2. Flood lighting and other improvements for playgrounds
3. Grants for construction of Indoor Stadium and Open Air Theatres
4. Regional Youth Centres at District Level
5. Youth Camps and Rallies
6. Maintenance of Students' Hostel
7. Assistance to DYS for purchase of sports materials
8. Teenage Clubs and Hobby Grounds

## Farms transferred to Zilla Parishads (Annexure to Statement I)

Sl. No.	Name	District	Area in Acres
1	Seed Farm Chandurayanahalli	Bangalore Rural	22.10
2	do Hirehalli	Tumkur	15.00
3	do Varadahalli	Kolar	41.00
4	do Ratnapur	Mysore	25.00
5	do Gorur	Hassan	28.20
6	do Sanur	Dakshina Kannada	24.06
7	do Haralahalli	Shimoga	25.00
8	do Chikkabantanahalli	Chitradurga	38.10
9	do Malagarakoppa	Uttara Kannada	35.00
10	do Yadgir	Gulbarga	30.20
11	do Hudgi	Bidar	22.30
12	do Athani	Belgaum	21.20
13	do Madarkandi	Bijapur	39.30
14	do Guladahalli	Raichur	49.00
15	do Gundinahole	Bellary	59.00
Total			476.26

## STATEMENT II

# Mandal Schemes – Category-1

Schemes transferred to the Mandal Panchayats for which they will be responsible.

### Adult Education

1. Centrally Sponsored Schemes of Rural Functional Literacy Project
2. Adult Literacy Programme
3. Adult Literacy Programme – Akshara sene

### Rural Water Supply

4. Maintenance of Piped Water Supply Scheme
5. Maintenance of Mini Water Supply Scheme
6. Maintenance of Borewells
7. Open Drinking Water Wells
8. Rural Sanitation

### Housing

9. Experimental Low Cost Housing Scheme (ELCHS)
10. House Sites to Landless Labourers in Rural Areas

### Welfare of SCs and STs

11. Nursery-cum-Women Welfare Centres

### Agriculture

12. Agricultural Extension Project (World Bank Aided)

### Rural Development

13. Per Capita Grant to Mandal Panchayats (Rs. 7.50 per capita)

### Roads and Bridges

14. Rural Communications (ICRC)
15. Other Rural Communication
16. Master Plan for Rural Roads – I Phase CD Works
17. Sethubandhana
18. Halli Heddari
19. Asphaltting of roads in village limits
20. Construction of approach road and Harijanwadass under SCP
21. Construction of roads with people participation programme
22. Minimum needs programme

## **Mandal Schemes – Category-II**

Schemes in respect of which the Mandal Panchayats will be responsible only for:

- a). Planning, including selection of beneficiaries and identification of works and
- b). Supervision, monitoring and reporting of the schemes/works

## **Family Welfare**

1. Village Health Guides
2. Compensation (I.U.D., Vasectomy and Tubectomy)
3. Additional Compensation to acceptors of Vasectomy
4. Special Incentive Scheme

## **Rural Water Supply**

5. NRWS – Piped Water Supply Schemes
6. ARWS – Piped Water Supply Schemes
7. Borewells (State and Centre)
8. Mini Water Supply Schemes (State and Centre)

## **Housing**

9. HUDCO Assisted Peoples Housing Scheme (including Bank Assisted)

## **Welfare of SCs and STs**

10. Award of Merit Scholarships for SCs and STs
11. Award of Pre-Matric Scholarships for SCs and STs
12. Government of India Post-Matric Scholarships for SCs and STs

## **Welfare of Backward Classes and Minorities**

13. Award of Pre-Matric Scholarships
14. Award of Post-Matric Scholarships

## **Tribal Sub-Plan (of all Departments)**

15. Tribal Sub-Plan
16. Special Central Assistance for Tribal Sub-Plan

## **Special Component Plan (of all Departments)**

17. Special Component Plan
18. Special Central Assistance for Special Component Plan

## **Social Welfare**

19. Construction of Anganawadi Buildings

## **Nutrition**

20. Special Nutrition Programme for Pregnant, Nursing mothers and for pre-school children (including TSP and SCP)
21. Midday Meals

## **Agriculture**

22. Tribal Sub-Plan
23. Special Component Plan

## **Horticulture**

24. CSS for laying out Demonstration Plots for Cashew
25. CSS for subsidised Plantation of cashew in Non-Departmental Area
26. New Area Expansion-Aromatic Medicinal Plants
27. Plantation Crops
28. Spices
29. Expansion of Area under Vegetables
30. Expansion of Area under Fruits (Citrus)
31. Expansion of Area under commercial flowers
32. Dry Orchards
33. Tribal Sub-Plan
34. Special Component Plan

## **Soil Conservation**

35. CSS of customs hiring services
36. CSS of assisting small and marginal farmers land development and supply of input kits
37. Soil Conservation and field trials and dry farming technology (implements)
38. Tribal Sub-Plan
39. Special Component Plan
- 39A. National Water-Shed Development Programme

## **Animal Husbandry**

40. Grassland Development
41. Tribal Sub-Plan

## **Fisheries**

42. Subsidy to Inland Fisheries for procuring fishing gear

43. Subsidy to fish farmers for construction of fish culture tanks
44. Subsidy to fishermen for improvement of traditional fishing
45. Construction of fish farms (departmental and PWD)

### **Forest**

46. Soil Conservation (Afforestation)
47. Social Forestry Project (World Bank/ODA/UK aided)
48. CSS Social Forestry including raising of rural fuelwood plantations
49. CSS of Decentralised Farms
50. Danda assisted integrated development of Dakshina Kannada district

### **Co-operation**

51. Women's Co-operative Societies (Assistance and Investments)
52. Tribal Sub-Plan
  - a) Subsidy for construction of cattle sheds/godowns
  - b) Subsidy for opening of purchase and sale points
  - c) Financial assistance for opening of firewood depots by LAMPS (Assistance and Investment)
  - d) Financial assistance for opening of processing units of forest produce by LAMPS (Assistance and Investment)
  - e) Grant-in-Aid for enrolment and incidental cost of tribal members as members of Tribal Societies
  - f) Additional share capital to members of LAMPS

### **Rural Development**

53. Rehabilitation of Bonded Labourers
54. Development of women and children in rural areas (DWCRA)
55. Special Livestock Production Programme
56. Drought Prone Area Programme (Centre and State)
57. National Rural Employment Programme
58. Rural Landless Employment Guarantee Scheme
59. Rural Employment Guarantee Scheme
60. CSS of Financial Assistance to new assignee of land on imposition of ceiling on land holdings
61. Integrated Rural Development Programme
62. Anthyodaya
63. Assistance to SF/MF for increasing agricultural production –subsidy on wells, pumpsets, fuel etc. on IRDP pattern

64. Western Ghats Development Programme

**Sericulture**

65. Chawki Rearing Centres

66. Tribal Sub-Plan

**Sports and Youth Services**

67. Youth Clubs

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**ANNEX 2**  
**MANDAL LEVEL CONFIGURATION**

1. Total Number of Mandals *	2536	
2. Average Number of Households	2079	or say 2000
3. Average Number of Bovines	5553	
4. Average Total Geographical Area	7500	(Hectares)
5. Average total area available for cultivation	6725	"
6. Average area under cultivation	4717	"
7. Average net sown area	4175	"
8. Average area under irrigation (1987-88 estimates—20% of net area sown)	835	"
9. (a) Average ultimate exploitable/harnessable irrigation potential	2165.35	"
(b) Average addition to exploitable ground-water potential due to improved recharge	196.85	
(c) Average additional irrigation potential due to diversion of Paddy/Sugarcane land to Dry-cum-wet/Semi-dry crops	639.37	"
(d) Sub total (a)+(b)+(c)	3001.57	"
(e) Increased duty of (d) due to efficient use of water – 40% of (d)	1200.63	"
(f) Total assumed supportive irrigation cover available (d) + (e)	4202.20	"
or say	4200.00	"

\*Includes tentative delimitation in Bangalore Urban District and converted Municipal Councils, etc.



## **Decentralised Planning In Karnataka**

**Brief background:** Planning at the district level was introduced in Karnataka from 1961-62. The District Plans took the shape of disaggregation of the State Plans. The role of the district planners was mainly consultation and supervision, and the district plans continued to be formulated at the State level and implemented by the official machinery responsible to the Heads of Departments in the State. A small outlay, generally around Rs. 1 crore per year, was provided for creation of remunerative assets by the Village Panchayats and Taluk Development Boards. A provision of about Rs. 5 to 6 crores per year for the entire State was made from 1983-84 onwards and distributed among the districts to be spent on schemes of local importance.

2. **Democratic decentralisation and district planning:** Decentralisation of planning at the district level in real terms is **possible only with appropriate institutions** and an organisation framework, responsive to the needs of the people. The setting up of ZPs and mandals effectively from April 1, 1987 marked a total departure from the existing systems, as for the first time an elected district body acquired the authority to plan, as well as execute, all developmental activities relevant to the district. Apart from the transfer of the district staff of development departments to its control, each Zilla Parishad was also provided with a planning unit, consisting of a Chief Planning Officer, and six other specialists in various fields, including an economist and a statistician. The planning staff undergo periodic training and attend refresher courses, to enable them to acquire expertise in their work.

3. **The Karnataka model of decentralised planning in operation:** During 1987-88, the ZPs had merely to implement the schemes that were already a part of the State's plan budget. The real process of decentralised planning as per the Karnataka model, could be taken as having commenced fully from the year 1988-89. The distribution of the Plan outlay transferred to the ZPs was made among the various districts on the basis of the following indicators and weightages, in order to achieve regional balance.

Indicators	Weights (%)
1. Population	50
2. Backwardness in Agriculture as measured by the value of Agricultural output per hectare.	5
3. Backwardness in Irrigation as measured by the proportion of Irrigated Area to Net Area Sown	7
4. Backwardness as measured by the value of Industrial Output	5
5. Backwardness in Communications as measured by Road and Railway mileage per 100 Sq.Km. and per lakh of population	5
6. Backwardness in Financial Infrastructure as measured by size of population served by each commercial and Cooperative Bank	2
7. Backwardness in Medical and Health facilities as measured by the number of hospitals per 1000 population/bed population ratio.	5
8. Backwardness in Power Supply as measured by the proportion of villages electrified	5
9. Problems of the Weaker Sections:	
(a) as measured by the proportion of SCs/STs in the population	2
(b) as measured by the proportion of Landless Agricultural Labourers	2
10. Special Problems of Malnad areas and Drought Prone Areas:	
(a) as measured by the area under forest	2
(b) as measured by the rural population of drought prone areas	2
11. Literacy Percentage	5
12. Performance in Family Planning Programme	3
<b>TOTAL</b>	<b>100</b>

– The above criteria cover allocation of plan funds among ZPs. Similar criteria have been fixed for determining the share of mandals in the proportion of the plan funds allocated to ZPs which are to be earmarked for mandals covering schemes transferred to them. These are as follows:

<i>Indicators</i>	<i>Weights (%)</i>
1. Population	50
2. Area of Mandal	15
3. Dryland Area	15
4. Agricultural Labour Population	10
5. Per Capita resources raised	10

– The 10 per cent weightage to resources raised by mandals is given keeping in view the need to encourage those who perform better in mobilising resources. A similar indicator is not included for ZPs, since they do not have taxation powers. For the year 1987-88, this indicator was not operative since mandals were constituted only in January 1987, and became operational only on April 1, 1987. The weightage given to population was consequently raised from 50 to 60 for the year 1987-88 only.

– The Government order on this point is copied at Annex – III.

4. **The Planning Process:** The Karnataka model provides for **planning right from the village level**. The **Grama Sabha** is the village assembly, where programmes for the development of the village are discussed and their implementation commented upon. The next larger formation is the **Mandal Panchayat** which consists of a group of villages. Each Mandal has its own sub-plan, relating to local works, such as water supply, sanitation, rural communication, etc. It has also the responsibility of planning and supervising certain works carried out by the Zilla Parishad within its jurisdiction. The Mandal Panchayat plan becomes a part of the Zilla Parishad plan. They also have the civic jurisdiction exercised formerly by the Village Panchayats over village amenities.

The Taluk Panchayat Samithi is an advisory body which has powers to supervise, review and co-ordinate.

The Zilla Parishad is the final planning and implementing authority in the District. The Zilla Parishad prepares the district plan, which includes the Mandal plans, thereby giving a totally representative character to the composite plan. This process has been designed to ensure that, in some way or the other, every local aspiration, even at the village level, is taken note of.

5. **The Planning Calendar:** A calendar of events for the planning process has been adopted, so that the Zilla Parishad plans could be smoothly incorporated into the State sector plans:

- End July:** Each Zilla Parishad intimates the tentative outlay of its plan for the next year.
- Mid August:** Mandals send their plan proposals to the Zilla Parishads.
- End September:** Zilla Parishads finalise the entire district plan and send it to the State Government.
- End Sept to End October:** The Planning Department of the State Government holds discussions with each Zilla Parishad on its draft district plan, for achieving consistency and for integrating the schemes of the district sectors with those of the State sector. During these discussions, the State Heads of Departments are also present and contribute to matters pertaining to their sectors. The District Plans are provisionally finalised, after ensuring that adequate provision is made for committed and essential expenditure, such as ongoing schemes, salaries, minimum needs programmes, etc.
- Mid November:** The State departments consolidate the schemes of the Zilla Parishads and build them into the various sectors of the State Plan. When this integration takes place, the State's draft plan is ready for being presented to the Planning Commission.

6. After the outlay of the State plan is finally fixed by the Planning Commission, changes, if any, resulting thereby are made in the District Plans. Such changes are of a very small magnitude. For instance, the reduction in the district plan, as a result of scaling down the draft State plan for 1988-89 from Rs. 1000 crores to Rs. 900 crores was only from Rs. 245 crores to Rs. 240 crores. The final State plan, including the district sector, is then incorporated in the State budget, which contains a link document on Zilla Parishad outlays. The Zilla Parishad outlays are communicated to each Zilla Parishad after it is passed by the legislature, for implementation from 1st April.

7. **Level of discretion:** An important question relates to the area of discretion that is vested in the ZPs in development planning. A lumpsum alloca-

tion is made to each Zilla Parishad as its plan outlay. But the Zilla Parishad plan has to provide for committed expenditure on salaries, spillover works, minimum needs programmes, ongoing schemes relating to scholarships, farms, hospitals, etc., and the State's share on Centrally Sponsored Schemes implemented by the Zilla Parishads. During 1988-89, it was estimated that only about 14 per cent of the total outlay was uncommitted. However, there is a wide area of autonomy vested in the Zilla Parishads/Mandal Panchayats in the implementation of the schemes. They can determine the location where relevant, decide on various parameters of implementation, and, within certain limits, give up or add certain schemes, and increase or decrease outlays. As spillover and committed works get exhausted, the area of autonomy would increase considerably. This pattern is consistent with the fact that the Zilla Parishads' activities have to be integrated with those of the State as a whole, and follow national priorities.

8. The position for the year 1988-89, is illustrative of the question:

	(Rs. in crs.)
<b>Total ZP Plan outlay during 1988-89:</b>	239.78 or say 240.00
<b>Committed Expenditure:</b>	
1. Salaries	48.53
2. State share on CSS	76.96
3. Spillover works	30.39
4. MNP	30.00
5. Committed ongoing schemes related to scholarships, hostels, farms, hospital, drugs, institutions, etc.	<u>20.00</u>
Total	205.88
Balance of free outlay (estimated)	<u>33.90</u> (14%)
	<u>239.78</u>

9. **Progress monitoring – The Karnataka model of monthly multi-level review (MMR):** Though the ZPs are vested with full autonomy to formulate and implement schemes, within the scope of the legislative enactment, and State Government interference is minimal, nevertheless, there is continuous monitoring of performance under these schemes at all levels. Such

monitoring is done at the following levels and on the respective dates:

- a) Mandal Panchayat – by itself/Grama Sabha;
- b) Taluk by Taluk Panchayat Samithi on 5th of every month;
- c) Zilla Parishad by the Zilla KDP (Karnataka Development Programme) Committee chaired by the Adyaksha on 11th of each month;
- d) State by the State KDP Meeting chaired by the Chief Secretary – on 16th of each month.

10. The day of the month for review by each authority is fixed in such a manner that the review reports are available to the next level in time. At each level, attendance is required at the highest local executive level. Each department in turn also carries a detailed scheme-by-scheme review at corresponding levels, which gets related to the multi-sector KDP review.

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## **ANNEX 3**

# **Proceedings of The Government of Karnataka**

Sub: Planning Process under Zilla Parishad and Mandal Panchayats Set-up.

### **Preamble**

Karnataka Government have enacted the Karnataka Zilla Parishads, Taluk Panchayat Samithis, Mandal Panchayats and Nyaya Panchayats Act (ZP Act) 1983, with the intention of progressively decentralising decision making powers on all vital developmental matters affecting people's life. The Planning Process is an instrument in translating this objective into reality. All the elements included in the Planning Process namely, Areas for Planning, Plan Formulation, Administrative, Technical and Financial Sanctioning powers and Plan Implementation should be made to achieve this basic objective of decentralisation. Decentralised plan formulation process is a first and an important step in this direction.

Cabinet considered the paper on "Planning Process under Zilla Parishad and Mandal Panchayat Set-up" at its meeting held on 7-10-1986 and gave its approval for it.

### **Government Order No. PD 3 PRN 86 Bangalore, Dated 19th December 1986**

Government are pleased to approve the following process of planning under Zilla Parishad and Mandal Panchayat set-up. This process will come into force beginning from 1987-88.

2. Considerable experience has been gained in Karnataka in implementing the District Planning Process since 1978-79. This has helped in clearly demarcating the District Level Schemes from the State Level Schemes. Government have already approved the functions and schemes that are to be transferred to Zilla Parishads based on the Official Committee's report on "Decentralising Development Activities to Zilla Parishads and Mandal Panchayats". With this, the Areas for Planning at the State Level and Zilla Parishad Level have been clearly demarcated. Similar exercise is underway with regard to the Zilla Parishad schemes that are to be transferred to Mandal Panchayats. The Rural Development and Panchayat Raj Department will issue necessary orders with regard to schemes transferred to Zilla Parishads and Mandal Panchayats.

## **Lumpsum Allocation**

3. For formulating meaningful and Integrated Development Plan based on local resources, the Zilla Parishads and Mandal Panchayats should have freedom to determine their priorities. For this purpose, they require untied or free funds with no tie-ups. Karnataka Government have tried various alternatives i.e. lumpsum allocation, sectorwise allocation and minor headwise allocation under each sector during the past 6–7 years of implementing District Planning Process . The main reason for making such changes in the pattern of allocation of funds for plan formulation at the District Level was to bring conformity between the District priorities and State priorities. While finalising the District Plans, schemewise outlays already decided at the State Level were given highest consideration. In the process, the District Planning exercises so far implemented turned out to be plans imposed from the State Level. The actual process of thinking on local level planning, translating the ideas into concrete developmental programmes have not had the adequate exposure to the decentralised planning framework as yet. The procedure of imposing the plan from the State Level needs to be reversed under Zilla Parishad and Mandal Panchayat set-up.

4. Hence, Government have decided to assign a free outlay in the form of lumpsum allocation for Zilla Parishads and Mandal Panchayats for formulating the developmental plan.

5. This lumpsum allocation includes not only outlay from State Plan Schemes but also the outlay from Centrally Sponsored and Central Sector Schemes like IRDP, NREP, RLEGP, DPAP, Western Ghats Development, Family Welfare, etc. However, Schemewise allocation of funds will be resorted to only in case of State Level Schemes which do not come under the purview of either Zilla Parishads or Mandal Panchayats. The plan formulation has to be done against the lumpsum allocation indicated to the Zilla Parishads and mandal panchayats based on the functions assigned to them. The Planning function at the State Level will be confined to the formulation of State Level Schemes, integration of Zilla Parishad and Mandal Level Schemes with the State Level Schemes and ensuring priorities in the Zilla Parishad and Mandal Level Schemes.

6. It is only for purposes of plan formulation lumpsum allocation will be indicated. Based on the plans formulated by Zilla Parishads (which include Mandal Panchayat Plans) for this outlay and approval by the Government, the



budgeting will be Major Head of Account-wise in the Budget documents of the State Government. In other words, the lumpsum under each Major Head of Account will be arrived by aggregating each sectoral plan of all Zilla Parishads and Mandal Panchayats.

7. There are some difficulties in allocating plan funds to Zilla Parishads and Mandal Panchayats in the form of lumpsum allocation. Firstly the norms for different schemes prescribed at the State Level are likely to undergo modifications. Further, as regards new schemes different norms may be adopted by different Zilla parishads and Mandal Panchayats. Whether to allow for such a variation in the norms for schemes both ongoing and new is an important issue. It has been decided to allow for changes in the norms, if any, so long as the schemes are formulated after assessing the local conditions and requirement. However, this relaxation will not apply to Centrally Sponsored and Central Sector Schemes, individual beneficiary schemes, subsidies, scholarships and nutrition programmes.

8. There are some important schemes like Minimum Needs Programme, which are now treated as Zilla Parishad and Mandal Level Schemes. So long as there is conformity between the lower tiers of Government and the State Government as regards the priorities for such schemes, there may not be any problem. But conflicts arise if their perspectives for such schemes differ. In order to avoid any such possible conflicts, it is necessary to earmark outlays for some of these important schemes, which the State Government thinks are to be implemented.

9. Hence, it has been decided to earmark outlays from the lumpsum for certain programmes which the State Government thinks are important. Planning Department will indicate this, while indicating lumpsum allocation for plan formulation. Even at the time of release of funds earmarking will be resorted as per Planning Department's allocation. Such earmarking is also done by the National Planning Commission while approving the State Plan.

### **Criteria For Allocation Of Plan Outlay**

10. For realising the objective of regional balance through decentralised planning Government have approved the following criteria akin to Gadgil Formula for distribution of plan outlays among Zilla Parishads. As per this criteria backward regions/areas get a relatively higher share of outlay compared to developed regions.

## **INDICATORS AND WEIGHTAGES FOR DISTRIBUTION OF PLAN OUTLAY**

Indicators	Weights (%)
1. Population	50
2. Backwardness in Agriculture as measured by the value of Agricultural output per hectare.	5
3. Backwardness in Irrigation as measured by the proportion of Irrigated Area to Net Area Sown	7
4. Backwardness as measured by the value of Industrial Output	5
5. Backwardness in Communications as measured by Road and Railway mileage per 100 Sq.Km. and per lakh of population	5
6. Backwardness in Financial Infrastructure as measured by size of population served by each commercial and Cooperative Bank	2
7. Backwardness in Medical and Health facilities as measured by the number of hospitals per 1000 population/bed population ratio.	5
8. Backwardness in Power Supply as measured by the proportion of villages electrified	5
9. Problems of the Weaker Sections:	
(a) as measured by the proportion of SCs/STs in the population	2
(b) as measured by the proportion of Landless Agricultural Labourers	2
10. Special Problems of Malnad areas and Drought Prone Areas:	
(a) as measured by the area under forest	2
(b) as measured by the rural population of drought prone areas	2
11. Literacy Percentage	5
12. Performance in Family Planning Programme	3
<b>TOTAL</b>	<b>100</b>

11. The criteria suggested above take care of the allocation of plan funds among Zilla Parishads on an equitable basis giving weightage to backward districts. Similar criteria needs to be fixed for determining the share of Mandal Panchayats. For this purpose certain proportion of the plan funds allocated to Zilla Parishads will be earmarked for Mandal Panchayats (based on schemes to be transferred to Mandal Panchayats) which in turn will be distributed amongst Mandals. For distribution of this proportion among Mandals Government have approved the following criteria:

Indicators	Weights (%)
1. Population	50
2. Area of Mandal	15
3. Dryland Area	15
4. Agricultural Labour Population	10
5. Per Capita resources raised	10

12. A 10 per cent weightage to resources raised by Mandals is given keeping in view the need to encourage Mandals who perform better in mobilising the resources. Similar indicator is not included for Zilla Parishads since they do not have taxation powers. However for the year 1987-88 this indicator will not be operative since Mandals will come into being during January 1987. Hence the weightage given to population will be raised from 50 to 60 for the year 1987-88 only.

13. A Finance Commission for Zilla Parishads and Mandal Panchayats has already been constituted as per ZP Act to go into the problems of income and expenditure of these bodies. This Commission will look into the aspects relating to revenue sharing and will suggest a formula for allocating funds covering both Plan and Non-Plan expenditures of Zilla Parishads and Mandal Panchayats. Till such time as the Commission gives its report and the Government takes decision on it, the criteria suggested above for distribution of plan funds among Zilla Parishads and Mandal Panchayats will be adopted.

### **Calendar For Planning**

14. Under the existing planning process in the country, State Plan is finalised by the Planning Commission before it is budgetted. State's Draft Plan is sent to the Planning Commission usually in October/November every year. With the establishment of Zilla Parishads, they will become responsible for formulating and implementing the District and Mandal plans. State's Plan has to be built up on the basis of the plan proposals of all Zilla Parishads which would

incorporate Mandal Plans and its own programmes formulated at the State Level before the Draft Plan is sent to the Planning Commission. For so doing, the plan exercise at the Zilla Parishad level and Mandal Level should begin earlier than at the State Level. In order to facilitate this a tentative allocation will be intimated to each Zilla Parishad and Mandal Panchayats against which Zilla Parishads and Mandal Panchayats shall formulate their plan proposals for the next year. For this purpose Government have decided to adopt a tentative reasonable outlay for the State even before the Planning Commission holds resources discussions with the State. Unless a Calendar for Planning is fixed and followed strictly, it would not be possible to formulate the State's Plan by incorporating Zilla Parishad and Mandal Plans. Hence the Government have decided to adopt the following Calendar for Planning:

- 15th July** Adopting the tentative size for the State's Annual Plan of the next year.
- 25th July** Government in the Planning Department to indicate to Zilla Parishads and Mandal Panchayats the financial ceiling within which their Annual Plan should be formulated for the next year.
- 15th August** Mandal Panchayats to send their plan proposals to Zilla Parishads.
- 20th September** Zilla Parishads to build the Mandal proposals into the District Plan and send the Draft District Plan to the Government in the Planning Department and concerned State Head of the Department.
- 28th Sept. to 25th October** Discussion with the Zilla Parishads on their Draft District Plan by the Planning Department for achieving consistency and integration of District Sector with State Sector Schemes/Plans.
- 10th November** Government/State Heads of Departments to consolidate these proposals and build them into the State's Draft Plan and send the same to the Planning Commission.
- 15th January** Approval of the Planning Commission to the State's Plan
- 25th February** Finalising the State's Plan Budget in the light of Planning Commission's approval to the State Plan and finalising the District Plans of Zilla Parishads.

**1st Week of March** Presentation of the State's Budget to the Legislature along with the link document giving schemewise, sectorwise and Zilla Parishad-wise outlays.

### **Planning Department As Nodal Department**

15. For effectively implementing the process of decentralised planning under Zilla Parishad set-up there is need for high degree of coordination, consultation, guidance, interaction and resolution of conflicts at different tiers viz Mandal Panchayat, Zilla Parishad and State Levels. Determining the size of the Zilla Parishad and Mandal Panchayat sector outlay, distribution of the same among Zilla Parishads and Mandal Panchayats on the basis of objective criteria, earmarking of outlays for some programmes from the lumpsum, fixation of physical targets, guiding the Zilla Parishads in the formulation of district plans, ensuring incorporation of the plan proposals of Zilla Parishads in the State Plan, finalisation of District Plans, communicating the approved plan of Zilla Parishads, etc. are some of the important functions to be performed at the State Level. At present the Planning Department does most of these functions. It has 7 technical divisions, viz., District and Regional Planning Division, Project Formulation Division, Employment and Manpower Division, Perspective Planning Division, Plan Monitoring and Information Division, Evaluation Division and Special Studies Division, which can guide and advice on all aspects of Planning to the District Planning Team. District and Regional Planning Division is already performing the functions like determining the size of district sector outlay and its distribution to districts on the basis of objective criteria, guiding the district planning units in plan formulation, coordinating the matters relating to district sector schemes at the State Level, finalisation of district plans and bringing out a link document to the Budget giving districtwise and schemewise outlays, etc. These functions will be continued under Zilla Parishad and Mandal Panchayat set-up also.

16. Further, there are various development programmes which get implemented at the district level by autonomous bodies like the corporations and Boards, which function with State-wide authority. These activities will have to be brought together to get a total District Development Plan. The Centrally Sponsored and Central Sector Schemes will continue to be operated by the Heads of Departments in so far as the proposals on a Zilla Parishad basis have to be sent to the Central Ministries and seek funds from the Centre towards such schemes. In short, the District sector (State Component of the

Plan) including the Zilla Parishad Plans, which in turn contain the Mandal Panchayat Plans, the State Sector Plans and the Central Sector and Centrally Sponsored Schemes are all to be brought together on a regional basis keeping the Zilla Parishad's jurisdiction in view. All this necessitates that a coordinating department like the Planning Department, apart from its other Planning functions, will have to function as a nodal department for giving guidance and for achieving integration in the matter of the Zilla Parishad Plans.

17. Hence, Government have decided to continue the Planning Department as a nodal department for giving guidance in all matters concerning planning for the development of Zilla Parishads and Mandal Panchayats.

18. A Separate Government order will be issued by the Rural Development and Panchayat Raj Department on matters pertaining to financial powers, budgetary procedures, accounting procedures etc.

19. In brief, the Government have approved the following procedure for planning by Zilla Parishads and Mandal Panchayats.

(i) To accept the Planning Process under Zilla Parishad and Mandal Panchayat set-up as set out in this order.

(ii) To indicate Plan outlay in the form of lumpsum amount to Zilla Parishad and Mandal Panchayat for plan formulating purpose, with earmarking of outlays for MNP and other important programmes.

(iii) To adopt the criteria suggested at para 10, 11 and 12 of this order with proposed weights for distribution of plan outlay among Zilla Parishads and Mandal Panchayats.

(iv) To prescribe the Calendar for Planning as indicated at para 13 of this order.

(v) To continue to treat the Planning Department as the nodal Department for dealing and guiding any of planning functions concerning Zilla Parishads and Mandal Panchayats as indicated in (i), (ii), (iii) and (iv) above of para 19 of this order.

By order and in the name of the  
Governor of Karnataka

Dr. D.M. Nanjundappa  
Commissioner & Secretary to Govt.,  
Planning, Institutional Finance &  
Statistics Departments.

Copy To:

- 1) Chief Secretary to Govt.
- 2) Additional Chief Secretary to Govt.
- 3) Development Commissioner
- 4) Financial Commissioner, Finance Department
- 5) All Secretaries to Govt.
- 6) All Divisional Commissioners
- 7) All Deputy Commissioners
- 8) Heads of Departments
- 9) All Chief Planning Officers
- 10) Joint Secretary to Government, Planning Dept.
- 11) Directors of all Functional Divisions, Planning Dept.
- 12) Deputy Secretary to Govt., PP-I, Planning Dept.

## GOVERNMENT OF KARNATAKA

NO:PD 2 DPB 87

Karnataka Government Secretariat,  
Planning Department  
M.S. Building, Bangalore - 560 001  
Dated: April 16th, 1987

### CIRCULAR

Sub: Continuation of schemes of Zilla  
Parishads and Mandal Panchayats.

The normal practice was for various Secretariat Departments of Government to issue continuation orders of all the ongoing plan schemes during the first week of April every year. With the establishment of Zilla Parishads and Mandal Panchayats and with the issue of Government Order relating to transfer of schemes (Vide G.O.NO:RDP 183 VAC 86 dt:1.4.87) the procedure for issuing continuation orders needs to be changed.

The Government in various Departments will issue continuation orders for the following schemes.

- (1) Schemes not transferred to Zilla Parishads (State Sector Schemes)
- (2) All Centrally Sponsored and Central Sector Schemes, even if they are transferred to Zilla Parishads and Mandal Panchayats.
- (3) All externally aided schemes/projects.

The Chief Secretaries of Zilla Parishads will issue orders of continuation/sanction for all those schemes listed in the link document (1987-88ನೇ ವರ್ಷದ ಜಿಲ್ಲಾ ಪರಿಷತ್ತುಗಳಿಗೆ ಒದಗಿಸಿರುವ ಹಣದ ವಿವರ - ಯೋಜನೆ ಮತ್ತು ಯೋಜನೇತರ) except centrally sponsored, central sector and externally aided schemes/projects, after getting the approval of Zilla Parishads. It is possible that some of the Zilla Parishads have already approved their plan programmes for the year 1987-88 as given in the link document. In that case, Chief Secretary may issue necessary orders for continuation/sanction of those plan schemes mentioned above. Wherever the Zilla Parishads have not yet approved the programmes, the Chief Secretary concerned may take immediate action to place the subject before the Zilla Parishads after getting their approval for the programmes, issue necessary orders of continuation/sanction for the schemes mentioned above.



This may please be treated as **most urgent** since otherwise the implementation of plan schemes/works will be held up.

TARA AJAI SINGH  
Joint Secretary,  
Planning Department.

To:

1. All Secretaries to Government
2. All the Chief Secretaries of Zilla Parishads.
3. P.S. to Chief Secretary, Addl. Chief Secy., Development Commissioner and Finance Commissioner.
4. All Chief Planning Officers.

## ZILLA PARISHAD OUTLAY 1988-89

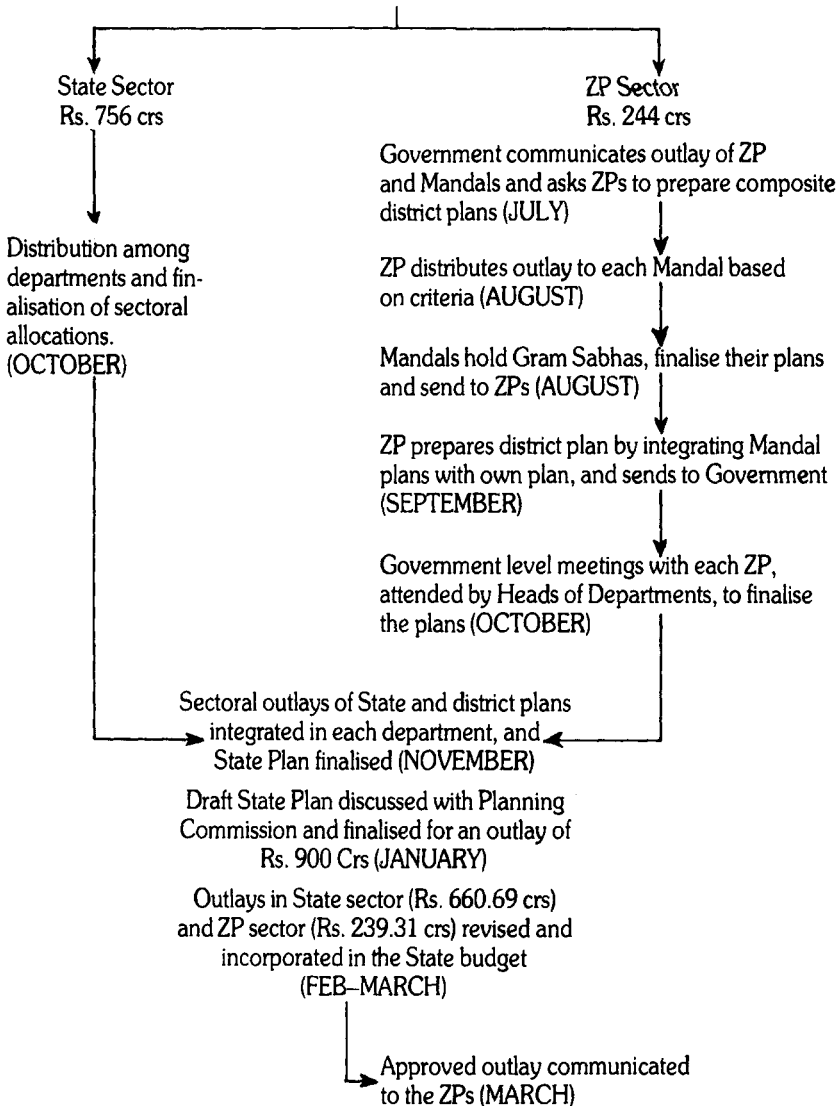
(Rs. in Lakhs)

District	1987-88 Allocation	1988-89 Allocation as per criteria
1. Bangalore (Rural)	1054	1095
2. Bangalore (Urban)	456	474
3. Chitradurga	1216	1216
4. Kolar	1360	1360
5. Shimoga	1021	1151
6. Tumkur	1341	1436
7. Mysore	1726	1726
8. Chickmagalur	806	806
9. Dakshina Kannada	1231	1231
10. Hassan	998	1096
11. Kodagu	448	448
12. Mandya	1008	1008
13. Belgaum	1463	1715
14. Bijapur	1501	1742
15. Dharwar	1640	1771
16. Uttara Kannada	812	963
17. Gulbarga	1428	1713
18. Bellary	917	1071
19. Bidar	667	891
20. Raichur	1120	1487
TOTAL	22213	24400

# PLANNING PROCESS IN KARNATAKA

(Illustration of 1988-89 plan)

STATE PLAN OUTLAY  
Provisionally fixed at Rs. 1000 crs



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