

Local Self Governance

Lesson 16

KEY CONCEPTS

■ Gram Panchayat ■ Municipality ■ Model Code for Meeting ■ Quorum ■ Secretary

Learning Objectives

To understand:

- Model Code for meeting of Gram Panchayat
- Notice of Meetings
- List of Agenda Item
- Adjournment of Meeting
- Function of the Secretary
- Minutes of the Meeting

Lesson Outline

- Local Self Governance
- Authority under Gram Panchayat
- Convening a Meeting
- Frequency of Meeting
- Quorum
- Attendance at the Meeting
- Specimen Notice of Meetings
- Standard List of Agenda Item
- Specimen Attendance Register of Members
- Specimen Minutes Book
- Lesson Round-Up
- Test Yourself

LOCAL SELF GOVERNMENT

The concept of local self government is not new to our country and there is mention of community assemblies in the Vedic texts. Around 600 B.C., the territory north of the river Ganga comprising modern day north Bihar and eastern U.P. was under the suzerainty of small republics called Janapadas among which Lichhavis were the most powerful. In these Janapadas, the affairs of the State were conducted by an assembly consisting of local chieftains. In the post Mauryan times as well, there existed republics of Malavas and the Kshudrakas where decisions were taken by “sabhas”. The Greek Ambassador, Megasthenes, who visited the court of Chandragupta Maurya in 303 B.C. described the City Council which governed Pataliputra – comprising six committees with 30 members. Similar participatory structures also existed in South India. In the Chola Kingdoms, the village council, together with its sub-committees and wards, played an important part in administration, arbitrated disputes and managed social affairs. They were also responsible for revenue collection, assessing individual contribution and negotiating the collective assessment with the King’s representative. They had virtual ownership of village waste land, with right of sale, and they were active in irrigation, road building and related work. Their transactions, recorded on the walls of village temples, show a vigorous community life and are a permanent memorial to the best practices in early Indian polity. The present structure of Local Self Government institutions took shape in 1688 when the British established a Municipal Corporation at Madras which was followed by creation of similar bodies at Bombay and Calcutta (1726). Comprising a Mayor and a majority of British-born Councillors, these Corporations were basically units of administration enjoying considerable judicial powers. During the next 150 years, municipal bodies were created in several mufasil towns although their functions remained confined to conservancy, road repairs, lighting and a few other sundry items.

In 1872, Lord Mayo introduced elected representatives for these municipalities and this was further developed by his successor, Lord Ripon, in 1882. By the 1880s, these urban municipal bodies had a pre-dominance of elected representatives in a number of cities and towns, including Calcutta and Bombay. A corresponding effective structure for rural areas came up with the enactment of the Bengal Local Self Government Act, 1885 which led to the establishment of district local boards across the entire territory of the then Bengal province. These boards comprised nominated as well as elected members with the District Magistrate as Chairman who was responsible for maintenance of rural roads, rest houses, roadside lands and properties, maintenance and superintendence of public schools, charitable dispensaries and veterinary hospitals. Within a span of five years, a large number of district boards came into existence in other parts of the country, notably Bihar, Orissa, Assam and North West Province. The Minto-Morley Reforms, 1909 and the Montague Chelmsford Reforms, 1919, when Local Self Government became a transferred subject, widened the participation of people in the governing process and, by 1924-25, district boards had a preponderance of elected representatives and a non-official Chairman. This arrangement continued till the country’s Independence in 1947 and thereafter till the late 1950s.

In 1990, a combined Constitution Amendment Bill, covering both Panchayati Raj Institutions (PRIs) & Urban Local Bodies (ULBs) was tabled in Parliament. It was a skeleton legislation which left the details to be crafted by the State Governments in their State enactments; even matters concerning elections were left completely to the discretion of the State Government. With the dissolution of the Government, this Bill too lapsed.

Finally in 1992, after synthesising important features of the earlier exercises on this subject, Government drafted and introduced the 73rd and 74th Amendments Bill in Parliament which were passed in 1993. These introduced new Parts IX and IXA in the Indian Constitution containing Articles 243 to 243ZG.

Part IX of the Constitution provides for among other things, Gram Sabha in a village or group of villages; constitution of Panchayats at village and other level or levels; direct elections to all seats in Panchayats at the village and intermediate level, if any, and to the offices of Chairpersons of Panchayats at such levels; reservation of seats for the Scheduled Castes and Scheduled Tribes in proportion to their population for membership of Panchayats and office of Chairpersons in Panchayats at each level; reservation of not less than one-third of the

seats for women; fixing tenure of five years for Panchayats and holding elections within a period of six months in the event of super session of any Panchayat.

Part IX-A of the Constitution provides for among other things, constitution of three types of Municipalities, i.e., Nagar Panchayats for areas in transition from a rural area to urban area, Municipal Councils for smaller urban areas and Municipal Corporation for large urban areas, fixed duration of municipalities, appointment of state election commission, appointment of state finance commission and constitution of metropolitan and district planning committees. State/UTs have set-up their election Commissions. Elections to municipal bodies have been completed in all States/UTs except Jharkhand and Puducherry.

The 73rd and 74th Amendments to the Constitution constitute a new chapter in the process of democratic decentralisation in the country. In terms of these Amendments, the responsibility for taking decisions regarding activities at the grass roots level which affect people's lives directly would rest upon the elected members of the people themselves. By making regular elections to Panchayati Raj/Municipal bodies mandatory, these institutions have been given permanency as entities of self-government with a specific role in planning for economic development and social justice for the local area. In totality, the intention of these Amendments is to assign a position of command to them in the democratic framework of the country.

Our Constitution provides a clear mandate for democratic decentralisation not only through the Directive Principles of State Policy which exhorts the State to promote Panchayati Raj Institutions but more specifically now through the 73rd and 74th Amendments of the Constitution which seek to create an institutional framework for ushering in grass roots democracy through the medium of genuinely self-governing local bodies in both urban and rural areas of the country.

In a federation the powers and functions of the Government are divided among two Governments. In India it is the Union Government and the various State Governments. However, with the passage of 73rd and 74th amendment act of the Constitution of India, in 1993 the division of powers and functions have been further trickled down to Local Self Governments (Panchayat at Village levels and Municipalities and Municipal Corporations in towns and large cities). As such India now has not two but three tier of Governments in its federal setup.

MODEL GOVERNANCE CODE FOR MEETINGS OF THE GRAM PANCHAYATS

The following is the text of the Model Governance Code for Meetings of the Gram Panchayats issued by ICSI:

Introduction

This Code seeks to prescribe a set of principles for convening and conducting Meetings of Gram Panchayats and matters related thereto.

The principles enunciated in this Model Code for Meetings of the Gram Panchayats are equally applicable to meetings of Standing Committees, unless otherwise stated herein or otherwise stipulated by any other applicable laws, Guidelines, Rules or Regulations.

A Gram Panchayat cannot act by itself and it acts only through its elected members i.e. Panch(s) and Sarpanch. Moreover, Panch(s) and Sarpanch are in a fiduciary position vis-à-vis the Gram Panchayat and, to that extent, they are also deemed to be trustees of the properties and assets of the Gram Panchayat. They owe a duty to the people of the village and should exercise care, skill and diligence in the discharge of their functions and in the exercise of the powers vested with them. All the powers vested in Panch(s) and Sarpanch are exercisable by them only collectively through decisions taken at a validly convened meeting of the Gram Panchayat.

The fundamental principles with respect to Governance of Gram Panchayat Meetings are laid down in the respective State laws. This model code facilitates compliance with these principles by endeavouring to provide further clarity where there is ambiguity and establishing benchmark standards to harmonise prevalent diverse practices.

This model code does not seek to substitute or supplant any existing laws. It strives to supplement such laws for promoting better governance in the functioning of Gram Panchayat.

Gram Panchayats functioning under the different State Government(s) are free to adopt the provision of this Model Governance Code on Meetings of the Gram Panchayat. If any of the provisions of this code are or become inconsistent with the applicable laws, provisions of such applicable laws shall prevail.

Definitions

In this Code, unless the context otherwise requires -

“Clear days” means days excluding the day of the dispatch of notice and the day of the meeting, however includes Sundays and holidays.

“Competent Authority” means such officer or authority as the State Government may, by notification in the Official Gazette, appoint to perform such functions and exercise such powers in relation to Gram Panchayats as are specified in the notification

“Government” or **“State Government”** means the State Government of the concerned State

“Gram Panchayat” means the institutions of self-Government for rural areas at the level of village(s).

“Member” means a member of a Gram Panchayat and includes a Sarpanch

“Interested Member” means a Member having personal or financial interest, either directly or indirectly, in any matter placed before a Meeting of the Gram Panchayat.

“Panch” means a member of a Panchayat, other than a Sarpanch

“Prescribed” means prescribed by respective State Acts or Rules made thereunder

“Sarpanch” means the President or Chairperson or Pradhan of the Gram Panchayat by whatever name called, elected directly by the persons registered in the electoral rolls relating to the village or the group of villages comprised within the area of the Panchayat.

“Up-Sarpanch” means the Vice-President or Vice-Chairperson or Up-Pradhan of a Gram Panchayat, by whatever name called, elected directly by the persons registered in the electoral rolls relating to the village or the group of villages comprised within the area of the Panchayat.

“Secretary” means a person appointed with such designation by the State Government or by such authority as may be authorised by the Government in this behalf, for a Panchayat.

“Standing Committee” means a Standing Committee constituted by the Panchayat

“Special Meeting” means a meeting, other than a regular meeting of the Gram Panchayat, convened suo moto by the Sarpanch or on the special request of the members, to discuss any specific item including matters of urgent nature.

Words and expressions used herein and not defined shall have the meaning respectively assigned to them under the State Act under which respective Gram Panchayat has been constituted.

1. Convening A Meeting

1.1 Authority

1.1.1 The Secretary, on the direction of the Sarpanch, shall summon a Meeting of the Gram Panchayat.

1.1.2 If a meeting is statutorily required to be convened within a prescribed period, the Secretary shall summon such meeting in consultation with the Sarpanch.

- 11.3 The Secretary on requisition by the prescribed number of Members shall consult the Sarpanch for convening the meeting.
- 11.4 The Sarpanch may whenever he thinks fit, and shall, upon the written request of the prescribed number of members, require the Secretary to call a special meeting within the prescribed period from the date of receipt of such request and to take such steps as may be necessary to convene the meeting.
- 11.5 In case the Sarpanch fails to call a special meeting, then the Up-Sarpanch or in his absence, the Competent Authority may call such meeting and require the Secretary to give notice to the Members and to take such steps as may be necessary to convene the meeting.

1.2 Time, Place and Serial Number of meeting

- 1.2.1 A meeting may be convened on any day, at any time **between 9 am to 5 pm**, at any place within the area of the Panchayat or at such other place as may be approved by the Gram Panchayat/ Government.
- 1.2.2 Every Meeting of the Panchayat shall be serially numbered for ease of reference.
- 1.2.3 Serial number of the original Meeting and the adjourned Meeting, if any, should be the same. The manner in which Meetings may be serially numbered is given below:

[Illustration: If serial number of the original Meeting is 6th, the serial number of the adjourned Meeting should be 6th Meeting (Adjourned)]

(i) *Serially numbering on Calendar Year basis as follows:*

"1/2015", "2/2015", "3/2015" and so on.... In the next year, numbering would be "1/2016", "2/2016", "3/2016" and so on.

(ii) *Serially numbering on financial year basis as follows:*

"1/2015-16", "2/2015-16", "3/2015-16" and so on.... or 1/15-16, 2/15-16, 3/15-16 and so on.....

(iii) Continuous serially numbering across years: 120th Meeting, 121st Meeting, 122nd Meeting and so on

1.3 Notice

- 1.3.1 Notice of the meeting of the Gram Panchayat shall be served at least five clear days before the date of the meeting.
- 1.3.2 If a majority of the Members agree to convene a special meeting, the Notice thereof may be given at a shorter period of time than that stated above but at least 24 hours before the meeting.
- 1.3.3 Where the Meetings of the Gram Panchayat are held on pre-determined dates, such Meetings may be convened without any separate Notice, unless the applicable laws require for separate notice for each meeting.
- 1.3.4 Notice shall specify the serial number, date, day, time and full address of the venue of the Meeting.
- 1.3.5 Notice of the meeting of the Gram Panchayat shall be issued by the Secretary or by such other officer as prescribed by the Government for this purpose and in their absence, the Sarpanch or any other member, authorised by the Panchayat for this purpose may issue the notice of the Meeting.

- 1.3.6 Notice shall contain the contact details and authority of the person issuing the Notice.
- 1.3.7 Notice in writing of every Meeting (except where exempted in terms of para 1.3.3 above) shall be given to every Member and such officer as may be prescribed by the Government, by hand or by post or by e-mail.
- 1.3.8 Wherever the presence of a Patwari or other Tehsil level functionaries of the State Government or of a Panchayati Raj Institution, is required or desired by the Gram Panchayat at its meeting, the Notice of such meeting shall also be sent to them. The notice shall also be sent to such officer as may be prescribed by the Government.
- 1.3.9 In order to facilitate effective and timely communication, the Notice of a Meeting may be given through SMS or other software used by the Panchayat, followed by a copy of the written Notice as stated above.
- 1.3.10 The Notice shall also be affixed on the Notice Board of the Gram Panchayat. In case of pre-determined dates a general notice specifying day, interval, time and full address of the venue of the Meetings shall be kept affixed during such period.
- 1.3.11 The Notice should preferably be sent either on the letter- head of the person issuing the Notice or on the letter head of the Gram Panchayat, if any.
- 1.3.12 Notice shall be sent at the registered address of the Member or such other address, if any, provided by the Member for the purpose.
- 1.3.13 The Gram Panchayat shall maintain proof of sending Notice and its delivery.
- 1.3.14 In case of delivery of Notice by hand, the signature of the recipient will be obtained in a register maintained for this purpose and be kept as record of proof of delivery.
- 1.3.15 In case of Notice sent through e-mail, the proof of delivery may be maintained by way of the soft copy.
- 1.3.16 Proof of sending Notice and its delivery shall be preserved for a period of five years or such higher period as may be decided by the Gram Panchayat.

1.4 Notice of an Adjourned Meeting

- 1.4.1 Notice of an adjourned meeting shall be given to all Members including those who did not attend the Meeting on the originally convened date.
- 1.4.2 If the date of the adjourned Meeting is decided at the Meeting itself where all the Members are present, the Notice should be given forthwith at the Meeting.
- 1.4.3 Notice of every Meeting so adjourned shall be affixed on the Notice Board of the Panchayat.

1.5 Agenda of the Meeting

- 1.5.1 The Secretary shall finalise the Agenda and Notes on Agenda of every Meeting in consultation with the Sarpanch.
- 1.5.2 Each item of business to be taken up at the Meeting shall be serially numbered.
- 1.5.3 Agenda setting out the business to be transacted at the Meeting and Notes on Agenda shall be given to all the Members along with the Notice of the Meeting, unless otherwise provided in the applicable laws.
- 1.5.4 The Notes on Agenda shall specify details about the business to be transacted at the meeting.

- 1.5.5 The Notes on Agenda may be sent separately after issuing the Notice, but at least 3 clear days before the Meeting.
- 1.5.6 Agenda and Notes on Agenda of the Meeting of the Gram Panchayat shall be sent by the Secretary or by such other officer as prescribed by the Government for this purpose and in their absence, by the Sarpanch or any other Member, authorised by the Panchayat for this purpose.
- 1.5.7 Wherever the presence of the Patwari or other Tehsil level functionaries of the State Government or of a Panchayati Raj Institution, is required or desired by the Gram Panchayat at a Meeting, the Agenda and Notes on Agenda of such meeting shall also be sent to them.
- 1.5.8 Agenda and Notes on Agenda shall also be sent to such officer as may be prescribed by the Government.
- 1.5.9 If majority of the Members agree to convene a special Meeting, the Agenda and Notes on Agenda may be circulated at a shorter period of time than stated above. In such cases, the Agenda and Notes on Agenda shall be given at least 24 hours before the meeting.

1.6 Consideration of any other item of business

- 1.6.1 No item of business other than those included in the Agenda shall be considered at a Meeting of the Gram Panchayat.
- 1.6.2 Any other item not included in the Agenda of the Meeting, may be placed at the next meeting of the Gram Panchayat or in case of urgent matters a special meeting may be convened.
- 1.6.3 However, items of urgent nature having wider public interest may be taken up for consideration with the permission of the Sarpanch and with the consent of the majority of the Members of the Gram Panchayat.

2. Frequency of Meeting

- 2.1 A Gram Panchayat shall meet for the transaction of business as often as may be necessary.
- 2.2 Unless otherwise provided under the applicable laws, the Gram Panchayat shall meet at least once in every month.

3. Quorum

3.1 Quorum for the Meeting of the Gram Panchayat

- 3.1.1 Quorum for a Meeting of the Gram Panchayat shall be majority of the total number of Members of the Gram Panchayat for the time being or such minimum number of Members as prescribed under the applicable laws.
- 3.1.2 Quorum shall be present throughout the meeting.
- 3.1.3 If the required quorum is not present at any stage of the remaining item of business shall not be taken up for consideration and be deferred for the next meeting, with reasons to be recorded in writing.

3.2 Quorum of Non-Interested Members / Disclosure of interest

- 3.2.1 An Interested Member (whether or not the Sarpanch/ Up-Sarpanch), shall neither be reckoned for Quorum nor shall participate during discussion and voting on respective item in which he is interested.
- 3.2.2 If the Sarpanch is interested in any item of business, such fact shall be disclosed by him at the

meeting before consideration of such item and he shall leave the Chair to any Non-interested member in respect of such item.

- 3.2.3 If disclosure of interest is already communicated to the Secretary before circulation of the Agenda and Notes on Agenda, then such disclosure shall be indicated in the Notes on Agenda in respect of such item.
- 3.2.4 The disclosure of interest by interested Member(s) in a matter to be considered at the Meeting and the fact that they abstained from the discussion/voting at the meeting on the said matter shall be recorded in the Minutes.

3.3 Adjournment of the Meeting for want of quorum

- 3.3.1 If, at the appointed time for the Meeting, a quorum is not present, the Member(s) present shall wait for at least 30 minutes or for such longer period as may be prescribed by the Government or agreed to by the Member(s) present at the meeting and if within such period there is no quorum, the Meeting shall be adjourned to any future day on such time as the Chairperson or in his absence as the Member(s) present at the meeting may decide.
- 3.3.2 If even at an adjourned meeting no quorum is present, the Meeting shall stand cancelled.
- 3.3.3 If at a Meeting where the quorum is present, few agenda items remain pending for discussion/decision due to insufficiency of time, the meeting may be adjourned to the following day or any other future day to discuss the unfinished agenda of that Meeting.

3.4 Adjournment of the meeting otherwise for want of quorum

- 3.4.1 The Sarpanch with the consent of majority of the Members present may adjourn a validly convened Meeting of the Gram Panchayat.
- 3.4.2 The facts and reasons of such adjournment shall be recorded in the proceedings of the meeting.
- 3.4.3 The procedure of adjournment, if any, approved by the Gram Panchayat or the Government shall be complied with.

4. Attendance of the Meeting

4.1 Attendance

- 4.1.1 Every Gram Panchayat shall maintain a separate attendance register for the Meetings of the Gram Panchayat.
- 4.1.2 The attendance register shall contain the following particulars: Serial number and date of the Meeting; place of the Meeting; time of the Meeting; name and signature of the Members, the Secretary and of other person(s) attending the Meeting by invitation.
- 4.1.3 The attendance register shall be maintained at the Office of the Gram Panchayat or such other place as may be approved by the Gram Panchayat.
- 4.1.4 The attendance register shall be open for inspection by the Members.
- 4.1.5 Entries in the attendance register shall be authenticated by the Secretary or in his absence, by the person authorised by the Government.
- 4.1.6 Attendance register shall be kept in the custody of the Secretary or a person authorised by the Government.
- 4.1.7 The attendance register shall be preserved for a period of at least five years from the date of the last entry therein or for such other higher period as may be specified by the Government.

- 4.1.8 The attendance register or any other records of the Panchayat shall not be destroyed except in accordance with the policy approved by Government.

4.2 Leave of Absence

- 4.2.1 Leave of absence shall be granted to the Member(s) only when a request for such leave has been received by the Secretary or by the Sarpanch.
- 4.2.2 The request for leave of absence shall state a reason for his inability to attend the meeting.

5. Reading of Agenda at the Meeting

The Sarpanch or the Secretary shall read out the Agenda at the Meeting. The Sarpanch or the Secretary shall explain the objective, need and implications of the matters/resolutions before they are put for discussion and voting at the Meeting.

6. Minutes of the Meeting

6.1 Recording of Minutes

- 6.1.1 The proceedings of every meeting shall be recorded in the Minutes Book by the Secretary.
- 6.1.2 Minutes shall be read over at the Meeting immediately after deliberation and be accordingly recorded in the Minutes Book.
- 6.1.3 Minutes shall contain a fair and correct summary of the proceedings of the meetings including the following:
- Minutes shall be written in clear, concise and plain language either in Hindi or in the official language of the State.
 - Minutes shall state, at the beginning, the serial number and type of meeting, date, day, venue and time of commencement of the meeting. Minutes shall also state at the end, the time of conclusion of the Meeting.
 - Minutes shall record the names of the Members present in the meeting along with the names of the Secretary and the invitees.
 - Minutes shall record the reason for convening the meeting at shorter notice, if any
 - Dissenting views of Member(s), if any, on any matter shall be recorded in the Minutes with the name of the dissenting member.
- 6.1.4 Any Document, report or notes placed before the Meeting of the Gram Panchayat and referred to in the Minutes shall be identified by initialling of such document, report or notes by the Secretary or the Presiding authority of the Meeting.

6.2 Maintenance of Minutes

- 6.2.1 The Secretary shall maintain the Minutes.
- 6.2.2 Distinct Minutes Book shall be maintained for the meetings of the Gram Panchayat and its Standing Committees.
- 6.2.3 The Minutes shall be maintained in Hindi or in the official language of the State.
- 6.2.4 Pages of the Minutes Book shall be consecutively numbered.
- 6.2.5 Minutes shall not be pasted or attached to the Minutes Book or tampered with, in any manner.

6.3 Modification or Cancellation of Resolutions/Decisions

- 6.3.1 No resolution of a Gram Panchayat shall be modified or cancelled except through a resolution passed by a majority or such higher number of the total Members of the Gram Panchayat as prescribed and permitted under the applicable laws.
- 6.3.2 Such modification or cancellation of a resolution shall be done within the time prescribed, if any, by the Government.

6.4 Signing of Minutes

- 6.4.1 Minutes of the Meeting of the Gram Panchayat shall be signed and dated by the presiding authority of that meeting or the next Meeting.
- 6.4.2 The person signing shall initial each page of the Minutes and sign the last page.
- 6.4.3 The date and place of signing the Minutes shall also be mentioned at the last page of the Minutes.
- 6.4.4 Minutes once entered in the Minutes Book, shall not be altered. Any alteration in the Minutes as entered shall be made only by way of approval of the Gram Panchayat at its subsequent meeting and shall be recorded in the Minutes of that meeting.

6.5 Inspection of Minutes

The Minutes of the Meeting of the Gram Panchayat shall be open for inspection by any person, at the office of the Gram Panchayat and a certified copy of the Minutes or extract thereof may be issued to any person on his request, in accordance with the applicable laws.

6.6 Preservation of Minutes

- 6.6.1 Minutes Book shall be kept in the custody of the Secretary or a person authorised by the Government for this purpose.
- 6.6.2 Minutes of all Meetings shall be preserved permanently in physical or electronic form.
- 6.6.3 The Minutes Book shall be kept at the office of the Gram Panchayat.

7. Functions of the Secretary

- 7.1 The Secretary of a Gram Panchayat is expected to perform the following functions:
- Take necessary steps to execute and implement the resolutions passed by the Panchayat at its Meetings.
 - Communicate the decisions concerning persons of respective Panchayat area to them.
 - Convene Meetings of Gram Panchayat and its Committees.
 - Attend every Meeting of the Gram Panchayat including the Gram Sabha Meetings.
 - Write the proceeding of every Meeting in the Minutes Book either in physical or electronic form.
 - Place all the correspondence received by him, especially various schemes of the Government and instructions issued by the Government, before the Sarpanch and also for the information of all the Members during the meeting.
 - Receive all correspondence on behalf of the Gram Panchayat and take appropriate action on the same.
 - Finalise, in consultation with the Sarpanch, the Agenda and Notes on Agenda of every Meeting.

- Maintain all the registers and records prescribed under the applicable laws.
- Report to the Block Development Officer for any vacancy in the office of the Sarpanch/Up-Sarpanch or a Member.
- Be responsible for the safe custody of Panchayat funds, assets and the records maintained by the Gram Panchayat.
- Report to the Block Development Officer about any illegal act or misconduct or misuse or abuse of powers, any infringement of the legal provisions by the Sarpanch or Up-Sarpanch or the members of the Gram Panchayat, as soon as the same come to his knowledge.
- Comply with the instruction issued by the Government from time to time.
- Maintain cordial relations with the elected representatives of Gram Panchayat.

Notice for Meeting of Gram Panchayat

(Name of Panchayat & Block/ District))

Date:

To

Name & Address of the Member

Madam/Sir,

This is to inform you that the Meeting of(name of Gram Panchayat) is scheduled to be held on (Day & Date) from (time) onwards at (place) to discuss and transact the following matters :

- (i)
- (ii)
- (iii)
- (iv)

The detailed Agenda and Notes on Agenda are enclosed.

You are requested to kindly make it convenient to attend the meeting.

Yours faithfully (signature)

(Name of Secretary/ Authorised Officer)

Standard List of Agenda Item

The following items shall be invariably be included in the Agenda of Meetings:

- To grant Leave of Absence;
- To take note of the Minutes of the previous Meeting;
- To take note of the Minutes of the Meetings of Standing Committee(s);
- Follow up and Action Taken Report (ATR) on the decisions of the Previous Meeting;
- Approval/Concurrent review of Gram Panchayat Budget and Annual Plan implementation/utilisation;
- Statement of Income and Expenditure and the reasons for fluctuations in the financial statements, if any;

- Approval of New Works and Schemes;
- Review of utilisation of funds under various schemes;
- Review of physical progress of construction work, other projects and activities;
- Review of Village Sanitation, Street Lighting, Rural Roads, Drinking Water, Anganwadi, Fair Price Shops, Maintenance of School Buildings; Health Centre, etc.
- Any other matter

Attendance Register of Members

(Name of the Gram Panchayat)

(Block)

(District)

No. & Date of the Meeting:

Place:

Time:

Type of meeting (Ordinary/Special/Urgent)

Sl. No.	Name of Member Present	Ward No.	Sign/Thumb Impression	In Time	Out Time	Attested by Secretary/Sarpanch (in case of Thumb impression)
1)						
2)						
3)						
4)						
5)						
6)						
7)						
8)						
9)						
10)						
11)						
12)						
13)						
14)						
15)						
16)						
17)						

Sl. No.	Name of Member Present	Ward No.	Sign/Thumb Impression	In Time	Out Time	Attested by Secretary/Sarpanch (in case of Thumb impression)
18)						
19)						
20)						

Minutes Book of Gram Panchayat Meeting

(Name of the Gram Panchayat)

(Block)

(District)

(Name of the Gram Panchayat) (Block) (District) No. & Date of the Meeting:

Place:

Time:

Type of meeting (General/Emergency/Specially convened)

Members Present

Sl. No.	Name	Designation	Representing Ward
(i)			
(ii)			
(iii)			
(iv)			
(v)			
(vi)			

Minutes/ Record of Proceedings:**Item No. 1**

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Item No. 2

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.....

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Item No. 3

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.....

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Item NO.4

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Meeting concluded at_00:00_ with a Vote of Thanks to the Chair.

Date:/...../.....

(Signature)

Place:

(Name of Sarpanch/Presiding Authority)

GOVERNANCE OF MUNICIPALITIES

The basic objective of an urban local government has changed from the maintenance of law and order in the early years to the promotion of the welfare of the community in recent times. The State Municipal Acts provide an exhaustive list of functions, which are classified into obligatory and optional or discretionary functions. The former have to be necessarily performed by the local government and for which sufficient provision in the budget has to be made. Failure to perform any of these functions may compel the State government to supersede a municipality. Discretionary functions may be taken up depending upon the availability of funds. Municipal functions listed in the State municipal Acts generally fall in the following broad categories: (a) public health and sanitation; (b) medical relief; (c) public works; (d) education; (e) development; and (f) administrative.

Article 243 W of the Constitution of India deals with Powers, Authority and Responsibilities of Municipalities. It provides that subject to the provisions of the Constitution, the Legislature of a State may, by law, endow –

- (a) the Municipalities with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain provisions for the devolution of powers and responsibilities upon Municipalities, subject to such conditions as may be specified therein, with respect to:
 - (i) the preparation of plans for economic development and social justice;
 - (ii) the performance of functions and the implementation of schemes as may be entrusted to them including those in relation to the matters listed in the Twelfth Schedule;
- (b) the Committees with such powers and authority as may be necessary to enable them to carry out the responsibilities conferred upon them including those in relation to the matters listed in the Twelfth Schedule.

Matters listed in the Twelfth Schedule are as under:

1. Urban planning, including town planning;
2. Regulation of land-use and construction of buildings;
3. Planning for economic and social development;
4. Roads and bridges;
5. Water supply for domestic, industrial and commercial purposes;
6. Public health, sanitation, conservancy and solid waste management;
7. Fire services;
8. Urban forestry, protection of the environment and promotion of ecological aspects;

9. Safeguarding the interests of weaker sections of society, including the handicapped & mentally retarded;
10. Slum improvement and upgradation;
11. Urban poverty alleviation;
12. Provision of urban amenities and facilities, such as parks, gardens, playgrounds;
13. Promotion of cultural, educational and aesthetic aspects;
14. Burials and burial grounds; cremations, cremation grounds and electric crematoriums;
15. Cattle pounds; prevention of cruelty to animals;
16. Vital statistics, including registration of births and deaths;
17. Public amenities, including street lighting, parking lots, bus stops and public conveniences; and
18. Regulation of slaughterhouses and tanneries.

LESSON ROUND-UP

- The concept of local self government is not new to our country and there is mention of community assemblies in the Vedic texts. Around 600 B.C., the territory north of the river Ganga comprising modern day north Bihar and eastern U.P. was under the suzerainty of small republics called Janapadas among which Lichhavis were the most powerful. In these Janapadas, the affairs of the State were conducted by an assembly consisting of local chieftains. In the post Mauryan times as well, there existed republics of Malavas and the Kshudrakas where decisions were taken by “sabhas”.
- The present structure of Local Self Government institutions took shape in 1688 when the British established a Municipal Corporation at Madras which was followed by creation of similar bodies at Bombay and Calcutta (1726). Comprising a Mayor and a majority of British-born Councillors, these Corporations were basically units of administration enjoying considerable judicial powers.
- In 1992, after synthesising important features of the earlier exercises on this subject, Government drafted and introduced the 73rd and 74th Amendments Bill in Parliament which were passed in 1993. These introduced new Parts IX and IXA in the Indian Constitution containing Articles 243 to 243ZG.
- A Gram Panchayat cannot act by itself and it acts only through its elected members i.e. Panch(s) and Sarpanch. Moreover, Panch(s) and Sarpanch are in a fiduciary position vis-à-vis the Gram Panchayat and, to that extent, they are also deemed to be trustees of the properties and assets of the Gram Panchayat. They owe a duty to the people of the village and should exercise care, skill and diligence in the discharge of their functions and in the exercise of the powers vested with them. All the powers vested in Panch(s) and Sarpanch are exercisable by them only collectively through decisions taken at a validly convened meeting of the Gram Panchayat.
- “Sarpanch” means the President or Chairperson or Pradhan of the Gram Panchayat by whatever name called, elected directly by the persons registered in the electoral rolls relating to the village or the group of villages comprised within the area of the Panchayat.
- The Sarpanch may whenever he thinks fit, and shall, upon the written request of the prescribed number of members, require the Secretary to call a special meeting within the prescribed period from the date of receipt of such request and to take such steps as may be necessary to convene the meeting.

- Notice of the meeting of the Gram Panchayat shall be served at least five clear days before the date of the meeting. Notice of an adjourned meeting shall be given to all Members including those who did not attend the Meeting on the originally convened date.
- The Secretary shall finalise the Agenda and Notes on Agenda of every Meeting in consultation with the Sarpanch. Each item of business to be taken up at the Meeting shall be serially numbered. Agenda setting out the business to be transacted at the Meeting and Notes on Agenda shall be given to all the Members along with the Notice of the Meeting, unless otherwise provided in the applicable laws.
- Quorum for a Meeting of the Gram Panchayat shall be majority of the total number of Members of the Gram Panchayat for the time being or such minimum number of Members as prescribed under the applicable laws. Quorum shall be present throughout the meeting. If the required quorum is not present at any stage of the remaining item of business shall not be taken up for consideration and be deferred for the next meeting, with reasons to be recorded in writing.
- Minutes of the Meeting of the Gram Panchayat shall be signed and dated by the presiding authority of that meeting or the next Meeting. The person signing shall initial each page of the Minutes and sign the last page. The date and place of signing the Minutes shall also be mentioned at the last page of the Minutes.

TEST YOURSELF

(These are meant for recapitulation only. Answers to these questions are not to be submitted for evaluation)

1. Discuss the Model Code for Meetings of Gram Panchayat.
2. Discuss the functions of Secretary in convening meeting of Gram Panchayat?
3. Discuss the role of Sarpanch in the meeting of Gram Panchayat.
4. List out the matter listed in the Twelfth Schedule of the Constitution?
5. Discuss the Powers, Authority and Responsibilities of Municipalities?

WARNING

Regulation 27 of the Company Secretaries Regulations, 1982

In the event of any misconduct by a registered student or a candidate enrolled for any examination conducted by the Institute, the Council or any Committee formed by the Council in this regard, may suo-moto or on receipt of a complaint, if it is satisfied that, the misconduct is proved after such investigation as it may deem necessary and after giving such student or candidate an opportunity of being heard, suspend or debar him from appearing in any one or more examinations, cancel his examination result, or registration as a student, or debar him from re-registration as a student, or take such action as may be deemed fit.

It may be noted that according to regulation 2(ia) of the Company Secretaries Regulations, 1982, 'misconduct' in relation to a registered student or a candidate enrolled for any examination conducted by the Institute means behaviour in disorderly manner in relation to the Institute or in or around an examination centre or premises, or breach of any provision of the Act, rule, regulation, notification, condition, guideline, direction, advisory, circular of the Institute, or adoption of malpractices with regard to postal or oral tuition or resorting to or attempting to resort to unfair means in connection with writing of any examination conducted by the Institute, or tampering with the Institute's record or database, writing or sharing information about the Institute on public forums, social networking or any print or electronic media which is defamatory or any other act which may harm, damage, hamper or challenge the secrecy, decorum or sanctity of examination or training or any policy of the Institute.

PROFESSIONAL PROGRAMME

CSR & SOCIAL GOVERNANCE

GROUP 1 • ELECTIVE PAPER 4.1

(This test paper is for practice and self-study only and not to be sent to the Institute)

Time allowed: 3 hours

Maximum Mark: 100

Answer all Questions

PART I – CORPORATE SOCIAL RESPONSIBILITY (50 MARKS)

Question No. 1

While there may be no single universally accepted definition of CSR, each definition that currently exists underpins the impact that businesses have on society at large and the societal expectations of them. Although the roots of CSR lie in philanthropic activities (such as donations, charity, relief work, etc.) of corporations, globally, the concept of CSR has evolved and now encompasses all related concepts such as triple bottom line, corporate citizenship, philanthropy, strategic philanthropy, shared value, corporate sustainability and business responsibility. It all started when Howard R. Bowen, who is renowned as the Father of CSR published the first work on the concept of CSR in 1953 through his book *Social Responsibilities of the Businessman*. As seen from the title, previously CSR was only known as the social responsibility of a business. This is because, the role of the businessmen was not widely acknowledged during that era.

CSR emerges from different sociological settings of each era to influence the way businesses adopt a more considerate and responsible behavior. Earlier businesses used to conduct these activities through especially dedicated charities. Later on the concept developed to welfare programs and activities in the nature of social responsibility. The concept of CSR has evolved during the last few decades from simple philanthropic activities to integrating the interest of the business with that of the community which is being served by such business. By exhibiting socially, environmentally and ethically responsible behaviour in governance of its operations, business can generate value and long term sustainability for itself while making positive contribution towards the betterment of the society. CSR is a concept whereby companies not only to consider their profitability and growth, but also interests of society and the environment by taking responsibility for the impact of their activities on the society, environment and communities in which they operate. CSR aims to fulfill expectations that society has from business and it is viewed as a comprehensive set of social policies, practices and programs that are integrated throughout the business operations. The concept of CSR has evolved over the years and it is now used as a strategy and a business opportunity to earn stakeholders' goodwill.

In order to integrate CSR into the core business philosophy, the Government of India has mandated companies, those meeting certain thresholds in terms of turnover, net worth or net profit to set apart at least 2% of their average previous three years net profit for CSR activities. Having said this, the need for setting up the CSR Committee is triggered off if any of the three criteria is achieved by the company in the preceding financial year. Broadly, this mandate has been aligned with national priorities such as public health, education, food, water conservation, natural resource management, etc.

In view of the above, answer the following:

- (a) Whether a holding or subsidiary of a company fulfilling the criteria under section 135(1) as well as Section 8 Company has to comply with the provisions of section 135, even if the holding or subsidiary itself does not fulfil the criteria?

- (b) Discuss the composition and Functions of the CSR Committee in a Listed Company.
- (c) Discuss the actions need to be taken if a company spends less than the amount required to be spent under CSR obligation in a particular year? Should a company open a separate 'Unspent CSR Account' for each ongoing project?
- (d) Whether all implementing agencies are required to be registered with the Central Government? Whether international organisations may be engaged in CSR implementation?

(5 Marks each)**Question No. 2**

ABC Limited incorporated in 2013 and having net worth of five hundred crores and recorded a turnover of rupees one thousand crores also recorded a net profit of five crores or more. The Company and its Directors filed a petition under Section 441 of the Companies Act, 2013 before NCLT praying for compounding of offence under Section 134(3)(o) read with Section 135(2) of the Companies Act, 2013.

As per the statutory requirement, ABC Limited was required to disclose its Director's Report, the details of the CSR Policy developed and implemented during the year. A CSR Committee was also required to be constituted for the said purpose. ABC Limited and its Directors defaulted in adhering to this statutory requirement for the Financial Year 2020-21, 2021-22 and 2022-23. Finally, the Board of Directors of the Company in its meeting held on 16th February, 2024 cured the defects and thereby all the defects stood cured with effect from the year ending 31st March, 2023.

In view of the above, answer the following:

- (a) Enumerate the Contents of Compounding Application under the Companies Act. Whether Compounding Application can be filed either before or after the initiation of prosecution?
- (b) Discuss in details the Procedure for Compounding of Offence under the Companies Act.
- (c) Adjudication & Compounding are same under the Companies Act. Comment.

(5 Marks each)***Attempt all part of either Q. No. 3 or Q. No. 3A*****Question No. 3**

With the passage of the Companies Act, 2013 the mandate for corporate social responsibility (CSR) has been formally introduced to the dashboard of the Boards of Indian companies. The industry has responded positively to the reform measure undertaken by the government with a wide interest across the public and private sector, Indian and multinational companies. With such large expenditures being made towards CSR, it becomes imperative that the projects are monitored and the outcomes are evaluated to ascertain whether the objective with which it was made mandatory, is achieved. "How do we make sure that the money we are spending on CSR is being well spent and that people for whom it is intended are benefitting from it" is a sentiment echoed by many companies. With such large expenditures being made towards CSR, it becomes imperative that the projects are monitored and the outcomes are evaluated to ascertain whether the objective with which it was made mandatory, is achieved. "How do we make sure that the money we are spending on CSR is being well spent and that people for whom it is intended are benefitting from it" is a sentiment echoed by many companies. There is likelihood of greater accountability that Companies will bring into the implementation of activities related to social development.

Organisations in all sectors face an increasing need to demonstrate the impact they're having, whether it's the social value delivered by public sector projects or the impact of a business' corporate social responsibility

(CSR) programme. For the successful implementation of any CSR project, it is desirable that the said project achieves the required objective. It is also equally important to ensure that the project makes the desired impact which was visualized at the time of selection and planning. The focus for corporates who see the law more as “compliance” has been on project “deliverables” than measuring social impact. Thus, it’s important to have strict and accurate monitoring and evaluation plan as part of any successful project implementation and CSR projects are no exception. It not only helps to be assured of implementation of policies as planned but also helps address intense public scrutiny and legal compliance. Designing Monitoring and Evaluation (M&E) system is crucial for improving performance and ensuring success of the Sustainability and CSR project. M&E can help track progress and outputs systematically, measure outcomes and help you steer your social program in the right direction.

Reporting, monitoring and evaluation of companies’ CSR activities is key to setting strategic direction and delivering measurable and tangible results on the ground. A continuous monitoring framework and iterative & reflective mechanisms are essential to support successful program delivery. Such a monitoring framework must inform action at multiple levels, ranging from the local to national and international levels to track and harmonize multiple accountabilities.

In view of the above, answer the following:

- (a) Monitoring acts in CSR activities as an alert that warns companies about problem to be remedied. Comment.
- (b) Evaluation of a CSR project revolves around how well or how badly has the project been implemented,
- (c) What are the mechanisms for monitoring the CSR process? Discuss the role of the Government in monitoring compliance of CSR provisions by companies.

(5 Marks each)

OR (Alternate question to Q. No. 3)

Question No. 3A

The objective of Social Impact Assessment (SIA) is to ensure that development maximises its benefits and minimises its costs, especially those costs borne by people (including those in other places and in the future). Costs and benefits may not be measurable or quantifiable and are often not adequately taken into account by decision-makers, regulatory authorities and developers. By identifying impacts in advance: (1) better decisions can be made about which interventions should proceed and how they should proceed; and (2) mitigation measures can be implemented to minimise the harm and maximise the benefits from a specific planned intervention or related activity.

An important feature of SIA is the professional value system held by its practitioners. In addition to a commitment to sustainability and to scientific integrity, such a value system includes an ethic that advocates openness and accountability, fairness and equity, and defends human rights. The role of SIA goes far beyond the ex-ante (in advance) prediction of adverse impacts and the determination of who wins and who loses. SIA also encompasses: empowerment of local people; enhancement of the position of women, minority groups and other disadvantaged or marginalised members of society; development of capacity building; alleviation of all forms of dependency; increase in equity; and a focus on poverty reduction.

SIA complements the economic and technical models that characterise the thinking of many development professionals and agencies. SIA can be undertaken in different contexts and for different purposes.

In the context of Corporate Social Responsibility (CSR) impact assessment is to assess the social impact of a particular CSR project. The intent is to encourage companies to take considered decisions before deploying

CSR amounts and assess the impact of their CSR spending. This not only serves as feedback for companies to plan and allocate resources better but shall also deepen the impact of CSR.

In view of the above, answer the following:

- (a) State the objective of providing impact assessment of CSR activities. Which companies are required to undertake impact assessment?
- (b) Whether impact assessment reports of all the CSR projects shall be annexed to the annual report on CSR? When two or more companies collaborate for implementation of a CSR project, should the impact assessment carried out by one company be shared with other companies?
- (c) How is average net profit calculated for the purpose of CSR Expenditure under section 135 of the Companies Act? Whether 'profit before tax' or 'profit after tax' is used for such computation?

(5 Marks each)

PART II - SOCIAL GOVERNANCE (50 MARKS)

Question No. 4

Social Stock Exchange (SSE) is a digital platform that enables alternate fundraising methods to SE. It will permit a Social Enterprises (SEs) listing; SEs would register themselves on the SSE platform and then raise money from there. Any social enterprise, including both For-Profit Enterprises (FPE) and Non Profit Organisations (NPO), that demonstrates the importance of its social mission is eligible to register with and list on the social stock exchange. According to the working definition of a social enterprise established by the International Labour Organization (ILO), "The fundamental objective of a social enterprise is to address social issues through a financially viable business model in which surpluses (if any) are primarily reinvested for that purpose." (ILO 2009). For the purpose of the SEs establishing the predominance of social intent, SEBI has specified specific eligibility requirements. It has outlined a list of 17 tasks in which an SE can engage in with the goal of focusing on underprivileged or undeserving population segments. Furthermore, 67% of the activities should be performed towards the target group, according to the statement. This can be established further by demonstrating that at least 67% of the average revenue or average expenditure over the previous three years came from or went towards qualified activities, respectively. Apart for affordable housing, business foundations, political or religious organisations, professional or trade groups, and infrastructure corporations are not eligible to be designated as SE.

India has changed the conventional wisdom that social and economic development is solely the government's responsibility into a framework where individuals, corporations, and other social organisations also share the responsibility for bringing India to its pinnacle potential for social and economic development. The Social Stock Exchange segment (SSE) on NSE & BSE provides Social Enterprises (Non-profit organizations (NPOs) and For-profit enterprises (FPEs)) engaged in eligible activities a unique opportunity to register itself and raise funds on a recognized exchange platform.

In view of the above, answer the following:

- (a) Social Stock Exchange (SSE) is a separate segment of the existing Stock Exchange, that can help Social Enterprise(s) to raise funds from public. Comment.
- (b) Which Social Enterprises are not eligible to get registered or raise funds through Social Stock Exchange/ Stock Exchange?
- (c) Discuss the entity that can be identified as a not-for-profit & for-profit organization in the context of Social Stock Exchange.
- (d) State the structured finance product is available for Not-for-Profit Organizations through social stock exchange mechanism.

- (e) Discuss the Not-for-Profit Organizations that are not eligible to issue Zero Coupon Zero Principal Instruments. Can Not-for-Profit Organizations make private issuance of Zero Coupon Zero Principal Instruments?

(5 Marks each)

Question No. 5

The Care and Share Charitable Trust registered under the Indian Trust Act in the year 2000. The Trust is also registered with the Income Tax authorities and Ministry of Home Affairs, Government of India including under the Foreign Contribution (Regulation) Act, 2010(FCRA) for receipt of foreign funds (FCRA No. 0112 dated 8.12.2011). Mr "X" is serving as one of the trustees of the said Trust and is a social worker. The Trust is engaged in the social upliftment activity such as helping children below the poverty line in New Delhi, street children, children of sex workers, physically challenged kids, shelter orphans, abandoned babies and assisting juveniles detained in the observation home (local reformatory). The Trust has built and is running nine schools in different slums. It has rescued over 1000 street children, 165 infants, HIV positive and AIDS orphans. The Trust also engages in daily milk program for 500 kindergarten children since year 2000. The Trust has been awarded National Award for Child Welfare by the Government of India, Ministry of Women and Child Development in the year 2021, for its exceptional work and contribution in the field of child welfare.

Trusts, it is urged, are dependent upon foreign contributions to meet their day-to-day expenses. It was alleged that the Trust contravened the provisions of FCRA and misutilised the foreign contribution received from a foreign company situated in United States of America. For, which it entails in cancellation of certificate of the trust permitting receipt of foreign contributions for being utilised towards the activities of the concerned trust. Similarly, the operational "FCRA account" was barred from receiving foreign contribution.

Mr "X" approached you as a Company Secretary in Practice with certain queries listed below in the form of query. Advise Mr. "X".

- State the eligibility criteria for grant of registration and eligibility criteria for grant of prior permission for receiving foreign contribution from a foreign company situated in United States of America.
- Discuss Foreign source and foreign contribution as defined under FCRA, 2010.
- Whether foreigners can be appointed as trustee in a trust receiving foreign contribution seeking registration or prior permission?

(5 Marks each)

Attempt all part of either Q. No. 6 or Q. No. 6A

Question No. 6

Mr. "X" & Mr. "Y" made a proposal to constitute a partnership firm for construction of a cinema theatre on the land of the Mr. "X" and on acceptance of the said proposal by Mr. "X", they executed a deed of partnership dated 26th of June, 2017. Clause 4 of the partnership deed envisaged that the Mr. "X" share in the profits would be Rs. 2 crores. Mr. "X" was receiving Rs. 2,00, 0000/- per month from the Mr. "Y" in pursuance of Clause 13, which guaranteed that the minimum profit of Rs. 2,00,0000/- per month would be paid to Mr. "X".

Mr. "Y" never disclosed to Mr. "X" as to what amount was due to her on settling the annual accounts of the firm. Mr. "Y" never furnished the statement of accounts to the Mr. "X". He never disclosed the amount of profit payable to Mr. "X" towards her Rs. 2,00,0000/- share in the business. Mr. "Y" mismanaged the business of the firm and manipulated the account books. There was mutual irretrievable distrust between the Mr. "Y" and Mr. "X" and hence it was impossible to get along with the Mr. "Y" in the business of the firm. The Mr. "Y" stopped payment of the minimum guarantee profit to Mr. "X" with a motive to strain her financial resources. The gravity of distrust assumed such proportions that the Mr. "X" could not continue as a partner in the firm. The Mr. "Y" is also guilty of non-furnishing of annual accounts to the plaintiff and hence the suit.

The Partnership firm stood dissolved by the death of the Mr. "X" on 17th of May, 2023. Since there was no mutual confidence between the parties and as there had been severe disputes since 2018, carrying on the business of the firm became practically impossible. It was ultimately held that there was deemed dissolution of the partnership firm with effect from 17th of May, 2023 due to the death of Mr. "X" (since deceased).

In view of the above, answer the following:

- (a) Discuss the essentials of a Partnership and True Test of Partnership and Relation of Partners to one another.
- (b) How Mr. "X" & Mr. "Y" distributed the partnership property after the dissolution of partnership firm?
- (c) In the absence of any usage or custom or trade to the contrary, the implied authority of a partner does not empower him to submit a dispute relating to the business of the firm to arbitration. Comment.

(5 Marks each)

OR (Alternate question to Q. No. 6)

Question No. 6A

The Seventy-Third Constitutional Amendment Act, 1992, gave constitutional status to the Panchayati Raj Institutions (PRIs) and established a system of uniform structure (three tiers of PRIs); elections; reservation of seats for Scheduled Caste, Scheduled Tribes and women; and devolution of funds, functions, and functionaries to PRIs. PRIs aim to promote the participation of people and effective implementation of rural development schemes for economic development and social justice in various areas, including those concerning the functions (29 subjects) referred to in the Eleventh Schedule of the Constitution.

Consequently, many Governments established a system of three-tiers of PRIs viz., Gram Panchayat (GP) at the village level, Panchayat Samiti (PS) at the Block level and Zila Parishad (ZP) at the district level to enable them to function as institutions of self-government. For decentralization at the grassroots level, GPs were divided into Wards and provisions of Gram Sabha at the GP level and Ward Sabha at the Ward level had been made. The Ward Sabha, through the Ward Implementation and Management Committee, implements several schemes of public importance, assigned to the Ward, by the GP.

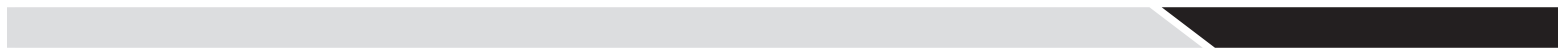
At the State level, the Panchayati Raj Department (PRD) coordinates and monitors the functioning of the PRIs. The ZP is headed by the Adhyaksha, while the PS and the GP are headed by the Pramukh and the Mukhiya, respectively, who are elected representatives of the respective PRIs. Mukhiya is responsible for the financial and executive administration of GP. The Chief Executive Officer (at the rank of District Magistrate or Additional District Magistrate) and the Block Development Officer-cum-Executive Officer are the executive heads of the ZP and the PS, respectively. The Panchayat Secretary is incharge of the office of the GP and is also responsible for the maintenance of books of account and records at the GP level.

In view of the above, answer the following:

- (a) Constitution of India stipulate that the Legislature of a State may by enacting legislation delegate power to Panchayati Raj Institution. Discuss the power and Function of the Panchayat.
- (b) Financial funding is a very big hurdle in the path of Panchayati Raj Institutions. State the challenges faced by Local Self-Government.
- (c) Discuss the importance of Zilla Parishad in the developmental journey of the districts.

(5 Marks each)

[illegible]

[illegible]

[illegible]