

LOCAL BODIES OVERCOMING THE DEPENDENCY SYNDROME- A CASE STUDY OF MUKHRA (K) KHURD FIRST MODEL VILLAGE ADILABAD DISTRICT, TELANGANA

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Abstract

It is no exaggeration to say that achieving Gandhi's idea of Gram Swaraj depends to a great extent in making Panchayats self-reliant and less dependent upon higher tiers of government. In order to become self-reliant, the panchayats need to work to mobilize their own funds as per the powers given to them by Article 243-H of Indian Constitution, which authorizes the panchayats to levy, collect and appropriate taxes, duties, tolls and fees apart from receiving grant-in-aid from central and state government funds.

Own Source Revenue (OSR), Swachh Bharat Mission Grameen (SBM-G) campaign, and state-wide Palle Pragathi programme, generation provides greater autonomy to the Mukhra -K (Khurd) Panchayats Adilabad district of Telangana State and makes the Panchayats self-reliant; and thus, remains crucial in making the idea of gram-swaraj into a reality.

It is in this context; the present case study aims at documenting a successful case of OSR generation in the Mukhra -K (Khurd) Adilabad district of Telangana State. The primary objective of the present study The Mukhra (Khurd) Gram Panchayat (GP) in Ichoda Mandal in Adilabad District of Telangana State was won three awards at the National Panchayat Awards Ceremony 2021-22. The village had bagged the Swacch Sujal Shakti Samman in 2023, Deen Dayal Upadhyay Panchayat Shashaktikaran Purashkar-2022 for effectively implementing various schemes and Biodiversity award in 2022 and Swacch Survekshan Award in 2020. National Panchayat Awards-2023 ceremony in New Delhi by the President of India Draupadi Murmu.

Objective of the study is to document the process of successful generation of own source revenue and Swachh Bharat Mission Grameen (SBM-G) campaign, and state-wide Palle Pragathi programme, The central question of the study pertains to the role of Gram Panchayats in successful mobilization of own source revenues and to investigate challenges and opportunities of OSR generation, so as to explore the possibilities of its replication in other similar locations.

Keywords: Gram Panchayat, schemes, programs, mission, revenue generation, & sarpanch

INTRODUCTION

The GP that was newly formed in 2018 consists of 220 households and a population of 1080 individuals. Initially, the village lacked basic amenities such as water, sanitation, roads, etc., and people experienced various health and economic problems. With the commencement of the Swachh Bharat Mission Grameen (SBM-G) campaign, individual household toilets were provided to all homes before the GP was declared open defecation free (ODF).

Thereafter, the implementation of the state-wide Palle Pragathi programme improved sanitation further with the setting up of systems to effectively manage solid and liquid waste. This included the construction of a segregation shed and a community sanitary complex with funds from Palle Pragathi, MGNREGA, and SBM-G.

It began with a special Gram Sabha organized on biodegradable waste management by the GP in which members of the Self-Help Group, youth, village elders, line department staff, and students attended.

The importance of source segregation at the household level for the effective implementation of biodegradable waste management was explained to the gathering. Further, a Village Water and Sanitation Committee consisting of 15 members was formed. It led to shramdaan and a 10-day cleanliness drive to improve sanitation.

Additionally, the GP procured a tractor, trolley, and tanker for the collection of waste from households, and these vehicles were also used for watering the plants in all public spaces of the GP. Dust bins were distributed to every household for keeping dry and wet waste separate.

To enhance the skills of the GP staff including the Panchayat Secretary and the elected functionaries, training was provided on the preparation of vermicompost.

Multipurpose workers of the GP started collecting dry and wet waste from each house every day before transporting it to the segregation shed. While wet waste is converted into good quality vermicompost, dry waste is further segregated and sold to local scrap dealers for recycling, the entire process converting waste into a valuable resource. Until now, the GP has earned nearly Rs.4 lakh from the sale of vermicompost and Rs.30,000 from the sale of dry waste.

Meanwhile, officials from the Agriculture Department have made farmers aware of organic farming, a process adopted by some farmers soon after, with the vermicompost produced in the GP. Those who did so were rewarded with a good yield of crops. Vermicompost is also utilized for the school's Nutri Garden which helps provide healthy food during mid-day meals for children.

To ensure that hygiene and sanitation are maintained, the GP imposes fines on any person throwing garbage on the roads, as per Telangana Panchayat Raj Act, 2018. Waste management is a regular topic discussed in the monthly SHG meeting and households that manage waste well are felicitated by the GP. While all homes have individual soak pits, institutions have community soak pits that manage all greywater generated. Further, all homes have twin pits toilets that take care of faecal sludge.



IPCC for source segregation Segregated waste collection using tractors Segregation cum



Wet waste composting units Individual magic soak pits Village Park – Palleprakruti Vanam

HISTORICAL BACKGROUND

Three years have passed since the 73rd and 74th constitutional amendment acts came into effect, which envisaged that institutions of local government. As a follow up, the ministry of panchayat raj was constituted 2004 to strengthen rural local governments. When it comes to analyzing the status of devolution, it is evident that some states have forged ahead while many lag behind.

The commitment of state governments towards decentralization has been vital in making panchayat raj institutions an effective local governance mechanism at the grass root level.

The constitution amendment has set forth specific details on fiscal devolution which includes the generation of own revenues. Emanating from the central acts, various states panchayat raj acts have made provisions for taxation and collection.

Based on the provisions of these acts, panchayats have made efforts to generate their own resources to the maximum extent. Participatory planning and budgeting were the end and result of such interventions by the ministry, these panchayats earn only 1% of the revenue through taxes, with the rest being raised as grants from the state and center. It especially points out that 80% of the revenue is from the center and 15 % from the states. This is an eye opener for the proponents of decentralization as the net result is that the revenue raised by panchayat is meagre even after 30 years of devolution initiatives.

Avenues for own source of revenue

The report of the expert committee constituted by the ministry of panchayat raj on own source of revenue (OSR) of rural local bodies elaborates on the details of the state government acts that have incorporated tax and non-tax revenue that can be collected and utilized by panchayats. Property tax, cess on land revenue, surcharge on additional stamp duty, tax on profession, advertisement, user charges for water and sanitation and lighting are the major OSRs where panchayats can earn maximum income. Panchayats are expected to establish a conducive environment for taxation by implementing appropriate financial regulations.

This includes making decisions regarding tax and non-tax bases, determining their rates, establishing provisions for periodic revision, defining exemption areas and enacting effective tax management and enforcement laws collection. The huge potential for non-tax revenue includes fees, rent and income from investment sales and hires charges and receipts. These are also Innovative projects that can generate OSR. These covers income from the rural business hubs, innovative commercial ventures, renewable energy projects, carbon credits. Corporate social responsibility (CSR) funds and donations.

The role of Gram sabhas

Gram sabha have a significant role in fostering self-sufficiency and sustainable development at the grass roots level by leveraging local resources for revenue generation. They can be engaged in planning, decision making, and implementation of revenue generating initiative that range from that range from agriculture and tourism to small scale industries. They have the authority to impose taxes, and fees, and levies, directing the funds towards local development projects, public services and social welfare programmes.

Through the transparent financial management and inclusive participation, gram sabhas ensure accountability and foster community trust, ultimately empowering villages to become economically independent and resilient. Thus, gram sabhas need to promote entrepreneurship, and foster partnerships with external stake holders to enhance the effectiveness of revenue generation efforts.

In several states, gram panchayat lacks the authority to collect taxes, while in numerous others, intermediate and district panchayats are not delegated the responsibility of tax collection. When gram panchayat collects 89% of own taxes, the intermediate panchayat collects 7% and the district panchayats a nominal amount of 5%. There is a need to demarcate OSR for the entire three tier panchayats to ensure equitable sharing.

There are several factors behind the general aversion towards generating own income, with the increase in the allocation of central finance commission (CFC) grants, panchayats are evincing less interest in the collection of OSR own source revenue. The allocation for rural local bodies from the 10th and 11th CFC was 4,380 crore and 8,000 crores, respectively. But in the 14th and 15th CFCs there was a huge increase by way of allocating 2,00,202 and 2,80,733 crores, respectively the tax collected in 2018-19 was 3,12,075 lakh which diminished in 2021-2022 to 2,71,386 lakhs. The non -tax collected for the same period was 2,33,863 lakh and 2, 09,864 lakh. At one time panchayats were in competition to raise OSR for their commitment to fulfill basic needs. This has now given place to dependency on grants allocated through central and state finance commission. Some states have the policy of incentivization by providing matching grants but which were sparingly implemented. Panchayats also have no need of penalizing defaulters as they believe that OSR has not been regarded as an income that is linked with panchayat finance.

Overcoming the dependency syndrome

Despite every enabling factor to raise revenue, panchayats confront several impediments in resource mobilization: the freebie culture rampant in society is the cause for the antipathy in paying taxes. Elected representatives feel that imposing taxes would alter their popularity adversely. Here, the answer is clear. There is a need to educate elected representatives and the public on the significance of raising revenue to develop panchayats of raising revenue to develop panchayat as self-governing institutions. Ultimately, the dependency syndrome for grants has to be minimized and in due course, panchayats will be able to survive on their own resources.

Panchayats can only achieve such a state of affairs when there are dedicated efforts in all tiers of governance, which includes even the state and central level.

OBJECTIVE OF MUKHRA-K (KHURD) GRAM PANCHAYAT RESEARCH:

The central question of the study pertains to the role of Gram Panchayat in successful mobilization of own source revenues. In the process of investigation, the case attempted to answer the following relevant research questions:

1. The central question of the study pertains the central question of the study pertains to the role of Gram Panchayat in successful mobilization of own source revenues What are the challenges that Gram Panchayats faced during generation of ORS (own source revenue)?
2. What is the value-added opportunities of collecting OSR (own source revenue)?
3. What is the outcome of mobilization of OSR (own source revenue) by Panchayats?
4. Does OSR (own source revenue) generation have any link with delivery of basic services by the Panchayats?
5. Can the initiative be replicated at other locations?

The primary objective of the present study is to document the process of successful generation of own source revenue by Panchayat and to investigate challenges and opportunities of (OSR) own source of revenue generation, so as to explore the possibilities of its replication to other similar locations.

To achieve this, the study adopted the following specific objectives:

1. To examine and document the process of mobilization of own source revenue by Gram Panchayat
2. To examine the challenges and opportunities of OSR (own source revenue) generation by the Gram Panchayat
3. To explore the factors behind the success of the Panchayat in mobilizing OSR (own source revenue), and the possibilities of replication to other similar locations

METHODOLOGY AND APPROACH

In order to identify the site for empirical investigation, the study adopted purposive sampling method. Since the study aimed at documenting one of the successful cases of Own Source Revenue (OSR) generation, the following criteria were identified to choose the sample:

1. That the panchayat should have generated sufficient revenues through OSR generation
2. That the panchayat should have enough common resources from which OSR can be generated
3. That the panchayat should have made provisions for effective delivery of public services
4. That the panchayat should have received recognition for its initiatives of OSR generation

Based on above criteria, Mukhra-K Gram Panchayat of Adilabad district in Telangana was chosen for detailed study, Gram Panchayat has several productive resources such as ponds, tanks and dumping yard, from which the Gram Panchayat mobilized OSR. Further, the GP was observed to be collecting several taxes and fees seriously to enhance its OSR.

With regard to collection of relevant data, the study adopted a mixed approach and relied on both secondary and primary sources of data to investigate the GP's efforts to mobilize OSR.

Desk research and collection of secondary data: The secondary data sources were mainly tapped to understand the socio-demographic scenario of the village. In order to draw an overview of the panchayat, secondary data were collected from the District Census Handbook and survey reports of Ministry of Panchayati Raj.

Empirical research and primary data: Along with the secondary source, the first-hand data were also collected from the field with appropriate qualitative methodological design. The primary data about (i) various resources available with GP, (ii) resources from which the GP generates revenue, and (iii) different public services provided by the GP with the revenue generated were collected through case study method. Personal interview with key informants and focused group discussion (FGD) were used as relevant techniques to elicit relevant data. A structured interview guide with open-ended questions was used to carry out the personal

interviews with the key informants. Likewise, a structured check-list was used to carry out the focused group discussions. Besides, participatory research techniques were also adopted to map the social set-up, resource availability and service delivery system of the village.

Learning Outcomes

Having gone through this case study, learners will be enlightened about a successful case of OSR (own source revenue) generation by the Gram Panchayat, which will help the learners to replicate similar practices of generating OSR in their respective Panchayats.

Case Presentation

Demographic Profile:

Mukhra- Khurd is a Village in Ichoda Mandal in Adilabad District of Telangana State, India. It belongs to Telangana region. It is located 35 KM towards South from District headquarters Adilabad. Mukhra- K is surrounded by Bazarhatnoor Mandal towards west, Neradigonda Mandal towards South, Gudihatnur Mandal towards North Indervelly Mandal towards East, Adilabad, Nirmal, Bhainsa , Pandharkaoda are the nearby Cities to Mukhra- B. Mukhra- B Local Language is Telugu. Mukhra (Buzurg) Village Total population is 1742 and number of houses are 363. Female Population is 50.6%. Village literacy rate is 51.8% and the Female Literacy rate is 21.8%.

Population Mukhra-K (Khurd)

Census Parameter	Census Data
Total Population	1742
Total No of Houses	363
Female Population %	50.6 % (882)
Total Literacy rate %	51.8 % (903)
Female Literacy rate	21.8 % (380)
Scheduled Tribes Population %	44.0 % (766)
Scheduled Caste Population %	8.3 % (144)
Working Population %	49.9 %
Child (0 -6) Population by 2011	273
Girl Child (0 -6) Population % by 2011	46.5 % (127)

Organizational Structure of Mukhra-Khurd Gram Panchayat

Mukhra-K (Khurd) Gram Panchayat is a Rural Local Body in **Ichoda Panchayat Samiti** part of **Adilabad Zila Parishad**. There is total **1 Villages** under **Mukhra-K Khurd Gram Panchayat** jurisdiction. Gram Panchayat **Ichoda** is further divided into **8 Wards**. Gram Panchayat **Ichoda** has total **9** elected members by people.

Own Source Revenue (OSR) Generation by Mukhra-Khurd Gram Panchayat: In order to understand the process of Own Source Revenue (OSR) generation by the Mukhra Khurd GP, we made an inquiry about the following two factors:

1. Assets and resources that the GP (Gram panchayat) has at its disposal – revenue potentials of a GP.
2. Ability of the GP to generate OSR from the given assets – revenue mobilization a model village in Adilabad district has become the first habitation in the State to have insured by 100 percent. The Sarpanch of the village G. Meenakshi handed over documents of insurance to 220 households of the habitations.

Role of sarpanch in revenue generation

Sarpanch Gade Meenakshi Informed that she had spent her money to extend the life insurance coverage to all the families of the village. She stated that she purchased policies from the national pension system, SBI and LIC as part of the Initiative.

Revenue potentials of Mukhra Khurd GP

1. Schools in Mukhra (Khurd):

The Mukhra (K) in Ichoda mandal which was a sleepy village till recent past has transformed into a modern village in Adilabad district achieving total digital literacy under the National Digital Literacy Mission. Mukhra (K) village has been merged as the 4th digital village in Telangana. People of Mukhra (K) now get updates on weather, crops and bank loans on their cell phones by registering with the Common Service Centre and introducing English medium in their government school.

The village development committee (VDC) has succeeded in its efforts to bring back students to government schools studying in private schools by imposing Rs 1,000 fine on parents if they send their children to private schools. The student strength at government primary school increased to 93 from 37 this year and no child from this village is now studying in private school. The VDC is looking after all the affairs of the village and its people.

The dwellers resolved to send their children only to government-run schools. There is a government primary school in the village Mukhra (Khurd). All students were encouraged in government English medium school by appointing trained English teaches and paid from panchayat budgets.



2. Drinking water supply to each house: Through central government Har Gar Jakl Mission village facilitated 1,000 tap water connections to ever house. Treated Tap Water Supply all-round the year and in summer also available. Covered Well, Hand Pump and Tube Wells/Boreholes are other Drinking Water sources.



3. Proper Drainage System: There was no proper drainage system in the village where often drains would overflow on the pathways, making it difficult to move. These would also become a breeding ground for mosquitos. Doctors won't stay long in the village due to poor infrastructure and the huge patient work load. In order to prevent, panchayat constructed soak pits in every house so that water leakage on the roads to keep the mosquitos at bay.

Due to the village hardships persisted an open defecation free by ensuring the construction of toilets in every household. Often women would complain that they felt shy and embarrassed to go out in the fields which were also used by men for defecating.

How ever, through the **swachh bharat abhiyan gramin initiative**, the gram panchayat successfully constructed initially, only 22 toilets but now 210 households of village, addressing a critical need for sanitation and hygiene.

Available in this Village. This Village Covered Under Total Sanitation. Community Toilet Complex Available in this village. There is no system to Collect garbage on street. Drain water is discharged into sewer plant. Subhash Gadge, "A resident of the village, tells The Better India, our sarpanch had been advocating for social work efforts to led the villagers behavioral change among the community. We not only use toilets in our homes but also aware of hoe to segregate waste"

4. Communication

Sub Post Office is available in this Village. Mobile Coverage is available. Internet Centre available in this village. No Private Courier Facility in less than 10 km.

5. Commerce

Nearest ATM is in 5 - 10 km. Nearest Commercial Bank is in 5 - 10 km. Nearest Cooperative Bank is in 5 - 10 km.

6. Transportation

Public Bus service available in this village. There is no Railway Station in less than 10 km. Autos Available in this Village. Tractors Available in this Village. National Highway passes through this village. No Nearest State Highway in less than 10 km. Nearest District Road is in less than 5 km. Pucca road, Kuccha Road and Foot Path are other Roads and Transportation within the village.

Panchayats major source of Income Generation

This village has become a model for 408-gram panchayats in the State. Today many sarpanches from the districts of village to witness how this village achieved this transformation. Its note worth that the village has effectively used 36 crores in funds from the state and central governments to execute various government programs and drive transformative changes.

Every panchayat is entitled to the funds but panchayat stood apart from the funds because village utilized them for betterment. But this success could not have been possible at the individual level. When only involve the community and give them a sense of ownership, can achieve a drastic transformation.

Revenue Mobilization by Mukhra Khurd GP

1. Solid waste management system: Remarkably, the village has found a source of revenue through the sale of vermicompost fertilizer, a product derived from their waste management practices. To facilitate this, the panchayat distributed two separate bins to households for the collection and segregation of dry and wet at the source. This systematic approach not only promotes waste management but also generates income for village through sustainable practices.

So, the waste that would earlier be thrown out in public spaces earlier, is now being into vermicompost. Every month, we are able to convert at least 50 kg of waste and sell its compost to farmers in nearby our village. So far, village have earned Rs 10lakh in the past 3-4 years with waste and 70,000by selling plastic waste said by sarpanch Meenakshi.

The village has been successfully implementing rural development schemes and is largely self-sufficient. The tractor provided by the State government through Palle Pragathi, implementation of wet and dry garbage segregation, maintenance of a dumping yard, and composting manure has now become a source of income for the village.

Sarpanch Meenakshi has been successful in implementing the concept of collecting garbage by tractor, separating it into wet and dry garbage and turning it into vermicompost. In the past one-and-a-half years, the village has earned Rs 7 lakh by selling this vermicompost.



2. Installation of solar panels for energy consumption

Using the profits, from the solid management system, the exemplary village has also implemented two roof top solar grids, generated 6 kilo volts of electricity and achieved complete energy independence for the community. Over the years village installed solar lights in school, Anganwadi's, roads, and gram panchayat. This has reduced monthly power bills expenses of rs 15,000 for gram panchayat. Now the village get zero power bill.



3. Agriculture

Local public representatives ensured 3-acre cultivable land to all Dalit families of the village. Paddy is agriculture commodities grow in this village. 5 hours agricultural power supply in summer and 7 hours agricultural power supply in winter is available in this village. Total irrigated area in this village is 100 hectares from canals 50 hectares and from Boreholes/Tube wells 50 hectares are the Sources of irrigation. This Village has a Power supply with 18-hour power supply in summer and 18-hour power supply in winter, Anganwadi center, Birth & Death registration office, Daily News Paper and Polling station are the other amenities in the village.

Outcomes of the Initiative

The timely and regular collection of OSR has enhanced its financial status of **Mukhra Khurd** Gram Panchayat, and has enabled it to provide various kinds of services in an effective manner. OSR generation by **Mukhra Khurd** has contributed towards its self-reliant and autonomy in matters of local decision making for delivery of various services. The major services provided by the GP in the village included water, education, sanitation, street lights, maintenance of roads and drainage, and cleanliness of the gram panchayats.

CONCLUSION

What makes **Mukhra Khurd** GP stand unique is its ability to convert the opportunities and potentials of various sources of revenue generation into a reality. Some of the factors that may be considered as enabling conditions of success of **Mukhra Khurd** GP, and therefore should be taken seriously while attempting to replicate the case in other locations are the following:

1. Able leadership, strong political will and commitment to collect tax and non-taxes (revenue) on a regular basis
2. Availability of resources (both natural and build) which created potentials for OSR
3. Delivery of basic services in effective manner, which created incentives for the citizens to pay taxes and fees regularly
3. GP's efforts to link regular and timely payment of taxes to issue of important documents and certificates (viz. birth, death, caste certificate) from GP

Study may, therefore, conclude that availability of resources and infrastructure may have created ample potentials for **Mukhra Khurd** Gram panchayat to capitalize on its own, but what was perhaps striking about the gram panchayat was its effort to convert these potentials into outcomes by way of successful mobilization of revenue from these resources.

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