THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOP-MENT DEPARTMENT OF RURAL DEVELOPMENT (SHRI RAMESHWAR THAKUR): (a) to (c) Article 243-I of the Constitution requires the States to constitute Finance Commission to review the financial position of the Panchaytas and to make recommendations to the Governor as to—

- I. the principles which should govern-
 - (i) the distribution between the States and the Panchayats of the net proceeds of the taxes, duties, tolls and fees leviable by the State, which may be divided between them and the allocation between the Panchayats at all levels of their respective shares of such proceeds:
 - (ii) the determination of the taxes, duties, tolls and fees which may be assigned to, or appropriated by, the Panchayats;
 - (iii) the grants-in-aid to the Panchayats from the consolidated Fund of the State;
 - (b) the measures needed to improve the financial position of the Panchayats;
- (c) any other matter referred to the Finance Commission by the Governor in the interests of sound finance of the Panchayats.

All the States where Part IX of the Constitution is applicable have incorporated necessary provisions in their State legislations.

Elections in States in Pursuance of 73dr Constitutional Amendment

2432. SHRI JALALUDIN ANSARI: Will the PRIME MINISTER be pleased to state:

(a) What are the States which have taken steps to conduct election

- to constitute Panchayats in accordance with the provisions of the 73rd Constitutional Amendment;
- (b) whether there is any time limit to conduct such elections to constitute new Panchayats as per the new provisions;
 - (c) if so, the details there of; and
- (d) if not, the steps being taken to ensure that the remaining States take steps to conduct election immediately?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (DEPARTMENT OF RURAL DEVELOPMENT) (SHRI RAMESHWAR THAKUR) (a) So far Madhya Pradesh has conducted election to constitute Panchayats in accordance with the provisions of the 73rd Constitutional Amendment. Tripura is going to conduct panchayat elections in August, 1994, Besides, Karnataka has constituted Gram Panchayats and elections to Panchavat Samiti Zilla Parishad remain to be held.

(b) to (d) Constitution contemplates that Panchayats would be in position immediately after the existing laws are brought in line with the Constitutional provisions. States which have not constituted Panchayats in accordance with the provisions of Part IX of the Constitution will have to take immediate steps for constituting Panchayats within such time as is absolutely necessary for completing the election process. The Conference of Panchayat Ministers and Panchayat Secretaries of States and Union Territories held on States 3.7.93 recommended that should conduct election to Panchayats within six months of passing the amendment to the State legislation or bringing fresh legislation. The Ministry has accordingly addressed all States|UTs.