

- **Three-tier system:** The Act provides for the establishment of the three-tier system of Panchayati Raj in the states (village, intermediate and district level). States with a population of less than 20 lakhs may not constitute the intermediate level.
- **Election of members and chairperson:** The members to all the levels of the Panchayati Raj are elected directly and the chairpersons to the intermediate and the district level are elected indirectly from the elected members and at the village level the Chairperson is elected as determined by the state government.

Reservation of seats:

- For SC and ST: Reservation to be provided at all the three tiers in accordance with their population percentage.
- For women: Not less than one-third of the total number of seats to be reserved for women, further not less than one-third of the total number of offices for chairperson at all levels of the panchayat to be reserved for women.
- The state legislatures are also given the provision to decide on the reservation of seats in any level of panchayat or office of chairperson in favour of backward classes.

Duration of Panchayat: The Act provides for a five-year term of office to all the levels of the panchayat. However, the panchayat can be dissolved before the completion of its term. But fresh elections to constitute the new panchayat shall be completed –

- before the expiry of its five-year duration.
- in case of dissolution, before the expiry of a period of six months from the date of its dissolution.

Disqualification: A person shall be disqualified for being chosen as or for being a member of panchayat if he is so disqualified –

- Under any law for the time being in force for the purpose of elections to the legislature of the state concerned.
- Under any law made by the state legislature. However, no person shall be disqualified on the ground that he is less than 25 years of age if he has attained the age of 21 years.
- Further, all questions relating to disqualification shall be referred to an authority determined by the state legislatures.

State Election Commission:

- The commission is responsible for superintendence, direction and control of the preparation of electoral rolls and conducting elections for the panchayat.
- The state legislature may make provisions with respect to all matters relating to elections to the panchayats.

Powers and Functions: The state legislature may endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government. Such a scheme may contain provisions related to Gram Panchayat work with respect to:

- the preparation of plans for economic development and social justice.
- the implementation of schemes for economic development and social justice as may be entrusted to them, including those in relation to the 29 matters listed in the Eleventh Schedule.

Finances: The state legislature may –

- Authorize a panchayat to levy, collect and appropriate taxes, duties, tolls and fees.
- Assign to a panchayat taxes, duties, tolls and fees levied and collected by the state government.
- Provide for making grants-in-aid to the panchayats from the consolidated fund of the state.
- Provide for the constitution of funds for crediting all money of the panchayats.