

GOVERNMENT OF INDIA  
MINISTRY OF PANCHAYATI RAJ  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2800**  
ANSWERED ON 22.12.2021

**ASSESSMENT OF PRIS**

2800. SHRI IRANNA KADADI:

Will the Minister of Panchayati Raj be pleased to state:

- (a) the key role of panchayats in rural governance and socio-economic development of the country;
- (b) whether Government has reviewed/assessed the performance of the Panchayati Raj Institutions (PRIs) in the country;
- (c) if so, the details and the outcome thereof including the various loopholes or deficiencies noticed in the functioning of panchayats as institutions of local self-government; and
- (d) the details of the grant allocated to Karnataka for PRIs during the last five years?

**ANSWER**

THE MINISTER OF STATE FOR PANCHAYATI RAJ

(SHRI KAPIL MORESHWAR PATIL)

(a) In acknowledgment of the key role of Panchayats in rural governance and socio-economic development of the country, the Panchayati Raj system of local self-government was introduced by the 73rd Amendment of the Constitution of India. Part IX was inserted in the Constitution as a sequel to the 73rd Constitutional Amendment in 1993, bestowing the Constitutional mandatory status to the 'Panchayats'. Panchayats, being "Local Government", is a State subject and part of the State list of Seventh Schedule of Constitution of India. Mandate for setting up of Panchayats is provided by Article 243 in Part IX of the Constitution of India. Accordingly the Panchayats are setup and operate through the respective State Panchayati Raj Acts. Article 243G of the Constitution envisages Panchayats as institutions of self-government. In this regard, this article provides for devolution, by the State Legislature, of powers and responsibilities upon the Panchayats with respect to the preparation of plans for economic development and social justice and for the implementation of schemes for economic development and social justice. The State Legislatures are to consider the 29 subjects illustratively set out in the Eleventh Schedule for devolution to the Panchayats. Article 243H of the Constitution provides for finance for the Panchayats by securing authorization from State Legislatures for grants-in-aid to the Panchayats from the Consolidated Fund of the State, as also assignment to collect and appropriate, by the Panchayats of the revenues of designated

taxes, duties, tolls and fees. Article 243-I of the Constitution provides for setting up of a Finance Commission every 5 years to review the financial position of Panchayats and make appropriate recommendation to improve the financial position of Panchayats.

(b) and (c) The implementation of the provisions of Part IX of the Constitution is reviewed by the Ministry of Panchayati Raj (MoPR) from time to time through studies and discussions in review meetings with the States. The performance of the Panchayats depends on the extent of powers and resources devolved to them, which varies from State to State. The performance of Panchayats is monitored by the State Governments. MoPR supports States in building capacities of Panchayats for rural governance. It also helps States in developing guidelines for participatory planning by Panchayats and preparation of Gram Panchayat Development Plans; bringing in efficiency, transparency and accountability for achieving development objectives. Further, with a vision to digitalize Panchayati Raj Institutions (PRIs) for empowering rural India, Ministry has developed a simplified work based accounting application–eGramSwaraj (egramswaraj.gov.in) to address various aspects of Panchayat functioning including planning, budgeting, implementation, accounting and monitoring to make them more transparent, accountable and effective as organs of decentralized self-governing institutions.

(d) The details of grants allocated/released to the State of Karnataka under Fourteenth Finance Commission, Fifteenth Finance Commission, Capacity Building-Panchayat Sashaktikaran Abhiyan (CB-PSA) and Rashtriya Gram Swaraj Abhiyan (RGSA) during the last five years (2016-17, 2017-18, 2018-19, 2019-20 & 2020-21) are given as under:

The details of Grants allocated under Fourteenth and Fifteenth Finance Commission are as under:-

(Rs. in crore)					
	Fourteenth Finance Commission				Fifteenth Finance Commission
Year	2016-17	2017-18	2018-19	2019-20	2020-21
Grants allocated	1570.77	1810.55	2090.10	2814.39	3217.00

The details of funds released under CB-PSA and RGSA are as under:-

(Rs. in crore)					
	CB-PSA		RGSA		
Year	2016-17	2017-18	2018-19	2019-20	2020-21
Funds Released	15.08	41.08	0	0	0.439

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