

GOVERNMENT OF INDIA  
MINISTRY OF PANCHAYATI RAJ  
RAJYA SABHA  
UNSTARRED QUESTION NO. 81  
ANSWERED ON-07.12.2022

**FUNCTIONING OF PANCHAYATI RAJ INSTITUTIONS**

**81. SMT. JEBI MATHER HISHAM:**

Will the Minister of **PANCHAYATI RAJ** be pleased to state:

- (a) whether Government would be willing to release a white paper on the 30 years of functioning of Panchayati Raj Institutions (PRIs), if so, details thereof;
- (b) whether Government would devise a concrete plan of action, especially in the changing scenario of rural India, to facilitate the organisational capacity for Local Self-Governments (LSGs) that is essential for its smooth functioning, if so, the details thereof; and
- (c) whether Government would step up to provide unique fiscal aid to LSGs for their seamless developmental efforts in the villages in the wake of acute fund shortages faced by LSGs across the country?

**ANSWER**

THE MINISTER OF STATE FOR PANCHAYATI RAJ  
(SHRI KAPIL MORESHWAR PATIL)

(a) Panchayat, being “Local Government”, is a State Subject and part of the State List in the Seventh Schedule of the Constitution of India. Accordingly, Panchayats are set up and operate through the respective State Panchayati Raj Acts and their functioning and performance are monitored mainly by the State Governments. However, Ministry of Panchayati Raj reviews their performance from, time to time, through studies, review meetings, field visits, video conferencing, Information Technology applications, Common Review Missions etc.

Article 243G of the Constitution envisages the Panchayats as institutions of self government and provides that the legislature of a State, may by law, endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government and for the preparation of plans and implementation of schemes for economic development and social justice. Accordingly, devolution of powers, responsibilities and resources are essential for effective functioning and success of Panchayati Raj Institutions.

In order to enable the Panchayats for preparation of annual plans in evidence based and structured manner, the People’s Plan Campaign has been rolled out as an annual event as “Sabki Yojana Sabka Vikas” from 2018.

To strengthen functioning of Panchayati Raj Institutions across the country, Ministry of Panchayati Raj has launched eGramSwaraj (<https://egramswaraj.gov.in>), a user friendly web-based portal, which aims to bring in better transparency in the decentralised planning, progress

reporting, financial management, work-based accounting and details of assets created. Further, for ensuring timely audit of Panchayat accounts i.e. receipts and expenditures of Gram Panchayats, this Ministry has rolled out an online application – AuditOnline (<https://auditonline.gov.in>). This application not only facilitates the auditing of Panchayat accounts but also provides for maintaining of audit records. This application streamlines the process for audit inquiries, draft local audit reports, draft audit paras etc. and thus ensures proper maintenance of accounts by Panchayats to improve transparency and accountability.

As functioning of Panchayati Raj Institutions is an ongoing process and this Ministry has taken continuous steps in this regard to provide assistance to the States and Union Territories, there is no need to release a white paper on the 30 years of functioning of Panchayati Raj Institutions.

(b) to (c) The Centrally Sponsored Scheme of Rashtriya Gram Swaraj Abhiyan is being implemented for capacity building for Elected Representatives of Panchayat Functionaries and other stakeholders. Towards making the Gram Sabhas vibrant and for strengthening the rural local self- governance, detailed advisories have been issued to the States and Union Territories in August, 2021 and September, 2022.

Under the Centrally Sponsored Scheme of Rashtriya Gram Swaraj Abhiyan, financial support have been provided to the States/ Union Territories for various activities relating to strengthening of Panchayats including capacity building of Panchayati Raj Institutions. Similarly, by successive Finance Commissions, more funds have been provided to the States for distribution among Panchayati Raj Institutions as under:-

1. Tenth Finance Commission (1995-2000) : Rs.4380.93 crore
  2. Eleventh Finance Commission (2000-2005) : Rs.8000.00 crore
  3. Twelfth Finance Commission (2005-2010) : Rs.20,000.00 crore
  4. Thirteenth Finance Commission (2010-15) : Rs.65160.71crore
  5. Fourteenth Finance Commission (2015-2020) : Rs.2,00,292.20 crore
  6. Fifteenth Finance Commission (2020-2026) : Rs.2,97,555.00 crore
-