

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
RAJYA SABHA
UNSTARRED QUESTION NO. 2965
ANSWERED ON 18.03.2026

**STRENGTHENING OF GRAM PANCHAYATS THROUGH FINANCIAL
DEVOLUTION**

2965. SMT. P. T. USHA:

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

(a) the steps taken during the last decade to strengthen Gram Panchayats through financial devolution, including Finance Commission grants and digital governance initiatives such as e-Panchayat and e-GramSwaraj, particularly in Kerala, with details of funds allocated and released during the last three years?

ANSWER

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

Panchayat”, being “Local Government”, is a State subject and part of the State List of the Seventh Schedule of the Constitution of India. Panchayats are set up and operate through the respective State Panchayati Raj Acts, which may vary from State to State, subject to the provisions of the Constitution. The performance and development of the Panchayats depend on the extent of powers and resources devolved to them by the States concerned. Accordingly, all matters relating to Panchayats, including effective functioning of Panchayati Raj Institutions (PRIs), strengthening the institutional mechanism to ensure the accountability of PRIs towards people and its performance monitoring and evaluation, comes within the jurisdiction of the State Government. However, Article 280(3)(bb) of the Constitution of India provides the basis for the Central Finance Commissions to recommend grants to augment the Consolidated Fund of a State to supplement the resources of the Panchayats in the State.

Under Fourteenth Finance Commission (FFC) award, ₹ 2,00,292.20 Crores had been allocated to the Gram Panchayats (GPs) constituted under Part IX of the Constitution in 26 States including Kerala for the award period 2015-16 to 2019-20 for delivering basic services including water supply, sanitation including septic management, sewerage and solid waste management, storm water drainage, maintenance of roads, footpaths etc. Out of this total allocation, ₹ Rs.183248.54 crore have been released. This includes ₹ Rs.3774.20 crore released to Kerala.

Further, under the Fifteenth Finance Commission (15thFC) Grants to the tune of ₹60,750 Crores were allocated for the interim period FY 2020-21 and ₹2,36,805 Crore were allocated for the period FY 2021-26 to Panchayats in all the three tiers and Traditional Local Bodies and Sixth Schedule areas in 28 States, including Kerala. Out of the total allocation, ₹2,67,250.78 crore have been released (as on 11.03.2026). This includes ₹ Rs.7321.50 crore released to Kerala.

This grant is further divided into Basic (Untied) grants that can be used for felt needs of basic facilities under the 29 subjects enlisted in the ‘Eleventh Schedule’ of the Constitution of India, except for salaries and other establishment costs. The Tied Grants are to be utilised for basic facilities, specifically, for drinking water and sanitation sectors.

For promotion of eGovernance in the Panchayats, under the Digital India initiative, the Ministry of Panchayati Raj has developed various digital platforms and applications to bring in transparency, accountability and efficiency in local rural governance of the country including the State of Kerala. This Ministry has launched eGramSwaraj (<https://egramswaraj.gov.in>), a user friendly web-based portal, which aims to bring in better transparency in the decentralized planning, progress reporting, financial management, work-based accounting and details of assets created. The application has been further integrated with Public Fund Management System, Government e-Marketplace, AuditOnline applications for hassle-free payment, transparent procurement, and auditing of Panchayats accounts.

During the current FY 2025–26, out of a total of 2,64,211 Gram Panchayats and equivalent bodies across the country, 2,54,604 Gram Panchayats and equivalent (96.36%), have uploaded their Gram Panchayat Development Plans (GPDs) on eGramSwaraj and 2,42,871 Gram Panchayats and equivalent (91.92%) have made payments amounting to ₹38,491 crore to vendors through the eGramSwaraj–PFMS interface. For FY 2024-25, over 2.58 lakh PRIs have finalised their annual accounts and 1.63 lakh PRIs have PRIs generated their Audit reports.

The details of funds allocated and released during the last three years to all States including Kerala is placed at Annexure.

Annexure

Annexure referred to in part (a) of the Rajya Sabha Unstarred Q.No.2965 answered on 18.03.2026_

State-wise details of allocation and release of 15th Finance Commission grant to Rural Local Bodies during the last three years (as on 11.03.2026)

(Rs. in crore)

Sl. No.	States	2023-24		2024-25		2025-26	
		Allocation	Release	Allocation	Release	Allocation	Release
1	Andhra Pradesh	2031.00	1997.45	2152.00	2109.97	2099.00	2053.81
2	Arunachal Pradesh	179.00	0.00	189.00	0.00	185.00	0.00
3	Assam	1241.00	1241.00	1315.00	1315.00	1283.00	1283.00
4	Bihar	3884.00	3855.33	4114.00	4109.01	4012.00	2806.31
5	Chhattisgarh	1125.00	1125.00	1192.00	1185.25	1163.00	802.06
6	Goa	58.00	36.13	62.00	0.00	61.00	0.00
7	Gujarat	2473.00	2473.00	2619.00	2619.00	2555.00	1782.04
8	Haryana	979.00	953.59	1036.00	1012.51	1011.00	988.14
9	Himachal Pradesh	332.00	318.04	352.00	352.00	343.00	341.50
10	Jharkhand	1307.00	1307.00	1385.00	962.94	1351.00	0.00
11	Karnataka	2490.00	2086.59	2637.00	2133.25	2572.00	0.00
12	Kerala	1260.00	1260.00	1334.00	1334.00	1301.00	650.50
13	Madhya Pradesh	3083.00	2923.89	3265.00	3262.75	3185.00	630.65
14	Maharashtra	4510.00	3629.21	4776.00	3169.72	4659.00	2507.25
15	Manipur	137.00	0.00	145.00	0.00	142.00	0.00
16	Meghalaya	141.00	0.00	149.00	0.00	146.00	0.00
17	Mizoram	72.00	72.00	76.00	76.00	74.00	37.00
18	Nagaland	97.00	0.00	102.00	0.00	99.00	0.00
19	Odisha	1747.00	1746.91	1851.00	1851.00	1805.00	1712.98
20	Punjab	1074.00	1058.35	1138.00	1127.86	1110.00	555.00
21	Rajasthan	2989.00	2847.96	3166.00	3166.00	3087.00	757.60
22	Sikkim	33.00	33.00	35.00	32.78	33.00	22.85
23	Tamil Nadu	2791.00	2791.00	2957.00	2957.00	2884.00	637.93
24	Telangana	1430.00	1430.00	1514.00	640.07	1477.00	0.00
25	Tripura	148.00	148.00	157.00	156.31	153.00	153.00
26	Uttar Pradesh	7547.00	7547.00	7994.00	7994.00	7797.00	5441.38
27	Uttarakhand	445.00	444.13	471.00	470.30	458.00	89.41
28	West Bengal	3415.00	3415.00	3617.00	3472.22	3528.00	3403.92
	Total	47018.00	44739.57	49800.00	45508.95	48573.00	26656.33
