

GOVERNMENT OF INDIA  
MINISTRY OF PANCHAYATI RAJ  
RAJYA SABHA  
UNSTARRED QUESTION NO - 2974  
ANSWERED ON- 18.03.2026

**DEVOLUTION OF POWERS TO PANCHAYATS**

2974 SHRI MILIND MURLI DEORA

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

- (a) State-wise/UT-wise status of devolution of funds, functions and functionaries;
- (b) mechanisms for periodic monitoring and review;
- (c) transfer of untied funds and posting of functionaries at Panchayat level;
- (d) the steps taken to enhance autonomy and accountability; and
- (e) performance-based incentives or grant-linked mechanisms available?

**ANSWER**

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJIV RANJAN SINGH)

**(a)** The Ministry of Panchayati Raj has released a report titled “Status of Devolution to Panchayats in States - An Indicative Evidence-Based Ranking, 2024” in February 2025 to assess the effectiveness of devolution and the role of local governments in strengthening grassroots democracy. This report presents the Devolution Index, which provides the overall scores and ranks for all States/Union Territories covered under Part-IX of the Constitution, based on six identified dimensions: Framework, Functions, Finances, Functionaries, Capacity Enhancement, and Accountability. This report reveals that the extent of devolution has increased from 39.9% to 43.9% between the period 2013-14 to 2021-22. Details of Ranking of States/UTs in Devolution Index and Sub-indices is placed as **Annexure**.

**(b) to (d)** “Panchayat”, being “Local Government”, is a State subject and part of State List of Seventh Schedule of the Constitution of India. Panchayats are set up and operate through the respective State Panchayati Raj Acts. States have made their own Panchayati Raj Acts, subject to the provisions of the Constitution. Article 243G of the Constitution empowers the Legislature of a State to make provisions, by law, for the devolution of power and responsibilities upon Panchayat at the appropriate level, subject to such conditions as may be specified, with respect to the preparation of plans for economic development and social justice and implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to matters listed

in the Eleventh Schedule to the Constitution. The State legislatures are to consider the 29 subjects listed in the Eleventh Schedule for devolution of power and responsibilities to Panchayats. Accordingly, all matters relating to Panchayats, including, periodic monitoring & review of Panchayats, posting of functionaries at Panchayat level and to take steps to enhance autonomy & accountability, fall within the purview of State Government.

However, the Ministry of Panchayati Raj reviews performance of Panchayats, from time to time, through studies, review meetings, field visits, video conferencing, Information Technology applications etc.

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 eGramSwaraj portal has also been integrated with Public Financial Management System for online transfer of the Central Finance Commission funds by the States to PRIs and enabling Panchayats to make real-time payments to vendors/service providers. Panchayats prepare and upload their Annual Panchayat Development Plans on eGramSwaraj portal. In addition, the Ministry has integrated eGramSwaraj with the Government e-Marketplace (GeM) to bring transparency to Panchayat procurement.

An application of ‘AuditOnline’ has been developed for online audits of Panchayat accounts and their financial management. AuditOnline for transparent auditing of Central Finance Commission funds utilization for strengthen financial management of Panchayats launched in April 2020.

The Ministry has implemented a Centrally Sponsored Scheme, namely the Revamped Rashtriya Gram Swaraj Abhiyan (RGSA), w.e.f. financial year 2022-23, with the objective of supporting Panchayati Raj institutions by imparting trainings to Elected Representatives and other stakeholders to develop leadership abilities, thereby enabling Gram Panchayats to function effectively across all States/UTs. Under the scheme, capacity building support is provided to elected representatives, functionaries, and other stakeholders of Panchayats under different categories, viz. basic orientation and refresher programmes, thematic interventions, specialized trainings and Panchayat Development Plan-related programmes, etc. The scheme also supports exposure visits to facilitate experiential learning and replication of best practices for strengthening Panchayat governance, as well as development of training modules and materials etc.

Further, to enhance skills and knowledge, a major step has also been taken to build capacity and train elected representatives and functionaries of Panchayats through Institutes of excellence such as IIMs/IITs under the Leadership/Management Development Program (MDP).

The Ministry of Panchayati Raj, in collaboration with IIM Ahmedabad, has also developed a training module on Own Source of Revenue (OSR) to strengthen the financial self-reliance of Gram Panchayats. The module helps elected representatives and Panchayat functionaries understand how OSR is generated through tax and non-tax sources.

Additionally, the Ministry has launched a Specialized Training Module for the capacity building of Women Elected Representatives of Panchayati Raj Institutions. The focus of this training module is to build the capacity of Women Elected Representatives

across different aspects of rural governance and enhance their knowledge and practical skills for the effective discharge of roles and responsibilities as elected representatives, thereby promoting women-led governance.

The Fifteenth Finance Commission (XV-FC) recommended grants to the tune of ₹2,97,555 crore for the period 2020–2026 (including interim period 2020-21) for Panchayats across all three tiers, including Traditional Local Bodies and Sixth Schedule areas in 28 States. Out of this total, ₹60,750 crore was recommended for the interim year FY 2020–21, while ₹2,36,805 crore was recommended for the award period FY 2021–26. During the interim year FY 2020–21, the Fifteenth Finance Commission allocated ₹30,375 crore as Untied Grants. For the award period FY 2021–26, ₹94,722 crore was earmarked as Untied Grants for Rural Local Bodies in 28 States, out of which ₹1,16,006.30 crore had been released as of 11th March 2026

(e) The Ministry of Panchayati Raj has been incentivizing the best performing Panchayats through National Panchayat Awards under the Incentivization of Panchayats scheme, one of the central components of Centrally Sponsored scheme of revamped Rashtriya Gram Swaraj Abhiyan (RGSA). These awards have been revamped w.e.f. National Panchayat Award 2023 to assess the performance of Panchayati Raj Institutions in attainment of Sustainable Development Goals (SDGs) through 9 identified Localisation of Sustainable Development Goals (LSDG) themes aggregated from 17 SDGs namely, (i) Poverty free and enhanced livelihoods Panchayat (ii) Healthy Panchayat (iii) Child friendly Panchayat (iv) Water sufficient Panchayat (v) Clean and Green Panchayat (vi) Self-sufficient infrastructure in Panchayat (vii) Socially Secured Panchayat (viii) Panchayat with good governance (ix) Women-friendly Panchayat. To encourage the efforts of awardee Panchayats, financial incentives have been provisioned, ranging from ₹50 lakh for a Gram Panchayat to ₹5 crore for a District Panchayat.

The initiative seeks to promote healthy competition among Panchayats and inspire them to achieve excellence in local governance. To enable cross-learning and knowledge sharing, best practices and innovative initiatives of award-winning Panchayats are systematically documented and disseminated through workshops, conferences, training programmes, and exposure visits. Furthermore, compendiums and booklets showcasing these practices are published and circulated widely among Panchayati Raj stakeholders across the country. These measures facilitate the replication of successful models and contribute to the overall strengthening of Panchayati Raj Institutions.

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## ANNEXURE

Annexure referred to in reply to part (a) of Rajya Sabha Unstarred Question No. 2974 for answer on 18.03.2026

## Details of Ranking of States/UTs in Devolution Index (DI) and Sub-indices

| Rank                           | DI             |       | Framework      |       | Functions      |       | Finances       |       | Functionaries  |       | Capacity Building |       | Accountability |       |
|--------------------------------|----------------|-------|----------------|-------|----------------|-------|----------------|-------|----------------|-------|-------------------|-------|----------------|-------|
|                                | State          | Score | State          | Score | State          | Score | State          | Score | State          | Score | State             | Score | State          | Score |
| <b>General Category States</b> |                |       |                |       |                |       |                |       |                |       |                   |       |                |       |
| 1                              | Karnataka      | 72.23 | Kerala         | 83.56 | Tamil Nadu     | 60.24 | Karnataka      | 70.65 | Gujarat        | 90.94 | Telangana         | 86.19 | Karnataka      | 81.33 |
| 2                              | Kerala         | 70.59 | Maharashtra    | 74.74 | Karnataka      | 57.62 | Kerala         | 62.89 | Tamil Nadu     | 84.25 | Tamil Nadu        | 84.29 | Kerala         | 81.18 |
| 3                              | Tamil Nadu     | 68.38 | Karnataka      | 74.43 | Odisha         | 57.46 | Tamil Nadu     | 55.78 | Kerala         | 82.99 | Gujarat           | 83.96 | Maharashtra    | 80.36 |
| 4                              | Maharashtra    | 61.44 | Haryana        | 73.3  | Rajasthan      | 56.13 | Rajasthan      | 54.56 | Karnataka      | 80.11 | Goa               | 77.7  | Uttar Pradesh  | 76.07 |
| 5                              | Uttar Pradesh  | 60.07 | Madhya Pradesh | 70    | Kerala         | 53.86 | Odisha         | 53.57 | Chhattisgarh   | 78.33 | Andhra Pradesh    | 76.69 | Tamil Nadu     | 71    |
| 6                              | Gujarat        | 58.26 | Odisha         | 69.2  | Uttar Pradesh  | 46.89 | West Bengal    | 52.96 | Bihar          | 75.13 | Uttar Pradesh     | 74.44 | Andhra Pradesh | 60.49 |
| 7                              | Rajasthan      | 56.67 | Rajasthan      | 68.54 | Maharashtra    | 46.52 | Uttar Pradesh  | 51.76 | Maharashtra    | 73.63 | Maharashtra       | 73.35 | Telangana      | 60.43 |
| 8                              | West Bengal    | 56.52 | Chhattisgarh   | 68.51 | Chhattisgarh   | 42.39 | Chhattisgarh   | 51.45 | Andhra Pradesh | 68.78 | Karnataka         | 71.59 | Chhattisgarh   | 58.17 |
| 9                              | Chhattisgarh   | 56.26 | Tamil Nadu     | 66.83 | Gujarat        | 41.23 | Telangana      | 46.86 | West Bengal    | 67.76 | Kerala            | 71.11 | West Bengal    | 57.87 |
| 10                             | Telangana      | 55.1  | West Bengal    | 62.3  | Madhya Pradesh | 39.47 | Bihar          | 43.86 | Rajasthan      | 64.03 | West Bengal       | 70.63 | Odisha         | 51.92 |
| 11                             | Andhra Pradesh | 54.43 | Gujarat        | 61.65 | Telangana      | 38.77 | Andhra Pradesh | 43.19 | Uttar Pradesh  | 63.13 | Madhya Pradesh    | 70    | Bihar          | 51.64 |

|    |                |       |                |       |                |       |                |       |                |       |              |       |                |       |
|----|----------------|-------|----------------|-------|----------------|-------|----------------|-------|----------------|-------|--------------|-------|----------------|-------|
| 12 | Madhya Pradesh | 50.94 | Andhra Pradesh | 60.08 | West Bengal    | 33.07 | Maharashtra    | 42.96 | Madhya Pradesh | 62.22 | Rajasthan    | 61.43 | Gujarat        | 47.9  |
| 13 | Odisha         | 50.03 | Uttar Pradesh  | 54.64 | Punjab         | 31.97 | Madhya Pradesh | 42.34 | Telangana      | 58.01 | Bihar        | 55.27 | Haryana        | 41.93 |
| 14 | Bihar          | 48.24 | Goa            | 52.88 | Andhra Pradesh | 30.5  | Gujarat        | 41.63 | Goa            | 46.31 | Chhattisgarh | 47.61 | Rajasthan      | 41.43 |
| 15 | Haryana        | 39.33 | Bihar          | 49.76 | Jharkhand      | 27.56 | Haryana        | 40.38 | Haryana        | 38.48 | Odisha       | 43.43 | Madhya Pradesh | 36.55 |
| 16 | Goa            | 37.71 | Punjab         | 47.26 | Bihar          | 18.69 | Punjab         | 36.36 | Jharkhand      | 27.83 | Haryana      | 35.35 | Goa            | 31.75 |
| 17 | Punjab         | 29.34 | Telangana      | 45.35 | Haryana        | 16.82 | Jharkhand      | 30.05 | Odisha         | 27.42 | Punjab       | 26.34 | Punjab         | 24.87 |
| 18 | Jharkhand      | 27.73 | Jharkhand      | 42.3  | Goa            | 6.63  | Goa            | 26.88 | Punjab         | 8.2   | Jharkhand    | 24.72 | Jharkhand      | 16.47 |

#### Northeastern / Hilly Area States

|   |                    |       |                    |       |                    |       |                    |       |                    |       |                    |       |                    |       |
|---|--------------------|-------|--------------------|-------|--------------------|-------|--------------------|-------|--------------------|-------|--------------------|-------|--------------------|-------|
| 1 | Tripura            | 57.58 | Uttarakhand        | 70.95 | Sikkim             | 42.59 | Tripura            | 59.16 | Himachal Pradesh   | 70.06 | Himachal Pradesh   | 83.68 | Tripura            | 70.69 |
| 2 | Himachal Pradesh   | 53.17 | Tripura            | 66.5  | Assam              | 28.66 | Himachal Pradesh   | 48.41 | Assam              | 65.12 | Tripura            | 76.82 | Assam              | 57.14 |
| 3 | Uttarakhand        | 49.11 | Sikkim             | 65.27 | Himachal Pradesh   | 23.01 | Uttarakhand        | 47.11 | Uttarakhand        | 60.49 | Assam              | 71.96 | Uttarakhand        | 52.72 |
| 4 | Assam              | 49.06 | Himachal Pradesh   | 62.22 | Tripura            | 21.5  | Sikkim             | 43.5  | Tripura            | 52.22 | Uttarakhand        | 56.02 | Himachal Pradesh   | 39.41 |
| 5 | Sikkim             | 43.81 | Assam              | 54.04 | Uttarakhand        | 16.68 | Assam              | 34.06 | Sikkim             | 31.42 | Sikkim             | 53.23 | Sikkim             | 34.94 |
| 6 | Arunachal Pradesh# | 17.96 | Arunachal Pradesh# | 41.5  | Arunachal Pradesh# | 12.7  | Manipur#           | 13.17 | Manipur#           | 21.4  | Arunachal Pradesh# | 37.4  | Manipur#           | 28.75 |
| 7 | Manipur#           | 17.13 | Manipur#           | 34.05 | Manipur#           | 11.23 | Arunachal Pradesh# | 6.83  | Arunachal Pradesh# | 5.74  | Manipur#           | 3.75  | Arunachal Pradesh# | 22.56 |

#### Union Territories

|   |                                       |              |                                       |              |                                       |              |                                       |              |                                       |              |                                       |              |                                       |       |
|---|---------------------------------------|--------------|---------------------------------------|--------------|---------------------------------------|--------------|---------------------------------------|--------------|---------------------------------------|--------------|---------------------------------------|--------------|---------------------------------------|-------|
| 1 | Jammu and Kashmir                     | 27.85        | Andaman & Nicobar Islands             | 55.21        | Jammu and Kashmir                     | 11.88        | Puducherry                            | 16.16        | Lakshadweep                           | 39.53        | Jammu and Kashmir                     | 55.08        | Andaman & Nicobar Islands             | 45.73 |
| 2 | Andaman & Nicobar Islands             | 27.15        | Lakshadweep#                          | 31.42        | Ladakh                                | 11.08        | Jammu and Kashmir                     | 13.29        | Jammu and Kashmir                     | 36.97        | Andaman & Nicobar Islands             | 54.82        | Jammu and Kashmir                     | 39.76 |
| 3 | Lakshadweep#                          | 18.32        | Jammu and Kashmir                     | 23.07        | Lakshadweep#                          | 10.36        | Andaman & Nicobar Islands             | 9.09         | Dadra & Nagar Haveli and Daman & Diu# | 31.69        | Ladakh                                | 29.32        | Puducherry                            | 29.33 |
| 4 | Ladakh                                | 16.18        | Ladakh                                | 22.21        | Puducherry                            | 4.63         | Dadra & Nagar Haveli and Daman & Diu# | 5.45         | Ladakh                                | 25.25        | Lakshadweep#                          | 15.18        | Lakshadweep#                          | 28.13 |
| 5 | Puducherry                            | 16.16        | Dadra & Nagar Haveli and Daman & Diu# | 22.06        | Andaman & Nicobar Islands             | 4.5          | Lakshadweep#                          | 3.99         | Puducherry                            | 21.49        | Puducherry                            | 13.75        | Ladakh                                | 27.43 |
| 6 | Dadra & Nagar Haveli and Daman & Diu# | 13.62        | Puducherry                            | 9.31         | Dadra & Nagar Haveli and Daman & Diu# | 0            | Ladakh                                | 0            | Andaman & Nicobar Islands             | 20.94        | Dadra & Nagar Haveli and Daman & Diu# | 8.57         | Dadra & Nagar Haveli and Daman & Diu# | 24.91 |
|   | <b>National Average</b>               | <b>43.89</b> |                                       | <b>54.29</b> |                                       | <b>29.18</b> |                                       | <b>37.04</b> |                                       | <b>50.96</b> |                                       | <b>54.63</b> |                                       | 47.51 |

Source: Report titled “Status of Devolution to Panchayats in States - An Indicative Evidence-Based Ranking, 2024”

Note: #States for which previous data is used.