

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
RAJYA SABHA
UNSTARRED QUESTION NO.4232
ANSWERED ON 01.04.2026

OWN SOURCE REVENUE MOBILISATION IN MAHARASHTRA

4232 DR. FAUZIA KHAN:

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether Ministry monitors the district-wise status of Own Source Revenue (OSR) mobilization by Gram Panchayats (GP) in Maharashtra under studies or reports supported by Ministry;

(b) if so, district-wise OSR collections of GP in Maharashtra during last three years and total GPs in the State with very low or nil OSR collections, as identified in National Institute of Public Finance and Policy (NIPFP) Working Paper No. 427 of 2025; and

(c) whether Ministry proposes specific measures to strengthen OSR mobilization in Maharashtra through property tax, user charges and monetization of common property resources and if so, details thereof?

ANSWER

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

(a): “Panchayat”, being a “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. As per Article 243H of the Constitution of India, legislature of the State may, by law, authorize a Panchayat to levy, collect and appropriate such taxes, duties, tolls and fees in accordance with such procedure and subject to such limits and assign to the Panchayats such taxes, duties, tolls and fees levied and collected by the State Government for such purposes and subject to such conditions and limits as may be specified in the law. As such, this Ministry does not maintain or monitor the district-wise status of Own Source Revenue (OSR) mobilization by Gram Panchayats (GPs) in States, including Maharashtra.

(b): The National Institute of Public Finance and Policy (NIPFP) Working Paper No. 427 of 2025 is an internal paper of NIPFP. Further, in this Working Paper there is no mention of district-wise OSR collections of GPs in Maharashtra during last three years and total GPs in the State with very low or nil OSR collections.

(c): However, the Government has taken steps to enhance the revenue-generating capabilities of Panchayats in all States, including Maharashtra, enabling them to become self-sufficient

and less dependent on external funding. The 73rd Constitutional Amendment Act, 1992, mandates the devolution of powers and responsibilities to Panchayats. The Ministry of Panchayati Raj has been actively advocating for states to fully implement these provisions, emphasising the need for states to empower Panchayats with adequate functions, finances, and functionaries, including strengthening OSR mobilization by enforcing the provisions of Article 243H of the Constitution of India.

In collaboration with the Indian Institute of Management-Ahmedabad (IIM-A), Ministry has developed specialised modules on the generation of Own Source Revenue (OSR) by the Panchayats to provide training to State Level Master Trainers (SLMTs) of 31 States/UTs by IIMA.

The Ministry of Panchayati Raj has also undertaken a significant step to digitise the OSR collection of the Panchayats by developing the “SAMARTH Panchayat portal”, a dedicated digital platform that facilitates the generation of tax & non-tax demands and collection thereof, maintenance of tax registers, and online tracking of revenue. This digital empowerment is designed to bring transparency, efficiency, and scalability to local financial administration. The State of Maharashtra is onboarded on the SAMARTH portal and the first phase of training for the officials of this State was completed in the first week of March 2026.

In 2025, the Ministry of Panchayati Raj has launched the Atma Nirbhar Panchayat Special Award (ANPSA) to promote Atmanirbharta through the augmentation of Own Source Revenue (OSR) by Panchayats.
