

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
STARRED QUESTION NO. 406
TO BE ANSWERED ON 15.12.2016

POWERS TO PANCHAYATI RAJ INSTITUTIONS

***406 SHRIMATI RITI PATHAK:**

Will the Minister of PANCHAYATI RAJ be pleased to state:

- a) the names of the States which have transferred powers to the local self Governments as per 73rd and 74th Constitution Amendment Acts;
- b) the extent to which the powers have been transferred to these bodies;
- c) whether the Panchayati Raj Institutions have been able to use these powers effectively and if so, the details thereof;
- d) the details of the resources transferred and utilized by them during the last three years and the current year, State/UT-wise; and
- e) whether the PRIs have also been given powers to levy taxes and if so, the details thereof?

ANSWER

MINISTER OF PANCHAYATI RAJ
(SHRI NARENDRA SINGH TOMAR)

(a) to (e): A Statement is laid on the Table of the House

STATEMENT REFERRED TO IN PARTS (a) to (e) IN REPLY TO LOK SABHA STARRED QUESTION NO. 406 TO BE ANSWERED ON 15.12.16 REGARDING POWERS TO PANCHAYATI RAJ INSTITUTIONS

(a) & (b): The Constitution of India recognizes Panchayats and Municipalities as 'Institutions of self-government'. 'Panchayats' and 'Municipalities' being 'Local Bodies' is a State subject mandated under Part IX, Part IXA and List II (State List) of Seventh Schedule (Article 246) of the Constitution of India. Article 243G of Part IX and Article 243W of Part IXA of the Constitution allows discretion to State Legislatures to endow, respectively, to the Panchayats and Municipalities with powers and authority to enable them to function as institutions of local self-governance. There is wide variation in the extent of devolution of powers to Panchayats and Municipalities to plan, implement and monitor schemes for economic development and social justice. The status of devolution of functions to Panchayats and Municipalities by various States/UTs are given respectively at **Annexe-I & Annexe-II**.

(c): The implementation of the provisions of Part IX of the Constitution introduced by the 73rd Constitution Amendment is reviewed by the Government from time to time through studies and discussions with the States. The annual Devolution Index Report and the State of Panchayati Raj Reports commissioned by MoPR assess the policy and legislative framework and outcomes of the powers devolved and utilised by the Panchayats in the States. The provisions introduced through 73rd Constitutional Amendment along with funds being devolved to Panchayats through Union Finance Commission awards have helped in improving the life of marginalized people.

(d): Under the Fourteenth Finance Commission (FFC) award for the period 2015-20, grants to the tune of Rs. 2,00,292.20 crore are being devolved to Gram Panchayats constituted under Part IX of the Constitution and the State of Jammu and Kashmir, for delivering basic services. Allocation and release of grants for the years 2013-14 to 2015-16 and the current year under Central Finance Commissions awards is at **Annexe-III**.

Funds were also provided to rural and urban local bodies under the Backward Regions Grant Fund (BRGF) in the identified backward districts for bridging critical developmental gaps. The central assistance under BRGF was discontinued with effect from the year 2015-16. Status of funds released and utilised under BRGF is at **Annexe-IV**.

Under the scheme of Rashtriya Gram Swaraj Abhiyan (RGSA), Ministry of Panchayati Raj (MoPR) has provided financial assistance to the States for strengthening of Panchayati Raj across the country, for training and training infrastructure, e-governance, etc. Details of funds released to States/ UTs and expenditure incurred during last three years (2013-14 to 2015-16) and current year is at **Annexe-V**.

(e): Under Article 243H of the Constitution, the Legislature of a State may, by law authorise a Panchayat to levy, collect and appropriate taxes, duties, tolls and fees in accordance with procedures and subject to certain conditions & limits. The status of devolution of taxation powers to Panchayati Raj Institutions by various States/UTs is given at **Annexe-VI**.

Status of devolution of departments/subjects with functions to the Panchayati Raj Institutions in States/UTs

SI. No	State/UT	No. and names of the Departments/subjects Transferred to Panchayats
		Functions
1.	Andaman & Nicobar Islands	All the functions (29 subjects) have been transferred to the PRIs
2.	Andhra Pradesh	22 Government Orders (GOs) issued during 1997-2002. Further, 10 line departments have devolved certain powers to PRIs.
3.	Arunachal Pradesh	29 subjects have been devolved. GOs covering 20 departments have been issued, but not yet implemented. PRIs can exercise the powers of supervision and monitoring the implementation of plans in respect of all subjects coming under their respective jurisdiction.
4.	Assam	Activity-mapping done for 23 subjects. But GOs have been issued only for 7 subjects by 6 departments.
5.	Bihar	Activity Mapping of 20 Departments have been completed regarding the 29 subjects listed in the 11 th Schedule of the Constitution and accordingly, all concerned Departments have issued orders delegating powers to the Panchayats.
6.	Chhattisgarh	Activity Mapping of 27 matters has been undertaken. GOs not issued.
7.	Goa	18 matters have been devolved to GPs, while 6 matters devolved to ZPs.
8.	Gujarat	14 functions have been completely devolved and 5 are partially devolved.
9.	Haryana	GOs have been issued for 10 deptts.
10.	Himachal Pradesh	27 out of 29 subjects have been devolved to PRIs.
11.	J&K	State Govt. has issued GO notifying activity mapping. Funds have been devolved in a limited sense. Functionaries have been identified in the Activity Mapping document who will assist Panchayats in carrying out assigned functions but have not been transferred.
12.	Jharkhand	Three departments, namely, Agriculture, Social Welfare and Primary Education have devolved functions to PRIs by Departmental Notification.
13.	Karnataka	Karnataka has delegated all 29 subjects to PRI by notifying Activity Mapping.
14.	Kerala	Activity mapping for all 29 functions done and activities devolved to Panchayats.
15.	Madhya Pradesh	GOs containing the Activity Mapping in respect of 25 matters pertaining to 22 deptts. have been issued.

16.	Maharashtra	11 subjects have been fully devolved. For 18 subjects, schemes are implemented by PRIs.
17.	Manipur	GOs have been issued devolving functions related to 22 departments.
18.	Orissa	11 departments have devolved 21 subjects.
19.	Punjab	The devolution of 7 key departments relating to 13 subjects approved.
20.	Rajasthan	Five Departments have transferred all functions up to district level to PRIs. Fresh Activity Mapping of above 5 Departments has been done.
21.	Sikkim	All 29 subjects have been devolved as per legislation. Activity Mapping has been conducted for 20 subjects covering 16 departments.
22.	Tamil Nadu	Government of Tamil Nadu has delegated supervision and monitoring powers of 29 subject to PRIs
23.	Telengana	Certain Powers have been delegated to PRIs in respect of 10 Departments namely: Agriculture & Agriculture Extension, Animal Husbandry Dairy & Poultry, Fisheries, Rural Development, Drinking Water & Sanitation, Primary Secondary & Adult Education, Health PHC Dispensaries & Family Welfare, Social Welfare, Backward Class Welfare and Women & Child Development.
24.	Tripura	So far GOs have been issued devolving irrigation schemes, primary schools and activities related to adult and non-formal education, women and child development and social welfare.
25.	Uttar Pradesh	16 subjects relating to 12 departments have been devolved to PRIs.
26.	Uttarakhand	Master GO on transferring financial and administrative powers on 14 subjects has been issued in 2003.
27.	West Bengal	State Govt. agrees with transfer of 28 subjects. 14 departments have so far issued matching GOs transferring 27 subjects.
28.	Daman & Diu	12 subjects have been fully devolved and 10 subjects have been partially devolved.
29.	Puducherry	22 functions have been devolved to the PRIs.
30.	Lakshadweep	All Schemes and programmes being implemented by five major departments, viz Education, Medical & Health Services, Fisheries, Animal Husbandry, and Agriculture have been transferred to the PRIs w.e.f 1 st April 2010.
31.	Chandigarh	A committee constituted by the Chandigarh Administration recommended transfer of some functions of 12 Departments. However, the State Govt. felt that such an exercise of devolving the functions to PRIs would only be an interim measure because fast urbanization would result in villages becoming part of Municipal Corporation in near future.

Note: Mizoram, Meghalaya and Nagaland are exempt.

- Delhi has no Panchayats.

Status of Implementation of the 74th Constitution Amendment Act

S. No.	State	Whether full functions under the 12th Schedule of the Constitution has been transferred to Municipalities
1	Andhra Pradesh	No
2	Arunachal Pradesh	No
3.	Assam	No
4	Bihar	No
5	Chandigarh	No
6	Chhattisgarh	Yes
7	Delhi	74 th Constitution Amendment Act (CAA) has been exempted
8	Goa	No
9	Gujarat	Yes
10	Haryana	No
11	Himachal Pradesh	Yes
12	Jammu and Kashmir	Yes
13	Jharkhand	Yes
14	Karnataka	No
15	Kerala	Yes
16	Madhya Pradesh	Yes
17	Maharashtra	Yes
18	Manipur	No
19	Meghalaya	No
20	Mizoram	No
21	Nagaland	No
22	Odisha	Yes
23	Punjab	Yes
24	Puducherry	Yes
25	Rajasthan	No
26	Sikkim	No
27	Tamil Nadu	No
28	Tripura	No
29	Uttar Pradesh	No
30	Uttarakhand	No
31	West Bengal	No

(Source: Ministry of Urban Development)

Allocation and Release of Local Bodies Grants for PRIs under Central Finance Commission for the years 2013-14 to 2016-17

(Rs. in crore)

Sl. No.	State	2013-14		2014-15		2015-16		2016-17 (as on 21.11.16)	
		Annual Allocation	Total Release	Annual Allocation	Total Release	Annual Allocation	Total Release	Annual Allocation	Total Release
1	Andhra Pradesh	1357.07	1585.56	828.11	1744.40	934.34	928.41	1463.45	642.77
2	Arunachal Pradesh	70.52	21.24	77.02	36.33	88.52	88.52	138.66	0
3	Assam	420.66	304.13	458.07	352.76	584.8	292.4	915.98	0
4	Bihar	1275.19	1528.59	1392.65	1254.70	2269.18	2269.18	3554.23	0
5	Chhattisgarh	472.21	574.00	511.83	393.28	566.18	566.18	886.82	391.99
6	Goa	23.29	1.66	25.43		14.44	7.22	22.62	0
7	Gujarat	629.36	591.13	684.68	527.04	932.25	932.25	1460.18	645.43
8	Haryana	279.60	325.35	305.41	238.36	419.28	419.28	656.72	290.29
9	Himachal Pradesh	143.86	177.24	157.06	151.78	195.39	195.39	306.05	270.56
10	J & K	236.41	157.81	258.19	199.11	373.96	367.72	585.73	0
11	Jharkhand	460.32	443.00	496.27	380.36	652.83	652.83	1022.53	451.98
12	Karnataka	1159.42	1553.77	1266.22	976.48	1002.85	972.36	1570.77	1368.2
13	Kerala	501.87	708.36	548.10	527.44	433.76	433.76	679.4	0
14	M.P	1111.96	1285.46	1209.51	757.38	1463.61	1463.61	2292.46	1013.31
15	Maharashtra	1431.15	1092.32	1561.52	1787.82	1623.32	1623.32	2542.61	1123.88
16	Manipur	59.93	32.84	65.12	129.98	22.25	22.25	34.84	15.4
17	Meghalaya	89.70	28.78	97.12	20.73	0	0	0	0
18	Mizoram	55.49	32.29	60.27	14.27	0	0	0	0
19	Nagaland	86.51	7.53	93.74	17.97	0	0	0	0
20	Odisha	710.07	476.58	771.50	454.73	955.52	955.52	1496.64	1323.09
21	Punjab	289.63	301.99	316.31	416.04	441.7	441.7	691.84	0

22	Rajasthan	1020.92	1188.78	1114.30	872.96	1471.95	1471.95	2305.52	2038.17
23	Sikkim	47.46	30.66	51.83	38.36	16.03	16.03	25.11	11.1
24	Tamil Nadu	793.72	529.68	866.84	668.48	947.65	947.65	1484.31	656.1
25	Telangana			652.88	895.16	580.34	580.34	908.99	401.79
26	Tripura	80.20	51.45	87.15	66.10	36.24	36.24	56.76	25.09
27	U. P	2519.32	3821.02	2751.40	2121.81	3862.6	3852.6	6050.02	2667.29
28	Uttarakhand	152.13	140.74	166.15	98.81	203.26	203.26	318.37	281.45
29	W. Bengal	1069.92	652.33	1168.18	1068.32	1532.21	735.43	2399.91	0
	Total	16547.89	17644.29	18042.86	16210.96	21624.46	20475.4	33870.52	13617.89

Note: For Financial Years 2013-14 & 2014-15, releases reflect the status of release of grants for the years including allocations for the previous years but drawn during the subsequent years.

BRGF: State-wise releases and utilisation reported (as on 09.12.2016)

Amount in Rs. Crore

S.No.	State	2013-14		2014-15		2015-16	2016-17
		Funds Released	Utilisation Reported	Funds Released	Utilisation Reported	BRGF Programme delinked from the budgetary support of the Central Government w.e.f.2015-16.	
1.	Andhra Pradesh	325.62	280.57	43.80	1.97		
2.	Arunachal Pradesh	0.00	0.00	15.35	14.95		
3.	Assam	76.40	63.24	139.41	88.80		
4.	Bihar	485.80	303.82	206.52	0.00		
5.	Chhattisgarh	192.56	160.87	218.26	42.52		
6.	Gujarat	42.87	28.55	65.07	15.54		
7.	Haryana	26.41	21.29	12.98	0.00		
8.	Himachal Pradesh	27.79	26.16	11.92	0.00		
9.	Jammu & Kashmir	20.40	12.78	45.67	21.78		
10.	Jharkhand	40.85	33.39	281.75	33.53		
11.	Karnataka	71.22	61.47	46.53	26.93		
12.	Kerala	0.00	0.00	29.20	28.91		
13.	Madhya Pradesh	279.21	128.03	221.22	57.21		
14.	Maharashtra	246.82	224.52	236.14	24.49		
15.	Manipur	39.83	39.83	36.76	34.89		
16.	Meghalaya	32.41	16.85	2.56	0.00		
17.	Mizoram	25.36	25.36	24.39	23.39		
18.	Nagaland	9.12	8.87	60.87	1.02		
19.	Odisha	283.63	173.81	179.46	0.64		
20.	Punjab	0.00	0.00	14.87	14.18		
21.	Rajasthan	62.30	62.30	211.45	152.78		
22.	Sikkim	8.68	8.68	12.32	1.56		
23.	Tamil Nadu	94.42	65.85	42.42	0.00		
24.	Telangana	0.00	0.00	89.42	45.59		
25.	Tripura	13.04	13.04	12.63	12.63		
26.	Uttar Pradesh	273.35	174.28	346.86	121.26		
27.	Uttarakhand	22.79	14.16	2.53	0.00		
28.	West Bengal	99.12	75.38	226.64	21.28		
Total		2800.00	2023.10	2837.00	785.85		

Note : Telangana state got separated from Andhra Pradesh during 2014-15.

State-wise Released & Funds utilized under RGPSA/RGSA during 2013-14 to 2016-17

S. No.	Name of the State/ UTs	2013-14		2014-15		2015-16		2016-17 (as on 09.12.2016)	
		Funds Released	Funds Utilized	Funds Released	Funds Utilized	Funds Released	Funds Utilized	Funds Released	Funds Utilized *
1	Assam	16.65	16.65	26.04	26.04	17.08	11.66	21.83	16.43
2	Andhra Pradesh	41.6	41.6	24.19	24.19	12.5	10.6	45.8	
3	Arunachal Pradesh	8.71	8.71	7.72	7.28	0		0	
4	Bihar	8.61	0	63.67	0	0		0	
5	Chhattisgarh	25.73	25.73	11.4	11.4	14.64	10.72	21.31	16.24
6	Gujarat	31.65	31.65	1.06	1.06	0		33.38	
7	Haryana	2.93	2.93	18.78	6.25	0		0	
8	Himachal Pradesh	15.84	15.84	15.26	7.78	2.48		0	
9	Jammu & Kashmir	9.45	0	8.58	0	0		0	
10	Jharkhand	16.45	15.83	16.2	14.36	9.49		20.9	
11	Karnataka	25.56	25.56	46.8	46.74	32.71	0	0	
12	Kerala	16.58	16.58	14.49	11.28	0		8.55	
13	Manipur	1.6	1.6	5.42	5.42	5.4	5.4	4.81	4.81
14	Madhya Pradesh	42.83	42.83	37.46	0	10.8	9.52	41.83	
15	Maharashtra	83.17	83.17	34.76	34.76	4.5	2.84	21.17	
16	Odisha	28.73	28.73	32.92	32.92	0		20.01	
17	Punjab	7.97	7.97	0	0	2.69	2.69	7	
18	Rajasthan	15.45	15.45	11.56	11.56	4.48	3.88	22.27	
19	Sikkim	3.15	3.15	6.85	6.85	1.26	1.19	2.33	
20	Tamil Nadu	58.14	58.08	20.16	20.16	8.96	8.05	27.32	
21	Tripura	9.09	9.09	2.36	2.08	1.35	0	5.3	
22	Telangana	34.64	34.64	29.94	29.94	13.13	13.13	14.48	14.48
23	Uttarkhand	5.47	5.47	13.04	13.04	3.09	2.58	13.21	
24	Uttar Pradesh	42.37	33.85	0	0	11		39.87	
25	West Bengal	8.23	8.23	27.71	27.71	9.91	9.17	21.85	
26	Mizoram	0	0	2.48	2.48	0		6.22	
27	Dadra	0	0	1.09	0.88	0		0	
28	Daman	0	0	1.51	0	0		0	
29	Goa	0	0	0	0	1.06	0.12	1.37	
30	Chandigarh	0	0	0	0	0.29	0	0	
31	Lakshadweep	0	0	0	0	1.65	0	0	
	Total	560.6	533.34	481.45	344.18	168.47	91.55	400.81	55.86

Status of devolution of funds to the Panchayati Raj Institutions in States/UTs

SI. No	State/UT	Details of Devolution of Funds to Panchayati Raj Institutions
		Funds
1.	Andaman & Nicobar Islands	Grant-in-aid is released to PRI's to discharge their functions
2.	Andhra Pradesh	Only Gram Panchayats (GPs) are empowered to collect taxes. Governments Orders (GOs) issued for devolving funds of 10 departments.
3.	Arunachal Pradesh	PRIs do not collect taxes. Transfer of funds by departments has not taken place.
4.	Assam	PRIs are empowered to collect taxes but cannot enforce. Main source of revenue is lease rent from markets, river banks and ponds.
5.	Bihar	No taxes are collected by PRIs.
6.	Chhattisgarh	GP is authorized to collect various types of taxes. Funds for 12 departments have been devolved.
7.	Goa	Panchayats levy 11 types of taxes. Untied funds are given to Panchayats.
8.	Gujarat	8 major taxes are collected by PRIs. In 2008-09, 13 departments allocated funds to PRIs.
9.	Haryana	GPs generate revenue from lease of Panchayat land, liquor cess and rental of Panchayat premises.
10.	Himachal Pradesh	Only GP is empowered to levy taxes. Funds have not been transferred.
11.	J&K	State Govt. has issued GO notifying activity mapping. Funds have been devolved in a limited sense. Functionaries have been identified in the Activity Mapping document who will assist Panchayats in carrying out assigned functions but have not been transferred.
12.	Jharkhand	Elections to PRIs were held in November- December 2010 for the first time since 73 rd CAA came into force. Three departments, namely, Agriculture, Social Welfare and Primary Education have devolved powers to PRIs by Departmental Notification.
13.	Karnataka	PRIs collect 7 types of taxes. Panchayati Raj Act provides the mandatory transfer for untied funds to PRIs.
14.	Kerala	GPs have tax domain of 9 types of taxes. Untied funds and funds for specific purposes by deptts are given to PRIs.
15.	Madhya Pradesh	GPs are empowered to collect taxes. Funds for 13 departments covering 19 matters are released to PRIs.

16.	Maharashtra	ZP and GP collect taxes. Grants for 11 departments are transferred to PRIs.
17.	Manipur	Five Departments have issued GOs transferring funds to PRIs.
18.	Orissa	PRIs collect 6 types of taxes. There is no clear devolution of untied funds.
19.	Punjab	Main source of income of GP is from auction of Panchayat land. There is no clear devolution of funds.
20.	Rajasthan	5 departments have issued GOs transferring funds to PRIs up to district level. 10% untied fund to PRIs.
21.	Sikkim	PRIs do not collect taxes. Funds are being transferred by 17 departments. 10% of total fund of each department is given to Panchayats. Untied funds are given to PRIs.
22.	Tamil Nadu	Only village Panchayats have the power to levy taxes. 9% of the States own tax revenue devolved to Local Bodies, of which rural local bodies will receive 58% share.
23.	Telengana	Certain Powers have been delegated to PRIs in respect of 10 Departments namely: Agriculture & Agriculture Extension, Animal Husbandry Dairy & Poultry, Fisheries, Rural Development, Drinking Water & Sanitation, Primary Secondary & Adult Education, Health PHC Dispensaries & Family Welfare, Social Welfare, Backward Class Welfare and Women & Child Development.
24.	Tripura	Part funds related to PWD Department, primary schools and Social Welfare and social education department and pension funds have been transferred to the Panchayats. Untied funds are also transferred to PRIs.
25.	Uttar Pradesh	All 3 tiers have the power to collect taxes.
26.	Uttarakhand	Only ZPs collect taxes. Funds are made available to PRIs for activities for only 3 functions.
27.	West Bengal	GPs can impose and realize taxes. Untied funds are allocated under the TFC grant as well as SFC grant. 5 departments have opened Panchayat Window in their budgets.
28.	Daman & Diu	Not available
29.	Puducherry	Panchayats collect taxes and receive funds from the state budget under the community development sector.
30.	Lakshadweep	Entire Plan and Non Plan budget required for Schemes and Programs being implemented by 5 departments viz Education, Medical & Health Services, Fisheries, Animal Husbandry, and Agriculture is transferred to the District Panchayat and Village (Dweep) Panchayats.

Note: Mizoram, Meghalaya and Nagaland are exempt.

- Delhi has no Panchayats.
