

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO- 2063
ANSWERED ON- 11.03.2025

DEVOLUTION REPORT

2063. SHRI SUDHAKAR SINGH:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) the details of key findings of the Devolution Report 2015-16, particularly regarding the State of local democracy and devolution in the country, and the extent to which these findings influenced policy decisions;
- (b) the time by which the Government proposes to release the next Devolution Report, and the details of progress made in its preparation;
- (c) the details of studies or assessments have been undertaken by the Government since 2015-16 to evaluate the effectiveness of devolution alongwith the role of local governments in strengthening grassroots democracy; and
- (d) the details of specific steps are being taken by the Government to improve the functioning and autonomy of local Governments in the country to ensure better delivery of governance and public services, State-wise particularly in Bihar?

ANSWER

THE MINISTER OF STATE FOR PANCHAYATI RAJ

(PROF. S. P. SINGH BAGHEL)

(a) The Devolution Report 2015-16 was prepared on the basis of study conducted in 26 States and 6 Union Territories wherein one District Panchayat, one Block Panchayat and one Gram Panchayat in the Districts falling within areas covered under Part IX of the Constitution and two Gram Panchayat each from the Fifth Schedule areas were included in the sample.

In this report, the cumulative index was constructed using two methods-

(i). **The improved method based on a conceptual model developed using the Delphi technique.**

The cumulative index using the improved method measured devolution based on two different aspects of functioning of Panchayati Raj Institutions (PRIs)-

- a) The progress made on aspects relating to the operational core of decentralisation covering transfer of functions, transfer of functionaries, transfer of finances and the extent of autonomy enjoyed by PRIs.
- b) The achievements in developing support systems for devolution covering capacity building, operationalising constitutional mechanisms and nurturing systems for accountability and transparency.

(ii). The normal method based on constructing a Devolution Index of policy, a Devolution Index of Practice and arriving at an index of Devolution of Policy adjusted against Practice.

The cumulative index using the normal method sought to provide indicative ranking of State on four different aspects of functioning of PRIs.

- (a) Devolution of functions,
- (b) Transfer of functionaries
- (c) Devolution of finances to PRIs
- (d) The comparative achievement of States in establishing systems of Infrastructure, Governance and Transparency (IGT).

The Ministry of Panchayati Raj, in order to encourage States/Union Territories to empower their Panchayats, had requested them to assess the level of decentralization and the performance of their Panchayats, and to prepare a roadmap for the future in alignment with the State's policies and priorities.

The Cumulative Devolution Index ranked Kerala first, followed by Maharashtra in second place, and Karnataka in third. Additionally, Sikkim ranked first among the North Eastern States and sixth overall. Further, the Incremental Devolution Index ranked Andhra Pradesh first, followed by Sikkim in second place, and Odisha in third place. Gujarat and Madhya Pradesh ranked first among the States having Fifth Scheduled Areas.

(b) & (c) After the release of the Devolution Report 2015-16, to assess the effectiveness of devolution and the role of local governments in strengthening grassroots democracy, the Ministry of Panchayati Raj released a report titled "Status of Devolution to Panchayats in States - An Indicative Evidence-Based Ranking, 2024" in February 2025. 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. The details regarding the next evaluation have not been finalized yet.

(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 which may vary from State to State, 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 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 included in the Eleventh Schedule to the Constitution. The State legislatures are to consider the 29 subjects illustratively set out in the Eleventh Schedule for devolution of power and responsibilities upon Panchayats. Accordingly, the functioning and autonomy of local Governments depends on the extent of powers and resources devolved to them by the States concerned, which varies across States, including the State of Bihar.

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, Common Review Missions etc. This Ministry holds extensive exercise of capacity building of Elected Representatives of Panchayats, through the scheme of Rashtriya Gram Swaraj Abhiyan. This Ministry focuses on developing the capacity of Elected Representatives of Panchayats to enable them to function effectively in Gram Panchayats and properly discharge their leadership roles. The Ministry of Panchayati Raj also provides e-GramSwaraj portal for facilitating all the Panchayats to formulate and upload their plans for utilization of grants under the Central Finance Commission each year. These plans, duly approved by the Panchayats, are monitored at each stage of implementation through the system generated vouchers, geo-tagging and responsibilities assigned to Panchayat Pradhan and Panchayat Secretary.
