

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO. 233
ANSWERED ON 02.12.2025

FUNDS FOR PANCHAYAT

233. SHRI VISHALDADA PRAKASHBAPU PATIL:
MS. PRANITI SUSHILKUMAR SHINDE

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the Government is aware that substantial portions of Panchayat grants remain unutilized in Maharashtra and if so, the details thereof;
- (b) the details of the current district and tier-wise breakup (Gram Panchayat, Panchayat Samiti, Zilla Parishad) of tied and untied grants released by the Centre to Maharashtra under the Panchayati Raj framework during the last three years including Nandurbar, Solapur and Sangli;
- (c) the details of the percentage of unutilized funds and key reasons identified by the Ministry; and
- (d) whether the Government has adopted any measures to improve fund absorption and transparency, including incentives for well-performing Panchayats in Nandurbar, Solapur and Sangli, if so, the details thereof?

ANSWER

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

(a) & (c): “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 reported by the State Government, the details of tier-wise unutilized Panchayat grants in the State of Maharashtra are as under:

Tier of Panchayat	Unutilized Grants
District Panchayat	20.21%
Block Panchayat	18.90%

Gram Panchayat	23.39%
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The key reasons, as reported by the State, for the unutilized funds are identified as changes in the Scope of Work, land issues, and works being cancelled by the Panchayati Raj Institutions.

(b) As per Operational Guidelines issued by the Ministry of Finance dated 14.07.2021 for implementation of the recommendation of the 15th Finance Commission grants to Rural Local Bodies (RLBs), untied and tied grants are being released by the Ministry of Finance to the States based on recommendations of the Ministry of Panchayati Raj & the Ministry of Jal Shakti (Department of Drinking Water and Sanitation), respectively. Thereafter, the inter-se-distribution among all the tiers of Panchayats are done by the concerned State Government on the basis of accepted recommendations of the latest State Finance Commission (SFC) and in conformity with the bands prescribed by the 15th Finance Commission.

As reported by the State Government, the details of the current district and tier-wise breakup (Gram Panchayat, Panchayat Samiti, Zilla Parishad) of tied and untied grants of 15th Finance Commission released by the Centre to Maharashtra under the Panchayati Raj framework during the last three years (2022-23, 2023-24 and 2024-25) are attached at **Annexure-I, Annexure-II and Annexure-III** respectively.

(d) To improve and ensure transparency and accountability in the utilisation of Central Finance Commission grants by Panchayati Raj Institutions in the States, the Ministry manages the eGramSwaraj web portal (<https://egramswaraj.gov.in>) since April 2020, which integrates all financial functions of Panchayats—from planning to payment. The progress data obtained from this system is displayed on the portal for concurrent monitoring at the State, District, and Block levels.

To further enhance transparency, the Ministry has integrated eGramSwaraj with the Public Financial Management System (PFMS) for Gram Panchayats (GPs), facilitating real-time digital payments to vendors and service providers. Additionally, the Audit-Online application was launched in April 2020 to enable online auditing of Panchayat accounts and their financial management. This tool facilitates the transparent utilisation of Central Finance Commission funds and enhances Panchayat-level financial oversight.

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 the 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 Localization 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. All panchayats are eligible to apply for these awards.

Annexure-I

District and tier-wise breakup of Release of 15 th Finance Commission Grants for FY 2022-23 to RLBs in Maharashtra					
			Rs. in Thousand		
Sr. No.	District	Zilla Parishad	Panchayat Samiti	Gram Panchayat	Total
1	Thane	41109	40056	605003	686168
2	Palghar	113829	112348	894494	1120671
3	Raigad	0	0	1060493	1060493
4	Ratnagiri	0	0	819707	819707
5	Sindhudurg	0	0	429694	429694
6	Nashik	0	0	2039720	2039720
7	Dhule	108839	107372	837308	1053519
8	Nandurbar	101879	100552	823483	1025914
9	Jalgaon	0	0	1641876	1641876
10	Ahmednagar	0	0	2078139	2078139
11	Pune	0	0	1898175	1898175
12	Satara	0	0	1436376	1436376
13	Sangli	0	0	1159061	1159061
14	Solapur	0	0	1569776	1569776
15	Kolhapur	0	0	1602402	1602402
16	Sambhajinagar	0	0	1290381	1290381
17	Jalna	0	0	880316	880316
18	Parbhani	0	0	729967	729967
19	Hingoli	0	0	582993	582993
20	Beed	0	0	1167812	1167812
21	Nanded	0	0	1402832	1402832
22	Dharashiv	0	0	787654	787654
23	Latur	0	0	1038728	1038728
24	Buldana	0	0	1175061	1175061
25	Akola	78715	77658	606087	762460
26	Washim	72631	71650	555428	699709
27	Amaravati	0	21526	1052167	1073693
28	Yavatmal	0	0	1204678	1204678
29	Wardha	0	0	545680	545680
30	Nagpur	122443	120776	947145	1190364
31	Bhandara	71373	70440	541022	682835
32	Gondia	80382	79322	631440	791144
33	Chandrapur	0	0	824548	824548
34	Gadchiroli	0	0	514554	514554
	Total	791200	801700	35374200	36967100

Annexure-II

District and tier-wise breakup of Release of 15 th Finance Commission Grants for FY 2023-24 to RLBs in Maharashtra					
Sr. No.	District	Zilla Parishad	Rs. in Thousand		
			Panchayat Samiti	Gram Panchayat	Total
1	Thane	0	0	599101	599101
2	Palghar	111807	111826	847321	1070954
3	Raigad	0	0	1005137	1005137
4	Ratnagir	0	0	820992	820992
5	Sindhudurg	0	0	432324	432324
6	Nashik	0	0	2047453	2047453
7	Dhule	106864	106832	833342	1047038
8	Nandurbar	100078	100089	821966	1022133
9	Jalgaon	0	0	1418700	1418700
10	Ahmednagar	0	0	1993331	1993331
11	Pune	0	0	1863493	1863493
12	Satara	0	0	1412077	1412077
13	Sangli	0	0	1138777	1138777
14	Solapur	0	0	1559787	1559787
15	Kolhapur	0	0	1604886	1604886
16	Sambhajinagar	0	0	1293255	1293255
17	Jalna	0	0	886324	886324
18	Parbhani	0	0	731559	731559
19	Hingoli	0	0	587015	587015
20	Beed	0	0	1103029	1103029
21	Nanded	0	0	1415990	1415990
22	Dharashiv	0	0	786941	786941
23	Latur	0	0	1044233	1044233
24	Buldana	0	0	1146707	1146707
25	Akola	77288	77265	610035	764588
26	Washim	71305	71281	558752	701338
27	Amaravati	0	21408	1048535	1069943
28	Yavatmal	0	0	1211943	1211943
29	Wardha	0	0	544482	544482
30	Nagpur	118855	118821	915009	1152685
31	Bhandara	70114	70121	543626	683861
32	Gondia	78951	78940	635018	792909
33	Chandrapur	0	0	832936	832936
34	Gadchiroli	0	0	506160	506160
	Total	735262	756583	34800236	36292081

Annexure-III

District and tier-wise breakup of Release of 15 th Finance Commission Grants for FY 2024-2025 to RLBs in Maharashtra					
Rs. in Thousand					
Sr. No.	District	Zilla Parishad	Panchayat Samiti	Gram Panchayat	Total
1	Thane	547448	0	0	547448
2	Palghar	745637	98255	197640	1041532
3	Raigad	666114	0	0	666114
4	Ratnagir	793086	0	0	793086
5	Sindhudurg	394047	0	0	394047
6	Nashik	1842124	0	0	1842124
7	Dhule	677718	93565	188667	959950
8	Nandurbar	751884	90074	44696	886654
9	Jalgaon	1521085	0	0	1521085
10	Ahmednagar	1758803	0	0	1758803
11	Pune	1728782	0	0	1728782
12	Satara	1163224	0	0	1163224
13	Sangli	1009078	0	0	1009078
14	Solapur	1434725	0	0	1434725
15	Kolhapur	1552868	0	0	1552868
16	Sambhajinagar	821744	0	0	821744
17	Jalna	817280	0	0	817280
18	Parbhani	708178	0	0	708178
19	Hingoli	565409	0	0	565409
20	Beed	921853	0	0	921853
21	Nanded	1255535	0	0	1255535
22	Dharashiv	492422	0	0	492422
23	Latur	987740	0	0	987740
24	Buldana	974521	0	0	974521
25	Akola	519670	64384	34504	618558
26	Washim	407890	63228	31833	502951
27	Amaravati	816426	9598	0	826024
28	Yavatmal	1077296	0	0	1077296
29	Wardha	365263	0	0	365263
30	Nagpur	750595	84619	199418	1034632
31	Bhandara	468082	58674	31311	558067
32	Gondia	567673	46439	89278	703390
33	Chandrapur	724139	0	0	724139
34	Gadchiroli	442636	0	0	442636
	Total	30270975	608836	817347	31697158
