

GOVERNMENT OF INDIA  
MINISTRY OF PANCHAYATI RAJ  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 663**  
ANSWERED ON 03.02.2026

**CENTRALLY SPONSORED SCHEMES IN GRAM PANCHAYATS**

663: SHRI MANI A:

Will the Minister of Panchayati Raj be pleased to state:

- (a) whether the Government has assessed the capacity of Gram Panchayats in Dharmapuri district to plan and implement Centrally sponsored schemes effectively;
- (b) if so, the details of the Central funds allocated, released and actually utilised by Panchayats in the district under major schemes routed through Panchayati Raj Institutions during the last three years;
- (c) whether any performance or outcome-based monitoring of Panchayat-level works is being carried out by the Ministry; and
- (d) the steps being taken to strengthen financial autonomy, staffing and technical support to Panchayats in backward districts like Dharmapuri?

**ANSWER**

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJEEV RANJAN SINGH ALIAS LALAN SINGH)

(a) & (b) Panchayat is a State subject and the Ministry of Panchayati Raj (MoPR) supplements and complements the efforts of State Governments, including financial support under the schemes towards strengthening and efficient functioning of the Panchayati Raj Institutions (PRIs) on a continuous basis.

The MoPR implements the Centrally Sponsored Scheme of revamped Rastriya Gram Swaraj Abhiyan (RGSA) for capacity building and training of the elected representatives of the Panchayati Raj Institutions (PRIs), Central Sector schemes of Incentivisation of Panchayat (IoP) to provide incentives to the Panchayats in recognition of their good developmental works at all levels and e-Panchayat Mission Mode Projects (eMMP) for promotion of e-governance. These schemes are implemented with active participation, involvement and collaboration with State/UTs in the country including in Tamil Nadu and its Dharmapuri district. During the current financial year 2025-26, a total of 1156 number of elected representatives and functionaries of the Gram Panchayats have been trained under the RGSA scheme in the district of Dharmapuri, Tamil Nadu and all 251 Gram Panchayats have finalised and uploaded their Gram Panchayat Development Plans on eGramSwaraj Portal in the year 2025-26.

The details of Central funds allocated/released for the development of Panchayats in Tamil Nadu including the grants under the Fifteenth Finance Commission (FFC) during the last three years are as follows:

FFC/Scheme	(Rs. In crore)					
	2022-23		2023-24		2024-25	
	Allocation	Release	Allocation	Release	Allocation	Release
FFC#	2761.00	2761.00	2791.00	2791.00	2957.00	2957.00
RGSA&	104.69	25.42	180.60	0.00*	211.42	45.00
IoP@		1.80		1.00		1.50

# Funds are not released to the districts directly. The State concerned distributes the funds in accordance with recommendations of the State Finance Commission.

& Funds are not released to the districts directly. The States release fund to the districts.

\*No funds were released due to unspent balance and non-submission of requisite documents by the State in compliance with the guidelines of the Department of Expenditure.

@ Funds are not allocated but released to the National Panchayat Awards winning Panchayats.

(c) The Ministry compiles Panchayat Advancement Index (PAI) based on various pre-determined performance parameters for monitoring their performance in attainment of the localisation of Sustainable Development Goals (LSDGs) in the areas of health, education, women & child development, water sufficiency, climate action & clean environment, livelihood provision & poverty reduction, and promotion of good governance etc. at the Panchayat level.

(d) In order to strengthen the financial autonomy and technical supports to Panchayats including Gram Panchayats of backward districts to enable them to undertake local development projects effectively, all Finance Commission grants are deposited directly into the accounts of Panchayats by the States. These funds are spent by Panchayats from their own accounts, without the involvement of the States, through the Public Financial Management System (PFMS) system in accordance with the norms prescribed by the Finance Commission in respect of tied and untied grants. In order to ensure end-to-end tracking of funds—from receipt to expenditure—and effectively prevent any misuse or misappropriation, it has been made mandatory to record all transactions on PFMS and eGramSwaraj portal.

On technical front, particularly for promotion of eGovernance in the Panchayats, under the Digital India initiative, the MoPR have developed various digital platforms and applications. The eGramSwaraj application has been designed to facilitate planning, accounting, monitoring, and online payments at the Panchayat level. The integration of eGramSwaraj with the PFMS enables real-time payments to vendors and service providers, ensuring seamless fund flow and reducing delays. The eGramSwaraj application has been integrated with the Government e-Marketplace (GeM) to bring transparency in Panchayat procurement. This integration allows Panchayats to procure goods and services through GeM via the eGramSwaraj platform. Further, applications developed by the Ministry like Meri Panchayat have endeavoured to bring transparency in Panchayat Governance by making information on planning, activities, and progress of works in Panchayat accessible to public. Panchayat NIRNAY is an online application which aims to bring transparency and better management in conduct of Gram Sabhas by Panchayats. Further, the ‘AuditOnline’ application developed under the e-Panchayat Mission Mode Project (MMP) facilitates online audits of Panchayat accounts and supports improved financial management.

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