

Panchayati Raj in India

Posted at: 17/02/2025

Panchayati Raj in India: Karnataka Tops the Devolution Index 2024

Introduction:

The **Devolution Index (DI) 2024** report, created by the **Union Ministry of Panchayati Raj** and the **Indian Institute of Public Administration (IIPA)** in New Delhi, ranks Indian states based on how effectively they implement the **Panchayati Raj system**. This system focuses on empowering local governments to ensure **decentralized governance**. The report evaluates each state on six important aspects: **Framework, Functions, Finances, Functionaries, Capacity Enhancement, and Accountability**.

In the **2024 report**, **Karnataka** has emerged as the **best-performing state**, followed by **Kerala** and **Tamil Nadu**. These states stand out for their strong local governance, good financial management, and the ability to transfer powers effectively to local authorities. This report serves as a guide to highlight best practices and identify areas where other states can improve.

Key Findings of the Devolution Index Report 2024:

- **Karnataka** tops the list with a score of **72.23**.
- **Kerala** follows with **70.59**.
- **Tamil Nadu** is in third place with **68.38**.
- **Maharashtra (61.44)**, **Uttar Pradesh (60.07)**, and **Gujarat (58.26)** are also among the top six states.
- The **national average** score is **43.89**, showing a gap between top states and others.
- **Bihar, Assam, Sikkim, and Uttarakhand** are closer to the national average, indicating room for improvement.

Performance Across Key Dimensions:

1. Framework (Legal and Institutional Structure):

- **Top State:** Kerala (83.56)
 - **Other High Scorers:** Maharashtra (74.74), Karnataka (74.43), Haryana (73.3)
- This dimension looks at the **legal framework** governing Panchayats, such as **elections, reservation policies, and oversight commissions**.

2. Functions (Powers Delegated to Panchayats):

- **Top State: Tamil Nadu (60.24)**
- **Karnataka** ranks second with **57.62**, just ahead of **Odisha (57.46)**.
Karnataka gives **Gram Panchayats** the **maximum taxation powers**, making them more independent and capable of managing local finances.

3. Finances (Fiscal Decentralization and Funding):

- **Top State: Karnataka (70.65)**
- **Other High Scorers:** Kerala (**62.89**), Tamil Nadu (**55.78**), Rajasthan (**54.56**)
Karnataka stands out for ensuring **timely release of funds**, giving **Panchayats financial independence** to manage their operations efficiently.

4. Accountability (Transparency and Governance Monitoring):

- **Top State: Karnataka (81.33)**
- **Other High Scorers:** Kerala (**81.18**), Maharashtra (**80.36**), Uttar Pradesh (**76.07**)
Karnataka is known for its strong **social audits**, well-functioning **Gram Sabhas**, and high **financial transparency**.

5. Functionaries (Manpower and Resources at Panchayats):

- **Top State: Gujarat (90.94)**
- **Other High Scorers:** Tamil Nadu (**84.25**), Kerala (**82.99**)
Karnataka has a **high number of Panchayat officials**, ensuring that local governance functions smoothly.

6. Capacity Building (Training and Skill Development for Officials):

- **Top State: Telangana (86.19)**
- **Other High Scorers:** Tamil Nadu (**84.29**), Gujarat (**83.96**)
Karnataka ranks among the **top 10** for its focus on **training Panchayat officials** and **elected representatives** to improve governance.

Reasons for Karnataka Leading in Panchayat Governance:

- **Strong Fiscal Autonomy:** Karnataka ensures **timely release of funds**, allowing **Panchayats** to manage finances independently and efficiently.
- **Effective Local Governance:** The state has **well-functioning Gram Sabhas** and effective **social audit mechanisms**, ensuring **transparency** and **citizen participation**.
- **Empowered Gram Panchayats:** **Gram Panchayats in Karnataka** have **significant powers in taxation** and **local decision-making**, which strengthens their role in local governance.

- **Capacity Building Programs:** Karnataka prioritizes **training** for **Panchayat officials** to help them manage local governance challenges effectively.
 - **Digitization and Transparency:** Through **e-Governance initiatives**, Karnataka has improved **service delivery** and reduced **corruption**, promoting **transparency** in local governance.
-

Challenges and Areas for Improvement:

- **States with Moderate Performance:** Bihar, Assam, Sikkim, and Uttarakhand need to improve **financial support** and **institutional reforms** to strengthen their **Panchayati Raj systems**.
 - **State Finance Commissions (SFCs):** Many states, including Karnataka, need to **better implement** the recommendations of **State Finance Commissions (SFCs)** to ensure effective **resource distribution**.
 - **Capacity Building:** While Karnataka excels in training programs, **rural Panchayat functionaries** in other states need broader coverage for better governance.
-

Conclusion:

Karnataka's **top ranking** in the **Devolution Index 2024** reflects its strong commitment to empowering **Panchayati Raj institutions** and ensuring **financial autonomy, accountability, and transparency** at the local level. The state's success, along with **Kerala** and **Tamil Nadu**, provides an example for other states to follow. To improve, other states should focus on strengthening **financial management**, expanding **training programs**, and reinforcing **institutional frameworks**. A well-functioning **Panchayati Raj system** is vital for achieving **inclusive rural development** and fostering **participatory democracy** across India.

