# **Evaluation of Panchayati Raj Institutions in India as a** 3<sup>rd</sup> Tier of Governance

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#### ABSTRACT

This research paper evaluates the performance of Panchayati raj Institutions (PRIs) on 5 parameters: Democratic decentralization, grassroots democracy, Public participation in governance, upliftment of women, social upliftment of SC/ST/OBC. India had experience of local government in ancient and medieval times. In colonial era and post independent times, India adopted various forms of local governments. Through 73<sup>rd</sup> constitution amendment in 1992, India adopted a uniform PRI. In 2022, PRIs completed 30 years of their existence which shows mixed results. Though we created structures but from functional aspect they have number of lacunas such as devolution depending on state government, fund crunch, incompetent functionary, schemes like MPLAD, parallel bodies, bureaucratic control. PRIs have potential to transform democratic structure of India by facilitating democratic participation, empowerment of women and backward classes, decentralized planning and implementation, providing public services like clean water, sanitation, health care, primary education. There are problems with PRIs like corruption, limited capacity to deliver public services, dominance of elites, patriarchal mindset. Solution lies in showing trust in those institution, empowering them with revenue collecting facilities, training and skilling of elected representatives, accepting recommendations of state finance commission, conducting regular elections.

Keywords: Panchayati Raj Institutions (PRIs), Democratic Decentralization, Grassroots Democracy.

#### INTRODUCTION

Panchayati raj Institutions (PRIs) came into being in 1992 in India through 73<sup>rd</sup> constitutional amendment.India had experience of PRIs in the prior to this, but the structure of Institutions was not uniform across the nation and that created variations in states. Many committees including Balvantrai Mehta (1957), K. Santhanam (1963), Ashok Mehta (1978), GVK Rao (1985) and L.M. Singhvi (1986) made recommendations for Panchayat(Singhal, n.d.). Prior to 73<sup>rd</sup> amendment, we had 2 tier system of government which became 3 tier system i.e. union, state and local bodies. 73<sup>rd</sup> amendment brought uniformity in the structure of Panchayati raj Institutions (PRIs) in the nation. Panchayati raj Institutions (PRIs) aimed to achieve objectives of democratic decentralization, strengthening grass roots democracy, increase public participation in governance, upliftment of women and marginalized section of the society. In 2022 they completed 30 years of their existence. This research papers aims to evaluate the success of Panchayati raj Institutions (PRIs) in achieving those objectives in last 30 years.

The salient feature of 73<sup>rd</sup> Amendment includes gram Sabah at village level, uniform three-tier system at village, block and district levels, direct election to all seats for all members at all level, indirect elections of chairpersons at intermediate and highest level, reservation for the SCs and STs in proportion to their population and for women of not less than one-third of the seats, five-year term for each tier, fresh elections within six months if dissolve , provision of state finance commission and state election commission, devolution of powers and responsibilities by the state government. For Local bodies to function autonomously, they need institutional existence where decisions are taken by the elected representatives, institutional capacity to make their rules and financial viability to fulfil their responsibilities(Pal, 2004). But for all these aspects state government have given discretion. Due to a lack of extensive devolution of the three Fs - functions, functionaries and funds - PRIs still operate as poor adjuncts to the bureaucracy and higher level government(BANERJEE, 2013) Even though there is uniformity in the structure of Panchayati raj Institutions (PRIs), variation in distribution of power, functions, financial resources led to variation in performance across different states. A study conducted by D Narayana in Kerala, Tamil Nadu and Madhya Pradesh shows that in Tamil Nadu and Madhya Pradesh panchayats are looked upon an agent of state government because elected representatives have less awareness of their powers whereas in Kerala panchayats are functioning in an autonomous to state government(Narayana, 2005)

#### **Democratic Decentralization**

Democratic decentralization, also known as decentralization of power or decentralization of governance refers to the transfer of political, administrative, and fiscal authority from central or higher levels of government to local or subnational levels. It involves empowering local communities and Institutions (PRIs) to make decisions, manage resources, and address local needs. 73<sup>rd</sup> Constitution amendment successfully created Institutions (PRIs) at local level. Today, around 2.5 Lakhs of PRI's and urban local bodies functioning at local level with more than 30 Lakhs representatives(Rajagopalan, 2018)

Democratic decentralization promotes citizen participation and engagement at the grassroots level. It enables local communities to actively participate in decision-making processes, ensuring that their voices are heard and their needs and priorities are addressed. This empowers individuals and communities to shape their own destinies and fosters a sense of ownership and responsibility for local development. Decentralization enhances accountability and responsiveness in governance. When decision-making power is brought closer to the people, it becomes easier to hold local authorities accountable for their actions. Local governments are more likely to be responsive to the needs and aspirations of their constituents, as they have a direct stake in the welfare of the community. Democratic decentralization facilitates efficient and effective service delivery. Local authorities, with their knowledge of local contexts and needs, can tailor and deliver services more efficiently and in a targeted manner. This can lead to improved access to basic amenities, such as education, healthcare, water supply, and infrastructure, as decisions are made by those who are most familiar with local requirements.

Decentralization can stimulate local economic development. Local authorities, empowered with decision-making authority, can create an enabling environment for local businesses, attract investments, and promote entrepreneurship. This can lead to job creation, income generation, and overall economic growth at the local level. Democratic decentralization can contribute to social cohesion and harmony within a society. By involving diverse communities and stakeholders in local decision-making processes, decentralization promotes inclusivity, diversity, and social integration. It can help address grievances, reduce disparities, and foster cooperation among different groups, leading to greater social cohesion and peaceful coexistence. Decentralization however created tension within traditional institutions, for example in Maharashtra two parallel bodies with different legitimising sources continue to function, the gram sabha and the traditional village panchayats or collectives, which are generally dominated by upper and richer caste which create problems for PRIs(Lele, 2001). Similarly in Jat dominated north-west India, Khap panchayat are informal social institutions for conflict resolution took root and the reasons for their continuing influence and this informal institution control by big landlords(KUMAR, 2012). Decentralization can help reduce regional disparities by ensuring that resources and development opportunities are distributed more equitably across different regions. It allows for local decision-making that takes into account the unique needs and challenges of specific areas, thus mitigating disparities and promoting balanced regional development.

#### **Functions of PRIs**

Panchayati Raj Institutions (PRIs) have strengthened service delivery of the public good such as clean drinking water, sanitation facilities, and primary health care facilities at the grassroots level. According to Institute of Development Studies (IDS), Panchayats have been successful in implementing programs related to rural development, poverty alleviation, health, education, and water supply in several states of India. 73<sup>rd</sup> Amendment to not mandate transfer to functions such as education, health to local bodies, instead leave it for state government to decide whether to devolve on not. To carry out such deliveries, panchayat Institutions (PRIs) need 3F's namely, Funds, functions and Functionaries.

There lies the failure of those institutions. State government hesitated to devolve power to local bodies which left local bodies incompetent to function as 3<sup>rd</sup> tier of governance. States in India tends to retain powers of appointment, transfer, revenue generation, spending, etc. at the expense of the Panchayats(Johnson, 2003)

The Ministry of Panchayati Raj, Government of India, has been actively involved in promoting the devolution of functions to Panchayati Raj Institutions (PRIs). They have launched several schemes and programs to ensure the effective implementation of decentralized governance. For example, the Backward Regions Grant Fund (BRGF) was initiated in 2006 to strengthen the institutional capacity of Panchayats and promote participatory planning. Furthermore, the implementation of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005 has been instrumental in devolving functions to Panchayats.

This landmark legislation guarantees the right to employment for rural households and places the responsibility of implementing the program on Panchayats. It has not only created job opportunities but has also empowered Panchayats to undertake planning, execution, and monitoring of the scheme. Madhya Pradesh have transferred substantive powers

of appointment, planning, spending, etc. to very local spheres of political life which created positive outcome(Johnson, 2003). The devolution of functions to Panchayati Raj Institutions (PRIs) has resulted in positive outcomes across various states in India. For instance, Kerala has been at the forefront of decentralization, with Panchayats effectively managing local development activities, infrastructure projects, and social welfare programs.

Kerala's decentralized governance model has been widely recognized for its success in achieving people-centric development. Another notable example is West Bengal, where Panchayats have been granted significant financial powers and functions. They are responsible for planning and implementing various development programs, including water supply, sanitation, education, health, and poverty alleviation. This devolution of functions has led to increased citizen participation, improved service delivery, and enhanced transparency and accountability. It is important to note that the experience of devolution of functions to Panchayati Raj Institutions (PRIs) can vary across different states and regions in India. While some states have made remarkable progress in empowering these Institutions (PRIs), others are still in the process of strengthening their capacities and ensuring effective devolution.

#### **Finances of PRIs**

Local government bodies can get financial resources either by collecting revenues or intergovernmental transfers(Rajagopalan, 2018). 73<sup>rd</sup> amendments authorize the state government to allow local bodies to collect revenue on the subjects in their preview. Most of the state government are averse to allow local bodies to collect taxes and deliberately keep them depend on state government for its functioning. Among all states, only Karnataka, Kerala, Rajasthan, Sikkim, Tamil Nadu, West Bengal, and Daman and Diu have transferred 29 subjects whereas Arunachal Pradesh, Assam, Bihar, Jharkhand, Goa, Gujarat, Andaman and Nicobar Island, Chandigarh and Pondicherry have not devolved any function(Pal, 2004). Remaining states have transferred only few of the subject. Second source of revenue is the funds transfers from state government. 73<sup>rd</sup> amendment creates State Finance Commission for the purpose distribution of revenue between state and local government bodies. However, those recommendations are not binding on state government. Most of the state government neglected recommendation of state finance commission.

PRI's need financial resources to carry out their functions. This too according to 73rd amendment. According to World Bank, "fiscal autonomy is the key element of decentralization, and the local government autonomy can't be sustained without the proper fiscal empowerment" (Ratra & Dahiya, 2022). Central government schemes such as MPLAD which directly grant of 5cr to MPs and monitored by District collector bypasses the PRIs in developing local infrastructure(Datta, 2021)According to 14th finance commission report, Panchayat Raj Institution depends on state government resources rather than augment their own resources by revenue collection. Lack of practise of the delegation of powers process to PRIs by governments is the key issue that halts the fiscal sovereignty of PRIs. On one hand, states like Madhya Pradesh, Kerala, Karnataka, and West Bengal have ceded preferred powers to PRIs, on side, states like Jharkhand and Odisha cause the process to be delayed, in Assam, Kerala, AP, Punjab, MP, Gujarat, Maharashtra, Odisha, Tamil Nadu, Haryana, and Goa also revealed that while most states are known for a variety of operational tasks, no executive has signed documents granting enough staff, authority, and additional financial resources(Fernandes, 2003). The financial management of Panchayats has been a key aspect of their performance evaluation. The 14th Finance Commission of India has recommended the devolution of a higher share of central taxes to Panchayats, resulting in increased financial autonomy. A study conducted by the National Institute of Public Finance and Policy (NIPFP) assessed the fiscal performance of Panchayats and concluded that their revenue generation capacity has improved over time(Manhas, 2021). However, challenges remain in terms of capacity building for effective financial planning and management at the local level.

#### **Election of PRIs**

Even though there a mandate for holding elections within 6 months dissolution, there are number of instances where state government have the delayed the holding of elections due to court cases, political necessities, natural calamities or law and order problem(Pal, 2004). Most of these court cases are relating to reservation of SC/ST/OBCs. Postponing election for one or the other reason in routine(Datta, 2019). Currently, in Maharashtra elections to local bodies are pending for 2 years due to similar reservation related cases. It is observed that state government use it as an excuse to derail the elections for administrative control over local bodies. People are enthusiastic about local bodies, there participation in local election is more than that of state and general elections. In Haryana it was more than 80 per cent and for Karnataka, it ranged between 50 and 84 in 2000s(Pal, 2004).

#### **Participation of Women**

73<sup>RD</sup> Amendment act had the provision of 33% reservation for women in all tiers of panchayat Institutions (PRIs). Indian society is patriarchal in term of values and norms. Representation of women at State and Central level is marginal. Panchayat Institutions (PRIs) provides opportunity for political participation of women. Reservation for

women is significant as 4 out of 5 women got elected from reserve seat and one time women elected member are 87% because they can't get re-elected when seat get de-reserve(Tiwari, 2012). Due to women representatives' participation of women in gram sabha has also increased. In India, more than 10 Lakh women are representatives in Panchayat Institutions (PRIs). 4 among 10 elected women belong to marginalized sections and about 7 are illiterate with no previous political experience(Tiwari, 2012)

Study of 11000 women representative was done in Karnataka and it was found that 1/3<sup>rd</sup> face discrimination in panchayat institutions while their importance in their family have increased(Singhal, n.d.). Impact of women's participation in PRI's is visible in rural India. There is an increase in reporting of crimes due to women representatives(Rajagopalan, 2018). Panchayat Institutions (PRIs) having female sarpanch or village head made more investment in public goods which is beneficial for women such as drinking water facilities(Chattopadhyay & Duflo, 2004)

#### Social Upliftment of SC/ST/OBC Community

Indian society has a hierarchical structure. People from marginalized section got excluded from political processes. Even though there is a provision of reservation for SC/ST seats in state and union legislation, their actual participation in political decision making remain minimal. Panchayat Raj institution aimed to increase actual participation of those who were facing political and social exclusion. Panchayat Institutions (PRIs) aim for socio-economic transformation of society. 54% of elected representative belong to Above Poverty Line (APL). Villages which have head from Schedule Caste(SC) tends to invest more money in creating facilities in SC hamlets(Chattopadhyay & Duflo, 2004)

PRIs have created positive impact on backward classes of Indian society. Provision of reservation enabled participation of those who were traditionally excluded from political processes. Panchayati Raj Institutions (PRIs) often have reserved seats for SC, ST, and OBC communities, ensuring their representation in local decision-making bodies. This reservation policy aims to provide a platform for marginalized communities to voice their concerns, participate in governance, and influence decision-making processes.

Participation of SC/ST/OBC resulted into their empowerment. Panchayati Raj Institutions (PRIs), by providing opportunities for political representation, empowered SC, ST, and OBC communities. It allows them to engage actively in local governance, contribute to the planning and implementation of development programs, and address issues specific to their communities. When SC, ST, and OBC representatives actively participate in decision-making processes, they can prioritize the needs and concerns of their communities, leading to more inclusive and targeted development initiatives. Panchayati Raj Institutions (PRIs) are responsible for implementing various government welfare schemes and programs at the grassroots level. Effective participation of SC, ST, and OBC representatives ensures better access to resources, benefits, and services for their communities, thereby reducing socio-economic disparities. Panchayati Raj Institutions (PRIs) provide a platform for marginalized communities to address social justice issues and advocate for their rights. Through their participation, SC, ST, and OBC representatives can work towards addressing caste-based discrimination, ensuring equity, and fostering social harmony at the local level.

However, it is important to acknowledge that the impact on SC, ST, and OBC communities can vary across different states and regions. Challenges such as social prejudices, limited capacity of Panchayats, and inadequate implementation of policies can hinder the full realization of the potential benefits. Continuous efforts are needed to address these challenges, strengthen the representation and participation of marginalized communities, and ensure that Panchayati Raj Institutions (PRIs) become inclusive platforms for socio-economic development and social justice.

#### **Citizen Participation**

Citizen participation is a crucial aspect of evaluating the performance of Panchayati Raj Institutions (PRIs). Research studies have indicated that the level of citizen participation varies across different states and regions in India. Institution of Development Studies report highlights that there is an active citizen engagement and participation in Panchayat meetings and decision-making processes which contributed to better outcomes However, there is still room for improvement in ensuring inclusive and meaningful participation of marginalized groups, women, and other disadvantaged sections of society.

Panchayati Raj Institutions (PRIs) strengthen the foundation of democracy by bringing decision-making power to the grassroots level. They provide a platform for local communities to participate in governance, express their views, and contribute to the decision-making processes. This enhances the democratic principles of participation, representation, and inclusivity. Panchayati Raj Institutions (PRIs) have played a crucial role in empowering marginalized sections of society, including women, Scheduled Castes (SC), Scheduled Tribes (ST), and Other Backward Classes (OBC). Reservation policies ensure their political representation, enabling them to have a voice in local governance. This

empowers these sections of society and promotes social justice and equality. Panchayati Raj Institutions (PRIs) facilitate citizen engagement and promote accountability.

Through regular elections and public meetings, citizens have the opportunity to actively participate in decision-making, raise concerns, and hold their local representatives accountable for their actions. This enhances transparency, responsiveness, and citizen-government interaction.

Panchayati Raj Institutions (PRIs) are responsible for local development planning and implementation. They play a vital role in addressing the specific needs and priorities of the local communities, ensuring effective service delivery, and promoting inclusive development. The participatory approach in decision-making enhances the relevance and quality of development programs. Panchayati Raj Institutions (PRIs) act as platforms for fostering social cohesion and integration. By bringing together diverse communities and facilitating their participation in local governance, these Institutions (PRIs) promote dialogue, cooperation, and understanding among different groups.

The conditions under which decentralisation can lead to improvements in accountability in rural India, and accountability should be based on strong norms of communication and consultation between public officials and citizens(Johnson, 2003). They provide opportunities for marginalized sections to have a say in decisions that affect their lives, reducing social divisions and promoting unity. Panchayati Raj Institutions (PRIs) provide opportunities for individuals to develop leadership skills, enhance their understanding of democratic processes, and engage in public service. This contributes to the overall strengthening of democratic values and Institutions (PRIs) by fostering a culture of active citizenship and responsible governance. Panchayati Raj Institutions (PRIs) play a vital role in nurturing democratic values and civic awareness among citizens.

Through regular engagement with local governance, individuals become more aware of their rights, responsibilities, and the importance of democratic processes. This strengthens the democratic fabric of the nation and promotes a culture of active citizenship. Accountability to people depends on active participation among broad elements of society, involving activities such as voting, campaigning, attending meetings, running for office, lobbying representatives, fiscal and political support from higher level authorities within government, the existence of competitive political parties whose legitimacy depends at least in part on the support of the poor, and deeper economic transformations, which embolden traditionally subordinate groups to challenge local authority structure(Johnson, 2003)

#### Impact on Local Development

Assessing the overall impact of Panchayati Raj Institutions (PRIs) on local development is a complex task, as it depends on various contextual factors. Several states have reported positive outcomes in terms of increased access to basic services, improved infrastructure, and poverty reduction. For instance, a study conducted by the World Bank in 2018 found that Panchayati Raj Institutions (PRIs) in Kerala contributed significantly to local development and social welfare programs, leading to improved human development indicators. However, it is important to acknowledge that the impact may vary across states, and there are challenges in terms of capacity building, resource allocation, and effective implementation.

India is strengthening its health system through panchayat raj Institutions (PRIs). As the decentralization of governance brings governments closer to people thereby allowing them to respond more effectively to local needs and preferences. Decentralized institutional structure depends on a bottom and participatory approach which helps in countering absentees of doctors and corruption by strengthening accountability

#### Criticism of PRIs

Panchayati Raj Institution is criticized as they have less autonomy. Despite constitutional provisions, Panchayats often face interference and control from state government. This limits their autonomy and hampers their ability to make independent decisions. This obstructs local planning and implementation of such plans. Panchayati Raj Institutions (PRIs) of face resources crunch, they often struggle with inadequate financial and human resources, which restricts their capacity to effectively carry out their functions. Limited financial devolution and dependency on state and central governments for funds hinder their ability to implement development projects and deliver essential services.Panchayats face issue inadequate institutional capacity. They have limited ability to hire personnel for implementation of programs.

Many Panchayats lack trained personnel and expertise in areas such as planning, financial management, and administration. This hinders their ability to effectively perform their functions and deliver quality services to citizens.

Social realities of India after pose challenges to Panchayats. Caste identity becomes more vocal at local level as compare to state and union elections. In the rural areas, caste identity is reflected in the voting behaviour. Social and

Political Inequalities in India also creates challenges for Panchayat Raj Institution. 86% traditionally, local bodies are controlled by upper caste, male.

However, with the provision of reservation, 73<sup>rd</sup> amendment gave way for backward caste and women to participate in local governance. Indian farmer belong to small and marginal group having less than 2 hector of land. Critics argue that power dynamics within Panchayats often perpetuate social and political inequalities. Dominance by local elites or influential individuals can marginalize marginalized groups, women, and weaker sections of society, limiting their participation and influence in decision-making processes Dr. Ambedkar called villages as 'Den of Ignorance' where caste violence, discrimination is more compared to urban areas. People from SC/ST community and women representatives face problems when participating in the official work of PRIs because of lack of political party support, leadership qualities, institutional facilities, and rules and procedures(Sukumar & David Lal, 2019). Representatives from upper caste and OBCs receive more support from political parties, as political mobility can be seen more in such section comparted to backward representatives. Political parties are dominated by upper castes. In a study conducted by Sukumar shows that 71 per cent of HCs were members of political parties as against only 50 per cent in case of SCs and ST(Sukumar & David Lal, 2019).

Indian government brought number of programs for capability building of women to make their presence effective such as Panchayat Mahila Evam Yuva Shakti Abhiyan (PMEYSA) which focussed on the elected women and youth representatives(Sukumar & David Lal, 2019). However, due to patriarchal mindset of Indian society there is rise in phenomenon called 'Panchayat Pati'. Thus, mere reservation provision will not ensure women participation; there is need to skill development, political literacy, capacity building programs, support of political parties to make women participation in real sense. Gender Inequality is a social reality of India which poses challenge to Panchayati Raj Institutions (PRIs). While the reservation of seats for women in Panchayats has been a progressive step, gender inequality persists within these Institutions (PRIs). Women representatives often face social barriers, patriarchal attitudes, and limited decision-making powers, limiting their ability to bring about meaningful change.

Corruption and Mismanagement of resources is one of the main challenges of Panchayat raj Institutions (PRIs) in India. Instances of corruption and mismanagement have been reported in some Panchayats. Lack of transparency and accountability, coupled with weak oversight mechanisms, can lead to misuse of funds and inefficiencies in service delivery. It is perceived that due to direct participation of people, corruption is low in PRIs as compared to State government. However, many study suggest a contrary picture. Panchayat Raj Institutions (PRIs) delivers public services, there are several factors like accountability, transparency, effectiveness, perceived risks of indulging in corrupt practices, abuse of patronage relations, and lack of any significant political opposition creates opportunity for corruption in PRIs. In a study conducted for Karnataka shows that between 55 to 65 per cent of the funds meant for development are consumed by panchayat officials as a corruption(Vijayalakshmi, n.d.)

Panchayats often face challenges inplanning and implementation of programs. Critics point out that some Panchayats struggle with ineffective planning and implementation of development programs. Limited technical expertise, inadequate monitoring mechanisms, and lack of coordination with other stakeholders can hinder the successful execution of projects. State government hesitate to devolve power to Panchayats. States want centralization of Power. State governments may be reluctant to devolve power to Panchayati Raj Institutions (PRIs) due to a centralization of power within the state. This could be driven by political considerations, where the state government wants to retain control over decision-making processes and resources. There is lack of political will in this regard also. Devolving power to Panchayati Raj Institutions (PRIs) requires a strong political will on the part of state governments. If state leaders are not convinced of the benefits of decentralization or perceive it as a threat to their authority, they may be hesitant to devolve power. There are administrative challenges in devolving power. Devolving power to Panchayati Raj Institutions (PRIs) requires significant administrative restructuring and capacity building. State governments may be concerned about the readiness and capacity of Panchayats to effectively perform their functions. They may fear that decentralization could lead to administrative chaos or mismanagement if Panchayats are not adequately prepared.

State governments have resource allocation concerns. State governments may worry about the financial implications of devolving power to Panchayati Raj Institutions (PRIs). They may be hesitant to relinquish control over resources, fearing that Panchayats may not have the capacity to manage finances efficiently or that resources will not be distributed equitably among different regions. There are political opposition to devolution. Devolution of power face opposition from various political stakeholders who may perceive it as a threat to their interests or influence. Opposition parties or existing power structures within the state may resist devolution to protect their vested interests.

#### Failures of PRIs

PRIs frequently face political interference, leading to conflicts and inefficiencies. Local politicians may exploit PRIs for personal gains, compromising the decision-making process and diverting resources away from local development.

This interference undermines the principle of grassroots democracy and can hinder the progress of local governance.PRIs have struggled to address deep-rooted social hierarchies and gender disparities. Caste and genderbased discrimination often persist, limiting the participation of marginalized communities and women in the decisionmaking processes of PRIs. This undermines the inclusive and representative nature of local self-governance.

Instances of corruption and lack of transparency have been reported in PRIs. Misappropriation of funds, embezzlement, and bribery can occur, negatively impacting the delivery of public services and eroding public trust. Weak accountability mechanisms and limited transparency contribute to these issues. PRIs often struggle with coordination and collaboration with other tiers of government, such as state and central governments. Insufficient linkages hinder effective planning, implementation, and monitoring of development projects. The lack of coordination between different levels of government results in fragmented efforts and suboptimal outcomes.

#### CONCLUSION

Panchayati Raj Institutions (PRIs) completed 30 years in 2022. Performances of PRIs in those 30 years had been a mixed bag. Their success lies in democratic decentralization, public participation in governance which resulted into transparency, accountability in governance. PRI's deepen democracy in India by including those who were excluded earlier in the democratic process of decision making. Giving space to different voices of society has created an 'inclusive democracy'. Functional aspects of PRIs are largely left to the mercy of state governments. Majority of the state government doesn't want lose their control over governance, so they adopted a conservative approach to devolve functions, finances and functionaries. As local government is a 'state' subject in 7<sup>th</sup> schedule of the Indian constitution, union government can't force state government to devolve powers. Such demands should come within the states. The Fourteenth Finance Commission made recommendations on fiscal devolution from the central government to the states, including PRIs. It significantly increased the share of central taxes transferred to states, which in turn increased the financial resources available to PRIs for local development.

Similarly, National Institution for Transforming India (NITI Aayog) has produced several reports and publications highlighting the importance of PRIs and suggesting reforms. Notable reports include "State Initiatives for Strengthening Panchayati Raj Institutions (PRIs)" and "Handbook for Capacity Building of Panchayati Raj Institutions (PRIs)." Power and resources need to be devolved to panchayats and elected representatives are need to be trained in order to make panchayat work in real sense(Narayana, 2005).

The Ministry of Panchayati Raj in India organizes National Panchayati Raj Day on April 24 each year to recognize and celebrate the role of PRIs. On this occasion, reports and publications are often released highlighting best practices, success stories, and challenges faced by PRIs.Several NGOs and research organizations have conducted studies and produced reports on PRIs in India. These reports often focus on specific aspects such as women's participation, capacity building, governance issues, and community empowerment. Examples include reports by PRIA (Participatory Research in Asia) and the Centre for Panchayati Raj.Many state governments have undertaken their own studies, assessments, and reports to evaluate the functioning of PRIs and propose improvements. These reports are usually specific to the state's context and address issues such as capacity building, governance structures, and financial management. Such recommendation should be adopted soon to strengthen PRIs.

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