

## **Evolution of Panchayati Raj System in India with Special Reference to Telangana: Issues and Challenges**

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### **ABSTRACT**

The Panchayati Raj system constitutes the cornerstone of democratic decentralization in India, providing an institutional framework for grassroots participation in governance and rural development. Rooted in India's ancient traditions of village self-governance, Panchayati Raj has undergone a long process of historical evolution shaped by colonial interventions, post-independence experiments, and constitutional reforms. The enactment of the 73rd Constitutional Amendment Act, 1992 marked a watershed moment by granting constitutional status to Panchayati Raj Institutions (PRIs), thereby transforming them into integral components of India's democratic polity.

This research paper critically examines the evolution, structure, and functioning of the Panchayati Raj system in India, with a special focus on the state of Telangana. It analyses the conceptual foundations, historical development, constitutional framework, and institutional design of Panchayati Raj, while systematically assessing contemporary issues and challenges such as fiscal dependence, administrative inefficiencies, political and bureaucratic control, and uneven devolution of powers, social inequalities, and delays in electoral processes.

**KEYWORDS:** *Panchayati Raj, Democratic Decentralization, Self-Government, 73rd Constitutional Amendment, Rural Governance*

### **1. Introduction**

Decentralization is widely recognized as a fundamental principle of democratic governance, premised on the belief that political power and administrative authority should be exercised as close to the people as possible. By transferring decision-making powers, responsibilities, and resources from higher levels of government to local institutions, decentralization seeks to enhance efficiency, accountability, transparency,

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and citizen participation. In India, the Panchayati Raj system embodies this principle by institutionalizing local self-government in rural areas and constitutionally recognizing grassroots democracy.

This realization led to renewed emphasis on democratic decentralization, participatory development, and grassroots governance, culminating in the 73rd Constitutional Amendment Act, 1992. The amendment sought to institutionalize Panchayati Raj as the third tier of governance and ensure its democratic functioning through regular elections, reservations for marginalized groups, and devolution of powers. The state of Telangana, formed in 2014 as India's 29th state, offers an important case for examining the working of Panchayati Raj Institutions in a newly reorganized political and administrative context. Telangana inherited institutional structures from the erstwhile undivided Andhra Pradesh while attempting to recalibrate rural governance to address regional aspirations and developmental priorities.

## **2. Objectives of the Study**

The study is guided by the following objectives:

- To examine the meaning, concept, and significance of the Panchayati Raj system in India.
- To analyse the historical evolution of Panchayati Raj institutions from ancient times to the constitutional era.
- To examine the constitutional provisions governing Panchayati Raj Institutions.
- To identify major issues and challenges faced by Panchayati Raj Institutions, particularly in Telangana.
- To suggest policy measures for strengthening Panchayati Raj Institutions and enhancing their effectiveness.

## **3. Research Methodology**

This research adopts a descriptive and analytical methodology. The study is based entirely on secondary data collected from a wide range of sources, including constitutional provisions, reports of official committees and commissions, government publications, academic books, peer-reviewed journals, policy documents, and reports of national and international institutions. The qualitative analysis integrates theoretical perspectives on decentralization and democratic governance with empirical insights drawn from Telangana to present a comprehensive understanding of Panchayati Raj Institutions.



#### **4. Literature Review**

The Panchayati Raj system has attracted sustained scholarly attention from political scientists, public administration experts, and development practitioners. Early studies on decentralization emphasized its normative significance for democracy and development. Balwantrai Mehta Committee (1957) laid the foundation for Panchayati Raj by recommending a three-tier system to promote people's participation in development administration. The Ashok Mehta Committee (1978) further refined the concept by advocating stronger district-level institutions and political party involvement.

G. Mathew (1994) conceptualized Panchayati Raj as a movement rather than a mere administrative reform, emphasizing its potential for democratic deepening. M.P. Sharma (2018) analysed Panchayati Raj within the broader framework of India's political system, highlighting the tensions between constitutional ideals and administrative realities.

Scholars such as S.R. Maheshwari and L.C. Jain underscored the importance of administrative reforms and political commitment for effective decentralization. The G.V.K. Rao Committee (1985) emphasized the need to revitalize Panchayati Raj by assigning them a central role in rural development. The L.M. Singhvi Committee (1986) strongly advocated constitutional status for Panchayati Raj Institutions, a recommendation that ultimately culminated in the 73rd Constitutional Amendment.

More recent studies by Singh (2020) and others have focused on the post-73rd Amendment period, highlighting improvements in political participation, particularly of women and marginalized groups, alongside persistent challenges related to finance, capacity, and accountability.

#### **5. Meaning and Concept of Panchayati Raj System**

The term Panchayati Raj refers to a system of rural local self-government in which authority is vested in democratically elected representatives at different levels of administration. Traditionally, 'panchayat' signified a council of elders entrusted with managing village affairs, while 'raj' denotes governance. In contemporary India, Panchayati Raj represents a structured and legally recognized system of democratic institutions responsible for local administration and development. Panchayati Raj is grounded in the principle of democratic decentralization, which seeks to empower local communities by devolving powers, functions, and responsibilities. It emphasizes participatory governance, accountability, transparency, and inclusiveness. By enabling citizens to directly engage in decision-making processes through Gram Sabhas and elected Panchayats, the system seeks to align development initiatives with local needs and priorities.



## **6. Evolution of Panchayati Raj system in India**

Village self-governance has existed in India since ancient times. References to sabhas and samitis in texts such as the Rigveda, Manusmriti, and Arthashastra indicate the presence of village-level institutions responsible for administrative, fiscal, and judicial functions. The Chola dynasty represents a high point in ancient local governance, as evidenced by inscriptions such as the Uttaramerur inscription of Parantaka I, which detailed procedures for the election, accountability, and functioning of village assemblies.

British colonial rule disrupted traditional village institutions by centralizing authority for administrative convenience and revenue extraction. Nevertheless, administrative challenges and political pressures led to limited decentralization. The Ripon Resolution of 1882 marked a significant milestone by advocating local self-government. Subsequent legislative measures introduced elected local bodies, although effective power remained with colonial administrators.

After independence, Article 40 of the Constitution urged states to organize village panchayats. Several committees, including the Balwantrai Mehta Committee (1957), recommended a three-tier Panchayati Raj system. Despite initial implementation, Panchayati Raj institutions remained weak due to irregular elections, limited financial autonomy, and bureaucratic dominance, leading to the constitutionalization of Panchayati Raj in 1992.

## **7. Constitutional Framework of Panchayati Raj**

The constitutional basis of Panchayati Raj rests on Article 40 of the Directive Principles of State Policy, the State List of the Seventh Schedule, and Part IX of the Constitution. The 73rd Constitutional Amendment Act Inserted Articles 243 to 243(O), mandating regular elections, reservations for Scheduled Castes, Scheduled Tribes, and women, and the establishment of State Finance Commissions and State Election Commissions. The Eleventh Schedule lists 29 subjects for potential devolution to Panchayats, strengthening their functional domain.

## **8. Structure of Panchayati Raj System**

The three-tier structure consists of Gram Panchayats at the village level, Mandal Praja Parishads or Panchayat Samitis at the intermediate level, and Zilla Praja Parishads at the district level. This structure facilitates decentralized planning, coordination, and integration of development activities. In smaller states and Union Territories, a two-tier system operates without an intermediate level. While administratively simpler, it may limit coordination and participatory planning.



## **9. The 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments**

The 73<sup>rd</sup> Constitutional Amendment Act, 1992 granted constitutional status to Panchayati Raj Institutions and laid down a uniform framework for rural local governance. Rural local governments have the powers of 29 items, which is sanitation, public health, Street Lights, maintenance of guest houses in the village, etc. The 74<sup>th</sup> Amendment extended similar provisions to urban local bodies, together creating a comprehensive system of local self-government in India. It has been given powers on 18 items.

## **10. Panchayati Raj System in Telangana**

Following the bifurcation of Andhra Pradesh in 2014, Telangana undertook institutional reforms to reorganize local governance. The Telangana Panchayat Raj Act, 2018 provides the legal framework for Panchayati Raj Institutions in the state. It establishes a three-tier structure, defines functions and powers, regulates elections and reservations, outlines financial management, and emphasizes participatory governance through Gram Sabhas.

### **10.1 Three-Tier PRI Structure in Telangana**

Telangana Panchayathraj Act of 2018 provided three tier Panchaythraj system and giving powers to the rural local governments in 29 items to relate to rural development and welfare of the rural people. This act also gives reservations to SC, ST, BCs communities and also 50% seats reserved for women within their communities.

#### **10.1.1 Grama Panchayati**

It is the gross root level rural government in Telangana. It consists of Ward members, sarpanch, Upa-Sarpanch, Co-opt members. Ward member and Sarpanch are directly elected by the registered voters of the village. Upa-Sarpanch is elected by the ward members. Sarpanch is the first person and political head of the village. Gramasabha is the most important body in Grama Panchayath. All the reregistered voters in the village are the members in the Gramasabha. Sarpanch is the chairperson of this body. It has been taken various important decisions related to development and welfare of the village. It is the known as the direct democratic platform in the local government.

#### **10.1.2 Mandal Parishad**

It is the middle level rural government in Telangana. It consists of MPTC (Mandal Parishad Territorial Constituency Members), Mandal Parishad President (M.P.P), Mandal Parishad Vice President; Co-opt

members and Ex-Officio Members. MPTCs are the directly elected by the registered voters of the Mandal. Mandal Parishad President, Mandal Parishad Vice President is elected by the MPTCs.

### **10.1.3 Zilla Parishads**

It is the Upper-level rural government in Telangana. It consists of ZPTC (Zilla Parishad Territorial Constituency Members), Zilla Parishad President (Z.P.P), Zilla Parishad Vice President; Co-opt members and Ex-Officio Members. ZPTCs are the directly elected by the registered voters of the district. Zilla Parishad President, Zilla Parishad Vice President are elected by the ZPTCs.

**Table-1**

<b>Sl.No.</b>	<b>PR system</b>	<b>Political Head</b>	<b>Executive Head</b>
<b>01</b>	<b>Gram Panchayath</b>	<b>Sarpanch</b>	<b>Panchayath Secretary</b>
<b>02</b>	<b>Mandal Parishad</b>	<b>Manadal Parishad President</b>	<b>M.P.D.O</b>
<b>03</b>	<b>Zilla Parishad</b>	<b>Zilla Parishad President</b>	<b>C.E.O.</b>

## **11. Issues and Challenges of Panchayati Raj in Telangana**

The Panchayati Raj system in Telangana operates within a constitutionally mandated framework established by the 73rd Constitutional Amendment Act, which envisages Panchayats as institutions of self-government and vehicles of democratic decentralization. However, the practical functioning of Panchayati Raj Institutions (PRIs) in the state continues to be constrained by a complex set of financial, administrative, political, and socio-structural challenges. Telangana, as a newly formed state since 2014, inherited several institutional deficiencies from the erstwhile undivided Andhra Pradesh while simultaneously attempting to recalibrate its rural governance mechanisms.

### **11.1 Financial Constraints and Fiscal Dependence**

One of the most persistent challenges confronting Panchayati Raj Institutions in Telangana is the lack of adequate financial autonomy. Although the Constitution accords PRIs the status of self-governing bodies, their fiscal capacity remains severely limited. The revenue base of most Gram Panchayats is weak, making them heavily dependent on grants from the State and Central Governments. Own-source revenue



mobilization through local taxes - such as property tax, profession tax, water usage charges and market fees - remains underdeveloped and inconsistently implemented across rural areas.

Several factors contribute to this fiscal fragility. Many Gram Panchayats lack the technical expertise and administrative infrastructure required for systematic assessment and collection of local taxes. In addition, political considerations often discourage elected representatives from enforcing taxation measures, as fear of electoral backlash outweighs the need for financial sustainability. Consequently, Panchayats experience chronic shortages of funds, limiting their capacity to undertake development works or maintain essential services. This financial dependency undermines participatory planning and weakens the functional autonomy of local governments.

### **11.2 Political Interference and Bureaucratic Dominance**

Despite constitutional provisions advocating decentralization, Panchayati Raj Institutions in Telangana continue to function under significant political and bureaucratic oversight. Decision-making authority is often concentrated at the state and district levels, reducing Panchayats to subordinate agencies responsible primarily for implementing centrally or state-designed schemes. Bureaucratic dominance is particularly evident in matters related to financial control, personnel management, and administrative approvals. Panchayat Secretaries and other field-level officials remain accountable upward to the state bureaucracy rather than downward to elected representatives. The resulting imbalance erodes democratic leadership at the grassroots level, discourages local initiative, and contradicts the constitutional vision of democratic decentralization.

### **11.3 Incomplete Devolution of Functions, Funds, and Functionaries**

The effectiveness of Panchayati Raj Institutions depends fundamentally on the meaningful transfer of the “three Fs”- Functions, Funds, and Functionaries. In Telangana, the devolution process remains partial and uneven. While certain responsibilities have been formally assigned to Panchayats, the corresponding financial resources and administrative personnel are often not transferred in practice. Gram Panchayats are entrusted with responsibilities related to sanitation, drinking water supply, rural roads, street lighting, and implementation of welfare programmes. However, these responsibilities are rarely matched with adequate technical expertise, engineering support, or trained manpower. As a result, Panchayats depend heavily on higher administrative levels for execution and supervision, undermining their operational independence.



## **11.4 Social Inequalities and Structural Constraints**

Social and structural factors significantly influence the functioning of Panchayati Raj Institutions in Telangana. Deep-rooted caste hierarchies, patriarchal norms, and economic inequalities continue to shape electoral outcomes and governance processes at the local level. Although constitutional reservations for Scheduled Castes, Scheduled Tribes, and women have enhanced descriptive representation, substantive participation remains uneven. These social constraints weaken the accountability and inclusiveness of Panchayati Raj Institutions, preventing them from functioning as platforms for social justice and participatory governance. Without addressing these structural barriers, decentralization risks reproducing existing inequalities at the local level.

## **11.5 Electoral Irregularities and Institutional Discontinuity**

Regular and timely elections constitute the cornerstone of democratic local governance. However, Panchayat elections in Telangana have periodically faced delays due to legal disputes over reservation rotation, delimitation issues, and administrative preparedness. Such postponements disrupt institutional continuity and erode public trust in grassroots democratic processes. Delays in elections also carry significant financial implications. Central financial assistance to Panchayats is often linked to the presence of duly elected local bodies. Prolonged interim arrangements, where administrative officials replace elected representatives, lead to further centralization of power and reduced community participation.

## **12. Suggestions for Strengthening Panchayati Raj in Telangana**

Strengthening Panchayati Raj Institutions requires the following reforms.

### **12.1 Strengthening Financial Autonomy and Fiscal Capacity**

Enhancing the financial independence of Panchayats should constitute a central pillar of reform. Local governments must be empowered to mobilize own-source revenues through more effective assessment and collection of local taxes and user charges. This requires systematic capacity building, political backing for revenue enforcement, and transparent fiscal practices. Timely and predictable transfers of funds as recommended by the State and Central Finance Commissions are crucial for enabling Panchayats to plan and implement development initiatives efficiently.



## **12.2 Enhancing Institutional Capacity and Administrative Efficiency**

The institutional capacity of elected representatives and Panchayat-level officials plays a decisive role in determining the effectiveness of local governance. Regular and structured training programmes focusing on participatory planning, budgeting, financial management, and administrative procedures should be institutionalized. The strategic adoption of Information and Communication Technology (ICT) can significantly enhance transparency, efficiency, and citizen engagement. Digital platforms for record maintenance, online service delivery, and grievance redressal mechanisms can improve accountability while strengthening public trust in Panchayati institutions.

## **12.3 Ensuring Meaningful Devolution of Powers**

A functional Panchayati Raj system depends on the genuine transfer of functions, funds, and functionaries to local governments. Clear and comprehensive activity mapping is necessary to eliminate ambiguities regarding the roles and responsibilities of Panchayats at different tiers. Administrative personnel working at the local level should be institutionally accountable to elected bodies to ensure responsiveness and effective implementation of development programmes. Establishing robust monitoring and evaluation frameworks can help assess the quality of devolution and the outcomes of service delivery.

## **12.4 Advancing Social Inclusion and Participatory Governance**

Promoting social equity and inclusive participation is fundamental to strengthening Panchayati Raj Institutions. Targeted awareness campaigns and leadership development initiatives should be designed to encourage active participation by women, Scheduled Castes, Scheduled Tribes, and other marginalized communities. Such efforts can help transform formal representation into substantive empowerment.

## **12.5 Legal and Policy Reforms for Institutional Stability**

Legal and policy reforms are required to modernize the Panchayati Raj framework in Telangana and align it with evolving governance needs. Periodic review of state legislation related to rural local governance can help ensure consistency with constitutional mandates and inclusive development objectives. Simplifying administrative procedures, reducing bureaucratic overlap, and minimizing litigation related to elections and reservation policies are essential for ensuring institutional continuity.



### 13. Conclusion

The Panchayati Raj system reflects India's commitment to grassroots democracy and democratic decentralization. While constitutional reforms have provided a robust framework, effective implementation remains uneven. Telangana's experience highlights both the achievements and limitations of Panchayati Raj. Addressing structural constraints and implementation gaps is essential for strengthening local self-government and advancing inclusive rural development. Strengthening Panchayats requires addressing both institutional design and implementation deficits through sustained policy support and administrative reforms. Enhancing financial autonomy, ensuring meaningful devolution, and promoting inclusive participation are critical for deepening democratic decentralization. Ultimately, empowering Panchayati Raj Institutions in Telangana is essential for achieving responsive governance, social justice, and sustainable rural development.

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