

The Changing Face of Rural Governance: History and Development of Panchayats in India

Panchayats have emerged as indispensable pillars of rural governance and development in India. Their constitutionally sanctioned role has evolved from passive executors to active planners, implementers, and monitors of rural development schemes. This article outlines the significant historical milestones that led to the evolution and establishment of the formal Panchayat System in India. The author emphasises on the role of Panchayats in rural development and the measures to further enhance the autonomy, resources, and institutional capacities of Panchayats in India.



CS Ketan Madia, FCS

Practising Company Secretary
Kolkata, West Bengal
ketanmadia1969@gmail.com

INTRODUCTION

Panchayat governance in India is one of the oldest systems of local self-governance in the world. The term “Panchayat” originates from the Sanskrit word “Panch,” meaning five, and traditionally refers to a council of five elders chosen by the village community. Over centuries, the Panchayati Raj system has evolved from informal assemblies to a constitutionally recognized system of governance that plays a crucial role in rural administration and development. This write-up explores the historical trajectory and transformation of Panchayat governance in India, from ancient times to the present day.

ANCIENT ROOTS OF PANCHAYATI RAJ

The concept of Panchayat governance dates back to the Vedic period (around 1700–1100 BCE), where village assemblies known as “Sabhas” and “Samitis” were the earliest forms of self-governance. These institutions were deeply democratic in nature and functioned as centers for decision-making, conflict resolution, and administration. These gatherings made collective decisions regarding land distribution, agricultural practices, security and social disputes. They embodied direct democracy and were grounded in a sense of community participation and mutual cooperation.

During the Mauryan Empire (321–185 BCE), village officials known as “Gramikas” managed rural affairs, assisted by village elders. These functionaries acted as

intermediaries between the central administration and village communities. The Arthashastra, a treatise on statecraft by Kautilya, describes a detailed structure for village administration, including roles and responsibilities of various officials, revenue collection, and law enforcement.

In the Gupta period (320–550 CE), self-governing village communities flourished and enjoyed considerable autonomy. Epigraphic evidence shows that these Panchayats exercised both judicial and administrative powers, indicating a matured form of local governance. They handled civil disputes, maintained village infrastructure, and ensured equitable land use.

MEDIEVAL PERIOD

In the medieval era, particularly under the Chola dynasty in South India (9th to 13th century), village administration was highly structured and sophisticated. Chola inscriptions reveal the existence of autonomous village assemblies, such as “sabhas” for Brahmin settlements and “ur” for non-Brahmin villages. These institutions had subcommittees for finance, justice, irrigation, and temple management, showcasing advanced forms of local self-governance. Members were often elected through a system called “kudavolai” (lottery system), ensuring fairness and community involvement.

Under the Delhi Sultanate (13th–16th century) and the Mughal Empire (16th–18th century), the focus of governance shifted toward centralization. Land revenue collection became a major concern, and the Mughal administrative structure did not integrate Panchayats into its formal governance model. However, informal Panchayats continued to exist in rural areas, mainly as dispute-resolution forums. They played an important role in maintaining order and resolving conflicts in local communities, especially where imperial influence was weak.

COLONIAL IMPACT ON PANCHAYAT GOVERNANCE

British colonial rule from the 18th century onward marked a significant transformation in India’s governance structures. The British introduced a highly centralized system focused on revenue extraction, diminishing the

autonomy of traditional Panchayats. The Permanent Settlement and Ryotwari systems altered agrarian relations and reduced the economic base of village institutions.

Nevertheless, some British administrators recognized the value of local governance. Lord Ripon's Resolution of 1882 is often considered a landmark in the history of local self-governance in India. It emphasized the need for local bodies with elected representatives to manage local affairs. This resolution led to the creation of rural local boards and urban municipalities, although in practice, these were often controlled by colonial officials and lacked real autonomy.

The Montagu-Chelmsford Reforms of 1919 and the Government of India Act of 1935 introduced limited provincial autonomy and local governance reforms, but effective grassroots democracy remained elusive. The nationalist movement, led by Mahatma Gandhi, placed significant emphasis on Gram Swaraj—self-rule by villages—as a foundational principle of Indian democracy.

EARLY POST-INDEPENDENCE ERA

After independence in 1947, India faced the enormous task of nation-building and integrating diverse regions under a democratic framework. The Constitution of India, adopted in 1950, placed local governance under the Directive Principles of State Policy (Article 40), urging states to organize village Panchayats as units of self-governance. However, this was non-judicial and not enforceable by law.

The Community Development Programme (1952) and the National Extension Service (1953) were launched to promote rural development, but their top-down approach limited community participation. The need for institutionalized local governance led to the formation of the Balwantrai Mehta Committee in 1957.

The Committee's recommendations were seminal. It advocated for a three-tier Panchayati Raj system:

1. **Zila Parishad** at the district level as the apex body,
2. **Panchayat Samiti** at the block level as the executive body, and
3. **Gram Panchayat** at the village level as the foundational unit.

The Committee emphasized democratic decentralization and suggested that Panchayati Raj institutions should be directly linked with development planning and execution.

CHALLENGES (1960–1980)

The momentum behind Panchayati Raj Institutions (PRIs) began to wane during the 1960s to 1980s.

- **Lack of Uniformity:** Different states adopted divergent models of Panchayati Raj, resulting in a lack of standardized institutional structures and governance frameworks. This inconsistency created confusion in administrative practices and hampered the development of a cohesive national strategy for local governance.
- **Financial Constraints:** Panchayats were largely financially dependent on state governments, with minimal authority to raise their own revenue. The absence of independent fiscal capacity severely restricted their ability to undertake meaningful development initiatives or respond to local needs effectively.
- **Bureaucratic Control:** The day-to-day functioning of Panchayats became increasingly subordinated to bureaucratic oversight. Administrative officials often overshadowed elected representatives, undermining democratic decision-making and reducing the autonomy and effectiveness of local bodies.
- **Political Apathy:** Many state governments displayed a lack of political will to strengthen Panchayati Raj, often delaying or entirely avoiding regular elections.

This neglect eroded the legitimacy of PRIs and led to the stagnation of grassroots democracy, as key governance spaces remained vacant or inactive.

The three-tiered Panchayati Raj system to promote Rural Development was significant step towards democratic decentralization and suggested that Panchayati Raj institutions should be directly linked with development planning and execution.

CONSTITUTIONAL RECOGNITION: THE CONSTITUTION (73RD AMENDMENT) ACT, 1992

The Constitution (73rd Amendment) Act, 1992 enacted by the Parliament of India in 1992 and brought into force on April 24, 1993, represents a landmark

development in the evolution of democratic governance in India. It institutionalized the Panchayati Raj system by granting constitutional status to Panchayati Raj Institutions (PRIs) and establishing a framework for decentralized, participatory governance at the grassroots level. This reform was a response to longstanding demands for democratic decentralization and aimed at enhancing the efficacy and inclusivity of local self-government in rural areas.

The Amendment inserted Part IX into the Constitution, comprising Articles 243 to 243-O, and introduced the Eleventh Schedule, which delineates 29 functional areas that may be devolved to Panchayats by state governments. These areas encompass vital aspects of rural life and development, including agriculture, land improvement, minor irrigation, animal husbandry, health and sanitation, education, women and child development, and social welfare. This legal framework provided a uniform foundation for empowering PRIs across different states, while still allowing states flexibility in implementation.

A key innovation of the Amendment was the formal recognition of the Gram Sabha—the assembly of all adult residents in a village—as the foundation of the Panchayati Raj system. The Gram Sabha was vested with the authority to:

- approve development plans and priorities,
- select beneficiaries for poverty alleviation and welfare schemes and,
- monitor the performance of Panchayats and ensure local accountability.

By doing so, the Amendment sought to democratize planning and decision-making at the village level and embed mechanisms for social audit and community oversight.

The Act made it mandatory for Panchayat elections to be held at regular five-year intervals, thereby ensuring continuity and preventing arbitrary dissolutions. In the event of early dissolution, elections must be held within six months. The establishment of State Election Commissions was mandated to supervise, direct, and control the electoral process, reinforcing the autonomy and integrity of local elections.

The Amendment incorporated provisions for reservation of seats to promote social justice and equitable representation:

- Scheduled Castes (SCs) and Scheduled Tribes (STs) were to be provided reservations in proportion to their population.
- One-third of all seats, including those of chairpersons, were reserved for women.

This was a significant step towards the political empowerment of marginalized groups, particularly women, who have since emerged as important stakeholders in local governance. Many states have gone further by reserving up to 50% of seats for women.

Recognizing the importance of fiscal autonomy, the Amendment required the creation of State Finance Commissions every five years to:

- recommend principles for the distribution of financial resources between the state and Panchayats, and
- assess the financial needs of Panchayats and suggest measures to augment their resources.

Together with the Eleventh Schedule, these provisions aimed to enable Panchayats to undertake planning and implementation of economic development and social justice programmes, transforming them into institutions of self-government, as envisaged under Article 243G.

The Constitution (73rd Amendment) Act, 1992 stands as a cornerstone of democratic decentralization in India.

By providing a constitutional framework for local self-governance, it has sought to empower rural communities, promote inclusive development, and enhance the responsiveness of the administrative machinery. While significant progress has been made, sustained efforts are required to realize the vision of effective, participatory, and accountable governance at the grassroots level.

ROLE OF PANCHAYATS IN RURAL DEVELOPMENT

Since the enactment of the Constitution (73rd Amendment) Act, 1992, Panchayats—especially Gram Panchayats—have become the primary implementing agencies for several flagship rural development programmes as detailed below.

a) Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA)

One of the most significant poverty alleviation schemes in post-reform India, MGNREGA guarantees 100 days of wage employment annually to every rural household whose adult members volunteer to do unskilled manual work. Gram Panchayats are entrusted with the following responsibilities:

- Planning and execution of public works (e.g., water conservation, rural road construction).
- Registering households, issuing job cards, and allocating work.
- Maintaining records and ensuring transparency and social audits and,
- Facilitating convergence with other schemes to maximize developmental impact.

This scheme has not only enhanced rural incomes but has also reinforced decentralized planning and community participation.

b) Pradhan Mantri Awas Yojana – Gramin (PMAY-G)

Under (PMAY-G), Panchayats play a pivotal role in:

- identifying eligible beneficiaries through the Socio-Economic and Caste Census (SECC) data and local consultation,
- assisting in land availability and resolving local disputes and,
- ensuring transparency in fund disbursement and monitoring the construction process.

The involvement of Panchayats has increased the efficiency of the rural housing programme and ensured alignment with local needs.

c) Swachh Bharat Abhiyan (Gramin)

The Swachh Bharat Abhiyan (SBA), aimed at achieving universal sanitation coverage and eliminating

open defecation, relies heavily on the role of Gram Panchayats in:

- conducting community awareness campaigns,
- constructing and maintaining toilets and community sanitation assets and,
- facilitating behavioral change through local leadership and collective efforts.

Panchayats are also tasked with the operation and maintenance of waste management infrastructure in rural areas, reinforcing sustainable sanitation outcomes.

d) National Rural Health Mission (NRHM)

Under the NRHM, now subsumed under the National Health Mission (NHM), Panchayats have been involved in:

- village Health, Sanitation and Nutrition Committees (VHSNCs),
- mobilizing community participation in healthcare planning and utilization of services,
- monitoring the performance of Accredited Social Health Activists (ASHAs) and Primary Health Centres (PHCs) and,
- promoting health awareness and acting as a link between the public health system and the rural population.

This participatory approach enhances accountability in service delivery and ensures that local health priorities are addressed.

e) Local Planning and Development: Gram Panchayat Development Plans (GPDPs)

A major innovation in bottom-up planning is the introduction of Gram Panchayat Development Plans (GPDPs). These are:

- comprehensive, participatory plans prepared annually by Gram Panchayats,
- based on local needs and priorities identified through Gram Sabha consultations and,
- intended to integrate multiple schemes and ensure convergence with national development goals (e.g., health, education, infrastructure, livelihood).

The Ministry of Panchayati Raj has institutionalized GPDPs to promote evidence-based, inclusive, and outcome-oriented development planning at the village level.

WOMEN AND MARGINALIZED GROUPS IN PANCHAYATS

The Constitution (73rd Amendment) Act, 1992 ushered in a paradigm shift in grassroots democracy by

institutionalizing the reservation of seats for women, Scheduled Castes (SCs), and Scheduled Tribes (STs) in Panchayati Raj Institutions (PRIs). This affirmative action has significantly altered the social composition of local governance, enabling historically marginalized groups to enter and influence decision-making spaces that were traditionally inaccessible to them.

Under the provisions of the Amendment:

- One-third of all seats in Panchayats at every level—village, intermediate, and district—are reserved for women, including positions of chairpersons.
- Proportional reservations for SCs and STs are mandated based on their population in a given Panchayat jurisdiction.

As a result of these provisions, India today has over 1.4 million women serving as elected representatives across various tiers of Panchayats, making it a global leader in terms of women's political participation at the local level. Similarly, representatives from SC and ST communities now have a structured space within which to articulate and address the concerns of their communities.

The entry of women and marginalized communities into Panchayati institutions has produced notable shifts in governance priorities and outcomes as given below:

- Improved focus on welfare-centric issues such as education, maternal and child health, drinking water, sanitation and nutrition—areas often neglected in male-dominated governance spaces.
- Enhanced participatory planning and representation, leading to the amplification of grassroots voices, particularly those of the disadvantaged.
- Community accountability has improved, as elected women and SC/ST leaders are often more accessible and responsive to the needs of their constituencies.

Despite these gains, the participation of women and marginalized groups in Panchayats remains fraught with structural and socio-cultural barriers as given below:

- Proxy leadership remains a significant issue, wherein male relatives—particularly husband or father-in-law—exercise de facto control over the decisions of elected women representatives, undermining the intent of genuine empowerment.
- Many representatives from marginalized backgrounds lack formal education, exposure to governance processes and legal literacy, which limits their effectiveness and increases their dependence on bureaucratic or male intermediaries.
- Gender-based discrimination, caste hierarchies and resistance from dominant social groups often lead to exclusion from key decision-making forums or relegation to tokenistic roles.

These challenges highlight the gap between numerical representation and substantive participation, necessitating sustained efforts to build capacities and shift entrenched power dynamics.

To address these limitations and strengthen the effectiveness of marginalized leaders in Panchayats, a range of empowerment and training interventions have been launched as given below:

- Capacity-building programs, often supported by the Ministry of Panchayati Raj and state departments, offer training on legal provisions, scheme implementation, budgeting, and public speaking.
- Exposure visits and peer learning groups enable elected representatives—especially women—to learn from best practices and develop leadership skills in a supportive environment.
- Civil society organizations play a crucial role in organizing community-level workshops and building awareness about rights, roles, and entitlements.

Moreover, digital initiatives and e-Governance platforms are being used to improve access to information, promote transparency, and reduce intermediaries, further empowering marginalized representatives to function autonomously and confidently.

CONTEMPORARY CHALLENGES FACING PANCHAYATS

a) Capacity deficits

A significant number of elected Panchayat representatives, particularly in rural and backward regions, face capacity constraints due to:

- low levels of education and literacy,
- lack of awareness about roles, responsibilities, and legal frameworks and,
- inadequate training in planning, budgeting, digital tools, and public service delivery.

This results in an over-reliance on government functionaries and intermediaries, limiting the scope for informed and independent decision-making by elected representatives.

b) Weakness of Gram Sabhas

The Gram Sabha, envisioned as the cornerstone of participatory democracy, often suffers from low attendance, inadequate awareness, and limited influence.

THE WAY FORWARD: STRENGTHENING THE PANCHAYATI RAJ SYSTEM

To address the challenges and revitalize the spirit of grassroots democracy, a multi-pronged approach is essential. The following recommendations are critical to enhancing the effectiveness and legitimacy of PRIs:

a) Strengthening fiscal empowerment

PRIs should be encouraged to diversify their revenue sources by rationalizing local taxes, improving collection efficiency, and exploring innovative financing mechanisms such as public-private partnerships for local infrastructure.

b) Capacity building and professional support

There is an urgent need to build technical, managerial and leadership capacities of elected representatives and panchayat officials. Regular and structured training programs, exposure visits, use of local languages, and ICT-based tools can play a vital role. Hiring domain experts at the Panchayat level—for planning, engineering, and finance—can support evidence-based decision-making and efficient scheme implementation.

c) Revitalizing Gram Sabhas

To strengthen participatory democracy, Gram Sabhas must be made more inclusive, informed, and influential. Awareness campaigns, community mobilization, and the use of digital platforms can further enhance citizen engagement and oversight.

CONCLUSION

The journey of Panchayat governance in India reflects the country's deep-rooted tradition of participatory democracy and its constitutional commitment to empowering citizens at the grassroots. From the sabhas of the Vedic age to digitally enabled Gram Panchayats, the system has come a long way. While structural, financial, and operational challenges remain, the Panchayati Raj system continues to be a vital pillar of rural governance.

Strengthening PRIs through capacity building, functional devolution and community participation will ensure that they become truly empowered institutions, capable of transforming rural India and fulfilling the vision of Viksit Bharat@2047.

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