

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO– 455
ANSWERED ON- 02.12.2025

DECENTRALISED PLANNING AND FUND UTILISATION

455. SHRI SASIKANTH SENTHIL:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the Government has recently reviewed the functioning of District Planning Committees and utilisation of funds under various rural development schemes;
- (b) if so, the details thereof, along with the steps taken to ensure timely and effective use of funds and greater public participation in local planning, State-wise; and
- (c) the corrective measures taken or proposed to address delays, under-utilisation of funds and gaps in people's participation in the preparation of District Annual Development Plans?

ANSWER

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJIV RANJAN SINGH)

(a) to (c) Article 243ZD of the Constitution of India provides for setting up a District Planning Committee, in every State at the district level, to consolidate the plans prepared by the Panchayats and the Municipalities in the district and to prepare a draft development plan for the district as a whole. The Chairperson of every District Planning Committee shall forward the development plan, as recommended by such Committee, to the Government of the State. The Legislature of a State may, by law, make provision with respect to the functions relating to district planning which may be assigned to such Committees.

“Panchayats” and “Municipalities”, being “Local Government”, both are State subject and part of State List of Seventh Schedule to the Constitution of India. Therefore, it falls under the jurisdiction of the State Government to review the functioning of District Planning Committees, to ensure greater public participation in local planning and to address gaps in people's participation in the preparation of District Annual Development Plans.

As per clause (3) of Article 243ZD of the Constitution of India, every District Planning Committee shall, in preparing the draft development plan, have regard to matters of common interest between the Panchayats and the Municipalities including spatial planning, sharing of water and other physical and natural resources, the integrated development of infrastructure and

environmental conservation, and the extent and type of available resources whether financial or otherwise. Further, every District Planning Committee shall, in preparing the draft development plan, also consult such institutions and organisations as the Governor may, by order, specify. As such, in terms of Article 243ZD of the Constitution of India, matters relating to utilization or underutilization of funds under various rural development schemes or to ensure timely and effective use of funds, are not assigned to District Planning Committees.

As far as Ministry of Panchayati Raj is concerned, the Ministry has issued an advisory dated 13.11.2025 to all States/Union Territories with the request to take necessary action to constitute, if not already done, District Planning Committee in every district and ensure their effective operationalization in conformity with the Article 243ZD of the Constitution of India, without any further delay. Further, the States/Union Territories have also been requested to issue clear operational guidelines to ensure that District Planning Committees meet regularly, are supported by qualified technical and planning staff, operate with transparency and are publicly documented and monitor their decisions and meeting outcomes.

Further, the Ministry has also issued an advisory dated 13.11.2025 to NITI Aayog, Government of India with the request to instruct the State Planning Departments to develop a model framework for participatory district planning including standardized formats, digital tools, and timelines for submission and review.
