



LOCAL GOVERNMENTS IN INDIA



A Comprehensive UPSC Guide | Polity & Governance



73rd & 74th
Amendments



Panchayati Raj
System



Urban Local
Bodies



UPSC PYQs
(2014–2024)







UPSC CSE | Prelims + Mains | Current Affairs Integrated

"Sarkar Tumhare Dwar!" (Government at your doorstep!)





WHY LOCAL GOVERNMENT?



Without Local Govt:

-  No water? Call Delhi!
-  Pothole? File PIL!
-  No light? Write to PM!
-  Stray dogs? Parliament debate!

With Local Govt:

-  Issues solved locally & fast
-  Accountable to your neighbour
-  Democratic participation
-  Grassroots governance!

CONSTITUTIONAL VISION



Decentralization

Power to people
at lowest level



Democracy

Elected reps
for local issues



Subsidiarity

Decisions taken
at lowest level



Equality

1/3 seats reserved
for women

 Mahatma Gandhi: "The soul of India lives in its villages"

CONSTITUTIONAL JOURNEY – Historical Timeline

73rd Amendment Act

Panchayats → Constitutional Status
11th Schedule, 29 subjects

1992

74th Amendment Act

Municipalities → Constitutional Status
12th Schedule, 18 subjects

1992

Acts Came into Force

April 24 (Panchayat Day)
June 1 (Urban Local Bodies)

1993

Article 243 Series

Articles 243–243ZG for rural
243P–243ZG for urban bodies

2004

Current Status

3.2 million elected reps
1.4 million women in local bodies

2024

 Current Affairs: April 24 celebrated as National Panchayati Raj Day | 15th Finance Commission enhanced local body grants to ₹4.36 lakh crore (2021–26)

PANCHAYATI RAJ — 3-TIER STRUCTURE

Gram Sabha

Real soul of democracy!
All adult voters of a village



GRAM PANCHAYAT

(Village Level)

Gram Sabha + Sarpanch

Population: < 1,000 (varies)



PANCHAYAT SAMITI

(Block/Taluka Level)

Block Development Officer

Covers multiple Gram Panchayats



ZILA PARISHAD

(District Level)

Collector + Elected Chairman

Covers whole district

Note


Not all states have 3 tiers!
Small states may have 2


 UPSC Humor: If a student confuses Gram Sabha with Gram Panchayat — they get negative marking AND their village sarpanch gets offended!


 **KEY DIFF: Gram Sabha = All voters of village (BODY) | Gram Panchayat = Elected representatives (INSTITUTION)**

KEY CONSTITUTIONAL PROVISIONS — 73rd Amendment


MANDATORY PROVISIONS (Binding on States)


 Elections every 5 years (Art 243E)

 1/3 reservation for women (Art 243D)


 State Finance Commission (Art 243I)


 State Election Commission (Art 243K)


 Elections before expiry of term

 Re-election within 6 months of dissolution


DISCRETIONARY PROVISIONS (States may do)

 Devolution of funds to PRIs

 District Planning Committee

 Giving legislative powers to Gram Sabha

 SC/ST reservation beyond 1/3

 Reservation for OBCs

 Functions from 11th Schedule

 TRICK: MANDATORY = MEN & Women must be Elected Equally (SFC + SEC + 1/3 women + Regular elections — non-negotiable!)


11th & 12th SCHEDULE — Functions Devolved

11th Schedule — 29 Subjects (PRIs)

1. Agriculture & Land Reforms
2. Minor irrigation & Watershed
3. Animal Husbandry & Fisheries
4. Social & Farm Forestry
5. Khadi, Village Industries
6. Rural Housing
7. Drinking Water Supply
8. Roads & Bridges
9. Non-conventional Energy
10. Poverty Alleviation
11. Primary & Secondary Education
12. Adult & Non-formal Ed
13. Public Health & Sanitation
14. Family Welfare

12th Schedule — 18 Subjects (ULBs)

1. Urban Planning & Regulations
2. Land use regulation
3. Public Health, Sanitation
4. Slum Improvement
5. Urban Poverty Alleviation
6. Vital Statistics
7. Roads & Bridges
8. Water Supply
9. Fire Services
10. Public Amenities
11. Burial Grounds
12. Cattle Pounds
13. Cultural, Educational Activities
14. Socio-Econ Development

 **Quick Recall: 11th = 29 subjects (Odd = Rural), 12th = 18 subjects (Even = Urban). Total = 47 subjects!**

URBAN LOCAL BODIES (74th Amendment)

HIERARCHY OF ULBs (Based on Population)



MUNICIPAL CORPORATION

Population > 10 lakhs | e.g. BBMP, MCGM, MCD



MUNICIPAL COUNCIL / MUNICIPALITY

Population 1–10 lakhs | e.g. Tier 2 cities



TOWN PANCHAYAT / NAGAR PANCHAYAT

Population < 1 lakh (transitional) | e.g. Rural→Urban transition area



SPECIAL PURPOSE BODIES under 74th Amendment



District Planning Committee (DPC)

Plan integration
District level



Metropolitan Planning Committee (MPC)

Cities > 10 lakhs
Urban metro areas



Industrial Township Authority

Industrial areas
Separate governance



Cantonment Board

Military areas
Defence Ministry



Current: Smart Cities Mission (100 cities) | AMRUT 2.0 | PM SVANidhi for urban vendors

DEVOLUTION — The 3Fs Framework



FUNDS

Finance Commission grants
State share of taxes
Own source revenue
(Property Tax, Water charges)



FUNCTIONS

29 subjects (11th Schedule)
18 subjects (12th Schedule)
Disaster Management
Environment protection



FUNCTIONARIES

IAS deputation
State cadre officers
Locally hired staff
Elected representatives

State Finance Commission (SFC)

- Constituted every 5 years (Art 243I)
- Recommends tax distribution: State → Local Bodies
- Reviews financial position of PRIs & ULBs
- Not to be confused with Central Finance Commission!

15th Finance Commission Highlights

- ₹4.36 lakh crore for local bodies (2021–26)
- Tied (health) + Untied (flexible use) grants
- Online financial reporting mandatory
- Focus on sanitation, drinking water

ELECTIONS & RESERVATION SYSTEM



STATE ELECTION COMMISSION (SEC) — Art 243K | Superintends, Directs & Controls local elections



State Election Commission

- Appointed by Governor
- Supervises local body elections
- Cannot be removed except like HC Judge
- Each state has its own SEC
- Conducts PRI + ULB elections



ECI vs SEC — Key Differences

- ECI: Central body | SEC: State body
- ECI conducts LS + RS + State elections
- SEC conducts Panchayat + Municipal only
- Model Code: ECI only (not SEC)
- Courts CAN intervene in local elections

RESERVATION STRUCTURE IN LOCAL BODIES

Category	Mandatory (Art 243D)	Optional by State	Rotation
Women	≥ 1/3 of all seats	Up to 50% (many states)	Every election (Art 243D(4))
SC/ST	Proportionate to population	More if needed	Rotated between constituencies
OBC	 Not mandatory	Discretionary (Art 243D(6))	Subject to Supreme Court limits
Disabled	 Not in Constitution Suresh Mahajan case 2021: SC ruled OBC reservation can't exceed 50% combined with SC/ST	Some states provide	State discretion

CHALLENGES FACING LOCAL GOVERNMENTS

 Sarpanch thinks: "I got elected! Now what?" — State govt: "Here, have this list of 29 functions... but no money, no staff, and we'll supervise everything anyway!" 

Inadequate Finance

Depend 90%+ on state grants
Property tax poorly collected
Weak own-source revenue

Proxy Representation

Sarpanchpati syndrome
(Husband rules, wife signs)
Nominal women representation

Delayed Elections

Many states don't hold elections on time. Supersession of panchayats common

State Control

Bureaucracy dominates
Elected reps sidelined
Parallelism — DRDA, SHGs

No Planning Powers

DPC (District Planning Comm)
exists on paper only
Rarely functional in states

State Interference

Premature dissolution
5th Schedule areas excluded
State list, not concurrent

SPECIAL PROVISIONS — Tribal & Excluded Areas

PESA Act 1996 — Panchayats (Extension to Scheduled Areas)

Key Features of PESA

- ✓ Applies to 5th Schedule areas (10 states)
- ✓ Gram Sabha is supreme — consult before land acquisition
- ✓ Tribes control minor forest produce
- ✓ Prohibition on land alienation to non-tribals
- ✓ Tribes manage minor water bodies & markets
- ✓ State laws must conform to PESA provisions

5th vs 6th Schedule

Feature	5th Schedule	6th Schedule
Applicability	All STs outside NE	NE tribal areas
Governance	Tribal Advisory Council (TAC)	Autonomous District Councils
States	10 states (Jharkhand, MP...)	Assam, Meghalaya, Mizoram, Tripura
PESA	Applies ✓	Does NOT apply ✗

Areas WHERE 73rd Amendment Does NOT Apply:


Nagaland | Meghalaya | Mizoram (6th Schedule) | J&K (before Art 370 abrogation) | Hill areas of Manipur | Darjeeling (now has GTA)

CURRENT AFFAIRS & KEY SCHEMES



Smart Cities Mission


100 cities | Area-based development | Special Purpose Vehicles (SPVs) for execution

 2015–2024 (Completed)



AMRUT 2.0


Atal Mission for Rejuvenation
500 cities | Water supply,
Sewerage, Parks

 2021–2026



PMAY (Urban)

Pradhan Mantri Awas Yojana
Housing for all by 2024
In-situ slum redevelopment

 Ongoing



PM SVANidhi


Street vendors micro-credit
₹10K–₹50K loans
Digital payment incentives

 2020–ongoing



SVAMITVA Scheme


Property cards in villages
Drone mapping of inhabited land
Financial inclusion of rural HHs

 2020–ongoing



e-Gram Swaraj

Digital platform for
Gram Panchayat accounting
Public fund tracking portal

 2020–ongoing

UPSC PRELIMS PYQs — Local Govt (2014–2019) ?

Q1. [2015] Consider: (1) Gram Sabha can exercise powers and perform functions as may be given to it by the State Legislature. (2) All adult members registered in electoral rolls of a village constitute Gram Sabha. Which is correct?

✔ Ans: Both 1 and 2 | Art 243A: Gram Sabha = all voters; powers given by state legislature

Q2. [2016] With reference to Panchayati Raj, consider: State Governments shall constitute State Finance Commissions every 5 years (Mandatory). Governor shall dissolve panchayat on advice of State Cabinet. Which correct?

✔ Ans: Only 1st is correct | SFC every 5 years is mandatory. Governor dissolves on recommendation, not cabinet advice

Q3. [2017] Which among the following is/are among the functions of the State Election Commission? (a) Superintendence of elections (b) Determination of election schedule (c) Settlement of disputes relating to elections

✔ Ans: (a) and (b) only | Disputes go to courts, not SEC

Q4. [2018] Which of the following is NOT a provision of the 73rd Constitutional Amendment? (a) Establishment of Gram Sabha (b) Reservation for women (c) Devolution of all 29 subjects to Panchayats (d) Audit of accounts

✔ Ans: (c) | Devolution of 29 subjects is DISCRETIONARY, not mandatory

Q5. [2019] The PESA Act provides for: Consultation with Gram Sabha before acquisition of tribal land. Control over minor forest produce by tribes. Which is/are correct?

✔ Ans: Both correct | PESA 1996 — Gram Sabha approval needed; tribes get MFP rights

UPSC PRELIMS PYQs — Local Govt (2020–2024) ?

Q6. [2020] Which of the following is/are correct about the Twelfth Schedule of the Constitution? (1) It contains 18 items. (2) It was inserted by the 74th Amendment. (3) Municipalities can be given tax-levy powers by Parliament.

✔ Ans: 1 and 2 only | Parliament cannot give; State Legislature gives tax powers to municipalities

Q7. [2021] Consider: (1) The 6th Schedule provisions for Autonomous District Councils. (2) The 5th Schedule areas are governed under PESA 1996. Correct?

✔ Ans: Both correct | 6th Schedule → ADCs in NE | 5th Schedule → PESA (tribal areas)

Q8. [2022] With reference to 'Smart Cities Mission', which is correct? (a) Only UTs are included (b) SPVs are created for management (c) Only metro cities qualify (d) NITI Aayog selects cities

✔ Ans: (b) | SPVs (Special Purpose Vehicles) manage Smart Cities. MoHUA selects, not NITI Aayog

Q9. [2023] SVAMITVA Scheme is associated with: (a) Digitization of urban land records (b) Property mapping in rural inhabited land (c) Forest land rights (d) Agricultural land consolidation

✔ Ans: (b) | SVAMITVA = Survey of Villages, Abadi and Mapping with Improvised Technology in Village Areas

Q10. [2024] Regarding OBC reservations in Panchayati Raj: (a) Mandatory under Art 243D (b) Not mandatory; States may provide (c) Limited to 27% (d) Decided by SEC

✔ Ans: (b) | OBC reservation is DISCRETIONARY under Art 243D(6). Total SC+ST+OBC ≤ 50% (SC ruling)



QUICK REVISION — MASTER MIND MAP

LOCAL GOVERNMENT

73rd Amendment
PRI | 11th Schedule
29 Subjects

74th Amendment
ULB | 12th Schedule
18 Subjects

3-Tier PRI
Gram | Block | District
Gram Sabha supreme

KEY ARTICLES

Art 243: Definitions (PRI)
Art 243A: Gram Sabha
Art 243B: Constitution of Panchayats
Art 243D: Reservation of seats
Art 243E: Duration of Panchayats
Art 243G: Powers & functions
Art 243I: State Finance Comm
Art 243K: State Election Comm
Art 243ZD: DPC (District)
Art 243ZE: MPC (Metro)

Finance
SFC (Art 243I)
15th FC: ₹4.36L cr

Elections
SEC (Art 243K)
5-yr term mandatory

Reservation
1/3 Women (mandatory)
SC/ST proportional

PESA 1996
5th Schedule areas

Schemes
Smart Cities | AMRIT

 **KEY TAKEAWAY: India's democracy is only complete when LOCAL governance is STRONG, ACCOUNTABLE & WELL-FUNDED!**

 Remember: In UPSC, if confused between 73rd and 74th — just think: 73 = ODD = Rural PRI | 74 = EVEN = Urban ULBs!