

AMOUNT TO BE CREDITED IN THE ACCOUNTS OF THE STATE GOVERNMENTS

F.15(4)FC-XV/FCD/2020-25
Government of India
Ministry of Finance
Department of Expenditure
Finance Commission Division

Block No. XI,5th Floor,
CGO Complex,
New Delhi-110003.
Dated:-08-05-2021

To,

The Accounts Officer (State- Loan),
O/o the Chief Controller of Accounts,
Department of Expenditure,
Ministry of Finance, North Block,
New Delhi-110001.

Subject: Advance release of **Rural Local bodies Basic grant(untied)** as recommended by the Fifteenth Finance Commission (FC-XV).

Sir,

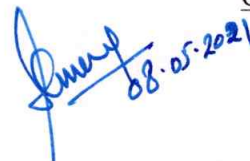
The undersigned is directed to convey the approval of Competent Authority in the Government of India for the release of FC-XV recommended Rural Local bodies(RLBs) 1st installment of Basic grant(untied) for the year 2021-22 amounting to **Rs. 891760.00** lakh (Rupees Eight Thousand, Nine Hundred, Seventeen crore and Sixty lakh Only) to the State Government(s) in advance due to outbreak of COVID-19 as recommended by the Ministry of Panchayati Raj vide their D. O. letter No. 11015/150/2020-FD, dated 3rd May, 2021 as per State-wise details given in Annexure-I(page-3).

2. The State Government(s) is/are advised to ensure that the aforementioned amount of **Rs. 891760.00** lakh is allocated to General Areas and Excluded Areas, if any (where Part IX & IXA of the constitution does not apply) within the State using population of 2011 Census with a weight of 90% and Area with a weight of 10%.

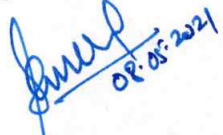
3. Grants apportioned for **Excluded Areas** (if any) as per para 2 above shall be directly transferred by the State Finance Department to the concerned Autonomous District Councils(ADC)/Village Development Boards(VDB)/Gram Sabhas(as the case may be) through the concerned Administrative Departments/nodal Departments looking after Panchayati Raj/ADC/VDB matters .

4. Grants apportioned for **General Areas** shall be distributed as per the inter se share finalized for all tiers of Panchayats and distributed within each tier across the State on the basis of accepted recommendations of the latest State Finance Commission (SFC). However, in case of non-availability of SFC recommendation for distribution, the allocations should be on the basis of population and area in the ratio of 90:10.

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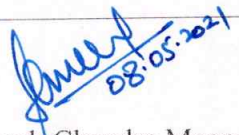
08.05.2021

5. The States(State Finance Department) shall transfer grants-in-aid to the concerned RLBs in General Areas as per the procedure given in para 4 above within ten working days of receipt from the Union Government without any deduction.
6. Any delay beyond ten working days will require the State Government(s) to release the above grant installment(s) with interest as per the effective rate of average interest on market borrowings/State Development Loans (SDLs) for the previous year.
7. The above basic grants are untied and can be used by the local bodies for location-specific felt needs under the twenty nine subjects enshrined in the Eleventh Schedule of the Constitution, except for salary or other establishment expenditure. However, expenditure required for auditing of accounts by State Government approved external agencies may be borne from this grant.
8. The above local body grant will be governed as per the recommendations of the FC-XV contained in Chapter-7 'Empowering Local Governments' and the provisions contained in the Operational Guidelines to be issued by the Department of Expenditure in due course of time.
9. PAO-State Loan, O/o the Chief Controller of Accounts, Department of Expenditure, Ministry of Finance, North Block, New Delhi is requested to advise the Reserve Bank of India, Nagpur to credit the above amount to the accounts of the respective State Government(s).
10. The payments are adjustable in the accounts of the Ministry of Finance in Demand Grant No. 40 - Transfers to State Government(s) for the year 2021-22 under Function Head 3601071020100, Object Head 31, Scheme code 2084 as Grants for Local Bodies(3.01 Rural Bodies).
11. The action taken on this letter may be intimated to this Division.


(Subhash Chandra Meena)
Director(FCD)
Tel.: 243608543

Copy To:-

Sl. No.	Name
1	The Secretary, RBI, Central office, Mumbai.
2	The Secretary, Ministry of Panchayati Raj, Krishi Bhawan, New Delhi.
3	The Manager, RBI, Central Accounts Section, Nagpur.
4	The Budget Division (States Section), DEA, North Block, New Delhi.
5	The PAO, Department of Expenditure(DOE).
6	The Accountant General(A&E), concerned State Government(s).
7	The Accountant General(Audit), concerned State Government(s).
8	The Secretary(Finance), concerned State Government(s).
9	The Secretary(Panchayati Raj), concerned State Government(s).


(Subhash Chandra Meena)
Director(FCD)

Contd. on page-3.

Sl. No.	Name of the State	Amount (Rs. in lakh)	Grant component	Installment	Year
1	Andhra Pradesh	38780.00	<i>RLBs Basic Grant</i> (untied)	1 st	2021-22
2	Arunachal Pradesh	3400.00	-do-	-do-	-do-
3	Assam	23720.00	-do-	-do-	-do-
4	Bihar	74180.00	-do-	-do-	-do-
5	Chhattisgarh	21500.00	-do-	-do-	-do-
6	Gujarat	47240.00	-do-	-do-	-do-
7	Haryana	18700.00	-do-	-do-	-do-
8	Himachal Pradesh	6340.00	-do-	-do-	-do-
9	Jharkhand	24980.00	-do-	-do-	-do-
10	Karnataka	47540.00	-do-	-do-	-do-
11	Kerala	24060.00	-do-	-do-	-do-
12	Madhya Pradesh	58880.00	-do-	-do-	-do-
13	Maharashtra	86140.00	-do-	-do-	-do-
14	Manipur	2620.00	-do-	-do-	-do-
15	Mizoram	1380.00	-do-	-do-	-do-
16	Odisha	33380.00	-do-	-do-	-do-
17	Punjab	20520.00	-do-	-do-	-do-
18	Rajasthan	57080.00	-do-	-do-	-do-
19	Tamil Nadu	53320.00	-do-	-do-	-do-
20	Telangana	27300.00	-do-	-do-	-do-
21	Tripura	2820.00	-do-	-do-	-do-
22	Uttar Pradesh	144160.00	-do-	-do-	-do-
23	Uttarakhand	8500.00	-do-	-do-	-do-
24	West Bengal	65220.00	-do-	-do-	-do-
x	Total	891760.00	x	x	x


08.05.2024

