

AMOUNT TO BE CREDITED IN THE ACCOUNTS OF THE STATE GOVERNMENTS

F.13(01)/FCD/2018-19
Government of India
Ministry of Finance
Department of Expenditure
Finance Commission Division

Block No. XI, 5th Floor, CGO Complex,
New Delhi-110003.
Dated: 04/12/2018

To,
The Chief Controller of Accounts,
Department of Expenditure,
Ministry of Finance, North Block,
New Delhi-110001.

Subject: Release of **Basic grant** to the State Government(s) for Rural Local Bodies (RLBs) during **2018-2019** as recommended by the Fourteenth Finance Commission.

Sir,

I am directed to convey the approval of Government of India for release of **Rs.104349.50 Lakh** (Rupees One Thousand Forty Three Crore, Forty Nine Lakh and Fifty Thousand Only) as **Basic Grants for Rural Local Bodies** for the following State Government(s) and as per details given below, during 2018-2019 as per the recommendations of the Fourteenth Finance Commission:-

| | | | | (Rs. in Lakhs) |
|----------|-------------------------|----------------------------------|----------------|-----------------------|
| S/ No. | Name of the State | RLBs Basic Grant | Year | Amount to be released |
| 1. | Gujarat | 2nd instalment | 2018-19 | 86268.00 |
| 2. | Himachal Pradesh | 2nd instalment | 2018-19 | 18081.50 |
| x | Total | x | x | 104349.50 |

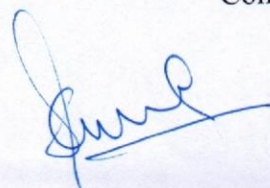
2. The aforementioned release of grants is based on the recommendations received from Ministry of Panchayati Raj, (MoPR), New Delhi.

3. You are requested to advise the Reserve Bank of India, Nagpur to credit the above amount to the accounts of the respective State Government(s) immediately.

4. The payments are adjustable in the accounts of the Ministry of Finance in Demand Grant No. 040 - Transfers to State and Union Territory Government(s) for the year **2018-2019** under Function Head **3601071020100**, Object Head 31, Scheme code **2084** as Grants-in-aid to States for Local Bodies Grants.

5. The State Government(s) is/are advised to ensure that grants are distributed as per the approved formula recommended in the latest State Finance Commission Report (SFC). However, in the absence of SFC formula, Grant should be distributed using population of 2011 Census with a weight of 90% and Area with a weight of 10%.

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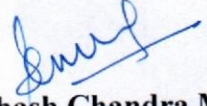


6. The State(s) need to transfer above amount(s) to Local Bodies **within fifteen days** of receipt from Central Government. Any delay will require the State Government(s) to release the instalment with interest, at bank rate of RBI, for number of days of delay.

7. Distribution and Utilization should be in consonance with the Local body Guidelines issued vide letter No. 13 (32)FFC/ FCD/2015-16, dated 8th October, 2015.

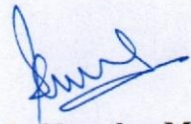
8. The action taken on this letter may be intimated to this Division.

Yours faithfully


(Subhash Chandra Meena)
Joint Director (FCD)
Tele: 24368543(O)

Copy to:

| Sl. No. | Name & address |
|---------|--------------------------------------------------------------------------------------------|
| 1. | The Secretary, RBI, Central Office, Mumbai-400001. |
| 2. | The Manager (RBI), Central Accounts Section, Nagpur-440001. |
| 3. | The Budget Division (States Section), DEA, North Block, New Delhi-110001. |
| 4. | The PAO, Department of Expenditure (DOE) North Block, New Delhi-110001. |
| 5. | The Secretary, Ministry of Panchayati Raj, Krishi Bhavan, New Delhi-110001. |
| 6. | The Accountant General (A&E), State Government concerned. |
| 7. | The Accountant General (Audit), State Government concerned. |
| 8. | The Secretary (Finance), State Government concerned. |
| 9. | The Secretary (Rural Development & Panchayati Raj Department), State Government concerned. |
| 10. | Resident Commissioner, State Governments concerned, New Delhi Office. |
| 11. | Asstt. Director (Hindi Section), D/o Expenditure, North Block, N.D. for Hindi version. |


(Subhash Chandra Meena)
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