

**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:-17-06-2020

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: Release of 1<sup>st</sup> instalment of Rural Local Bodies Basic grant (**untied**) to the State Government(s) 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 release of **Rs.15177.00 Crore** (Rupees Fifteen Thousand One Hundred Seventy Seven crore Only) to the State Government(s) as per details given in **Annexure-I (page-3)**, during 2020-21 as per the recommendations of the FC-XV;

2. The State Government(s) is/are advised to ensure that the aforementioned amount of Rs. **15177.00 crore** 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 Councils Boards(VCB)/Gram Sabhas(as the case may be) through the concerned Administrative departments/nodal departments looking after Panchayati Raj/ADC/VCB 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.
5. The States (State Finance Department) shall transfer grants-in-aid within ten working days of receipt from the Union Government without any deduction. Any delay beyond ten working days will require the State Governments to release the same with interest as per the effective rate of interest on market borrowings/State Development Loans (SDLs) for the previous year.



Contd.....2/-

6. The above basic grants are untied and can be used by the local bodies for location-specific felt needs, except for salary or other establishment expenditure.
7. The above local body grant will be governed as per the provisions in the Operational Guidelines issued on the subject vide OM No. F.15(2)FC-XV/FCD/2020-25, dated **01-06-2020**.
8. 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).
9. The payments are adjustable in the accounts of the Ministry of Finance in Demand Grant No. 038 - Transfers to State and Union Territory Government(s) for the year 2020-2021 under **Function Head 3601071020100, Object Head 31, Scheme code 2084 as Grants for Local Bodies(3.01 Rural Bodies)**.
10. The action taken on this letter may be intimated to this Division.



(Bhartendu Kumar Singh)  
Director (FCD)  
Tel. No. 24360647(O)

Copy to:

| Sl. No. | Name   |
|---------|--|
| 1       | The Secretary, RBI, Central office, Mumbai.                          |
| 2.      | The Manager, RBI, CAS, Nagpur.                                       |
| 3       | The Secretary, Ministry of Panchayati Raj, Krishi Bhawan, New Delhi. |
| 4       | The Manager, RBI, Central Accounts Section, Nagpur.                  |
| 5       | The Budget Division (States Section), DEA, North Block, New Delhi.   |
| 6       | The PAO, Department of Expenditure (DOE), North Block, New Delhi.    |
| 7       | The Accountant General (A&E), concerned State Government(s).         |
| 8       | The Accountant General (Audit), concerned State Government(s).       |
| 9       | The Secretary (Finance), concerned State Government(s).              |
| 10      | The Secretary (Panchayati Raj), concerned State Government(s).       |



(Bhartendu Kumar Singh)  
Director (FCD)  
Tel. No. 24360647(O)

ANNEXURE-I

RLB Release Sanction Order No.3/2020-21 dated 17/06/2020

| S. No. | Name of State     | Amount of 1 <sup>st</sup> instalment of RLB's Basic grant<br>(untied) for the year 2020-21<br><u>(Rs. in crore)</u> |
|--------|-------------------|---|
| 1      | Andhra Pradesh    | 656.25  |
| 2      | Arunachal Pradesh | 57.75   |
| 3      | Assam             | 401.00  |
| 4      | Bihar             | 1254.50   |
| 5      | Chhattisgarh      | 363.50  |
| 6      | Goa               | 18.75   |
| 7      | Gujarat           | 798.75  |
| 8      | Haryana           | 316.00  |
| 9      | Himachal Pradesh  | 107.25  |
| 10     | Jharkhand         | 422.25  |
| 11     | Karnataka         | 804.25  |
| 12     | Kerala            | 407.00  |
| 13     | Madhya Pradesh    | 996.00  |
| 14     | Maharashtra       | 1456.75   |
| 15     | Manipur           | 44.25   |
| 16     | Meghalaya         | 45.50   |
| 17     | Mizoram           | 23.25   |
| 18     | Nagaland          | 31.25   |
| 19     | Orissa            | 564.50  |
| 20     | Punjab            | 347.00  |
| 21     | Rajasthan         | 965.50  |
| 22     | Tamil Nadu        | 901.75  |
| 23     | Telangana         | 461.75  |
| 24     | Tripura           | 47.75   |
| 25     | Uttar Pradesh     | 2438.00   |
| 26     | Uttarakhand       | 143.50  |
| 27     | West Bengal       | 1103.00   |
|        | <b>Total</b>      | <b>15177.00</b>   |

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