

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:-27-01-2021

To,

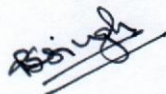
The Accounts Officer (State- Loan),
O/o the Chief Controller of Accounts,
Department of Expenditure,
Ministry of Finance, North Block,
New Delhi-110001.

Subject: Release of Rural Local bodies 2nd installment of Basic grant(untied) for the year 2020-21 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. **1234100.00** Lakh (Rupees Twelve Thousand Three Hundred Forty One crore Only) as Rural Local bodies 2nd installment of Basic grant(untied) for the year 2020-21 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;

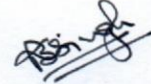
2. The State Government(s) is/are advised to ensure that the aforementioned amount of Rs. **1234100.00** lakh is allocated to General Areas and Excluded Areas, if any (where Part IX & IXA of the constitution does not apply) within the State using population of 2011 Census with a weight of 90% and Area 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(VCB)/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.
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.
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).

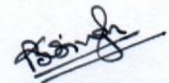
10. The action taken on this letter may be intimated to this Division.



(Bhartendu Kumar Singh)
Director(FCD)
24360647(O)

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).
10	The Assistant Director(Official language), DOE, North Block, New Delhi (for Hindi translation).



(Bhartendu Kumar Singh)
Director(FCD)
24360647(O)

Annexure-I

S. No.	Name of State	Amount (Rs. in lakh)	RLBs Basic Grant (untied)	2 nd Installment	Year 2020-21
1	Andhra Pradesh	65625.00	-do-	-do-	-do-
2	Bihar	125450.00	-do-	-do-	-do-
3	Chhattisgarh	36350.00	-do-	-do-	-do-
4	Gujarat	79875.00	-do-	-do-	-do-
5	Haryana	31600.00	-do-	-do-	-do-
6	Himachal Pradesh	10725.00	-do-	-do-	-do-
7	Jharkhand	42225.00	-do-	-do-	-do-
8	Karnataka	80425.00	-do-	-do-	-do-
9	Kerala	40700.00	-do-	-do-	-do-
10	Madhya Pradesh	99600.00	-do-	-do-	-do-
11	Maharashtra	145675.00	-do-	-do-	-do-
12	Orissa	56450.00	-do-	-do-	-do-
14	Telangana	46175.00	-do-	-do-	-do-
15	Tripura	4775.00	-do-	-do-	-do-
16	Uttar Pradesh	243800.00	-do-	-do-	-do-
17	Uttarakhand	14350.00	-do-	-do-	-do-
18	West Bengal	110300.00	-do-	-do-	-do-
x	Total	1234100.00	-do-	-do-	-do-

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