

AMOUNT TO BE CREDITED IN THE ACCOUNTS OF THE STATE GOVERNMENTS

released vide IGA No. 619-16
22-06-2016

F.13(9)FFC/FCD/2015-16
Government of India
Ministry of Finance
Department of Expenditure
Finance Commission Division

[Signature]
AO/S. A/O
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Block No. XI, 5th Floor, CGO Complex,
New Delhi-110003, 22/06/2016

To,

The Chief Controller of Accounts,
Department of Economic Affairs,
Ministry of Finance, North Block,
New Delhi-110001

Subject: Release of Basic grant to the State Government(s) for Urban Local Bodies(ULBs) during 2016- 2017 as recommended by the Fourteenth Finance Commission.

Sir,

I am directed to convey the approval of Government of India for release of Rs. 1340.50 Lakh (Rupees Thirteen Crore, Forty Lakh and Fifty Thousand Only) as basic grant for Urban Local Bodies of the following State Government(s) and as per details given below, during 2016-2017 as per the recommendations of the Fourteenth Finance Commission:-

(Rs. in Lakhs)

Sl. No.	Name of the State	Urban Local Bodies	Installment	Year
1	Himachal Pradesh	1340.50	1st	2016-17

- The State Government(s) are advised to ensure that grants are distributed as per the approved formula recommended in the latest State Finance Commission Report(SFC). However, in case the SFC formula is not available, then the share should be distributed using 2011 population with a weight of 90% and Area with a weight of 10%.
- State(s) have 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.
- Distribution and Utilisation should be in consonance with the Local body Guidelines issued vide letter No. 13(32)FFC/ FCD/2015-16, dated 8th October, 2015.
- 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).
- The payments are adjustable in the accounts of the Ministry of Finance in Demand No. 32 - Transfers to State and Union Territory Government(s) for the year 2016-2017 under the Major Head 3601.01.104.22.02.31 as Grants-in-aid to States for Local Bodies Grants.
- The action taken on this letter may be intimated to this Division.


Yours faithfully

[Signature]

(A. K. Sachdeva)
Deputy Secretary (FCD)
Tele: 011-24362405(O)

Copy To:

Sl. No.	Name
1	The Secretary, RBI, Central office, Mumbai.
2	The Secretary, Ministry of Urban Development, Nirman 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), Government of Himachal Pradesh .
7	The Accountant General(Audit), Government of Himachal Pradesh .
8	The Secretary(Finance), Government of Himachal Pradesh .
9	The Secretary(Urban Development), Government of Himachal Pradesh .


(A. K. Sachdeva)
Deputy Secretary (FCD)
Tele: 011-24362405(O)