

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: 23/07/2018

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 **Urban Local Bodies (ULBs)** during 2018- 2019 as recommended by the Fourteenth Finance Commission.

Sir,

I am directed to convey the approval of Competent Authority in the Government of India for release of **Rs.98254.79 Lakh** (Rupees Nine Hundred Eighty Two Crore, Fifty Four Lakh and Seventy Nine Thousand Only) as **Basic Grant** for **Urban Local Bodies** to 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)

Sl./No.	Name of the State	ULBs Basic Grant	Year	Amount to be released
1.	Andhra Pradesh	1 st instalment	2018-19	29353.18
2.	Himachal Pradesh	1 st instalment	2018-19	1792.00
3.	Madhya Pradesh	1 st instalment	2018-19	45972.00
4.	Mizoram	1 st instalment	2018-19	1067.50
5.	Odisha	1 st instalment	2018-19	14636.36
6.	Uttarakhand	1 st instalment	2018-19	5433.75
x	Total	x	x	98254.79

2. The aforementioned releases of grants to States are based on the recommendations received from Ministry of Housing & Urban Affair.
3. You are requested to advise the Reserve Bank of India, Nagpur to credit the above amounts to the accounts of the respective State Government(s).
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 **3601071030100**, Object Head 31, Scheme code **2085** as Grants-in-aid to States for Local Bodies Grants.
5. 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%.

Contd....2/-

6. 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.
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



(Bhartendu Kumar Singh)
Director (FCD)
Tele: 011-24360647(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 Housing & Urban Affairs, Nirman Bhawan, New Delhi-110011.
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 (Urban Development), State Government concerned.
10.	Resident Commissioner, State Government concerned, New Delhi Office.
11.	Asstt. Director (Hindi Section), D/o Expenditure, North Block, N.D. for Hindi version.



(Bhartendu Kumar Singh)
Director (FCD)
Tele: 011-24360647(O)