

AMOUNT TO BE CREDITED IN THE ACCOUNTS OF THE STATE GOVERNMENTS

1282-19 F.13(01)/FCD/2019
Government of India
Ministry of Finance
Department of Expenditure
Finance Commission Division
Dated: 16/12/2019

Block No. XI, 5th Floor, CGO Complex,
New Delhi-110003.
Dated: 16/12/2019

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 **2019-20** 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.190868.10 Lakh (Rupees One Thousand Nine Hundred Eight Crore, Sixty Eight Lakh and Ten Thousand Only)** as **Basic Grant for Urban Local Bodies** to the following State Government(s) and as per details given below, during **2019-20** 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.	Chhattisgarh	1 st instalment	2019-20	19054.50
2.	Himachal Pradesh	1 st instalment	2019-20	2421.00
3.	Kerala	2 nd instalment	2019-20	43971.00
4.	Odisha	2 nd instalment	2019-20	2425.47
5.	Rajasthan	2 nd instalment	2019-20	54156.50
6.	West Bengal *	1 st instalment	2019-20	68839.63
	Total	X	X	190868.10

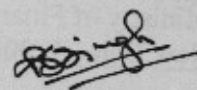
*MoH&UA have recommended release of grant on proportionate basis.

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. **038** - Transfers to State and Union Territory Government(s) for the **year 2019-20** under Function Head **3601071030100**, Object Head 31, Scheme code **2085** as Grants-in-aid to States for Local Bodies Grants.

Contd.....2/-

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%.
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)
Tel: 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 and Urban Affairs, Nirman Bhavan, New Delhi-110001.
6.	The Accountant General (A&E), State Governments concerned.
7.	The Accountant General (Audit), State Governments concerned.
8.	The Secretary (Finance), State Governments concerned.
9.	The Secretary (Urban Development & Housing 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.



(Bhartendu Kumar Singh)
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