

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE

**RAJYA SABHA**  
**UNSTARRED QUESTION No. 2306**

Answered on Tuesday, December 06, 2016/Agrahayana 15, 1938(SAKA)

**Funds released under Thirteenth and Fourteenth Finance Commission**

2306. SHRI PALVI GOVARDHAN REDDY.

Will the Minister of FINANCE be pleased to state:

- (a) the details of funds recommended by the Thirteenth Finance Commission to Urban Local Bodies(ULBs), local body- wise;
- (b) whether all the funds have been released to ULBs under the Thirteenth FC;
- (c) the details of funds recommended by the Fourteenth Finance Commission to various Urban Local Bodies, local body-wise; and
- (d) the details of funds so far released under Fourteenth Finance Commission in the first two years of its award period, local body-wise, with particular reference to Telangana and Andhra Pradesh?

**ANSWER**

**MINISTER OF STATE FOR FINANCE**  
**(SHRI ARJUN RAM MEGHWAL)**

(a) & (b) Thirteenth Finance Commission(FC-XIII) has inter alia recommended General Basic Grant equivalent to 1.5 per cent of the previous year's divisible pool of taxes to Urban Local Bodies(ULBs) which worked out to Rs.15311.42 crore for all States during its five year award period from 2010-11 to 2014-15. Besides, FC-XIII also recommended General Performance Grant for ULBs for a period of four years starting from 2011-12 at the rate of 0.50 per cent and 1 per cent thereafter, up to 2014-15, of the corresponding previous year's divisible pool of taxes which worked out to Rs.8075.7341 crore for all States. FC-XIII did not allocate local body wise funds but States were mandated to distribute these grants to Local bodies by using the formula given by the respective State Finance Commissions. Urban Local body grant of Rs. 18980.31 crore including Rs.13971.03 crore as Basic Grant and Rs. 5009.28 crore as Performance Grant were released to States during FC-XIII award period. Thus, out of the allocated Urban Local body grant of Rs. 23387.15 crore, Rs. 18980.31 crore was released to States before the expiry of the 13<sup>th</sup> FC award period.

(c) & (d) The Fourteenth Finance Commission(FC-XIV) has inter-alia, recommended a Grant- in Aid of Rs. 87,143.80 crore for duly constituted ULBs for its Award period 2015-16 to 2019-20, out of which, Rs. 69,715.03 crore has been allocated as Basic Grant for five year award period and Rs.17,428.76 crore as Performance Grant for four years i. e. 2016-17 to 2019-20. FC-XIV has not allocated Local body–wise funds but States have been mandated to distribute these grants to Local bodies by using the formula given by the respective State Finance Commissions or in its absence population Census, 2011 figures with 90% weightage and Area with 10% weightage. Urban Local bodies Basic grant of Rs. 11512.99 crore to States including Rs. 291.96 crore to Telangana and Rs. 548.88 crore to Andhra Pradesh has been released in the first two years of the award period of FC-XIV upto 30-11-2016.

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