

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
RAJYA SABHA
UNSTARRED QUESTION NO. 1530
ANSWERED ON 12.03.2025

15TH FINANCE COMMISSION GRANTS FOR RURAL LOCAL BODIES

1530# DR. KALPANA SAINI:

SHRI SADANAND MHALU SHET TANAVADE:

SMT. MAHUA MAJI:

SHRI NARESH BANSAL:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether Government has taken steps to monitor the State-wise distribution of funds especially Bihar, Punjab, Uttarakhand and Chhattisgarh under the 15th Finance Commission Grants, if so, the details thereof;
- (b) whether Government has established any mechanism to ensure the equitable distribution of these grants, considering the population size and rural development needs of different States, if so, the details thereof; and
- (c) whether there are any proposed policy adjustments to enhance the efficiency, transparency and impact of fund utilization in future disbursements, if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR PANCHAYATI RAJ

(PROF. S.P. SINGH BAGHEL)

(a) The Ministry of Panchayati Raj has implemented several measures to monitor the state-wise distribution and utilization of XV FC Grants, including in Bihar, Punjab, Uttarakhand, and Chhattisgarh. The Ministry of Panchayati Raj (MoPR) conducts regular meetings and communication with the states to provide handholding support to ensure Rural Local Bodies (RLBs), fulfil all eligibility conditions for the timely release of grants. To enhance transparency and accountability, the Ministry rolled out the eGramSwaraj application, which enables tracking of XV FC funds to Panchayats/RLBs and monitors payments to vendors through the PFMS interface. Additionally, all assets created using these grants are geo-tagged via the *mActionSoft* app. The *AuditOnline* portal further supports this by enabling the timely online audit of Panchayat/RLB accounts and promoting financial accountability. The Ministry has also constituted a Coordination Committee for XV FC which plays a critical role in overseeing fund utilization, providing guidance on implementation issues, and addressing challenges faced by states and RLBs. Together, these initiatives ensure the efficient and

transparent utilization of XV FC Grants.

(b) The Fifteenth Finance Commission has recommended the allocation of Rs. 60,750 crore for FY 2020-21 and Rs.2,36,805 crore for the period of 15thFC i.e. 2021-2026 to the Rural Local Bodies (RLBs). The State-wise allocation of Fifteenth Finance Commission Grants to the Rural Local Bodies for the period 2020-21 to 2025-26 is furnished at Annexure. The criterion for allocation of funds adopted by the Central Finance Commission includes:

(i) Inter-se distribution amongst the States is with a weight of 90 percent on population and 10 percent on the areas of the States. All three tiers in the Panchayats shall receive the grants.

(ii) In respect of the allotment of grants for excluded areas in a State exempted from the purview of Part IX and Part IX-A of the Constitution, the concerned State shall make allocations on the basis of population and area in the ratio of 90:10.

(c) The Ministry of Panchayati Raj has been promoting technology as a tool to enhance transparency in the functioning of PRIs. The Ministry has been making efforts to promote greater transparency in procurement in Panchayats through the eGramSwaraj-GeM Interface. The interface has enabled all the Panchayats to utilize XV Finance Commission grants to procure their items/services through GeM and make plans/payments through eGramSwaraj in a seamless manner. Further strengthening the principle of accountability and transparency; the Ministry has developed mechanism for a more structured culmination to the online audit process by incorporating the Action Taken Report (ATR) Module in the AuditOnline application.

Annexure

Annexure referred to in reply to part (b) of the Rajya Sabha Unstarred Question No. 1530 answered on 12.03.2025.

State-wise allocation of Fifteenth Finance Commission Grants to the Rural Local Bodies for the period 2020-21 to 2025-26.

(Rs. in crore)

Sl. No.	State/Year	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	Andhra Pradesh	2625.00	1939.00	2010.00	2031.00	2152.00	2099.00
2	Arunachal Pradesh	231.00	170.00	177.00	179.00	189.00	185.00
3	Assam	1604.00	1186.00	1228.00	1241.00	1315.00	1283.00
4	Bihar	5018.00	3709.00	3842.00	3884.00	4114.00	4012.00
5	Chhattisgarh	1454.00	1075.00	1114.00	1125.00	1192.00	1163.00
6	Goa	75.00	55.00	57.00	58.00	62.00	61.00
7	Gujarat	3195.00	2362.00	2446.00	2473.00	2619.00	2555.00
8	Haryana	1264.00	935.00	968.00	979.00	1036.00	1011.00
9	Himachal Pradesh	429.00	317.00	329.00	332.00	352.00	343.00
10	Jharkhand	1689.00	1249.00	1293.00	1307.00	1385.00	1351.00
11	Karnataka	3217.00	2377.00	2463.00	2490.00	2637.00	2572.00
12	Kerala	1628.00	1203.00	1246.00	1260.00	1334.00	1301.00
13	Madhya Pradesh	3984.00	2944.00	3050.00	3083.00	3265.00	3185.00
14	Maharashtra	5827.00	4307.00	4461.00	4510.00	4776.00	4659.00
15	Manipur	177.00	131.00	135.00	137.00	145.00	142.00
16	Meghalaya	182.00	135.00	140.00	141.00	149.00	146.00
17	Mizoram	93.00	69.00	71.00	72.00	76.00	74.00
18	Nagaland	125.00	92.00	96.00	97.00	102.00	99.00
19	Odisha	2258.00	1669.00	1728.00	1747.00	1851.00	1805.00
20	Punjab	1388.00	1026.00	1062.00	1074.00	1138.00	1110.00
21	Rajasthan	3862.00	2854.00	2957.00	2989.00	3166.00	3087.00
22	Sikkim	42.00	31.00	33.00	33.00	35.00	33.00
23	Tamil Nadu	3607.00	2666.00	2761.00	2791.00	2957.00	2884.00
24	Telangana	1847.00	1365.00	1415.00	1430.00	1514.00	1477.00
25	Tripura	191.00	141.00	147.00	148.00	157.00	153.00
26	Uttar Pradesh	9752.00	7208.00	7466.00	7547.00	7994.00	7797.00
27	Uttarakhand	574.00	425.00	440.00	445.00	471.00	458.00
28	West Bengal	4412.00	3261.00	3378.00	3415.00	3617.00	3528.00
	Total	60750.00	44901.00	46513.00	47018.00	49800.00	48573.00
