

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
RAJYA SABHA
UNSTARRED QUESTION NO. 1207
ANSWERED ON 10.12.2025

GRANT GIVEN TO GRAM PANCHAYATS IN THE STATE OF BIHAR

1207. # DR. BHIM SINGH:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) the quantum of Central grant provided to Gram Panchayats of the State of Bihar in the last three years on the recommendations of the Finance Commission and the purposes for which these funds were earmarked;
- (b) whether Gram Panchayats have prioritized the works such as drinking water, sanitation, road repair, solid waste management and construction of public buildings under these grants; and
- (c) the districts of the State of Bihar where Panchayats have not made the expected progress in achieving the development goals set by them and the special monitoring or assistance schemes being implemented by Government targeting these districts?

ANSWER

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

(a) and (b): The year-wise allocation of release of grants under the 15th Finance Commission for the State of Bihar, in the last three years, i.e 2022 -23 to 2024-25, is as follows:

(Rs. in Crores)

State	2022-23		2023-24		2024-25	
	Allocation	Release	Allocation	Release	Allocation	Release
Bihar	3842.00	3842.00	3884.00	3855.33	4114.00	4109.01

Fifteenth Finance Commission (XV FC) Grants are provided to the Rural Local Bodies (RLBs) in all three tiers of Panchayats and Traditional Bodies in 28 States. XV FC Grants have two components; namely, Basic (Untied) Grants and Tied Grants. The Basic (Untied) grants can be used for felt needs of basic facilities under the 29 subjects enshrined in the 'Eleventh Schedule' of the Constitution of India, except for salaries and other establishment

costs. The Tied Grants are to be utilised for basic facilities, specifically, for drinking water and sanitation.

(c): Panchayat, being “Local Government”, is a State subject and part of the State List of the Seventh Schedule of the Constitution of India. Panchayats are set up and operate through the respective State Panchayati Raj Acts, which may vary from State to State, subject to the provisions of the Constitution. The performance and development of the Panchayats, including those of the State of Bihar, depend on the extent of powers and resources devolved to them by the States concerned. Accordingly, all matters relating to Panchayats, including effective functioning of Panchayati Raj Institutions (PRIs), strengthening the institutional mechanism to ensure the accountability of PRIs towards people and their performance monitoring and evaluation, come within the jurisdiction of the State Government.

However, the Aspirational Districts Programme launched on 5th January 2018 by the Government of India and anchored by NITI Aayog, aims to bring transformative changes in the most underdeveloped districts of India called Aspirational Districts. There are 112 Aspirational Districts across 26 States and 1 Union Territory, including the State of Bihar. The programme monitors the progress of Aspirational Districts on 49 Key Performance Indicators (KPIs) across sectors such as Health and Nutrition, School Education, Agriculture and Water Resources, Financial Inclusion and Skill Development and Basic Infrastructure. The programme envisages to bring development by improving such performance indicators which are critical for improving the quality of life or economic productivity of citizens. In Bihar, there are a total of 13 Aspirational Districts, namely Araria, Aurangabad, Banka, Begusarai, Gaya, Jamui, Katihar, Khagaria, Muzaffarpur, Nawada, Purnia, Sheikhpura, and Sitamarhi.

Further, to ensure transparency and accountability in the utilisation of Central Finance Commission grants by Panchayati Raj Institutions in the States, in April 2020, the Ministry launched the eGramSwaraj web portal (<https://egramswaraj.gov.in>), which integrates all financial functions of Panchayats—from planning to payment. The progress data obtained from this system is displayed on the portal for concurrent monitoring at the State, District, and Block levels.

States can utilize the eGramSwaraj application to oversee the use of Central Finance Commission grants systematically. Through its Planning module, States track how PRIs incorporate local needs into their development plans, ensuring alignment with budgetary provisions for their developmental goals. The Progress Reporting module enables monitoring of physical and financial progress related to grant-funded activities, while the accounting module ensures detailed tracking of financial transactions and expenditure patterns. Together, these features provide States with a comprehensive understanding of grant utilization, enabling more effective and transparent allocation and management of resources towards the achievement of developmental goals.
