

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
RAJYA SABHA
UNSTARRED QUESTION NO-253
ANSWERED ON- 21/07/2026

FIFTEENTH FINANCE COMMISSION GRANTS TO KARNATAKA

253. SHRI AJAY MAKAN:

Will the Minister of FINANCE be pleased to state:

- (a) the grants recommended for rural local bodies in Karnataka under the 15th Finance Commission for the years 2024-25 and 2025-26;
- (b) whether an amount of about ₹ 2,860 crore in such grants for Gram Panchayats in Karnataka is pending release, if so, the reasons therefor;
- (c) the tied and untied grants actually released to Karnataka's rural local bodies in each of the last three years; and
- (d) the timeline for release of the pending grants?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The 15th Finance Commission (15th FC) had recommended Rs. 2637.00 Crores and Rs. 2572.00 Crores of grants-in-aid for Rural Local Bodies in Karnataka for the years 2024-25 and 2025-26 respectively.

(b): Ministry of Finance, Department of Expenditure releases Rural Local Body (RLB) Grant to States including Karnataka, on the basis of recommendations of the concerned Nodal Ministry(ies) subject to the fulfilment of stipulated conditions as per the extant guidelines. Presently, no recommendation for release of RLB Grant to Karnataka is pending with this Department.

(c): The details of RLB (tied & untied) grant released to the State of Karnataka in last three years are as under:

Year	RLB Grant	
	Untied Grant	Tied Grant
2023-24	844.54	1242.05
2024-25	853.26	1279.99
2025-26	0.00*	0.00*

*No recommendation was received for release of RLB grant from Nodal Ministry(ies).

(d): The States can avail 15th FC recommended RLB Grant within award period i.e from FY 2021-22 to FY 2025-26. The award period of 15th FC has ended on 31.03.2026. From 1st April, 2026, funds recommended by the 16th Finance Commission for the Rural Local Bodies are being released to all the States including Karnataka on the basis of the recommendations of Nodal Ministry(ies) and in compliance with the extant guidelines.
