

GOVERNMENT OF INDIA  
MINISTRY OF PANCHAYATI RAJ  
**LOK SABHA**  
**UNSTARRED QUESTION NO.1099**  
TO BE ANSWERED ON 21.12.2017

**Allocations to Panchayats**

**1099. SHRI PRAHLAD SINGH PATEL:**

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) the details of the allocations made to Panchayats and Nagar Palikas during the last two years in Madhya Pradesh;
- (b) whether they are facing financial crunch; and
- (c) if so, the steps taken by the Government to meet the situation?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF PANCHAYATI RAJ  
(SHRI PARSHOTTAM RUPALA)

(a) The details of the allocations made to Gram Panchayats and Nagar Palikas by Central Government under the Fourteenth Finance Commission (FFC) Award during the last two years in Madhya Pradesh is given in **Annexure**.

(b) and (c) Under Fourteenth Finance Commission award (2015-20) grants to the tune of Rs.2,87,436 crore have been allocated to local bodies duly constituted under Part IX and IXA of the Constitution viz., Rs. 2,00,292.20 crore and Rs. 87,143.80 crore to Gram Panchayats and Municipalities respectively which is more than three times the allocation under the Thirteenth Finance Commission award. It may also be seen from the annexure that allocation to local bodies in Madhya Pradesh has increased substantially. No Grants have been allocated to District and Intermediate (Block/Mandal) Panchayats under FFC award. The State Governments are expected to take care of the needs of District and Intermediate Panchayats from the enhanced fiscal space made available to them by the FFC on account of higher devolution from 32% to 42% of the Union Government's net tax receipts. State Governments are also expected to transfer a certain percentage of their own tax and non-tax revenues to local bodies based on the recommendations of their State Finance Commissions.

Ministry of Housing and Urban Affairs have informed that most Urban Local Bodies (ULBs) in the country are financially constrained. Urban Development is a State subject and Government of India only facilitates the State Governments and ULBs through various programmes, schemes and guidelines.

To improve the financial condition and governance of the ULBs and RLBs, (Panchayats of all levels) financial assistance is extended to States under various programmes such as Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Smart Cities Mission, Swachh Bharat Mission, Heritage City Development and Augmentation Yojana (HRIDAY), Pradhan Mantri Awas Yojana (PMAY)-Housing for All (Urban) and Deendayal Antyodaya Yojana-National Urban Livelihood Mission (DAY-NULM), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Deendayal Antayodaya Yojana- National Rural Livelihoods Mission (DAY-NRLM) etc.

**Annexure**

**(Annexure referred to in reply to Part (a) of the Lok Sabha Unstarred Question No.1099 to be answered on 21.12.2017)**

**Details of the allocations made to Panchayats and Nagar Palikas under FFC award during the last two years in Madhya Pradesh.**

(Rs. in crore)

Sl. No.	Local Body	2015-16	2016-17
1	Gram Panchayats	1463.61	2292.46
2	Nagar Palikas	496.79	890.91

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