

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO. 3104
ANSWERED ON 22.03.2022

LACK OF ADEQUATE FUNDS TO GRAM PANCHAYATS

†3104. SHRI BALAK NATH:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the Government has issued any suggestion to the States that Gram Panchayats may give their assets on lease to mobilise revenue and if so, the details thereof along with the reasons therefor;
- (b) whether Gram Panchayats are facing hurdles in the way of infrastructure and development related activities due to the lack of adequate financial resources and delay in issuance of funds by the Government and if so, the details thereof; and
- (c) the details of the measures being taken by the Government to ensure adequate and timely availability of funds to Gram Panchayats in the country?

ANSWER

THE MINISTER OF STATE FOR PANCHAYATI RAJ

(SHRI KAPIL MORESHWAR PATIL)

(a) Ministry of Panchayati Raj (MoPR), in its advisory dated 16.08.2021 issued on the subject of 'Making Gram Sabha Vibrant', has suggested a sample calendar indicating the month-wise topics to be covered for discussion in the Gram Sabha agenda. In this calendar, one of the subjects suggested for review by the Gram Panchayat is also lease of common property assets for improving panchayat's Own Sources of Revenue (OSR).

(b) and (c) Article 243G of the Constitution provides for powers, authority and responsibilities of Panchayats wherein it prescribes that the Legislature of a State may, by law, endow panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain provisions for the devolution of powers and responsibilities upon panchayats, at the appropriate level, subject to such conditions as may be specified therein, with respect to-

- the preparation of plans for economic development and social justice;
- the implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule.

These provisions enable the Panchayats to implement adequate infrastructural and developmental activities with the funds devolved to them. Under the Fourteenth Finance Commission for the award period 2015-2020, Grants of Rs. 2,00,292.20 crore were allocated to the Gram Panchayats in 26 States which was more than three times the corresponding allocation of Thirteenth Finance Commission. Under Fifteenth Finance Commission, Grants to the tune of Rs. 60,750 crore are allocated for the interim period FY 2020-21 and Rs.2,36,805 Crore are allocated for the period FY 2021-26 to

Panchayats in all the three tiers and Traditional Local Bodies and Sixth Schedule areas in 28 States. The Grants are in two parts, namely, Basic (Untied) Grants and Tied Grants. The Untied Grants can be utilised for felt needs on 29 subjects enshrined under Schedule XI of the Constitution. The Tied Grants are to be utilised for the national focus areas of Water and Sanitation. Details of the State-wise allocation and release of Fourteenth Finance Commission and Fifteenth Finance Commission Grants are given at **Annexure-I** and **Annexure-II** respectively.

Release of grants under the Fifteenth Finance Commission is subject to submission of utilization certificates / grant transfer certificate for the previous instalments drawn along with compliance of other stipulated conditions by the States. Funds under the Rashtriya Gram Swaraj Scheme are released to States on the basis of approved plans, submission of requisite documents viz. Utilization Certificate, Auditor's Report etc and compliance of other directions as and when issued by Government of India.

Annexure-I

Annexure referred to in reply to part (b) and(c) of the Lok Sabha Unstarred Question No. 3104 answered on 22.03.2022

Allocation and Release of Fourteenth Finance Commission Grants to the States for Gram Panchayats

(Rs. in crore)

Sl. No.	States	2015-16		2016-17		2017-18		2018-19		2019-20	
		Allocation	Release	Allocation	Release	Allocation	Release	Allocation	Release	Allocation	Release
1	Andhra Pradesh	934.34	928.41	1463.45	1454.05	1686.85	1675.88	1947.32	1729.23	2622.13	2336.56
2	Arunachal Pradesh	88.52	88.52	138.66	138.45	159.82	141.14	184.49	163.83	248.44	221.38
3	Assam	584.80	584.80	915.98	915.98	1055.80	1055.80	1218.82	1082.32	1641.19	1462.45
4	Bihar	2269.18	2269.18	3554.23	3142.08	4096.80	3630.39	4729.38	4199.71	6368.25	5674.70
5	Chhattisgarh	566.18	566.18	886.82	886.82	1022.18	1022.18	1180.02	1047.86	1588.94	1415.89
6	Goa	14.44	14.44	22.62	22.62	26.07	26.07	30.10	26.73	40.53	36.12
7	Gujarat	932.25	932.25	1460.18	1460.18	1683.08	1683.08	1942.96	1725.36	2616.26	2331.33
8	Haryana	419.28	419.28	656.72	656.72	756.98	756.98	873.86	775.99	1176.68	1048.53
9	Himachal Pradesh	195.39	195.39	306.05	306.05	352.76	312.60	407.24	361.63	548.36	488.64
10	Jammu & Kashmir	373.96	367.72	585.73	474.41	675.15	470.97	779.40	544.83	1049.49	0.00
11	Jharkhand	652.83	652.83	1022.53	1022.53	1178.63	1044.45	1360.62	1208.24	1832.12	1632.59
12	Karnataka	1002.85	972.36	1570.77	1547.66	1810.55	1784.26	2090.10	1841.54	2814.39	2504.13
13	Kerala	433.76	433.76	679.40	679.39	783.12	773.54	904.03	802.78	1217.30	1084.73
14	Madhya Pradesh	1463.61	1463.61	2292.46	2292.46	2642.40	2638.21	3050.41	2708.78	4107.48	3660.14
15	Maharashtra	1623.32	1623.32	2542.61	2542.61	2930.76	2597.10	3383.28	3004.37	4555.70	4059.55
16	Manipur	22.25	22.25	34.84	34.84	40.16	40.16	46.36	41.17	62.43	55.63
17	Odisha	955.52	955.52	1496.64	1496.64	1725.11	1725.11	1991.48	1768.44	2681.59	2389.54
18	Punjab	441.70	441.70	691.84	691.85	797.45	706.66	920.58	817.48	1239.58	1104.58
19	Rajasthan	1471.95	1471.95	2305.52	2305.52	2657.47	2657.47	3067.80	2724.22	4130.90	3681.01
20	Sikkim	16.03	16.04	25.11	25.11	28.95	28.95	33.41	29.67	44.99	40.09
21	Tamil Nadu	947.65	947.65	1484.31	1484.31	1710.90	1516.12	1975.07	1753.87	2659.50	1821.11
22	Telangana	580.34	580.34	908.99	908.99	1047.75	1047.75	1209.53	1071.59	1628.68	1451.30
23	Tripura	36.24	36.24	56.76	56.76	65.43	65.43	75.53	67.07	101.71	90.63
24	Uttar Pradesh	3862.60	3852.60	6050.02	6034.33	6973.57	6179.65	8050.34	7148.74	10840.04	9659.47
25	Uttarakhand	203.26	203.26	318.37	318.37	366.97	346.77	423.64	376.19	570.44	508.31
26	West Bengal	1532.21	1470.86	2399.91	2319.48	2766.26	2369.18	3193.39	2740.69	4300.01	3703.25
	Total	21624.46	21510.46	33870.52	33218.21	39040.97	36295.90	45069.16	39762.32	60687.13	52461.65

Annexure-II

Annexure referred to in reply to part (b) and(c) of the Lok Sabha Unstarred Question No. 3104 answered on 22.03.2022

Allocation and release of Fifteenth Finance Commission Grants to the States for Rural Local Bodies

(Rs. in crore)

Sl. No.	States	2020-21		2021-22		2022-23	2023-24	2024-25	2025-26
		Allocation	Release	Allocation	Release	Allocation	Allocation	Allocation	Allocation
1	Andhra Pradesh	2625.00	2625.00	1939.00	969.50	2010.00	2031.00	2152.00	2099.00
2	Arunachal Pradesh	231.00	231.00	170.00	85.00	177.00	179.00	189.00	185.00
3	Assam	1604.00	1604.00	1186.00	593.00	1228.00	1241.00	1315.00	1283.00
4	Bihar	5018.00	5018.00	3709.00	3709.00	3842.00	3884.00	4114.00	4012.00
5	Chhattisgarh	1454.00	1454.00	1075.00	752.50	1114.00	1125.00	1192.00	1163.00
6	Goa	75.00	75.00	55.00	27.50	57.00	58.00	62.00	61.00
7	Gujarat	3195.00	3195.00	2362.00	1181.00	2446.00	2473.00	2619.00	2555.00
8	Haryana	1264.00	1264.00	935.00	467.50	968.00	979.00	1036.00	1011.00
9	Himachal Pradesh	429.00	429.00	317.00	158.50	329.00	332.00	352.00	343.00
10	Jharkhand	1689.00	1689.00	1249.00	624.50	1293.00	1307.00	1385.00	1351.00
11	Karnataka	3217.00	3217.00	2377.00	1662.41	2463.00	2490.00	2637.00	2572.00
12	Kerala	1628.00	1628.00	1203.00	842.10	1246.00	1260.00	1334.00	1301.00
13	Madhya Pradesh	3984.00	3984.00	2944.00	1472.00	3050.00	3083.00	3265.00	3185.00
14	Maharashtra	5827.00	5827.00	4307.00	2153.50	4461.00	4510.00	4776.00	4659.00
15	Manipur	177.00	177.00	131.00	65.50	135.00	137.00	145.00	142.00
16	Meghalaya	182.00	182.00	135.00	0.00	140.00	141.00	149.00	146.00
17	Mizoram	93.00	93.00	69.00	34.50	71.00	72.00	76.00	74.00
18	Nagaland	125.00	125.00	92.00	46.00	96.00	97.00	102.00	99.00
19	Odisha	2258.00	2258.00	1669.00	1669.00	1728.00	1747.00	1851.00	1805.00
20	Punjab	1388.00	1388.00	1026.00	513.00	1062.00	1074.00	1138.00	1110.00
21	Rajasthan	3862.00	3862.00	2854.00	1997.80	2957.00	2989.00	3166.00	3087.00
22	Sikkim	42.00	42.00	31.00	31.00	33.00	33.00	35.00	33.00
23	Tamil Nadu	3607.00	3607.00	2666.00	2666.00	2761.00	2791.00	2957.00	2884.00
24	Telangana	1847.00	1847.00	1365.00	682.50	1415.00	1430.00	1514.00	1477.00
25	Tripura	191.00	191.00	141.00	98.70	147.00	148.00	157.00	153.00
26	Uttar Pradesh	9752.00	9752.00	7208.00	5045.60	7466.00	7547.00	7994.00	7797.00
27	Uttarakhand	574.00	574.00	425.00	294.98	440.00	445.00	471.00	458.00
28	West Bengal	4412.00	4412.00	3261.00	2265.11	3378.00	3415.00	3617.00	3528.00
	Total	60750.00	60750.00	44901.00	30107.70	46513.00	47018.00	49800.00	48573.00