

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO. 1330
ANSWERED ON 03.12.2024

Excise Duty Share with Rural Local Body

1330. SHRI K GOPINATH:

Will the Minister of PANCHAYATI RAJ be pleased to state:

that whether any share of excise duty received by Government is also shared with the rural local bodies, if so, the details thereof, if not, the reasons therefor, State-wise?

ANSWER

THE MINISTER OF STATE FOR PANCHAYATI RAJ

(PROF. S.P. SINGH BAGHEL)

Sir, the Finance Commission has the mandate under article 280 (3) (bb), of the Constitution of India, to recommend “the measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayats.”

As per recommendations of Central Finance Commission, the Union Ministry of Panchayati Raj recommends to the Union Finance Ministry for release of grants to Rural Local Bodies of various States. These recommendations are based on eligibility conditions fixed by the current Finance Commission and are placed as Annexure A.

The State-wise allocation of the Fifteenth Finance Commission grants (2021-26) to Rural Local Bodies is at Annexure B.

The Central Finance Commission is constituted by the Union Finance Ministry and its recommendations are also made to the Finance Ministry. The Ministry of Panchayati Raj receives recommendations with regard to funds allocated for Rural Local Bodies.

(Annexure referred to in reply to the Lok Sabha Unstarred Question No. 1330 answered on 03.12.2024)

Eligibility criteria for release of Fifteenth Central Finance Commission Grants to Rural Local Bodies by Ministry of Panchayati Raj

The following conditions have been stipulated in the guidelines for the release of installments of Basic (Untied) grants for FY 2024-25.

1. RLBs shall be deemed to be eligible for the grants, if they are duly constituted i.e if duly elected bodies are in place except for States/ Areas where Part IX of the Constitution does not apply. In case, all the bodies are not duly constituted grants shall be released to the State on actual allocation / pro-rata basis for duly constituted only.
2. Uploading of GPDPs/BPDPs/ DPDPs of the RLBs in eGramSwaraj
3. RLBs have to mandatorily onboard on eGramSwaraj – PFMS for XV FC Grants' transactions.
4. RLBs to mandatorily prepare and make available online both provisional account of previous year and audited accounts of year before previous year to avail the grants.
5. Unspent Balance of XIV FC Grants with the State should not be more than 10 % of the instalment under consideration.
6. At least 50 % of the Untied grants released during the previous year have been utilized (valid only for release of 2nd installment of the FY).
7. All states which have not done so, must constitute State Finance Commission (SFC), act upon their recommendations and lay the explanatory memorandum as to the action taken thereon before the State legislature on or before March 2024. After March 2024, no grants shall be released to State that has not complied with the Constitutional provisions in respect of the SFC and these conditions.

Annexure B

(Annexure referred to in reply to the Lok Sabha Unstarred Question No. 1330 answered on 03.12.2024)

The State-wise allocation of the Fifteenth Finance Commission grants (2020-21 to 2025-26) to Rural Local Bodies

Sr. No	States	Allocation (2020-21 to 2025-26)* (Rs. in Cr)
	Andhra Pradesh	12856
	Arunachal Pradesh	1131
	Assam	7857
	Bihar	24579
	Chhattisgarh	7123
	Goa	368
	Gujarat	15650
	Haryana	6193
	Himachal Pradesh	2102
	Jharkhand	8274
	Karnataka	15756
	Kerala	7972
	Madhya Pradesh	19511
	Maharashtra	28540
	Manipur	867
	Meghalaya	893
	Mizoram	455
	Nagaland	611
	Odisha	11058
	Punjab	6798
	Rajasthan	18915
	Sikkim	207
	Tamil Nadu	17666
	Telangana	9048
	Tripura	937
	Uttar Pradesh	47764
	Uttarakhand	2813
	West Bengal	21611
	Total	297555

*Note: This includes the grant of Rs.60750 Crore for the interim award period of 2020-21.
