

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO. 2505
ANSWERED ON 10.12.2024

GRANTS FOR PANCHAYAT SAMITIS

2505. SHRI BHAJAN LAL JATAV:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the amount of grants under the 15th Finance Commission has been allocated/transferred to the accounts of Gram Panchayats and Panchayat Samitis;
- (b) if so, the date on which the said amount has been transferred and the quantum of amount thereon; and
- (c) if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR PANCHAYATI RAJ

(PROF. S.P. SINGH BAGHEL)

(a) & (b) Yes, Sir. 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.

On the recommendation of the Ministry of Panchayati Raj for the untied grant and Department of Drinking Water & Sanitation (DWS), and the Ministry of Jal Shakti for the tied grant, the Ministry of Finance released XV FC grants to the States. The State Governments on receipt of the XV FC recommended grant transfer the same to the accounts of all the tiers of RLBs based on the accepted recommendations of the latest State Finance Commission and in conformity with the bands prescribed by the XV FC.

The XV FC grants are released in two installments each financial year; the 1st instalment in the month of June and 2nd instalment in the month of October for all tiers of panchayats of the States subject to submission of Grant Transfer Certificate for the previous installments drawn along with compliance of other stipulated conditions mentioned in the operational guidelines dated 14/07/2021 issued by the Ministry of Finance.

The State Government must transfer the grant received to RLBs within ten working days. Any delay beyond 10 working days requires the State Governments to release the grant with interest for the period of delay as per the average effective rate of interest on market borrowings/State Development Loans (SDLs) for the previous year.

(c) Does not arise.
