

GOVERNMENT OF INDIA  
MINISTRY OF PANCHAYATI RAJ  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 1534**  
ANSWERED ON 09.12.2025

**FINANCE COMMISSION GRANTS RELEASED TO GRAM PANCHAYATS**

1534. SHRI ARUN BHARTI:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) The total 15th Finance Commission grants (both tied and untied) released to GramPanchayats (GPs) in Bihar during the last two financial years 2023-25;
- (b) The total amount allocated to the GPs within the Jamui Lok Sabha constituency;
- (c) the key areas (e.g., drinking water, sanitation, street lights) where tied grants have been utilised by Panchayats in Jamui;
- (d) the monitoring mechanism to ensure timely disbursement and proper utilisation of these funds by the State Government and GPs; and
- (e) the recommendations of the 16th Finance Commission regarding future fund flow and greater autonomy for Panchayats?

**ANSWER**

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

(a) As per Operational Guidelines issued by the Ministry of Finance dated 14.07.2021 for implementation of the recommendation of the 15<sup>th</sup> Finance Commission grants to Rural Local Bodies (RLBs), untied and tied grants are being released by the Ministry of Finance to the States based on recommendations of the Ministry of Panchayati Raj & the Ministry of Jal Shakti, respectively. Thereafter, the inter-se-distribution among all the tiers of Panchayats shall be done by the concerned State Government on the basis of accepted recommendations of the latest State Finance Commission (SFC) and in conformity with the bands prescribed by the 15<sup>th</sup> Finance Commission.

The details of 15<sup>th</sup> Finance Commission Grants (both tied and untied) released to the State of Bihar for the Rural Local Bodies (RLBs) during the last two financial years, i.e. 2023-24 and 2024-25, are as under:

Sl. No.	Year	Untied Grant	Tied Grant	(Rs. In crore)
		Amount released	Amount released	Total Amount released
1	2023-24	1542.13	2313.20	3855.33
2	2024-25	1643.60	2465.41	4109.01

As per the information provided by the State Government, the total 15th Finance Commission grants (both tied and untied) released to Gram Panchayats (GPs) in Bihar during the last two financial years 2023-25 is follows:

<b>Released by State Govt to GPs (₹ in crore)</b>			
<b>FY</b>	<b>Untied</b>	<b>Tied</b>	<b>Total</b>
<b>FY 2023-24</b>	1078.67	1618.02	<b>2696.69</b>
<b>FY204-25</b>	1151.80	1727.70	<b>2879.50</b>

(b) and (c):The Lok Sabha constituency-wise allocation, release & utilisation data are not maintained in the Ministry of Panchayati Raj. However, as per the information provided by the State Government, the total amount allocated to the Gram Panchayats within the Jamui Lok Sabha Constituency is as follows:

<b>Released by State Govt to Jamui GPs (₹ in crore)</b>			
<b>FY</b>	<b>Untied</b>	<b>Tied</b>	<b>Total</b>
<b>FY 2023-24</b>	43.26	63.60	106.86
<b>FY204-25</b>	20.79	29.03	49.82

As per operational guidelines for implementation of the recommendation of the 15<sup>th</sup> Finance Commission grants to Rural Local Bodies (RLBs), the tied grants (60% of total grants) can be used for the basic services of (a) sanitation and maintenance of ODF status, and this includes management and treatment of household waste, and human excreta and fecal sludge management and (b) supply of drinking water, rainwater harvesting and water recycling. If any local body has fully saturated the needs of one category, it can utilise the funds for the other category.

(d): With the objective to improve oversight and monitoring and to ensure transparency and accountability in the disbursement and utilisation of Central Finance Commission grants by Panchayati Raj Institutions in the States, the Ministry manages the eGramSwarajwebportal (<https://egramswaraj.gov.in>) since April 2020, which integrates all financial functions of Panchayats—from planning to payment. The progress data obtained from this system is displayed on the portal, available in the public domain, for concurrent monitoring at the State, District, and Block levels. The Reverse Receipt Report (Treasury–PFMS–eGS Integration) function available on the portal provides the facility to oversee and monitor the details of the transfer of grants by the States to the Rural Local Bodies.

The eGramSwarajis integrated with the Public Financial Management System (PFMS) for the Panchayats (GPs), facilitating real-time digital payments to vendors and service providers. Additionally, the Audit-Online application was launched in April 2020 to enable online auditing of Panchayat accounts and their financial management. This tool facilitates the transparent utilisation of Central Finance Commission funds and enhances Panchayat-level financial oversight.

(e): Recommendations of the 16<sup>th</sup> Central Finance Commission have not been laid in the Parliament.

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