

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
LOK SABHA
UNSTARRED QUESTION NO. 5105
ANSWERED ON 24.03.2026

GRAM PANCHAYATS IN KARNATAKA

5105. SHRI KOTA SRINIVASA POOJARY:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) the number of Gram Panchayats in Karnataka that have been sanctioned funds under the fifteenth Finance Commission for the year 2025-26;
- (b) the number of Urban Local Bodies in the State that have been sanctioned funds;
- (c) the total funds that have been sanctioned to the District and Taluk Panchayats in Karnataka and the reason for the delay in releasing the funds; and
- (d) whether the State Government has given a No Objection Certificate (NOC) for the release of funds to the Gram Panchayats, if so, the details thereof?

ANSWER

THE MINISTER OF PANCHAYATI RAJ

(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

(a): All the installments of Rural Local Body (RLB) grant under the Fifteenth Finance Commission for the period from 2020-21 to 2024-25 have been released to the eligible Gram Panchayats of the state of Karnataka. However, both the installments of the Fifteenth Finance Commission Grants for the year 2025-26 have not been released on account of discrepancies noticed between funds released from the Government of India and their timely and complete transfer to the PRIs by the State and non-release of penal interest on delayed transfers to the Panchayats by the State.

(b): In terms of the Government of India (Allocation of Business) Rules 1961, matters related to Urban Local Bodies (ULBs) come under the purview of the Ministry of Housing and Urban Affairs (MoHUA). As such, this Ministry does not maintain information in respect of Urban Local Bodies.

(c): As per para - 5(A)(ii) of the 15th Finance Commission Operational Guidelines dated 14.07.2021, Rural Local Bodies are eligible for grants only if duly elected bodies are in place. Since elections to District and Taluk Panchayats in Karnataka have been pending since February 2021, these bodies are currently ineligible to receive grants for the year 2025-26.

(d): As per the Operational Guidelines for implementation of 15th Finance Commission grants to Rural Local Bodies (RLBs) dated 14.07.2021, grants are released to the States in two instalments in every financial year. Release of each installment requires submission of a Grant Transfer Certificate in the prescribed proforma for the previously released instalment. Submission of a separate 'No Objection Certificate' from the State Government is not required in this matter.
