

Government of West Bengal
Panchayats & Rural Development Department
Joint Administrative Building
HC-7, Sector-III, Salt Lake, Kolkata-700 106

No. 2206(21)-RD/CCA/W/5M-01/2018

Dated Bidhannagar, the 19th June, 2020

From : The Joint Secretary to the Government of West Bengal

To: The District Magistrate,
Darjeeling (for Siliguri Mahakuma Parishad area)/Alipurduar/Bankura/Birbhum/Dakshin
Dinajpur/Jalpaiguri/Malda/Murshidabad/Paschim Medinipur/Purba Medinipur/Jhargram/
Purulia/South 24 Parganas/Uttar Dinajpur/Howrah/ Hooghly/North 24 Parganas/
Coochbehar/Nadia/Purba Barddhaman/Paschim Barddhaman

- Sub: (i) Guidelines for release and utilisation of Grants recommended by the Fifteenth
Central Finance Commission for Rural Local Bodies
(ii) Employment to persons in rural areas-Convergence of CFC and MGNREGS funds to
wipe out the key infrastructure deficit in rural capacity building programmes
including construction of Gram Panchayat Bhawans

Madam/Sir,

I am directed to send herewith a copy each of the letters no. (i) 15(2)FC-XV/FCD/2020-25
dated 01.06.2020 and (ii) G-39011/2/2017-FD dated 10.06.2020 for your kind information and taking
necessary action from your end.

Enclosures: As above

Yours faithfully,

19/6/2020
Joint Secretary to the
Government of West Bengal

No. 2206(21)/1(42)-RD/CCA/W/5M-01/2018

Dated Bidhannagar, the 19th June, 2020

Copy along with a copy each of the above enclosures forwarded for information and communicating
to the Panchayat Samitis and the Gram Panchayats under his jurisdiction to:

- 1.The Additional Executive Officer, Alipurduar/Bankura/Birbhum/Dakshin Dinajpur /Jalpaiguri/Malda
/Murshidabad/Paschim Medinipur / Purba Medinipur/Jhargram/Purulia/South 24 Parganas/Uttar
Dinajpur/Howrah/ Hooghly/North 24 Parganas/ Coochbehar/Nadia/Purba Barddhaman/Paschim
Barddhaman Zilla Parishad/Siliguri Mahakuma Parishad.
- 2.The District Panchayats and Rural Development Officer, Darjeeling (for Siliguri Mahakuma Parishad
area)/ Alipurduar/Bankura/Birbhum/Dakshin Dinajpur /Jalpaiguri/Malda /Murshidabad/Paschim
Medinipur / Purba Medinipur/Jhargram/Purulia/South 24 Parganas/Uttar Dinajpur/Howrah/
Hooghly/North 24 Parganas/ Coochbehar/Nadia/Purba Barddhaman/Paschim Barddhaman.

19/6/2020
Joint Secretary to the
Government of West Bengal

No. 15(2)FC(XV)FCD/2020-25
Government of India
Ministry of Finance
Department of Expenditure
(Finance Commission Division)

11th Block, 5th Floor,
CGO Complex, Lodi Road,
New Delhi- 110003.
Dated:- 01-06- 2020

To

The Chief Secretary,
(All State Governments)

Subject:-Issue of Operational Guidelines for the implementation of the recommendations on Local body grants contained in Chapter 5 of the Fifteenth Finance Commission (FC-XV) Report - regarding

Sir,

The recommendation of Fifteenth Finance Commission (FC-XV) for the Award year 2020-21 include, inter-alia, release of grant-in-aid to State Governments for Rural Local Bodies.

2. Kindly find enclosed herewith a copy of the guidelines for release and utilization of Grants recommended by the Fifteenth Finance Commission (FC-XV) for Rural Local Bodies for information and necessary action.

Encl.: as above

Yours faithfully,



(Dr. Bhartendu Kumar Singh)
Director(FCD)
24360647(O)
Fax : 011-2436 0174

Copy to:-
Principal Secretary/Secretary (Finance),
All State Governments.

No. FC/FC-XV/EC/2020-25
Government of India
Ministry of Finance
Department of Expenditure
(Finance Commission Division)

Operational Guidelines for the implementation of the recommendations on Rural Local body(RLB) grants contained in Chapter 5(Local Body Grants) of the Fifteenth Finance Commission (FC-XV) Report.

Introduction

1. The Fifteenth Finance Commission (FC-XV) was constituted by the President on November 27th, 2017 and was, inter-alia, mandated to recommend measures needed to augment the Consolidated Funds of the States to supplement the resources of the Panchayats and Municipalities during 2020-25. Subsequently, the Commission was mandated to submit two reports, one for the year 2020-21 and the final Report for the period 2021-22 to 2025-26. The Commission submitted its first Report covering the financial year 2020-21 to the President on 5th December, 2019.
2. The Union Government on 31-01-2020 vide Explanatory Memorandum as to the Action Taken on the Recommendations made by the Fifteenth Finance Commission in its Report for the year 2020-21 inter-alia accepted the recommendations of the FC-XV in respect of the Local Bodies.

Grants recommended

3. The FC-XV have inter-alia worked out a total size of the grant for local bodies amounting to Rs. 90,000 crore for twenty-eight States. Out of this corpus, the Commission have recommended allocation for RLBs amounting to Rs. 60,750 crore in 2020-21. 50% of the recommended grant will be Basic grant(untied) and the remaining 50% as tied grant. State-wise allocation of RLBs grant is given in Annexure-I. Step-wise distribution of grant to all entities and detailed modus-operandi to be adopted for release/utilization etc is as follows:-

Step-I:- The States should workout inter-se share of all tiers of Panchayats as per the directions given in para 5.3(ii) & (v) and intra-tier distribution(within each tier) among the relevant entities across the State as per the directions given in para 5.3(vi) of Chapter 5 of the FC-XV Report.

Step-II:- The States should also make allotment of grants for all the Excluded Areas (where Part IX & IXA does not apply) falling within the State based on the weightage of 90% to population (as per Census of 2011) and 10% for Area.

Step-III:- The State Governments(State Finance Department) should transfer each instalment of the RLBs grants received from the Department of Expenditure to all the concerned entities [GP/BP/ZP & Excluded Areas, if any] without any deduction through their nodal Department as per the share worked out in Step-I and Step-II within ten working days of receipt from the Union Government. Any delay beyond ten working days will require the State Governments to release the same with interest as per the effective rate of interest on market borrowings/State Development Loans (SDLs) for the previous year.

Modalities for Release of grants

4. **Basic Grants:-** Basic grants i. e. 50% of the allocation will be released in two instalment by the Ministry of Finance, Department of Expenditure(Finance Commission Division) after receipt of Grant Transfer Certificate in the prescribed format(Annexure-II) and recommendation from the Ministry of Panchayati Raj(MOPR), Govt. of India.

5. **Tied Grants:-** Tied grants i. e. 50% of the allocation will be released in two instalments by the Ministry of Finance, Department of Expenditure(Finance Commission Division) after receipt of recommendation from the Ministry of Panchayati Raj, Govt. of India. Department of Drinking Water & Sanitation, Ministry of Jal Shakti, Govt. of India and MOPR will assess the following before recommending for release of grant;

- (a) Status & maintenance of Open Defecation Free local body
- (b) Supply of drinking water, rain water harvesting and water recycling.
- (c) Uploading of GPDP and details about utilization 15th F.C. funds on the website.
- (d) Any other condition which Ministry of Jal Shakti may deem fit in connection with the stated objectives of the tied grant.

(Assessment of eligibility for the year 2021-22 will be based on the outcomes during the year 2020-21. Same procedure will be adopted for the remaining period of the award year.)

Utilisation of the FC-XV recommended Local body grant

6. **Basic Grants:-** The basic grants are untied and can be used by the local bodies for location-specific felt needs, except for salary or other establishment expenditure.

7. **Tied Grants:-** The tied grants can be used for the basic services of (a) sanitation and maintenance of open-defecation free (ODF) status and (b) supply of drinking water, rain water harvesting and water recycling. The local bodies shall, as far as possible earmark one half of these tied grants each to these two critical services. However, if any local body has fully saturated the needs of one category, it can utilise the funds for the other category.

Monitoring and concurrent evaluation

8. Ministry of Panchayati Raj, Govt. of India shall monitor the implementation of the remaining recommendations of the FC-XV with regard to RLBs.

Allocation of RLBs grant for the remaining years of the award period

9. State-wise Allocation for the remaining period of the award period will be intimated to all the States in due course of time.

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RURAL LOCAL BODY GRANTS FOR THE YEAR 2020-21(Rs. crore)				
Sl. No.	Name of State	Basic Grant	Tied Grant	Total RLB's Grant
1	2	3	4	5
1	Andhra Pradesh	1312.5	1312.5	2625.00
2	Arunachal Pradesh	115.5	115.5	231.00
3	Assam	802	802	1604.00
4	Bihar	2509	2509	5018.00
5	Chhattisgarh	727	727	1454.00
6	Goa	37.5	37.5	75.00
7	Gujarat	1597.5	1597.5	3195.00
8	Haryana	632	632	1264.00
9	Himachal Pradesh	214.5	214.5	429.00
10	Jharkhand	844.5	844.5	1689.00
11	Karnataka	1608.5	1608.5	3217.00
12	Kerala	814	814	1628.00
13	Madhya Pradesh	1992	1992	3984.00
14	Maharashtra	2913.5	2913.5	5827.00
15	Manipur	88.5	88.5	177.00
16	Meghalaya	91	91	182.00
17	Mizoram	46.5	46.5	93.00
18	Nagaland	62.5	62.5	125.00
19	Orissa	1129	1129	2258.00
20	Punjab	694	694	1388.00
21	Rajasthan	1931	1931	3862.00
22	Sikkim	21	21	42.00
23	Tamil Nadu	1803.5	1803.5	3607.00
24	Telangana	923.5	923.5	1847.00
25	Tripura	95.5	95.5	191.00
26	Uttar Pradesh	4876	4876	9752.00
27	Uttarakhand	287	287	574.00
28	West Bengal	2206	2206	4412.00
	Total	30375.00	30375.00	60750.00

GRANT TRANSFER CERTIFICATE FOR THE GRANT RECEIVED FOR LOCAL BODIES RECOMMENDED BY FIFTEENTH FINANCE COMMISSION DURING ITS AWARD PERIOD 2020-2025.

Name of State:-

1	For General Areas	Total No. of	GPs BPs ZPs	Duly elected bodies	GPs BPs ZPs		
2	<u>Non Part IX Areas</u> provide details and number of such Autonomous bodies			No.	Names		
3.	Details of Basic Grant/Tied grant received:	Year	Instalment	Amount (Rs. in lakh)	Date of receipt		
		Year	Instalment	Amount (Rs. in lakh)	Date of Transfer	No. of days of delay	If delayed, amount of interest transferred (with rate of interest)
4.	Details of Basic Grant/ Tied grant transferred*:						
5	Whether State Finance Commission(SFC) Recommendations available	Yes/No		If yes, whether grant distributed as per census 2011 population or as per the SFC recommendation.			

*.Strikeout whichever is not applicable.

Certified that the grants have been utilized/proposed to be utilized for the purpose for which these have been provided and if any deviation is observed, the same will be intimated.

Signature with seal of Secretary (Nodal department)

Countersigned:
Signature with seal of the Finance Secretary



सुनील कुमार
सचिव
भारत सरकार
पंचायती राज मंत्रालय

SUNIL KUMAR
SECRETARY
Government of India
Ministry of Panchayat Raj
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secy-mopr@nic.in
Tel. No. 23074309; 23384008

नागेंद्र नाथ सिन्हा
सचिव
भारत सरकार
ग्रामीण विकास मंत्रालय

NAGENDRA NATH SINHA
SECRETARY
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D. O. No. G-39011/2/2017-FD

10th June, 2020

Dear Chief Secretary,

In the last two months, the country has been faced with an unprecedented situation arising out of the COVID-19 pandemic and the consequent lockdown. While the country has gained time during the lockdown to ramp up health facilities, prevent a rapid surge in COVID-19 cases and keep the mortality rate in check, the biggest challenge before Central and State Authorities in rural areas at this juncture is to provide employment opportunities to returning migrant labourers and rural labourers which is commensurate with their skill sets. However, at the same time there can be no let up in community vigil and strict adherence to guidelines issued by the Health Authorities to check spread of COVID-19.

2. A sample of skill mapping data of migrant labourers undertaken by some States in the past few days/weeks reveals that majority of workers have skills relating to construction industry. It is understood that these skilled workers may not be willing to work as unskilled labourer on Mahatma Gandhi NREGS work sites. Further, as per available information, in several States, a large number of isolation /quarantine centres in rural areas have been set up in Primary/Upper Primary School buildings. These will need to be vacated once the schools reopen. As per available information, it appears that the effect of COVID-19 pandemic is likely to continue for some time at least. Hence, the requirement for continued establishment of isolation / quarantine centers in rural areas is likely to persist in the near foreseeable future.

3. With a view to provide employment to persons in rural areas as per their skill sets and also to strengthen community infrastructure to enable Gram Panchayats (GPs) to effectively meet the challenges, it has been decided by Government of India to permit utilization of 14th Finance Commission (FC) grants available with Gram Panchayats as well the ensuing 15th FC untied grants (which they will be receiving shortly) during 2020-21 towards construction of specific community assets like Gram Panchayat Bhawans apart from undertaking repair and maintenance of other Public Buildings/Assets located in the Gram Panchayat by engaging and utilizing the services of the skilled/unskilled workers for the same.

4. According to available information, there are about 60,346 Gram Panchayats which do not have Panchayat Bhawans. A statement showing State wise availability of unspent 14th FC Funds (as per information available in PRIASoft), likely allocation under 15th FC, deficit GP Bhawans is enclosed.

5. The maximum approved unit cost for Gram Panchayat Bhawan by Ministry of Panchayati Raj is Rs. 20 lakh. It has been decided to meet 50% cost of Panchayat Bhawan through Finance Commission Funds and 50% of the cost from Mahatma Gandhi NREGS funds. In case the available unspent balance under 14th FC available with GP is insufficient to meet the 50% cost of Panchayat Bhawan, the deficit may be met by utilizing the 'untied funds' likely to be made available to GPs under 15th FC or State Finance Commission (SFC) Grants or Own Sources of Revenue(OSR).

6. Further, GPs may also undertake repair and maintenance of other Public Buildings/Assets located in the Gram Panchayat such as Primary/Upper Primary Schools, Health Sub Centres, Cooperative Stores selling seed and fertilizers etc., wherever necessary by utilizing the Finance Commission funds.

8. It is reiterated that the aforesaid decision has been taken to meet the key infrastructure deficit in rural areas and to provide immediate employment opportunities to skilled and unskilled manpower currently available in rural areas through convergence of Central Finance Commission and Mahatma Gandhi NREGS funds. These works need to be initiated immediately and completed within this financial year in a mission mode. Further, this decision is valid ONLY for the current financial year.

9. We believe that if the State Authorities also decide to permit utilization of funds made available under State Finance Commission recommendations, Own Sources of Revenue (OSR) of the Panchayats and/or State schemes to meet any deficit, it should be possible to fully wipe out the key infrastructure deficit in rural areas for Gram Panchayat Bhawans.

10. Efforts may also be made by Gram Panchayat to converge Finance Commission funds with Mahatma Gandhi NREGA for taking up other works which are permissible under Mahatma Gandhi NREGA and Finance Commission guidelines, including those for the SHG Collectives at village levels(Maximum Cost Limit-Rs15 lakh), esp. in villages not having Panchayat Bhawan or any other community infrastructure. It is suggested that the same may be made available for community events at a charge decided by the Collective. The cost of such works should be shared between the Mahatma Gandhi NREGA funds and FC funds & other Panchayat Funds equally.

11. In light of the above, we request that suitable instructions may forthwith be issued to officers of concerned Departments to immediately work out their strategy for each District and communicate the same to Ministry of Panchayati Raj and Ministry of Rural Development the number of GP Bhawans proposed to be constructed during current financial year under this special dispensation at the earliest. All the provisions and guidelines of Mahatma Gandhi NREGA should be adhered to during implementation of works taken under convergence with Mahatma Gandhi NREGS.

With warm regards,


(Sunil Kumar)

Yours sincerely,


(Nagendra Nath Sinha)

Encl. a/a

Shri Rajiva Sinha,
Chief Secretary,
Government of West Bengal,
Writers' Building,
Kolkata-700001.

State	No. of RLBs/TLBs	FFC Unspent Balance (Rs. In crore)	XV FC Fund allocation		Panchayat Bhawans
			Tied	Un-Tied	Estimated deficit
	as per LGD	As on 01.04.20			
Andhra Pradesh	13,371	715	1,313	1,313	1,635
Arunachal Pradesh*	1,785	-	116	116	1,233
Assam	2,197	2,398	802	802	292
Bihar*	8,387	-	2,509	2,509	1,055
Chhattisgarh	11,655	780	727	727	692
Goa	191	55	38	38	90
Gujarat*	14,292	-	1,598	1,598	227
Haryana	6,197	570	632	632	3,827
Himachal Pradesh	3,226	658	215	215	9
Jammu & Kashmir**	4,290	766			1,257
Jharkhand	4,353	958	845	845	279
Karnataka	6,021	1,967	1,609	1,609	460
Kerala*	941	-	814	814	3
Ladakh**	192	14			-
Machya Pradesh	22,812	979	1,992	1,992	0
Maharashtra	27,877	3,673	2,914	2,914	3,794
Manipur	161	19	89	89	104
Meghalaya #	8,998		91	91	-
Mizoram #	823		47	47	114
Nagaland #	1,270		63	63	633
Odisha	6,798	2,889	1,129	1,129	0
Punjab	13,261	216	694	694	7,618
Rajasthan	11,341	3,258	1,931	1,931	1,928
Sikkim	185	52	21	21	43
Tamil Nadu	12,523	3,908	1,804	1,804	2,650
Telangana	12,769	915	924	924	4,390
Tripura	591	58	96	96	56
Uttar Pradesh	58,762	4,314	4,876	4,876	26,318
Uttarakhand	7,791	258	287	287	1,601
West Bengal*	3,340	-	2,206	2,206	38
Total	2,66,400	29,422	30,375	30,375	60,346

Source:

14th FC = PRIASoft

15th FC = XV FC recommendation

Note:

* States not on-board PRIASoft-PFMS Interface; so unconfirmed.

** J&K and Ladakh UTs as on 31.10.2019

FFC funds not allocated under 14th FC