

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2416
ANSWERED ON:23.07.2004
FUNDS FOR PANCHAYATI RAJ
Patle Shri Shishupal Natthu

Will the Minister of FINANCE be pleased to state:

- (a) the amount recommended by the previous Finance Commission to Maharashtra for Panchayati Raj Institutions;
- (b) the amount released by the Union Government to Maharashtra;
- (c) whether the full amount has been released to Maharashtra;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI S.S.PALANIMANICKAM

(a) to (e): The Local Bodies Grants were recommended for the first time by the Tenth Finance Commission for States. The Commission recommended an amount of Rs. 347.01 crore for the State of Maharashtra for Panchayati Raj Institutions (PRIs) for the period 1996-2000. During this period, an amount of Rs. 216.88 crore was released to the State. The balance amount could not be released to the State Government due to non-fulfillment of the conditionalities attached to the grant release.

The Eleventh Finance Commission (EFC) recommended an amount of Rs. 656.73 crore as grants to the State of Maharashtra for Panchayati Raj Institutions (PRIs) for its award period 2000-05, So far, Rs. 394.04 crore only have been released to the State Government on account of lower utilisation reported by the State.