

**GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA**

UNSTARRED QUESTION NO:674
ANSWERED ON:24.02.2011
FUNDS FOR PANCHAYATS
Naranbhai Shri Kachhadia

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the Twelfth Finance Commission has recommended that grant amount of Rs. 20 thousand crore for the Panchayats to be disbursed by the State Government within a period of 15 days from its receipt from the Union Government during the year 2005-10;
- (b) if so, the names of the States which have made delay in the transfer of said amount to the Panchayats after a stipulated period of 15 days and the names of those States which disbursed the said amount within the stipulated period;
- (c) whether it is also a fact that some States have utilized the grant meant for the Panchayats under other heads; and
- (d) if so, the details thereof?

Answer

MINISTER OF PANCHAYATI RAJ (SHRI VILASRAO DESHMUKH)

(a): Yes, Sir.

(b): Based on Utilisation Certificates (UCs) received by Ministry of Finance from the States, 6 States, namely, Himachal Pradesh, Kerala, Maharashtra, Orissa, Tamil Nadu and Uttarakhand transferred the amounts within stipulated period of 15 days of the receipt of grants from the Central Government. 21 States, namely, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhatisgarh, Goa, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Madhya Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Rajasthan, Sikkim, Tripura, Uttar Pradesh and West Bengal had reported delays in transferring some installments to PRIs beyond 15 days. No grant was released to Jharkhand due to non existence of elected Panchayats in the State.

(c) & (d): As per guidelines issued by Ministry of Finance on the release and utilization of Twelfth Finance Commission grants, PRIs were required to give priority to expenditure on O&M costs of water supply and sanitation. State-wise position indicating the utilization of funds under the above heads is given in the Annexure. Any issue of diversion of funds based on the audit reports is looked into by the concerned State Governments.