

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3714
ANSWERED ON:20.03.2013
PERFORMANCE GRANT
Mahendrasinh Shri Chauhan

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether the Government has released performance grant to the State Government of Gujarat as recommended by the 13th Finance Commission;
- (b) if so, the details thereof and if not, the reasons therefor; and
- (c) the time by which performance grant is likely to be released?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SMT. DEEPA DASMUNSHI)

(a) The General Performance Grant, beginning from 2011-12, is available for a period of four years to States that meet certain performance based conditions recommended by the

Thirteenth Finance Commission (FC-XIII). Where a State is unable to meet these conditions by 31st March of particular fiscal year, it will forfeit its entitlement to the performance grant, and its entitlement will be distributed among States as recommended by FC-XIII, viz. fifty percent amongst all the States, and fifty percent amongst the States that have complied with the stipulated conditions. Rs. 1352.37 lakhs for Panchayati Raj Institutions (PRIs) and Rs. 934.41 lakh for Urban Local Bodies (ULBs) were released as share in forfeited grant for 2011-12 to the State of Gujarat.

(b) The general performance grants for PRIs and ULBs for 2011 -12 have not been released to the State of Gujarat as it did not comply with all the performance based conditions.

(c) All the performance based conditions for release of General Performance Grant and Special Area Performance Grant must be met by the end of a fiscal year (31 March) for a State to be eligible to draw down its performance grant for the succeeding fiscal year.