



**GOVERNMENT OF KERALA**

Abstract

Finance Department – Drawal of XV Finance Commission Grant by Local Governments (RLBs and ULBs) – Revised Guidelines - orders issued

**FINANCE (SFC Cell - A) DEPARTMENT**

GO (P) No.50/2021/Fin.

Dated, Thiruvananthapuram, 12<sup>th</sup> March 2021

- Read: (1) GO (P) No. 119/2015/Fin Dated 21/03/2015  
(2) D.O.No.N-19011(16)/8/2016-e-Panchayat dated 07/01/2021 from the Additional Secretary, Ministry of Panchayati Raj, Govt of India  
(3) D.O.NoN-11025-01/2018-AMRUT-II B dated 19/02/2021 from the Secretary, Ministry of Housing & Urban Affairs, Govt of India

**ORDER**

The guidelines regarding the withdrawal of funds from the Consolidated Fund of the State by the Local Governments (LGs) were issued vide Government order read as 1<sup>st</sup> paper above.

2) The Ministry of Panchayati Raj has been monitoring Central Finance Commission Grants for bringing transparency in the activities of Panchayats to ensure optimal and targeted utilization of funds. The Ministry vide letter read as 2<sup>nd</sup> paper above has requested to facilitate data sharing by State Treasury software with Public Financial Management System (PFMS) application to capture fund flow of XV Finance Commission funds by sharing fund flows through Unique Agency IDs captured by PFMS. In order to increase the transparency in accounting system and better management of funds at ULB level the Ministry of Housing and Urban Affairs vide letter read as 3<sup>rd</sup> paper above has informed that decision was taken to link ULB accounts for 15<sup>th</sup> Finance Commission Grants with PFMS

3) Government, after having examined the matter in detail, are pleased to modify the present system of withdrawal of XV Finance Commission Grants by Local Governments in the following manner. The XV Finance Commission Grants would be authorized to LGs through a Government Order as is done presently and the LGs, in turn, would transfer this amount from the Consolidated Fund to the PFMS Bank account opened for the purpose within 10 working days from the date of release by the Govt of India. If the amount is not transferred by any LG within this time limit and if any interest gets charged on account of the delayed transfer, that may be made the personal liability of the Secretary of the LG concerned.

4) The Government order read as 1<sup>st</sup> paper above stands modified to that extent.

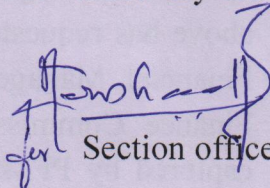
(By Order of the Governor)

**RAJESH KUMAR SINGH IAS**  
**Additional Chief Secretary to Government (Finance)**

To

The Principal Accountant General (G&SSA), Kerala, Thiruvananthapuram  
The Principal Accountant General (A&E), Kerala, Thiruvananthapuram  
The Accountant General (E&RSA), Kerala, Thiruvananthapuram  
The Principal Secretary, Local Self Government Department  
All Secretaries Municipal Corporations and Municipalities  
All Secretaries of Grama Panchayats, Block Panchayats and District Panchayats  
The Director of Treasuries, Thiruvananthapuram  
The Director, State Audit Department, Thiruvananthapuram  
The Director of Urban Affairs, Thiruvananthapuram  
The Director of Panchayats, Thiruvananthapuram  
The Commissioner of Rural Development, Thiruvananthapuram  
The Executive Director, Information Kerala Mission, Tvpm.  
The Director of Information & Public Relations, Thiruvananthapuram  
The Local Self Government (FM) Department  
The Nodal Officer, Finance ([www.finance.kerala.gov.in](http://www.finance.kerala.gov.in))  
The Finance (BW-J/ Dev. Wing/ CSFC-A/ SS) Department  
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