

Government of West Bengal  
Panchayats & Rural Development Department  
Joint Administrative Building, HC-7, Sector-III,  
Bidhannagar, Kolkata-700106

**No.527/SS/RD/CCA/W/2C-02/2015/Part-1**

**Dated : 20.06.2016**

**ORDER**

**Whereas** the Ministry of Finance, Government of India, Department of Expenditure (Finance Commission Division) vide its No.13(32) FFC/FCD/2015-16 dated 8<sup>th</sup> October, 2015 has in its guidelines for implementation of the recommendations of the 14<sup>th</sup> Finance Commission with regard to local bodies grant (RLB and ULB) mandated that 10% of the 14<sup>th</sup> Finance Commission Grant will have to be disbursed to the Gram Panchayats as Performance Grant;

**Whereas** it has been mandated in the 14<sup>th</sup> Finance Commission guideline that the respective State Governments will decide detailed procedure and operational criteria for disbursement of Performance Grant to the Gram Panchayats subject to the prescribed eligibility conditions viz. - (i) the Gram Panchayats will have to submit audited accounts that relate to year not earlier than two years preceding the year in which the Gram Panchayats seek to claim the Performance Grant; and (ii) the Gram Panchayats will have to show an increase in their own revenues over the preceding year as reflected in the audited accounts (the audited accounts required for Performance Grant in 2016-17 being for 2014-15; the audited accounts for Performance Grant in 2017-18 being for 2015-16; the audited accounts required for Performance Grant in 2018-19 being for 2016-17; and the audited accounts required for Performance Grant in 2019-20 being for 2017-18);

**Whereas** it has been mandated in the 14<sup>th</sup> Finance Commission guideline that books of accounts prepared by the local bodies should distinctly capture income on account of own taxes and non-taxes, devolution and grant from the State Government, grants from the Finance Commissions and grants for any agency function assigned by the Union Government and the State Government;

**Whereas** it has been mandated in the 14<sup>th</sup> Finance Commission guideline that the State Government must ensure the compliance of the above recommendations in its operational guidelines for availing Performance Grant for the Gram Panchayats;

**Whereas** score-based Annual Performance Assessment of Gram Panchayats on certain performance benchmarks has been adopted by the State Government as a policy;

**And whereas** it has been mandated in the 14<sup>th</sup> Finance Commission guideline that in case some amount of Performance Grant remains undisbursed after disbursement of the same to the eligible Gram Panchayats, these undisbursed amount shall be distributed on an equitable basis among the eligible Gram Panchayats that had fulfilled the conditions for getting the Performance Grant;

**Now, therefore,** the Governor is pleased to order that for the purpose of availing Performance Grant as per recommendations of the 14<sup>th</sup> Finance Commission, any Gram Panchayat will have to fulfil the following conditions:

1. The Gram Panchayat shall have to prepare and approve plan and budget for the following financial year not later than 31<sup>st</sup> January or as may be decided by the State Government;
2. The Gram Panchayat shall have to achieve at least 60% expenditure of the Performance grant and untied grants (received within the third quarter of the financial year) at the end of the financial year;
3. There shall be an increase in the Own Source Revenue of the Gram Panchayat over the preceding year's figure;
4. The Gram Panchayat shall have audited accounts as recommended by the 14<sup>th</sup> Finance Commission and have clean external audit report;
5. The Gram Panchayat shall have to maintain computerised accounting system regularly as per norms of the State Government.

The Governor is further pleased to order that this guideline shall also be applicable to the disbursement of Performance Grant under the ISGP Project and any other scheme of untied grant as the State Government may decide.

The Governor is further pleased to order that the order shall take immediate effect.

By order of the Governor,



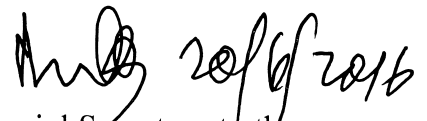
Principal Secretary to the  
Government of West Bengal

**No.527/1(4000)/SS/RD/CCA/W/2C-02/2015/Part-1**

**Dated : 20.06.2016**

Copy forwarded for information and necessary action to

1. The Sabhadhipati, .....Zilla Parishad/Siliguri Mahakuma Parishad
2. The District Magistrate, .....
3. The Additional Executive Officer, .....  
Zilla Parishad/Siliguri Mahakuma Parishad
4. The District Panchayats & Rural Development Officer, .....
5. The Sabhapati, ..... Panchayat Samiti
6. The Block Development Officer, .....
7. The Pradhan, ..... Gram Panchayat
8. Smt./Shri.....



OSD & EO Special Secretary to the  
Government of West Bengal