

No. 12(3) FCD/2010
Ministry of Finance
Department of Expenditure
Finance Commission Division

11th Block, 5th Floor,
CGO Complex, Lodi Road, New Delhi-110003.
Dated 3rd December, 2010

To
The Principal Secretary,
Finance Department,
Government of
(All State Governments)

Subject: Release of the 2nd instalment of Basic grant for Local Bodies for the year 2010-11 recommended by Thirteenth Finance Commission.

Sir/Madam,

Please refer to this Ministry's letter No. 12(2) FCD/2010 dated 23rd September, 2010 forwarding therewith a copy of the guidelines for release and utilization of Grant recommended by the Thirteenth Finance Commission (FC-XIII) for Rural and Urban Local Bodies (Local Bodies Grants). The first instalment of Basic grant for the year 2010-11 has been released on 14th July, 2010. The second instalment of the Basic grant for the year 2010-11 is due in January, 2011.

2. For release of the second instalment of 2010-11 onward, States are required to furnish Utilization Certificate (UC) for the previous instalment drawn for PRIs, ULBs and Special Area Grant as per Performa at Annex IV and V of guidelines respectively.

3. It is requested that the requisite UCs for the first instalment of Basic grant for 2010-11 may be sent to Ministry of Finance for PRIs & ULBs, and to the Ministry of Panchayati Raj (MoPR) for PRIs and to Ministry of Urban Development (MoUD) for ULBs; and for Special Area to MoPR and MoUD, as the case may be, by 22.12.2010. This would enable Ministry of Finance to release the second instalment when due.

Yours faithfully,

Sd/-
(Alok Chandra)
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Copy to:-

1. Sh. D.K. Jain, Joint Secretary, Ministry of Panchayati Raj, 6th floor, Samrat Hotel, Chanakya Puri, New Delhi.
2. Sh. A.K. Mehta, Joint Secretary, Ministry of Urban Development, Nirman Bhavan, New Delhi.