



GOVERNMENT OF KARNATAKA

No. RDP 07 GPS 2018

Karnataka Government Secretariat,
M.S Building,
Bangalore, Dated:27-02-2019.

CIRCULAR

- Sub:** Fulfilling the conditions for obtaining Performance Grants under 14th Finance Commission for the year 2018-19 onwards.
- Ref:** 1. GoI Guidelines Letter No. 13(32) FCC/FCD/2015-16, Dated 08-10-2015.
2. Joint Secretary, Ministry of Panchayathi Raj, D.O letter No.N-11011/4/2017-FD Dated:19-01-2018.
3. GoK Circular No.RDP 03 GPS 2017, Dated: 24-01-2018
4. Joint Secretary, Ministry of Panchayathi Raj, D.O letter No.N-11011/4/2017-FD Dated:22-02-2019.

With reference to above based on reference (1) GoI guidelines dated:08-10-2015 and reference (2) D.O letter dated:19-01-2018 from the Joint Secretary, Ministry of Panchayathi Raj a detailed circular is issued vide reference (3) about claiming performance grants under 14th finance commission grants. As per reference (4) letter it is directed to have **“two additional factors for evaluation, namely open Defecation Free (ODF) status and child immunization status apart from the conditions prescribed for financial year 2017-18, namely submission of audited accounts and increasing Own Source Revenue (OSR) as prescribed by FCC, with the maximum cap of 5 times the Basic Grants allocation for the GPs”**.

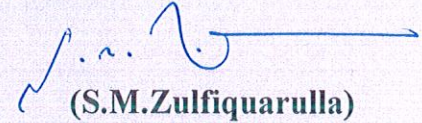
In order to obtain the 14th Finance Commission Performance Grants to be released for the year 2018-19 onwards based on the guidelines cited in references (4). Based on the guidelines issued by the Central Government, Gram Panchayaths have to fulfil the following five conditions.

- The Gram Panchayaths will have to submit information related to Own Source Revenue(OSR) for the previous three years to the year of claim, submission of Audited Accounts for the year (2016-17) corresponding to two years preceding the year of claim.
- Based on the figures of increase in OSR for the year 2016-17 over 2015-16.
- Open Defecation Free(ODF) are to be done with respect to their achievement by the Gram Panchayats by the last day of the previous year to the FY of claim.
- Children immunization status are to be done with respect to their achievement by the Gram Panchayats by the last day of the previous year to the FY of claim.
- Maximum cap of 5 times the Basic Grant allocation for the GPs.

Evaluation of criteria for disbursal of FFC Performance Grant (PG) to GPs for 2018-19 and 2019-20.

Procedure:

1. To obtain the Performance Grants for the year 2018-19, audited annual accounts for the year 2016-17 have to be submitted.
2. Audited annual accounts means "accounts audited by Local Audit Circle".
3. Gram Panchayat "Own Source Revenue" means collection of revenue from all tax and non-tax sources.
4. Increase in own revenue means, revenue collected as per Schedule IV to Section 199 of the Karnataka Panchayath Raj Act 1993 and license fees collected as per Section 70 of the Karnataka Gram Swaraj and Panchayath Raj Act 1993 and also rentals from own assets. To claim the performance Grants for the year 2018-19, the audited accounts required for Performance Grants in 2016-17 and so on.
5. These instructions will be enforced for the period 2018-19 to 2019-20 i.e., 14th Finance Commission award period.
6. The Performance Grants shall be utilized for the purpose indicated in the General Basic Grants GOI Guidelines dated:08-10-2015 and GOK Circular RDP 75 GPS 2015, dated:03-02-2018 & 04-02-2019.
7. For distribution and redistribution of the undistributed amounts to the eligible Gram Panchayat of the allocated FFC Performance Grant amount by deciding upon a suitable scoring system for the evaluation parameters.


(S.M.Zulfiquarulla)

Director (Panchayat Raj-2) and
Ex-officio Joint Secretary to Govt.

RD & PR Department

To

1. The Chief Executive Officers of all the Zilla Panchayath.
2. The Executive Officers of all the Taluk Panchayath (through the Chief Executive Officers).
3. The President/Panchayath Development Officers of all the Grama Panchayaths (through the Executive Officers).
4. Section copy/additional copies.

Copy to:

1. The Personal Secretary to the Hon'ble Minister for Rural Development and Panchayath Raj, Vidhana Soudha Bangalore.
2. The Personal Secretary to the Additional Chief Secretary/Principal Secretary (PR), Rural Development and Panchayath Raj Department.
3. The P.A to Deputy Secretary to Government, Finance Commission Cell, Finance Department.
4. The P.A to the Director (P.Raj-1 &2) and ex-officio Joint Secretary to Government, Rural Development and Panchayath Raj Department

5. The P.A to the Director, Abdul Nazeer Sab State Rural Development & Panchayath Raj Insititute, Lalitha Mahal Road, Mysore.
6. The P.A to the Internal Financial Advisor, Rural Development and Panchayath Raj Department
7. The Chief Editor, Karnataka Vikasa, Rural Development and Panchayath Raj Department
8. The website, Rural Development and Panchayath Raj Department.

