

AMOUNT TO BE CREDITED IN THE ACCOUNTS OF THE STATE GOVERNMENTS

F.No.8(8)/FCD/2025-26(Part)

Government of India

Ministry of Finance

Department of Expenditure

Finance Commission Division

D-Wing, Room No.10012,
Kartavya Bhawan, New Delhi-110001Dated:- 13th March, 2026

To,

The Accounts Officer (State-Loan),
O/o the Chief Controller of Accounts,
Department of Expenditure,
Ministry of Finance, Chanderlok Building,
New Delhi-110001.Subject:- Release of **Rural Local Bodies Basic Grant (Untied)** as recommended by the Fifteenth Finance Commission (FC-XV).

Sir,

The undersigned is directed to convey the approval of the Competent Authority in the Department of Expenditure, Ministry of Finance, Government of India for release of FC-XV recommended Rural Local bodies Grant amounting to a total of **Rs. 26020.00 Lakh** (Rupees Two Hundred Sixty Crore and Twenty Lakh only) to the State Government(s) as per details given below;

S. No.	Name of the State	Amount (Rs. in lakh)	Grant component	Installment/ Year
1.	Kerala	26020.00	RLB's Basic grant (Untied)	2 nd installment of 2025-26
x	Total	26020.00	x	x

2. The State Government (State Finance Department) is advised to ensure that the above grant is allocated to General Areas and Excluded Areas, if any (where Part IX & IXA of the constitution does not apply) within the State using population of 2011 Census with a weight of 90% and Area with a weight of 10%.

3. Grants apportioned for **General Areas** shall be distributed as per the inter-se share finalized for all tiers of Panchayats and distributed within each tier across the State on the basis of accepted recommendations of the latest State Finance Commission (SFC). However, in case of non-availability of SFC recommendation for distribution, the allocations should be on the basis of population and area in the ratio of 90:10.

4. Grants apportioned for **Excluded Areas** (if any) as per para 2 above shall be directly transferred by the State Finance Department to the concerned Autonomous District Councils (ADC)/Village Development Boards (VDB)/Gram Sabhas (as the case may be) through the concerned Administrative Departments/nodal Departments looking after Panchayati Raj/ADC/VDB matters.

[Signature]
13/03/2026

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