



# Rural Local Bodies Grant Amount

## Why in News

- On March 11, 2022, the Department of Expenditure of the Union Finance Ministry released an amount of Rs 1,112.7 crore to Bihar for providing grants to rural local bodies. This grant-in-aid is the second installment of a conditional grant to the state of Bihar in the year 2021-22.

## Key Points

- Along with this, the Department of Expenditure has released Rs 473.9 crore to Karnataka and Rs 634.6 crore to West Bengal for providing grants to rural local bodies. This grant-in-aid is the second installment of the unconditional grant to the states of Karnataka and West Bengal in the year 2021-22.
- The conditional grant as recommended by the 15th Finance Commission is based on the recommendations of the Department of Drinking Water and Sanitation for two important services, namely sanitation and maintaining Open Defecation Free (ODF) status and improving drinking water supply, rainwater harvesting and water recycling. Local Bodies (RLBs) are issued.
- Unconditional grants are released to Rural Local Bodies (RLBs) on the recommendations of the Ministry of Panchayati Raj after fulfilling the conditions laid down by the 15th Finance Commission.
- Of the total grant-in-aid for Panchayati Raj Institutions, 60 percent is earmarked for national priorities, such as drinking water supply, rainwater harvesting and sanitation (referred to as conditional grants), while 40 percent of the grant-in-aid is unconditional. And it is used at the discretion of the Panchayati Raj Institutions to meet the needs of the particular place.
- The local body grant is meant to ensure additional funds to rural local bodies in addition to the funds allocated by the Center and the state for sanitation and drinking water under centrally sponsored schemes.

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