



Rural Local Bodies of 4 States Get Over Rs. 1,142 Crores as Fifteenth Finance Commission Grants

PRIs of Madhya Pradesh, Jharkhand, Punjab & Mizoram to Benefit

Posted On: 25 MAR 2026 3:01PM by PIB Delhi

The Union Government has sanctioned and released the Fifteenth Finance Commission (XV FC) Untied Grants during FY 2025–26 to Panchayati Raj Institutions (PRIs)/Rural Local Bodies (RLBs) in Madhya Pradesh, Jharkhand, Punjab and Mizoram. These grants will further empower grassroots governance and enable need-based local development in PRIs.

For the state of Madhya Pradesh, Rs. 631.91 crores have been released as the 2nd instalment of Untied Grants of FY 2025-26 for 51 eligible District Panchayats (DPs), 300 eligible Block Panchayats (BPs) and 22933 eligible Gram Panchayats (GPs). Further, Rs.1.26 crores of withheld portion of 1st instalment of untied grants for FY 2025-26 has also been released to additionally eligible 4 BPs and 19 GPs. Similarly for the state of **Jharkhand**, 1st installment of untied grants of the financial year 2025-26 amounting to **Rs.269.03 crores** have been released. These funds are for eligible 23 DPs, all 264 eligible BPs and eligible 4344 GPs of the State. Further, Rs.3.65 crores of withheld portion of 1st and 2nd instalment of untied grants for FY 2024-25 have also been released to additionally eligible 11BPs and 2 GPs.

For the State of **Punjab**, the 2nd instalment of untied grants for FY 2025–26 amounting to **Rs. 222 crores have been allocated** for 13,262 eligible GPs, 150 eligible BPs and all 22 eligible DPs. While for the state of **Mizoram**, 2nd installment of untied grants amounting to **Rs.14.80 crores** have been released. These funds are for all 816 eligible Village Councils of the State.

Government of India through Ministry of Panchayati Raj and Ministry of Jal Shakti (Department of Drinking Water and Sanitation) recommends release of XV-FC grants to States for Rural Local Bodies, which is then released by Ministry of Finance. The allocated grants are recommended and released in 2 installments in a financial year. The Untied Grants will be utilized by Panchayati Raj Institutions/ Rural Local Bodies for location-specific felt needs, under the Twenty-Nine Subjects enshrined in the Eleventh Schedule of the Constitution, except for salaries and other establishment costs. The Tied Grants can be used for the basic services of (a) sanitation and maintenance of ODF status, and this should include management and treatment of household waste and human excreta and fecal sludge management in particular and (b) supply of drinking water, rainwater harvesting and water recycling.

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(Release ID: 2244985) Visitor Counter : 202

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