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GOVERNMENT OF ODISHA  
PANCHAYATI RAJ & DRINKING WATER  
DEPARTMENT

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From

Shri Deoranjana Kumar Singh, IAS  
Principal Secretary to Government

To

All Collectors  
All Project Directors, DRDAs.

Sub: - **Comprehensive Guidelines for Utilization of Untied and Tied grants by PRIs as recommended by the 15th Central Finance Commission during 5 Years award period i.e. from 2021 - 22 to 2025-26.**

Madam / Sir,

In inviting reference to the subject cited above, I am directed to say that the 15th Central Finance Commission have recommended allocation of fund distribution formula both Untied and Tied Grant for the award period of 5 years i.e. from 2021-22 to 2025-26 with focus on empowering Local Bodies and have recommended grants **(both Tied & Untied)** for all the 3 tier Panchayati Raj Institutions in the State, i.e, Gram Panchayats, Panchayat Samities and Zilla Parishads along with **year wise Health sector allocation for development and creation of infrastructure & facilities of CHCs, PHCs and SCs in Rural areas .**

(A) The recommendations of the Commission in respect of band for inter tier distribution has been accepted by the State in the ratio of 70:20:10 for the Gram Panchayat, Panchayat Samiti and Zilla Parishad respectively and the intra tier distribution (distribution within the tier) is in conformity with the accepted recommendations of the latest 5th SFC allocation formulla for (a) Gram Panchayats in the category of slabs in rural population i.e, (i) upto 5000 (ii) 5001-7500 (iii) 7501-10000 (iv) above 10000. (b) for Panchayat Samities the intra tier distribution has been made considering G.P as a unit in a Panchayat Samiti and (c) for Zilla Parishad the intra tier distribution has been made considering numbers of Panchayat Samiti as a unit in the concerned Zilla Parishad .

(B) The 15th Central Finance Commission during the 5 years award period i.e. from 2021-22 to 2025-26 have recommended as follows :-

1. **Untied grants (40%)** of the total recommended grant to each level PRI body against each year to be utilised for location specific felt needs except salary or other establishment expenditure.

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- The accrued interest on 15th Central Finance Commission Grant, if any, shall be treated as part of the grant and shall be utilized for the same purpose by Panchayat at Appropriate level.
- The project proposals are to be approved by the concerned Panchayats at Appropriate Level (PAL) in their meeting and uploaded in GPDP, BPDP, DPDP of e-Gramswaraj portal. The approved projects are to be taken up under direct supervision of the Gram Panchayat, Panchayat Samiti and Zilla Parishad (as the case may be ) and to be reviewed from time to time till the completion of process in their General Body meeting. **Besides, all 3 tier PRIs are to ensure that all basic services to the citizens like drinking water, sanitation, street light, solid waste management etc. are properly taken care of.**
- Provisions as laid down in OGP Rules/ Panchayat Samiti Accounting Procedure Rules/ OPWD Code and general guidelines as issued by Govt. from time to time etc. will be followed strictly while executing the works.
- All payments out of 15th CFC grant must be carried out by using e- Gramswaraj PFMS interface.
- Due precaution shall be taken to make payment of the Material Bill to the valid GST/ TIN registered vendor.
- Monthly MIS progress of work and utilization of funds can be reviewed at all level from time to time.
- After release of fund to PRIs, the Grant transfer certificate shall be submitted by PR & DW Deptt. to Govt. of India through Finance Deptt.
- No utilization certificate is required to be submitted towards utilization of 15th CFC funds. But, the progress of work and utilization of funds shall be reviewed on quarterly basis by the HLMC at state level and the District level Monitoring Committee.
- Utilization of funds will be audited by Local Fund Audit Organization of the State as well as Annual Technical Inspection shall be made by C & AG of India.
- Maintenance of Inventory of assets has been made an obligatory condition for release of all kinds of grant in favour of Local Bodies by the Commission. The Inventory is to be maintained in Form OGFR-30A in terms of Rules -171 (5)(i) of OGFR.
- The GPEO in charge of the Block will ensure 100% supervision and monitoring of the works under taken in the Gram Panchayats and submit a report to this effect to the DPO concerned with a copy to the BDO.