

No. PCH-HC (10) 1/2015-FFC - 49199-290
Government of Himachal Pradesh
Department of Panchayati Raj.

From

The Director, Panchayati Raj
Himachal Pradesh.

To

- (1) All the District Panchayat Officers
Himachal Pradesh.
- (2) All the Block Development Officers
Himachal Pradesh.

Shimla-171009

dated

13th August, 2020

Subject:- Regarding treatment of interest accrued out of 14th Finance Commission Grants
for Gram Panchayats.

Sir/ Madam,

On the aforementioned subject, the Government of India has clarified that the interest accrued in a savings accounts of Gram Panchayats is a part of the closing balance as on a particular date/ year. Therefore, such available combined balance constitutes the opening balance for the New Year which need not be transferred back. Funds devolved to any local body are to be utilized as per guidelines.

You are, therefore, requested to kindly instruct all the Gram Panchayats under your jurisdiction to utilize the interest amount accrued out of 14th Finance Commission Grant on the permissible works within this Financial Year.

Beside this, the DPOs are also directed to release the interest amount of 14th FC Grant for the first two years i.e. 2015-16 & 2016-17, if available to the Gram Panchayats by the same procedure as was adopted for allocating the basic Grant under the said Finance Commission.

Yours faithfully


Additional Director, Panchayati Raj
Himachal Pradesh.