

29/8/16  
SSC PFC  
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## Office Memorandum

Subject:- Minutes of the Second Meeting of the Coordination Committee(of MOPR) held on 21/7/2016 – regarding.

Reference is invited to MOPR's OM No. N-11013/22/2015- P&J, dated 04/8/2016 forwarding therewith Minutes of the Second Meeting of the Coordination Committee meeting held on 21/7/2016 at New Delhi.

2. Comments on actionable points at para numbers (vi), (x) and (xi) pertaining to the Department of Expenditure, MOF are as follows:

S. No	Para No. of Minutes	Comments of MOF
1	(vi)	DOE has conveyed to Inter-State Council that it has in principle, no objection in doing away with the ceiling on Professions tax as per the recommendations of Punchhi Commission Report provided a consensus emerges between the Centre and the States.
2	(x)	So far position continues to be the same. UCs were received from the States of West Bengal and Assam but due to delayed transfers and less quantum of transfers respectively, the concerned States were requested to adhere to the guidelines in order to become eligible for the release of next instalment. No UC has yet been received from Goa as well. However, as decided in the meeting held on 16/8/2016 with AS(Exp.), DoE is to release Basic Grant on the basis of recommendations received from the MOPR & MOUD(as the case may be). Therefore, MOPR may take further necessary action with regard to these three States also.
3	(xi)	Para 13 of the Operational Guidelines deals with 'Eligibility for Performance Grant' which reads as, 'The FFC has recommended that detailed procedure and the operational criteria, including quantum of incentives to be given, for disbursement of performance grants to Gram Panchayats and Municipalities will be decided by the State Governments concerned, subject to the eligibility conditions as described below;  For Gram Panchayats(GPs): <u>The Gram Panchayats will have to submit audited accounts that relate to year not earlier than two years preceding the year in which the Gram Panchayats seeks to claim the performance grant.</u> <u>The Gram Panchayats will have to show an increase in their own revenues over the preceding year as reflected in the audited</u>

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accounts.....'

**'Note:** For the purpose of determining the eligibility of a Gram Panchayats or Municipality (including Municipal Corporations, Municipal Councils & Nagar Panchayats) to the Performance Grant, the audited accounts required for Performance Grants in 2016-17 will be for the year 2014-15.....'

So, in the light of above referred 'Note' of the Operational Guidelines, it is clear that increase in 'own tax revenue' will be verified from the audited accounts only of the year 2014-15 for availing performance grant for the year 2016-17 i. e. 2014-15 audited accounts must reflect increase in OSR over 2013-14.

3. This issues with the approval of the Competent Authority.

*R. B. Kaul*  
24/8/16

(R. B. KAUL)

Senior Statistical Officer(FCD)

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To

The Under Secretary  
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