

ANNEXURE VI-1

Methodology for distribution of divisible pool among the urban and rural local bodies

(a) The divisible pool is first apportioned between rural and urban local bodies on the basis of population as per 1991 Census excluding the population of two hills districts viz. Karbi Anglong and N.C. Hills district. Moreover, population belonging to census towns have been included in rural areas. Thus the rural : urban ratio is estimated at **0.89783 : 0.10217**.

(b) The rural fund estimated as per para (a) is to be allocated to 21 plains districts on the basis of rural population as per 1991 Census, rural area and per capita net district domestic product pertaining to primary sector net of mining and quarrying for the year 2000-2001 at constant (1993-94) prices. A composite index has been constructed with the above three parameters giving weightage as follows:

Rural population	...	...	...	...	...	50%
Rural Area	...	...	...	...	...	25%
Per capita DDP of primary sector net of mining and quarrying	...	...	...	...	...	25%

As regards per capita NDDP, distance method has been adopted by taking deviation from the per capita NSDP of Punjab for the year 2000-2001, which at Rs.6328 is the highest among states. The district-wise share of rural allocation is in statement at **Annexure VI-2**.

(c) The district rural fund arrived at as per para (b) is to be allocated among ZP / APs / GPs in the ratio 10 : 30 : 60.

(d) The allocation of ZP is in the statement at **Annexure VI-3**. The horizontal allocation among GPs and APs has been done on the basis of population size as per 1991 Census. The AP and GP allocations are in the statement at **Annexure VI-4 and 5**.

(e) The urban divisible pool estimated as per para (a) is allocated among Municipal Corporations/ Municipal Boards/ Town Committees on the basis of population as per 1991 Census and geographical area as well as infrastructure index and average per capita tax collection. The infrastructure index is a composite index of three indicators viz. length of surfaced roads, length of pucca drain and number of street lights giving equal weights to each indicator. A composite index taking into account four indicators viz. population, area, infrastructure index and average per capita tax collection is constructed with the following weightage.

Population	...	...	...	...	50%
Area	...	...	...	...	25%
Infrastructure Index	...	...	...	...	12.5%
Per capita tax collection	...	...	...	...	12.5%

The statement **Annexure VI-6** provides the urban body-wise share of allocation as estimated observing the above criteria.

All the statements at **Annexure VI-2 to VI-6** indicate multiplying factors for the purpose of estimating the amount due to be transferred every year to each local body out of the total State divisible pool. The State divisible pool multiplied by the multiplying factors will indicate the amount due to each local body.

(a) Illustration – RLBs :

Taking the estimated size of the divisible pool at, say, Rs.70.00 crores

- (i) Share of a particular GP, say, Agomani

Divisible pool (X) multiplying factor

$$70.00 \times 0.00017$$

$$= \text{Rs. } 1,19,000.00.$$

- (ii) Share of a particular AP, say, Agomani

Divisible pool (X) multiplying factor

$$70.00 \times 0.00126$$

$$= \text{Rs. } 8,82,000.00.$$

- (iii) Share of a particular ZP, say, Dhubri

Divisible pool (X) multiplying factor

$$70.00 \times 0.00488$$

$$= \text{Rs. } 34,16,000.00.$$

(b) Illustration – ULBs :

- (i) Share of a particular urban local body, say, GMC

Divisible pool (X) multiplying factor

$$70.00 \times 0.02735$$

$$= \text{Rs. } 1,91,45,000.00.$$

- (ii) Share of a particular urban local body, say, Rangia MB

Divisible pool (X) multiplying factor

$$70.00 \times 0.00096$$

$$= \text{Rs. } 6,72,000.00.$$

- (iii) Share of a particular urban local body, say, North Guwahati TC

Divisible pool (X) multiplying factor

$$70.00 \times 0.00076$$

$$= \text{Rs. } 5,32,000.00.$$