

Twelfth Finance Commission Grant – Grant to Village Panchayats for Operation and Maintenance costs of Water Supply, Street Lighting and Sanitation – Release of 1st instalment of Rs.87.00 crores to Rural Local Bodies for the year 2008-2009

Rural Development and Panchayat Raj (PR.I) Department

G.O. (Ms.) No.106

Dated 19.6.2008

Read:

1. G.O.Ms.No.19, Rural Development and Panchayat Raj (C2) Department, dated 26.2.2007.
2. G.O.Ms.No.85, Rural Development and Panchayat Raj (C2) Department, dated 6.6.2007.
3. G.O.Ms.No.171, Rural Development and Panchayat Raj (C2) Department, dated 12.10.2007.
4. From the Director of Rural Development and Panchayat Raj, Letter No.42453/2008/PR.II.1-3, dated 5.6.2008.

ORDER:

In G.O.Ms.No.19, Rural Development and Panchayat Raj Department, dated 26.2.2007, orders were issued that the entire Twelfth Finance Commission grant will be given to Village Panchayats alone instead of giving to the Village Panchayats and the Panchayat Unions in the ratio of 80:20 and the allocation to the Village Panchayats will be made only on the basis of the population as was being done earlier to ensure simplicity in allocation of funds at the District level. The grants should be utilized by the Village Panchayats entirely for the Operation and Maintenance costs of Water Supply, Street lighting and Sanitation.

2. In the Government Order second and third read above, orders were issued releasing first and second instalments of Rs.87 crores each totalling to Rs.174 crores for the year 2007-2008 to the Village Panchayats for the above purpose.

3. The Director of Rural Development and Panchayat Raj in his letter fourth read above has sent proposal to Government for the release of first instalment of Rs.87.00 crores to Village Panchayats for the year 2008-2009.

4. The Government have examined the above proposal of the Director of Rural Development and Panchayat Raj carefully and accord sanction for the release of the first instalment of Twelfth Finance Commission grant of Rs.87,00,00,000/- (Rupees Eighty seven crores) for the year 2008-2009 to the Village Panchayats, anticipating its receipt from Government of India.

5. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in para 4 above to all the Village Panchayats as per the 2001 Census population. The Director of Rural Development and Panchayat Raj is also requested to direct the Village Panchayats to utilize the grant entirely for the Operation and Maintenance costs of Water Supply, Street lighting and Sanitation as ordered in the Government Order first read above and to furnish the utilization certificate for the amount sanctioned above, to the Government early.

6. The expenditure sanctioned in para 4 above shall be debited to the following head of account:-

Village Panchayats – 100%

Amount

“3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions – 197. Assistance to Block Panchayats / Intermediate Level Panchayats – Schemes in the Eleventh Five Year Plan – II – State Plan – JD – Grants to Village Panchayats as per the recommendation of Twelfth Finance Commission – 09. Grants-in-Aid-01. Grants for current Expenditure”. (DPC 3604 00 197 JD 0915) Rs.87.00 crores

7. This order issues with the concurrence of Finance Department vide its U.O. No.236/DS(AR)/2008, dated 18.6.2008.

(BY ORDER OF THE GOVERNOR)

K. DEENABANDU,
SECRETARY TO GOVERNMENT (i/c)