

State Finance Commission Grant- Release of grants to Village Panchayats, Panchayat Unions and District Panchayats for the months of February and March 2009

Rural Development and Panchayat Raj (PRI) Department

G.O.Ms.No.11

Dated 29.1.2009

Read:

1. G.O.Ms.No.199, Finance (FC.IV) Department, dated 25.5.2007.
2. G.O.Ms.No.95, Rural Development and Panchayat Raj Department, dated 6.6.2008.
3. From the Commissioner of Rural Development and Panchayat Raj, Chennai-15, Letter Rc.No.32563/2008/PRI.II-2, dated 10.1.2009.

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ORDER:

In the Government Order first read above, the Government have ordered to apportion the devolution grant for Rural Local Bodies among the Village Panchayats, Panchayat Unions and District Panchayats in the ratio of 60:32:8 respectively. Further, the Government have ordered to reserve 5% from out of 60% of Village Panchayats share of State Finance Commission devolution towards Infrastructure Gap Filling Fund. Out of the above Infrastructure Gap Filling Fund, 50% shall be allocated towards Anaithu Grama Anna Marumalarchi Thittam (AGAMT) programme and out of the balance 50%, 25% of the amount shall be kept with Commissioner of Rural Development and Panchayat Raj for providing basic amenities in the Districts and the rest shall be allocated to the Districts based on the population and the District Collectors shall utilize the funds for the purpose.

2. The Commissioner of Rural Development and Panchayat Raj in the reference third read above has stated that the Government have allocated a sum of Rs.1614,93.46 lakhs as State Finance Commission (SFC) grant for the year 2008-2009 in Budget Estimate 2008-2009. In the reference second read above orders have been issued sanctioning the State Finance Commission grant from April 2008 to January 2009 as detailed below:

Sl. No.	Details	Amount (Rs. In lakhs)
1.	Village Panchayats	
	a. State Finance Commission Minimum Grant	378,54.00
	b. Population based State Finance Commission Grant	364,05.29
	c. Infrastructure Gap Filling Fund	80,74.67
	Sub Total	823,33.96

2.	Panchayat Unions	
	a. State Finance Commission Minimum Grant	115,50.00
	b. State Finance Commission Grant based on Population	286,62.79
	Sub Total	402,12.79
3.	District Panchayats	92,28.19
	Grand Total	1317,74.94

The devolution grant has been released to Rural Local Bodies on monthly basis from April 2008 to January 2009 and 5% Infrastructure Gap Filling Fund has also been released.

3. The Commissioner of Rural Development and Panchayat Raj in the reference third read above has stated that the funds have been proposed in the Revised Estimate 2008-2009 as detailed below:

Sl. No.	Details	Amount (Rs. In lakhs)
1.	Village Panchayats	
	a. State Finance Commission Minimum Grant	378,54.00
	b. Population based State Finance Commission Grant	509,67.41
	c. Infrastructure Gap Filling Fund	80,74.67
	Sub Total	968,96.08
2.	Panchayat Unions	
	a. State Finance Commission Minimum Grant	115,50.00
	b. Population based State Finance Commission Grant	401,27.91
	Sub Total	516,77.91
3.	District Panchayats	129,19.47
	Grand Total	1614,93.46

4. The Commissioner of Rural Development and Panchayat Raj has stated that the State Finance Commission Minimum Grant to Village Panchayats and Panchayat Unions and population based grant to Village Panchayats, Panchayat Unions and District Panchayats for February and March 2009 have to be released to Rural Local Bodies. In Government Order second read above, State Finance Commission Minimum Grant to Village Panchayats and Panchayat Unions has already been sanctioned for February and March 2009. The balance fund to be sanctioned under population grant for the months of February and March 2009 is as detailed below:

(Rs, in lakhs)

Name of the Local Body	Amount proposed in Revised Estimate 2008-2009	Funds sanctioned by the Government in G.O.Ms.No.95, RD&PR., dated 6.6.2008	Balance Funds to be sanctioned by Government under Population based grant for February and March 2009.
Village Panchayat	968,96.07	823,33.96	145,62.11
Panchayat Unions	516,77.91	402,12.79	114,65.12
District Panchayats	129,19.48	92,28.19	36,91.29
Total	1614,93.46	1317,74.94	297,18.52

5. The Commissioner of Rural Development and Panchayat Raj in his letter third read above has requested the Government to release State Finance Commission balance fund under population grant for the months of February and March 2009 as detailed above.

6. The Government have carefully examined the proposal of Commissioner of Rural Development and Panchayat Raj and accordingly sanction the State Finance Commission devolution grant based on population to Village Panchayats, Panchayat Unions and District Panchayats for the months of February and March, 2009 to be distributed as detailed below:

Name of the Local Body	Amount proposed in Revised Estimate 2008-2009	Funds sanctioned by the Government in G.O.Ms.No.95, RD&PR., dated 6.6.2008	Balance Funds to be sanctioned by Government under Population based grant for February and March 2009.
Village Panchayat	968,96.07	823,33.96	145,62.11
Panchayat Unions	516,77.91	402,12.79	114,65.12
District Panchayats	129,19.48	92,28.19	36,91.29
Total	1614,93.46	1317,74.94	297,18.52

7. The amount sanctioned in para 6 above shall be debited to the following heads of accounts:

District Panchayats:

3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 196. Assistance to Zilla Parishads/District Level Panchayats - I. Non-Plan - AA. Grants to District Panchayats as per the recommendations of State Finance Commission controlled by Director of Rural Development - 09. Grants-in-aid - 02. Grants for Capital Expenditure. (DPC 3604 00 196 AA 0921)

Rs.36,91.29 lakhs

Panchayat Unions

3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 197. Assistance to Block Panchayats / Intermediate Level Panchayats - I. Non-Plan - AA. Grants to Panchayat Unions as per the recommendations of State Finance Commission controlled by Director of Rural Development - 09. Grants-in-aid - 02. Grants for Capital Expenditure. (DPC 3604 00 197 AA 0929)

Rs.114,65.12 lakhs

Village Panchayats:

3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 198. Assistance to Gram Panchayats I. Non-Plan - AA. Grants to Village Panchayats as per the recommendations of State Finance Commission controlled by Director of Rural Development - 09. Grants-in-aid - 02. Grants for Capital Expenditure. (DPC 3604 00 198 AA 0927)

Rs.145,62.11 lakhs

8. The Commissioner of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in para 6 above and he is requested to make necessary deductions for pension payment to Panchayat Union Employees etc.

9. The Pay and Accounts Officer / Treasury Officers concerned are requested to admit and honour the bills as and when presented by the Commissioner of Rural Development and Panchayat Raj, if they are found otherwise in order.

10. This order issues with the concurrence of Finance Department vide its U.O. No.19/DS(B)/2009, dated 29.1.2009.

(BY ORDER OF THE GOVERNOR)

K. ASHOK VARDHAN SHETTY,
PRINCIPAL SECRETARY TO GOVERNMENT.