

Twelfth Finance Commission Grant – Grant to Village Panchayats for Operation and Maintenance costs of Water Supply, Street Lighting and Sanitation – Release of second 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.162

Dated 13.10.2008

Read:

1. G.O.Ms.No.19, Rural Development and Panchayat Raj (C2) Department, dated 26.2.2007.
2. G.O.Ms.No.106, Rural Development and Panchayat Raj (PR.I) Department, dated 19.6.2008.
3. From the Commissioner of Rural Development and Panchayat Raj, Letter No.42453/2008/PRI.II.3, dated 30.9.2008.

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ORDER:

In the Government Order first read above, orders were issued to the effect 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 that 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. It was also ordered that 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 read above, orders were issued releasing the first instalment of Rs.87.00 crores for the year 2008-2009 to the Village Panchayats for the above purpose.

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

4. The Government have examined the above proposal of the Commissioner of Rural Development and Panchayat Raj carefully and accord sanction for the release of the second 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 Commissioner 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

Commissioner 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:-

<u>Village Panchayats – 100%</u>	<u>Amount</u>
“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 Panchayat as per the recommendation of 12th 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.60858/FC.IV/2008-1, dated 11.10.2008.

(BY ORDER OF THE GOVERNOR)

K. ASHOK VARDHAN SHETTY,
PRINCIPAL SECRETARY TO GOVERNMENT.