

12.11 Release of first installment funds of Rs.87 Crores for the year 2007-08

Rural Development and Panchayat Raj (C2) Department

G.O. (Ms) No. 85

Dated : 6.6.2007

Read :

1. From the Ministry of Finance Department of Expenditure (From Common Division) Government of India Guidelines for release and utilization of Twelfth Finance Commission grant.
2. G.O.(Ms) No.157, Rural Development, dated 30.10.2006
3. G.O.(Ms) No.19, Rural Development, dated 26.2.2007
4. G.O.(Ms) No.23, Rural Development, dated 26.2.2007
5. Director of Rural Development and Panchayat Raj
Lr.No.47292/06/PRI II.3, dt. 24.4.2007.

ORDER

In the reference first read above, the Government of India have issued guidelines for release and utilization of Twelfth Finance Commission grants. The State's share of allocation of such grant is Rs.870 crores for the years from 2005-06 to 2009-2010. Accordingly, Rs.174.00 crores is allotted to Rural Local Bodies, every year.

2) In the G.O.2nd cited the 1st installment of the Twelfth Finance Commission grant Rs.87.00 crores have been released to Rural Local Bodies for the year 2006-07. In the reference 3rd cited orders have been issued that the entire Twelfth Finance Commission grant will be given to Village Panchayats and that the grants should be utilized for the operation and maintenance costs of Water Supply, Street lighting and Sanitation. In the reference 4th cited, 2nd installment of Twelfth Finance Commission grant of Rs.87 crores has been released to Rural Local Bodies for the year 2006-07.

3) The Director of Rural Development and Panchayat Raj in his letter 5th cited has sent proposal to Government for the release of 1st installment of Twelfth Finance Commission grant of Rs.87.00 crores for the year 2007-08. He has stated that District Collectors have been addressed to furnish PRI wise adjustment details and Utilization Certificate by the Village Panchayats for the release of Twelfth Finance Commission grant for the year 2006-07.

4) The Government have examined the above proposal of the Director of Rural Development and Panchayat Raj carefully. The Government accordingly sanction the first installment of Twelfth Finance Commission grant of a sum of Rs.87.00 crores (Rupees Eighty Seven crores only) for the year 2007-08 to the Village Panchayats alone.

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 O&M costs of water supply, street lighting and sanitation as ordered in the G.O. third 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 -

12. CENTRAL FINANCE COMMISSIONS

| 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 No.3604-00-197-JD-0915) | Rs.87.00 crores |

7) This order issues with the concurrence of Finance Department vide its U.O.No.13/SS (PK)/RD/07, dated 5.6.2007.

(By order of the Governor)

K.ASHOK VARDHAN SHETTY
SECRETARY TO GOVERNMENT