

11. STATE FINANCE COMMISSION

11.26 Release of Infrastructure Gap Filling Fund under State Finance Commission Grant

Rural Development and Panchayat Raj (C2) Department

G.O. (Ms) No. 153

Dated : 29.08.2007

Read :

1. G.O. (Ms) No. 199, Finance (FC-IV) Department, dated 25.5.2007.
2. G.O. (Ms) No. 126 Rural Development and Panchayat Raj(C2) Department, dated 12.7.2007
3. From Director of Rural Development and Panchayat Raj Lr.Roc No.37187/07/PRI-II.2, dated14.8.2007.

ORDER

Based on the recommendations of Third State Finance Commission, the Government in G.O. 1stread above, issued orders for increasing the devolution of fund for State's Own tax revenue from 8% to 9% during the year 2007-08. The Government also issued orders that the devolution grant shall be distributed among Rural Local Bodies and Urban Local bodies in the ratio of 58:42. The 58% share of the devolution meant for Rural Local Bodies shall be distributed to Village Panchayats, Panchayat Unions and District Panchayats in the ratio of 60:32:8 respectively. From out of 60% share of Village Panchayats, 5% reserved toWards infrastructure gap filling fund . From out of infrastructure gap filling fund, 50% shall be allocated toWards Anaithu Grama Anna Marumalarchi Thittam. Out of the balance 50% of infrastructure gap filling fund, a part of amount shall be allocated to Director of Rural Development and Panchayat Raj to providing basic amenities in the Districts and the rest shall be allocated to Districts based on population and the District Collectors shall utilize the fund for the same purpose.

2. In the G.O. second read above, the Government issued orders (based on budget estimate) for distribution of the State Finance Commission fund to Rural Local Bodies as follows:

District Panchayats	126.6869 crores
Panchayat Unions	506.7479 crores
Village Panchayats	870.9729 crores
5% Infrastructure gap filling fund	79.1794 crores
Total	1583.5871 crores

3. The Director of Rural Development and Panchayat Raj has now requested the Government to apportion the 5% infrastructure gap filling fund of Rs.79.1794 crores as follows -

5% infrastructure gap filling fund as per budget estimate	79.1794
50% of above allocation to Anaithu Grama Anna Marumalarchi Thittam	39.5897
Balance	39.5897
25% of balance amount to be retained by Director of Rural Development and Panchayat Raj	9.8974
75% of balance amount to be allocated to District Collectors based on rural population	29.6923

11. STATE FINANCE COMMISSION

4. The Government have carefully examined the proposal of Director of Rural Development and Panchayat Raj in the light of the orders issued in the G.Os read above and the budget provision of Rs.1583.5871 crores made in Budget Estimate 2007-2008, and decided that the infrastructure gap filling fund of Rs.79.1794 crores be apportioned as follows.

5% infrastructure gap filling fund as per budget estimate	79.1794
50% of above allocation to Anaithu Grama Anna Marumalarchi Thittam	39.5897
Balance 50% infrastructure Gap Filling Fund	39.5897
25% of balance amount to be retained by Director of Rural Development and Panchayat Raj for providing basic amenities in the Districts	9.8974
75% of balance 50% infrastructure Gap Filling Fund amount to be allocated to District Collectors based on population and the Collectors to utilize the funds for the same purpose	29.6923

5. The amount sanctioned in para 3 above shall be debited to the following head of account.

“3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions 198-Assistance to Gram Panchayats - I Non Plan-AC. Infrastructure Gap Filling Fund for Rural Local Bodies -09. Grants-in-aid 02. Grants for Capital Expenditure (DPC 3604-00-198-AC - 0923)”

6. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in Para 4 above to Rural LocalBodies.

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

8. This order issued with the concurrence of Finance Department vide its U.O. No.367/ADS(JR)/07, Dated 24.8.2007.

(By order of the Governor)

K.ASHOK VARDHAN SHETTY
SECRETARY TO GOVERNMENT