

## 11. STATE FINANCE COMMISSION

### 11.27 Allocation of Rs. 135.00 Crores for "Panchayat Union School Renovation Programme" from SFC grant

Rural Development and Panchayat Raj (C2) Department

G.O. (Ms) No. 157

Dated : 10.9.2007

Read :

1. G.O. (Ms) No.94 Rural Development and Panchayat Raj (SGS.4) Department dated 12.6.2007.
2. G.O. (Ms) No.126 Rural Development and Panchayat Raj (C2) Department dated 12.7.2007.
3. Director of Rural Development and Panchayat Raj, Chennai Roc. Lr. No.371871/07/PRI.II.2 dated 5.9.2007.

#### ORDER

In the G.O. first read above, orders were issued allocating a sum of Rs.135.00 crores, from State Finance Commission Grant share of Panchayat Union and District Panchayat (in the ratio 32:8) as follows:

1. From Panchayat Unions share	Rs.108.00 crores
2. From District Panchayats share	Rs. 27.00 crores
	-----
	Rs.135.00 crores
	-----

The Director of Rural Development and Panchayat Raj was directed to release the funds on quarterly basis as detailed below:

#### Panchayat Union Share:

1 <sup>st</sup> Quarter	Rs.27.00 crores
2 <sup>nd</sup> Quarter	Rs.27.00 crores
3 <sup>rd</sup> Quarter	Rs.27.00 crores
4 <sup>th</sup> Quarter	Rs.27.00 crores

#### District Panchayat Share:

1 <sup>st</sup> Quarter	Rs.6.00 crores
2 <sup>nd</sup> Quarter	Rs.7.00 crores
3 <sup>rd</sup> Quarter	Rs.7.00 crores
4 <sup>th</sup> Quarter	Rs.7.00 crores

The Director of Rural Development and Panchayat Raj has been authorized to draw and disburse the above amount by apportioning suitably among various districts.

2. In G.O. second read above, funds have been sanctioned to rural Local Bodies from April 2007 to January 2008 and ordered to release on monthly basis to rural Local Bodies. The State Finance Commission Grant for the months of April to July 2007 have been released to rural Local Bodies by the Director of Rural Development and Panchayat Raj.

3. The Director of Rural Development and Panchayat Raj has stated that at the time of above release, the "Panchayat Union School Renovation Programme" was at its initial stage. The assessment of the repair and the preparation of estimates to arrive at the actual fund requirement for each district was under progress and release of fund for the scheme was not required at that time. On the other hand the Panchayat Union and District Panchayats had to settle many of the outstanding bills towards salaries and other maintenance works, apart from the Pension Contribution to be paid to the Local Fund Audit Director. Hence, the amount to be deducted towards "Panchayat Union School Renovation Programme" from the Panchayat Unions and District Panchayats share of State Finance Commission grant for the month of April to July was not deducted.

## 11. STATE FINANCE COMMISSION

4. The Director of Rural Development and Panchayat Raj has also stated that the bills were submitted to Pay and Accounts Office (South), Chennai-35 to release the State Finance Commission Grant for the month of August 2007 for Panchayat Unions and District Panchayats after deducting the amount towards the "Panchayat Union School Renovation Programme" fund. The Pay and Accounts Officer (South) Chennai has audited the above claim bill and has instructed to get revised orders from the Government for deduction of "Panchayat Union School Renovation Programme" fund from State Finance Commission Grant in respect of Panchayat Union and District Panchayat.

5. The Director of Rural Development and Panchayat Raj, therefore, requested to give necessary orders for the deduction of amount towards "Panchayat Union School Renovation Programme" from State Finance Commission Grant due to Panchayat Unions and District Panchayats on monthly basis as detailed below:

1. From State Finance commission Grant for Panchayat Union from August 2007 to March 2008 @ Rs.13.50 crores per month (8 months x Rs.13.50 crores = Rs.108.00 crores)
2. From State Finance Commission Grant of District Panchayats from August 2007 to March 2008 @ Rs.3.375 crores per month (8 x Rs.3.375 crores = Rs.27.00 crores)

6. The Government have decided to accept the proposal of the Director of Rural Development and Panchayat Raj and accordingly permit the Director of Rural Development and Panchayat Raj for the deduction of amount towards "Panchayat Union School Renovation Programme" from State Finance Commission Grant due to Panchayat Unions and District Panchayats on monthly basis as detailed below:

1. From State Finance commission Grant for Panchayat Union from August 2007 to March 2008 @ Rs.13.50 crores per month (8 months x Rs.13.50 crores = Rs.108.00 crores)
2. From State Finance Commission Grant of District Panchayats from August 2007 to March 2008 @ Rs.3.375 crores per month (8 x Rs.3.375 crores = Rs.27.00 crores)

(By order of the Governor)

**K.ASHOK VARDHAN SHETTY**  
SECRETARY TO GOVERNMENT