

12. CENTRAL FINANCE COMMISSIONS

12.12 Release of second installment grants of Rs. 87.00 Crores for the year 2007-08

Rural Development and Panchayat Raj (C2) Department

G.O. (Ms) No. 171

Dated : 12.10.2007

Read :

- 1) From the Ministry of Finance, Department of Expenditure (Finance Commission Division), Government of India, Guidelines for release and utilisation of Twelfth Finance Commission Grants.
- 2) G.O. (Ms) No. 85, Rural Development and Panchayat Raj (C2) Department dated 6.6.2007
- 3) From the Director of Rural Development and Panchayat Raj Letter.No.44447/2007/PRI.II- 3, dated 29.9.2007

ORDER

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

2) In the G.O. second read above, 1st instalment of Twelfth Finance Commission grant of Rs.87.00 crores has been released to Rural Local Bodies for the year 2007-08.

3) The Director of Rural Development and Panchayat Raj in his letter third read above has sent proposal to Government for release of second instalment of Rs.87.00 crores to Rural Local Bodies. He has also stated that the first instalment of the Twelfth Finance Commission grant of Rs.87.00 crores has been released to Rural Local Bodies.

4) The Government have examined the above proposal of the Director of Rural Development and Panchayat Raj carefully and accord sanction for the release of the 2nd instalment of Twelfth Finance Commission grant of Rs.87.00 crores (Rupees Eighty Seven Crores only) for the year 2007-08, to the Village Panchayats.

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.second read above and to furnish the Utilisation 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 -

Village Panchayats - 100 %	Amount
''3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 197 Assistance to Block Panchayats/ Intermediate Level Panchayats - Eleventh Five year plan schemes - 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) The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the expenditure, sanctioned in para 4 above pending reappropriation of funds in RE/FMA 2007-08. The Director of Rural Development and Panchayat Raj is requested to send necessary proposal for reappropriation of funds in RE/FMA 2007-08 without fail.

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8) This order issues with the concurrence of Finance Department vide its U.O.No.67219/FCIV/2007-1, dated 11.10.2007 and ASL No.1089 (One thousand eighty nine).

(By order of the Governor)

K.ASHOK VARDHAN SHETTY
SECRETARY TO GOVERNMENT