



ABSTRACT

Mahalir Thittam – Strengthening of Panchayat Level Federations (PLFs) – Sanction of Incentive of Rs.17.50 Crores to Panchayat Level Federations and Slum Level Federations of Self Help Groups for the year 2011-12 which have passed the grading – Orders Issued.

Rural Development and Panchayat Raj (CGS-3) Department

G.O (Ms) No.90

Dated: 16.11.2011.

READ:

1. G.O Ms. No.125, Rural Development and Panchayat Raj (CGS 3) Department dated 21.07.2008.
2. G.O.(D) No.465, Rural Development and Panchayat Raj (CGS-3) Department, dated 23.07.2009.
3. G.O.(Ms) No.56, Rural Development and Panchayat Raj (CGS-3) Department, dated 24.05.2010.
4. From the Managing Director, TamilNadu Corporation for Development of Women Limited, D.O. Letter No.1635/E2/2011, Dated 18.08.2011

ORDER:-

In the Government Order first read above, orders had been issued to restructure the Panchayat Level Federations with the objective of making them more inclusive, transparent and participatory and improve their governance and sustainability.

2. In the Government Order second read above, orders have been issued to the effect that on completion of 6 months from restructuring of the Panchayat Level Federations based on the revised guidelines, the Panchayat Level Federations may be graded by a team constituted for the purpose to assess their functioning using a set of grading parameters. The Panchayat Level Federations which pass the grading exercise will be eligible to receive incentive of Rs.One Lakh and it may utilize this amount to on-lend to member self help groups. The Panchayat Level Federations may also utilize the interest earned out of this incentive to meet their administrative expenditure.

3. In the G.O. third read above, the Government have sanctioned Rs.30 crores for grant of incentive of Rs.1.00 lakh each to 3000 successfully graded Panchayat Level Federations for the year 2010-11.

(P.T.O.)

4. The Hon'ble Minister (Municipal Administration & Rural Development) announced in the floor of the Assembly that to encourage 3000 successfully graded Panchayat Level Federations will be awarded of Rs.1.00 lakh each as incentive during the year 2011-12.

5. The Managing Director, Tamil Nadu Corporation for Development of Women Limited in the letter fourth read above has stated that the primary objective of the Panchayat Level Federations is to provide financial and non financial support and services to member Self Help Groups thereby ensuring sustainability of the Self Help Group movement. The financial intermediation by the Panchayat Level Federation has become very essential to minimize the impact of micro finance institutions who usually charge exploitative rates of interest and Panchayat Level Federations undertake lending on a small scale before actually availing major loans from external financial institutions, so that the office bearers gain experience in fund management. Such an initiative will also give credit history to the Panchayat Level Federation based on which the external agencies can sanction bulk loan.

6. The Managing Director, Tamil Nadu Corporation for Development of Women Limited has also stated that in order to empower women living below poverty line in urban areas, new women Self Help Groups have been formed in urban slums. For effective inclusion of the poor in the Self Help Group movement, Slum Level Federation (SLF) of Self Help Groups has been formed in urban areas focusing on slums and to encourage these federations to perform the financial intermediation well, the Government has sanctioned an amount of Rs.1.00 lakh as incentive to 3000 successfully graded Federations at a cost of Rs.30.00 crores during the financial year 2010-11.

7. The Managing Director, Tamil Nadu Corporation for Development of Women Limited has further stated that during the current year 2011-12, it is proposed that 3000 successfully graded Federations i.e Panchayat Level Federation and Slum Level Federation in the State may be sanctioned an amount of Rs.1.00 lakh each as incentive at the total cost of Rs.30.00 crores. Out of 3000 successfully graded Federations, 850 Panchayat Level Federations will be eligible under Pudhu Vaazhvu Project, 2000 Panchayat Level Federations and 150 Slum Level Federations under Mahalir Thittam will be eligible to get the incentive during 2011-12. The Federations may utilize this amount to lend to member Self Help Groups. The federations may also utilise the interest earned out of this incentive to meet their administrative expenditure.

8. The Managing Director, Tamil Nadu Corporation for Development of Women Limited has requested to permit to utilize Rs.10.00 Crores from out of unspent funds available with the Corporation.

9. She has requested the Government to sanction the amount of Rs.30.00 Crores (Rupees thirty crores only) towards incentive to 3000 successfully graded Panchayat Level Federations and Slum Level Federations @ Rs.1.00 lakh for the year 2011-12 including Rs.10.00 Crores provided in the revised Budget for 2011-12 to Tamil Nadu Corporation for Development of Women Limited pending provision of additional amount of Rs.10.00 Crores in RE/FMA 2011-12.

10. The Managing Director, Tamil Nadu Corporation for Development of Women Limited has also requested the Government for exemption of Quarterly Control of Appropriation and to authorize the commissioner of Rural Development and Panchayat Raj to draw and disburse the amount of Rs.10.00 Crores (Rupees Ten crores only) towards incentive to Federations from the revised budget for the year 2011-12 to Tamil Nadu Corporation for Development of Women by means of cheque and also to authorize the Principal Secretary to Government, Rural Development and Panchayat Raj Department to amend the guidelines of the scheme based on the operational requirements in consultation with the Managing Director, Tamil Nadu Corporation for Development of Women Limited.

11. The Government after careful examination permit the Managing Director, Tamil Nadu Corporation for Development of Women Limited to utilize Rs.10 crores available as unspent amount lying in Tamil Nadu Corporation for Development of Women Limited and accord sanction for Rs.7.50 Crores (75% of the amount available in RBE 2011-12) for the first three quarters) towards incentive to Panchayat Level Federations and Slum Level Federations.

12. The Commissioner of Rural Development and Panchayat Raj is authorized to draw and disburse the amount by means of cheque and The Managing Director, TamilNadu, Corporation for Development of Women Limited is requested to send the Utilisation Certificate to the Accountant General / Commissioner of Rural Development and Panchayat Raj and Government for record.

13. The amount sanctioned in para 11 above shall be debited to the following head of account.

"2235 Social Security and Welfare - 02 Social Welfare -103 Women's Welfare - Schemes in the Eleventh Five year plan-02 State Plan LY - Incentives to Panchayat Level Federations-09 Grants- in - Aid - 03 - Grants for Specific Schemes (DPC 2235-02-103-LY-0933)"

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14. This order issues with the concurrence of Finance Department vide its U.O.No.192/JS(PM)/2011, dated 15.11.2011.

(By Order of the Governor)


N.S. Palaniappan,
Principal Secretary to Government.

To
The Managing Director,
TamilNadu Corporation for Development of Women Limited,
Chennai – 600 034.
The Commissioner of Rural Development and Panchayat Raj,
Chennai – 600 015.
All District Collectors,)(
All Project Officers (Mahalir Thittam))(
(Through the Managing Director, TamilNadu Corporation for
Development of Women Limited, Chennai – 600 034.)
The Accountant General (A&E/Audit), Chennai – 600 018.
The Pay and Accounts Officer (South), Chennai – 600 035

Copy to:

The Personal Assistant to Hon'ble Minister (MA & RD),
Chennai - 600 009.
The Finance (RD) Department, Chennai – 600 009.
The Private Secretary to Principal Secretary to Government,
Rural Development and Panchayat Raj Department,
Chennai - 600 009.
Rural Development and Panchayat Raj (B&C) Department,
Chennai – 600 009.
The Director, State Institute of Rural Development,
Maraimalai Nagar, Kancheepuram District.

//Forwarded // By Order//


Section officer.


17/11/2011.