

## Release of Funds for Pilot Panchayats

Rural Development and Panchayat Raj (CGS-II) Department

G.O.(Ms)No.149

Dated: 16.10.2006

Read :

From the Managing Director and Project Director, Vazhndhu Kaattuvom Project, D.O.Lr.No.898/Tamil Nadu Empowerment and Poverty Reduction Project/C1/ 2006, dated 25.8.2006.

### ORDER

The Government have accorded administrative sanction for the implementation of the World Bank assisted Tamil Nadu Empowerment and Poverty Reduction Project in the State and for taking up preparatory studies and for implementing pilot projects in selected districts. The Japan Social Development Fund grant is meant for testing the project approach in pilot panchayats.

2. The Japan Social Development Fund grant governed by the agreement is for a total of US \$ 5,95,140 (ie) Rs.267.81 lakhs, under the following components:

#### JSDF Grant - Components

Sl.No	Component	In US \$	Grant Allocated In Rupees (lakhs)
1.	Training and capacity Building	71000	31.95
2.	Panchayat Funds	484080	217.83
3.	Vulnerability Reduction	25000	11.25
4.	Project management and Monitoring Evaluation	15060	6.78
	Total	595140	267.81

The validity of Agreements is upto October 3, 2007.

3. Under this grants, two models are being tested in ten village panchayats in eight districts.

- (i) Village Poverty Reduction Committee (VPRC) Model: This is implemented in six Village Panchayats. Under this model, a committee with the Panchayat President as ex-officio Chairman and membership from Self Help Groups women from poor families is formed. This committee is responsible for implementing the project at the Panchayat level.
- (ii) Gram Panchayat (GP) Model: In this model, which is being implemented in four Village Panchayats, a sub committee of GP is formed with majority of members from target population to assist the project implementation under the overall leadership of Panchayat President.

4. The selected districts, blocks and panchayats are given below:

VPRC Model

Sl.No.	District	Block	Pilot Panchayat
1.	Kancheepuram	Sriperumbudur	Kaduvanchery
2.	Vellore	Kaniyambadi	Idayanchathu
3.	Cuddalore	Kumaratchi	M.Kulakudi
4.	Theni	Andipatti	G.Usilampatti
5.	Coimbatore	Karamadai	Odanthurai
6.	Villupuram	Vallam	Kadambur

GP Model

Sl.No.	District	Block	Pilot Panchayat
1.	Vellore	Kaniyambadi	Thuthipattu
2.	Cuddalore	Keerapalayam	Keerapalayam
3.	Trichy	Thathaiyangarpettai	Araichi
4.	Pudukottai	Thiruvarangulam	Melathur

5. The Project Director, Vazhdhu Kaattuvom Project has stated that there will be a lot of activities in the coming months, especially during the later part of the year 2006-2007. The community organizations like VPRCs have been formed and their capacities built. He has proposed to spend the funds on the activities like Training and Workshop, Consultant Services, Goods, Village Poverty Reduction Committee Fund and Livelihood Fund.

6. Therefore, Project Director, Tamil Nadu Empowerment and Poverty Reduction Project (Vazhdhu kaattuvom) has requested the Government to sanction an amount of Rs.115.23 lakhs for implementing the pilot project in ten Village Panchayats in eight selected districts, under the JSDF grant for 2006-2007.

7. The Government after detailed examination accord sanction for the following activities and cost mentioned below:

Sl.No.	Category	Budget (Rs.in lakhs)
1.	Training and Workshop	1.96
2.	Consultant Services Facilitators @ Rs.5000x10 Villages x 12 months=6.00 At SPMU-staff salary = 0.30	6.30
3.	Goods	1.00
4.	Panchayat Sub Grants	
	a) VRPC Fund@ Rs.8.70 lakhs x 10 villages x80% = 69.60	
	Less:Spent during 2005-2006 = 28.63	
	For 2006-2007 40.97	
	(20% of Rs.87 lakhs will be spent in 2007-2008)	
	b) Livelihood Fund @Rs.13.00 lakhs x 10 x50% = 65.00	
	(Balance 50% will be spent in 2007-2008) 105.97	

5.	Project management	0.00
6.	Total	115.23

(b) The Government also accord sanction for the release of a sum of Rs.115.23 lakhs (Rupees one hundred and fifteen lakhs and twenty three thousand only) for implementing the pilot project in ten Village Panchayats in eight selected districts under the JSDF grant for 2006-2007.

8. The expenditure sanctioned in para 7 above shall be debited to the following head of Account:

“2235 Social Security & Welfare - 02. Social Welfare -103. Woman’s Welfare Schemes in the Tenth Five Year Plan-PB World bank aided Tamilnadu Empowerment and Poverty reduction Project - japan Social Development Fund (JSDF) - 09. Grants - in - aid - 03. Grants for Specific Schemes.” (DPC 2235-02-103-PB-0935)

9. A sum of Rs.80.26 lakhs is available in RBE 2006-2007. Necessary additional amount of Rs.34.97 lakhs will be provided in RE/FMA 2006-2007 pending provision of funds in RE/FMA 2006-2007. The Director of Rural Development and Panchayat Raj is authorised to draw and disburse the amount to the Project Director, Vazhndhu Kaattuvom Project.

10. The Managing Director & Project Director Vazhndhu Kaattuvom Project is requested to include this expenditure while sending proposals thro’ Director of Rural Development for provision of funds in R.E/FMA 2006-2007.

11. The Managing Director and Project Director, Vazhndhu Kaattuvom Project. is directed to send utilization Certificate to the Accountant General, Government and Director of Rural Development and Panchayat Raj.

12. This order issues with the concurrence of Finance Department, Vide its U.O.No.62252/RD/2006, dated 11.10.2006 and ASL No.731 (Seven hundred and thirty one only)

(By order of the Governor)

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