

### ABSTRACT

Fifth State Finance Commission Recommendation – Release of Rs.39.225 crore for the year 2019-20 being the balance and final instalment of cumulative arrear of Rs.78.45 crore - Sanctioned – Orders – Issued.

# Rural Development and Panchayat Raj (PR-1) Department

G.O. (Ms) No.163

Dated: 09.11.2019 விகாரி, ஐப்பசி 23 திருவள்ளுவா் ஆண்டு 2050

Read:

- 1. G.O.Ms.No.84, Finance (FC-IV) Department, dated 31.03.2017.
- 2. G.O. (Ms) No.73, Rural Development and Panchayat Raj (PR-1) Department, dated 31.05.2018.
- 3. G.O. (Ms) No.157, Rural Development and Panchayat Raj (PR-1) Department, dated 25.10.2018.
- 4. G.O. (Ms) No.114, Rural Development and Panchayat Raj (PR-1) Department, dated: 22.08.2019.
- 5. From the Director of Rural Development and Panchayat Raj letter No.18049/2019/PRI 2-2, dated 14.10.2019.

#### ORDER:

The Fifth State Finance Commission in Para 10.14 has recommended that the cumulative arrears of Rs.156.90 crore for Rural Local Bodies and Rs.395.11 crore for Urban Local Bodies be added to the divisible pool in the first year of the award period, i.e., 2017-18 and released to the respective local bodies as per the devolution scheme recommended.

2. In the Government Order first read above, as per the recommendations of Fifth State Finance Commission, the Government have ordered that the release of a sum of Rs.156.90 crore (One hundred and fifty six crore and ninety lakh only) towards cumulative arrears for Rural Local Bodies to be made in three equal instalments commencing from 2017-18.

3. In the Government Order  $2^{nd}$  and  $3^{rd}$  read above, an amount of Rs.39.2250 crore + Rs.39.2250 crore has been released as first instalment and second instalment respectively for the year 2018-19 out of cumulative arrear of Rs.156.90 crore.

4. In the Government Order 4<sup>th</sup> read above, an amount of Rs.39.2250 crore has been released as first instalment for the year 2019-20 out of the balance cumulative arrear of Rs.78.45 crore.

5. The Director of Rural Development and Panchayat Raj has also stated that in G.O. (Ms) No.114, Rural Development and Panchayat Raj (PR-1) Department, dated: 22.08.2019 the Government have released a sum of Rs.39,22,50,000/- being 50% of the balance of cumulative arrears of Rs.78.45 crore for the year 2019-20 and authorized the Director of Rural Development and Panchayat Raj to release the above amount to three tiers of Rural Local Bodies as given below.

Rs.23,53,50,000/-
Rs.12,55,20,000/-
Rs. 3,13,80,000/-
Rs.39,22,50,000/-

6. Further the Director of Rural Development and Panchayat Raj has stated that in Para 7 of G.O. (Ms) No.99, Rural Development and Panchayat Raj (SGS-3) Department, dated: 29.07.2019, the Government have authorized Director of Rural Development and Panchayat Raj to settle the Operation and Maintenance Gap Filling Fund for the year 2016-17 of Rs.224.24 crore to Tamil Nadu Water Supply and Drainage Board from various devolution grant, of which Rs.78.45 crore from cumulative arrears of State Finance Commission Grant receivable during the year 2019-20.

7. The Director of Rural Development and Panchayat Raj has further stated that during the review meeting held on 30.08.2019 chaired by Principal Secretary, Finance Department to facilitate realization of current consumption charges due to TANGEDCO. It has been decided to settle the pending dues to Tamil Nadu Water Supply and Drainage Board at the earliest.

8. The Director of Rural Development and Panchayat Raj has also stated that, in view of the above decision the amount of Rs.39,22,50,000/- being cumulative arrear sanctioned in G.O. (Ms) No.114, Rural Development and Panchayat Raj (PR-1) Department, dated: 22.08.2019 was released to Tamil Nadu Water Supply and Drainage Board to settle the Operation and Maintenance Gap Filling Fund for the year 2016-17. A sum of Rs.39.23 crore is to be paid to Tamil Nadu Water Supply and Drainage Board to settle the Operation and Maintenance Gap Filling Fund for the year 2016-17 under cumulative arrears of Fourth State Finance Commission Grant for the year 2019-20.

9. The Director of Rural Development and Panchayat Raj has therefore requested the Government to release the amount of Rs.39,22,50,000/- being the balance of Rs.78.45 crore of cumulative arrears of fourth State Finance Commission Grant for the year 2019-20.

10. The Government have carefully examined the proposal of the Director of Rural Development and Panchayat Raj and decided to release a sum of Rs.39,22,50,000/- (Rupees Thirty Nine Crore Twenty Two Lakh and Fifty Thousand only) for the year 2019-20 being the balance and final instalment of cumulative arrear of Rs.78.45 Crore.

(Contd..)

11. The amount sanctioned in para 10 above shall be debited to the following head of account:-

Total	Rs.39,22,50,000/-
3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 196 - Assistance to Zilla Parishads / District level Panchayats - State's Expenditure - AC - State Finance Commission Devolution Arrears to <b>District Panchayats</b> controlled by Director of Rural Development - 309 - Grants in Aid-02 - Grants for Creation of Capital Assets. (DPC-3604-00-196-AC-30902)	, Rs.3,13,80,000/-
3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions – 197- Assistance to Block Panchayats / Intermediate level Panchayats – State's Expenditure – AB – State Finance Commission Devolution Arrears to <b>Panchayat Unions</b> - Controlled by Director of Rural Development - 309 – Grants in Aid 02 – Grants for Creation of Capital Assets. (DPC-3604-00-197-AB -30902)	Rs.12,55,20,000/-
3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 198 - Assistance to Gram Panchayats - State's Expenditure – AD – State Finance Commission Devolution Arrears to Village Panchayats - Controlled by Director of Rural Development - 309 – Grants in Aid 02 - Grants for Creation of Capital Assets. (DPC-3604-00-198-AD-30902)	Rs.23,53,50,000/-

12. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount of Rs.39,22,50,000/- sanctioned in para 10 above and to disburse the same to Tamil Nadu Water Supply and Drainage Board to settle the Operation and Maintenance Gap Filling Fund for the year 2016-17.

13. This order issues with the concurrence of Finance Department vide its U.O. No.53403/Fin(RD)/2019, dated 07.11.2019.

#### (By Order of the Governor)

## HANS RAJ VERMA

Additional Chief Secretary to Government.

То

The Director of Rural Development and Panchayat Raj, Chennai – 15.

The Director of Treasuries and Accounts, Chennai–35.

The Director of Local Fund Audit, Chennai -35.

The Pay and Account Officer (South), Chennai -35.

Copy to:

The Special Personal Assistant to Hon'ble Minister (Municipal Administration, Rural Development and Implementation of Special Programme), Chennai-9 -4-

The Principal Private Secretary to Additional Chief Secretary to Government, Rural Development and Panchayat Raj Department, Chennai-9.

The Finance (RD/SFC-MC/W&M.I/BG.I/BG.II) Department, Chennai -9. The Rural Development and Panchayat Raj (B&C/OP II/SGS-III) Department,

Chennai-9.

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(K.Gowri Lakshmi) Under Secretary to Government.

OPMENT OFFICE

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