



ABSTRACT

Fifth State Finance Commission – Capital Grant Fund – Allocation of Capital Grant Fund (20%) of State Finance Commission Devolution Grant – Release of Rs.328,68,03,500/- as third instalment for the year 2019-20 - Orders- Issued.

Rural Development and Panchayat Raj (PR-1) Department

G.O. (Ms) No.17

Dated: 09.01.2020

விகாமி, மார்கழி 24

திருவள்ளூர் ஆண்டு 2050

Read:

1. G.O. 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: 20.06.2019.
3. G.O. (Ms) No.146, Rural Development and Panchayat Raj (PR-1) Department, dated: 10.10.2019.
4. From the Director of Rural Development and Panchayat Raj letter No.18048/2019/PRI 2-2, dated 14.11.2019.

ORDER:

In the Government order first read above, as per the recommendations of Fifth State Finance Commission, Government have decided to continue the devolution of 10% of the net State's Own Tax Revenue (SOTR) to Local Bodies from 2017-18 to 2021-22 and the vertical sharing ratio for devolution of State Finance Commission Grant to rural and urban local bodies shall be in the ratio of 56:44. The Government have also ordered that the vertical sharing ratio among the three tiers of Rural Local Bodies shall be 8:37:55 for District Panchayats, Panchayat Unions and Village Panchayats respectively vide G.O. No.84, Finance (FC-IV) Department, Dated: 31.03.2017.

2. In the Government Order second and third read above, orders were issued for the release of a total sum of Rs.657,36,07,000/- (Rupees Six Hundred and Fifty Seven Crore Thirty Six Lakh and Seven Thousand only) as first and second instalment for two quarters upto September 2019 under Capital Grant Fund for Rural Local Bodies for the year 2019-20.

3. The Director of Rural Development and Panchayat Raj in his letter has stated that in G.O. (Ms) No.73, Rural Development and Panchayat Raj (PR-1) Department, dated: 20.06.2019, Government have issued orders for the sanction of Rs.1,314,72,14,000/- for the year 2019-20 in four instalments based on the Quarterly Control of Appropriation (QCA) norms of Capital Grant Fund for Rural Local Bodies

(P.T.O)

for the year 2019-20 under Fifth State Finance Commission Grant as detailed below:

Category	Total sanction for the year 2019-20
20% State Component of Capital Grant Fund	Rs.262,94,42,800/-
80% District Component of Capital Grant Fund	Rs.1,051,77,71,200/-
Total	Rs.1,314,72,14,000/-

- i) Permission has been accorded to earmark an amount of Rs.100 crore for the improvement of rural local body roads to Other District Roads (ODR) standards for the year 2019-20 from 80% component of Capital Grant Fund 2019-20.
- ii) Permission has been accorded to release an amount of Rs.61.80 crore to Tamil Nadu Water Supply and Drainage Board (TWAD Board) for revamping of old Combined Water Supply Schemes (CWSS) which are not functioning to full capacity to provide additional water supply to rural areas from the 80% component of Capital Grant Fund 2019-20.

4. The Director of Rural Development and Panchayat Raj has also stated that the Government have issued orders for the release of a total sum of Rs.657,36,07,000/- (Rupees Six Hundred and Fifty Seven Crore Thirty Six Lakh and Seven Thousand only) as first and second instalment for two quarters upto September 2019 under Capital Grant Fund for Rural Local Bodies for the year 2019-20 in G.O. (Ms) No.73, Rural Development and Panchayat Raj (PR-1) Department, dated: 20.06.2019 and in G.O. (Ms) No.146, Rural Development and Panchayat Raj (PR-1) Department, dated: 10.10.2019 and the same was drawn and utilized as per sanction and as per the Quarterly Control of Appropriation (QCA), the first instalment and the second instalment have been released for the 1st quarter period (April to June 2019) and 2nd quarter period (July to September 2019) respectively. Now, the third instalment has to be released for the 3rd quarter period (October to December 2019) under Capital Grant Fund for the year 2019-20.

5. The Director of Rural Development and Panchayat Raj has therefore requested the Government to issue orders for the release of Rs.328,68,03,500/- (Rupees Three Hundred and Twenty Eight Crore Sixty Eight Lakh Three Thousand and Five Hundred only) as third instalment being 25% of total grant for the 3rd quarter period (October to December 2019) under Capital Grant Fund for the year 2019-20 as mentioned below:

(in Rupees)

Category	Total allocation for the year 2019-20	1 st inst. already released vide G.O.(Ms) No. 73, RD&PR (PR-1) Dept, dt: 20.06.2019	2 nd inst. already released vide G.O.(Ms) No. 146, RD&PR (PR-1) Dept, dt: 10.10.2019	Total amount released upto Sep' 2019	Amount requested to release 3 rd installment
20%-Capital Grant Fund	262,94,42,800	65,73,60,700	65,73,60,700	131,47,21,400	65,73,60,700
80%-Capital Grant Fund	1,051,77,71,200	262,94,42,800	262,94,42,800	528,88,85,600	262,94,42,800
Total	1,314,72,14,000	328,68,03,500	328,68,03,500	657,36,07,000	328,68,03,500

(Contd..)

6. The Government after careful examination of the proposal of the Director of Rural Development and Panchayat Raj have decided to accept the same and sanction is accorded for release of a sum of Rs.328,68,03,500/- (Rupees Three Hundred and Twenty Eight Crore Sixty Eight Lakh Three Thousand and Five Hundred only) being the 25% of the total grant for the year 2019-20 as third instalment of Capital Grant Fund under Fifth State Finance Commission.

7. The expenditure sanctioned in para 6 above shall be debited under the following Head of Account:-

3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions – 200 – Other Miscellaneous Compensations and Assignments – State's Expenditure – BP Capital Grant Fund for Rural Local Bodies – 309 Grants in Aid – 02-Grants for Creation of Capital Assets
(DPC 3604-00-200-BP-30902)

8. The Director of Rural Development and Panchayat Raj is hereby authorized to draw and disburse the amount sanctioned in para 6 above through Public Financial Management System (PFMS) and the same shall be utilized in conformity with the guidelines issued in G.O. (Ms) No.108, Rural Development and Panchayat Raj Department, dated 21.09.2017. He is also requested to furnish necessary utilization certificate towards the utilization of funds sanctioned in para 6 above at the appropriate time to Government.

9. This order issues with the concurrence of Finance Department vide its U.O. No.60356/Fin(RD)/2019, dated 30.12.2019.

(By Order of the Governor)

HANS RAJ VERMA
Additional Chief Secretary to Government.

To

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

All District Collectors.

All District Treasury Officers.

The Director of Treasuries and Accounts, Chennai -35.

The Director of Local Fund Audit, Chennai -35.

The Pay and Accounts Officer (South) Chennai -35.

Copy to:

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

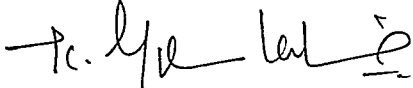
The Principal Private Secretary to Additional Chief Secretary to Government, Rural Development and Panchayat Raj Department, Chennai-9.

The Finance (RD/FC.II/W&M.I/BG.I/BG.II) Department, Chennai -9.

Rural Development and Panchayat Raj (B&C/OP II/SGS-II/SGS-III) Department, Chennai-9.

Stock File / Spare Copy.

// Forwarded by Order //



(K.Gowri Lakshmi)

Under Secretary to Government

09/01/2020