



## ABSTRACT

Grants – State Finance Commission Grants for the year 2019-20 – Release of Rs.376,69,03,001/- to Village Panchayats, Panchayat Unions and District Panchayats for February 2020 and March 2020 – Orders – Issued.

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

G.O. (Ms) No.62

Dated: 16.03.2020.

விகாரி, பங்குனி 3

திருவள்ளூர் ஆண்டு 2051

Read:

1. G.O. (Ms) No.63, Rural Development and Panchayat Raj (PR-1) Department, dated 29.05.2019.
2. From the Director of Rural Development and Panchayat Raj Letter No.18276/2019/PRI 2.2, dated 23.01.2020.

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### ORDER:

In the order first read above, Government have issued orders releasing an amount of Rs.3,581,28,34,999 as devolution grant to Village Panchayats, Panchayat Unions and District Panchayats for the months from April 2019 to January 2020.

2. The Director of Rural Development and Panchayat Raj in his letter second read above has stated that in Budget Estimate 2019-20, Demand No.42 of Rural Development and Panchayat Raj Department, the State Government have made provision for Rs.4601.52 crore as devolution grant to Village Panchayats, Panchayat Unions and District Panchayats under the following Head of Accounts:-

Component (HoA)	BE 2019-20
District Panchayats (DPC 3604-00-196-AA-30902)	Rs.368,12,20,000/-
Panchayat Unions (DPC 3604-00-197-AA -30902)	Rs.1,702,56,42,000/-
Village Panchayats (DPC 3604-00-198-AA-30902)	Rs.2,530,83,87,000/-
<b>Total</b>	<b>Rs.4,601,52,49,000/-</b>

3. The Director of Rural Development and Panchayat Raj has further stated that in G.O. (Ms) No.63, Rural Development and Panchayat Raj (PR-1) Department, dated 29.05.2019, the Government have sanctioned and released a sum of Rs.3,581,28,34,999/- as State Finance Commission Minimum Grant to Village Panchayats, Panchayat Unions from the month of April 2019 to March 2020 and Population Grant to Village Panchayats, Panchayat Unions and District Panchayats for the months from April 2019 to January 2020 and ordered to release the grant to three tiers on monthly basis on the horizontal sharing ratio.

(P.T.O)

4. The Director of Rural Development and Panchayat Raj has also added that a total sum of Rs.3,417,54,34,999/- (Rupees Three thousand four hundred and seventeen crore fifty four lakh thirty four thousand nine hundred and ninety nine only) has been released to Rural Local Bodies upto the month of January 2020 comprising of Rs.867,03,00,000/- as Minimum Grant and Rs.2,550,51,34,999/- as Population Grant under State Finance Commission Grant for the year 2019-20 as mentioned below:

Details	Sanction accorded vide G.O. (Ms) No.63, Rural Development and Panchayat Raj (PR-1) Department, dated: 29.05.2019.	Total amount released up to January 2020 (10 months)
<b>Village Panchayat</b>		
Minimum Grant	876 68,00,000	751,44,00,000
Population Grant	1181 54,19,285	1181,54,19,285
<b>Sub-Total</b>	<b>2058.22,19,285</b>	<b>1932,98,19,285</b>
<b>Panchayat Union</b>		
Minimum Grant	154 00,00,000	115,59,00,000,
Population Grant	1106 11,72,857	1106,02,72,857
<b>Sub-Total</b>	<b>1260.11,72,857</b>	<b>1221,61,72,857</b>
<b>District Panchayat</b>		
Population Grant	262 94,42,857	262,94,42,857
<b>Total</b>	<b>3581.28,34,999</b>	<b>3417,54,34,999</b>

5. The Director of Rural Development and Panchayat Raj has further stated that in Dharmapuri District, **Eriyur Panchayat Union** has been newly created from part of the existing Pennagaram Panchayat Union vide G.O. (Ms) No.127, Rural Development and Panchayat Raj (PR.II) Department, dated: 14.09.2013 and **Kadathur Panchayat Union** has been newly created from part of the existing Morappur Panchayat Union vide G.O. (Ms) No.128, Rural Development and Panchayat Raj (PR.II) Department, dated: 14.09.2013. Further, in Cuddalore District **Srimushnam Panchayat Union** has been newly created from division of the existing Kattumannarkoil, Keerapalayam and Kammapuram Panchayat Unions vide G.O. (Ms) No.97, Rural Development and Panchayat Raj (PR.II) Department, dated: 05.08.2014. As the newly Elected Representatives has assumed offices, the **3 newly created Panchayat Unions** have come into effect from the month of January 2020 onwards and hence the devolution grants have to be released to the above Panchayat Unions.

6. The Director of Rural Development and Panchayat Raj has also stated that the Minimum Grant of Rs.11,64,00,000/- for the month of January 2020 and Rs.38,80,00,000/ for the months of February and March 2020 (2 months) have to be released to 388 Panchayat Unions as mentioned below in S.No.3 and 4 respectively.

(Contd..)

Sl. No.	Details	Total Amount
1	Total Allocation for 2019-20 For 10 months (Rs.3,00,000/-*385*10) For 2 months (Rs.5,00,000/-*385*2)	<b>154,00,00,000</b> 115,50,00,000 38,50,00,000
2	Already Released for 9 months to 385 Panchayat Unions (Rs.3,00,000/-*385*9)	103,95,00,000
3	Release for the month of January 2020 to 388 Panchayat Unions (Rs.3,00,000/-*388*1)	11,64,00,000
4	Release for the months of February and March 2020 to 388 Panchayat Unions (Rs.5,00,000/-*388*2)	38,80,00,000
	<b>Total</b>	<b>154,39,00,000</b>

7. The Director of Rural Development and Panchayat Raj has further stated that out of total devolution grant of Rs.1702,56,42,000/- earmarked for Panchayat Unions, a total sum of Rs.154,39,00,000/- have to be allocated as Minimum Grant and a total sum of Rs.1548,17,42,000/- as Population Grant to Panchayat Unions under State Finance Commission devolution grant for the year 2019-20 as detailed below:

(in Rupees)

Details	Total Budget allocation for the year 2019-20	Sanction accorded vide G.O. (Ms) No.63, Rural Development and Panchayat Raj (PR-1) Department, dated: 29.05.2019.	Total amount released upto January 2020 ( 10 months)	Balance to be released for the year 2019-20
<b>Village Panchayats</b>				
Minimum Grant	876,68,00,000	876,68,00,000	751,44,00,000	125,24,00,000
Population Grant	1654,15,87,000	1181,54,19,285	1181,54,19,285	472,61,67,715
<b>Sub-Total</b>	<b>2530,83,87,000</b>	<b>2058,22,19,285</b>	<b>1932,98,19,285</b>	<b>597,85,67,715</b>
<b>Panchayat Unions</b>				
Minimum Grant	154,00,00,000	154,00,00,000	115,59,00,000	38,80,00,000
Population Grant	1548,56,42,000	1106,11,72,857	1106,02,72,857	442,14,69,143
<b>Sub-Total</b>	<b>1702,56,42,000</b>	<b>1260,11,72,857</b>	<b>1221,61,72,857</b>	<b>480,94,69,143</b>
<b>District Panchayats</b>				
Population Grant	368,12,20,000	262,94,42,857	262,94,42,857	105,17,77,143
<b>Total</b>	<b>4601,52,49,000</b>	<b>3581,28,34,999</b>	<b>3417,54,34,999</b>	<b>1183,98,14,001</b>

(P.T.O)

8. The Director of Rural Development and Panchayat Raj has therefore requested the Government to sanction an amount of Rs.154,39,00,000/- as Minimum Grant to Village Panchayats and Panchayat Unions for the year 2019-20 and to release total sum of Rs.1019,94,14,001/- towards the Population Grant of a) Rs.472,61,67,715/- (Rupees Four hundred and seventy two crore sixty one lakh sixty seven thousand seven hundred and fifteen only) to Village Panchayats, b) Rs.442,14,69,143/- (Rupees Four hundred and forty two crore fourteen lakh sixty nine thousand one hundred and forty three only) to Panchayat Unions and c) Rs.105,17,77,143/- (Rupees One hundred and five crore seventeen lakh seventy seven thousand one hundred and forty three only) to District Panchayats for the months of February 2020 and March 2020 under Fifth State Finance Commission for the year 2019-20.

9. The Director of Rural Development and Panchayat Raj has also requested the Government to authorize him to draw the amount of Rs.1019,94,14,001/- (Rupees One thousand and nineteen crore ninety four lakh fourteen thousand and one only) from the above mentioned Head of Accounts and to disburse the amount to three tiers of Panchayats and also to make necessary deductions for committed expenditure such as Solid Waste Management and Pension commitment.

10. The Government have carefully examined the proposal of the Director of Rural Development and Panchayat Raj and release a sum of Rs.376,69,03,001/- (Rupees Three Hundred and Seventy Six Crore Sixty Nine Lakh Three Thousand and one only) as State Finance Commission Grant to Village Panchayats, Panchayat Unions and District Panchayats for the months of February 2020 and March 2020 out of total allocation of State Finance Commission Grant of Rs.3,957,97,38,000/- for the year 2019-20 as follows:-

(Amount in Rupees)

Details	Sanction accorded vide G.O. (Ms) No.63, Rural Development and Panchayat Raj (PR-1) Department, dated: 29.05.2019.	Total amount released upto January 2020 ( 10 months)
<b>Village Panchayat</b>		
Minimum Grant	876,68,00,000	751,44,00,000
Population Grant	1181,54,19,285	1181,54,19,285
<b>Sub-Total</b>	<b>2058,22,19,285</b>	<b>1932,98,19,285</b>
<b>Panchayat Union</b>		
Minimum Grant	154,00,00,000	115,59,00,000,
Population Grant	1106,11,72,857	1106,02,72,857
<b>Sub-Total</b>	<b>1260,11,72,857</b>	<b>1221,61,72,857</b>
<b>District Panchayat</b>		
Population Grant	262,94,42,857	262,94,42,857
<b>Total</b>	<b>3581,28,34,999</b>	<b>3417,54,34,999</b>

(Contd..)

11. The amount sanctioned in para 10 above shall be debited to the following respective Heads of Accounts.

Head of Account	Sanction of balance amount requested
3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 198 Assistance to Gram Panchayats - State's Expenditure AA. Grants to <b>Village Panchayat</b> as per the recommendation of State Finance Commission controlled by Director of Rural Development - 309 Grants-in-aid-02-Grants for creation of Capital Assets <b>(DPC 3604-00-198-AA-30902) (55%)</b>	Rs.207,17,96,650/-
3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 197 Assistance to Block Panchayats / Intermediate level Panchayats - State's Expenditure AA Grants to <b>Panchayat Union</b> as per the recommendation of State Finance Commission controlled by Director of Rural Development 309 Grants-in-aid-02-Grants for creation of Capital Assets <b>(DPC 3604-00-197-AA -30902) (37%)</b>	Rs.139,37,54,110/-
3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions - 196 Assistance to Zilla Parishads / District level Panchayats - State's Expenditure AA - Grants to <b>District Panchayat</b> as per the recommendation of State Finance Commission controlled by Director of Rural Development 309 Grants-in-aid-02-Grants for creation of Capital Assets <b>(DPC 3604-00-196-AA-30902) (8%)</b>	Rs.30,13,52,241/-
<b>Total</b>	<b>Rs.376,69,03,001/-</b>

12. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in para 11 above to the Rural Local Bodies for the months of February and March 2020 and also to make necessary deductions for committed expenditure such as Solid Waste Management and Pension Commitment.

13. The Pay and Accounts Officer / Treasury Officers concerned are requested to admit and honour the bills as and when presented by the Director of Rural Development and Panchayat Raj, if they are otherwise found to be in order.

14. This order issues with the concurrence of Finance Department vide its U.O.8579/Fin(RD)/2020, dated 12.03.2020.

(By Order of the Governor)

HANS RAJ VERMA,  
Additional Chief Secretary to Government.

To  
The Director of Rural Development and Panchayat Raj, Chennai-15.  
The Additional Chief Secretary / Director General,  
Rural Development and Panchayat Raj (Training), Chennai-15.

(P.T.O)

All District Collectors (Except Chennai)

The Director, State Institute of Rural Development, Maraimalai Nagar,  
Kancheepuram District.

All Project Directors, District Rural Development Agencies.

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

The Principal Accountant General (G&SSA) / (A&E) / (E&RSA), Chennai – 18.

The Principal Accountant General, Chennai – 9.

The Pay and Accounts Officer, Madurai.

All District Treasury Officers.

**Copy to:**

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

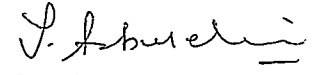
The Finance (RD/FC.IV/BGI / BG II /W&M) Department, Chennai-9.

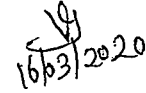
The Senior Principal Private Secretary to the Additional Chief Secretary  
to Government, Rural Development and Panchayat Raj Department, Chennai-9.

The Rural Development and Panchayat Raj (B&C / SGS.1/SGS.2/  
SGS.3/SGS.4 / PR.3/OP.II) Department, Chennai-9.

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// Forwarded by Order //

  
Section Officer

  
16/3/2020