



## ABSTRACT

Fifth State Finance Commission – Capital Grant Fund – Allocation of Capital Grant Fund (20%) of State Finance Commission Devolution Grant – Release of Rs.44,80,86,500/- as balance amount to the year 2019-20 - Orders- Issued.

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

G.O. (Ms) No.80



Dated: 27.03.2020

விகாரி, பங்குனி14

திருவள்ளூர் ஆண்டு 2051

Read:

1. G.O.No.84, Finance (Finance Commission-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. G.O. (Ms) No.17, Rural Development and Panchayat Raj (PR-1) Department, dated: 09.01.2020.
5. From the Director of Rural Development and Panchayat Raj letter No.18048/2019/PRI 2-2, dated 29.01.2020.

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### 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. (Ms.) No.84, Finance (Finance Commission-IV) Department, Dated: 31.03.2017.

2. In the Government Order second, third and fourth read above, orders were issued for the release of a total sum of Rs.986,04,10,500/- (Rupees Nine Hundred and Eighty Six Crore Four Lakh Ten Thousand and Five Hundred only) as first, second and third instalment for three quarters upto December 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 fifth read above 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 for the year 2019-20 under Fifth State Finance Commission Grant as detailed below:

Category	Total amount sanctioned 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/-
<b>Total</b>	<b>Rs.1,314,72,14,000/-</b>

- i) Permission has been accorded to earmark an amount of Rs.100 crore for the improvement of rural local body roads to 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 further stated that the Government have issued orders for the release of a total sum of Rs.986,04,10,500/- (Rupees Nine Hundred and Eighty Six Crore Four Lakh Ten Thousand and Five Hundred only) as first, second and third instalment for three quarters upto December 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, G.O. (Ms) No.146, Rural Development and Panchayat Raj (PR-1) Department, dated: 10.10.2019 and in G.O. (Ms) No.17, Rural Development and Panchayat Raj (PR-1) Department, dated: 09.01.2020 and the same was drawn and utilized as per sanction.

5. The Director of Rural Development and Panchayat Raj has also stated that as per the Quarterly Control of Appropriation (QCA), the first, second and third instalment have been released for the 1<sup>st</sup> quarter period (April to June 2019), 2<sup>nd</sup> quarter period (July to September 2019) and 3<sup>rd</sup> quarter period (October to December 2019) respectively. Now, the fourth instalment has to be released for the 4<sup>th</sup> quarter period (January 2020 to March 2020) under Capital Grant Fund for the year 2019-20.

6. 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 fourth instalment being 25% of total grant for the 4<sup>th</sup> quarter period (January 2020 to March 2020) under Capital Grant Fund for the year 2019-20 as mentioned below:

(in Rupees)

Details	20%-Capital Grant Fund	80%-Capital Grant Fund	Total
Total Allocation for the year 2019-20	262,94,42,800	1,051,77,71,200	1,314,72,14,000

1 <sup>st</sup> instalment released vide G.O.(Ms) No. 73, RD&PR (PR-1) Dept, dt: 20.06.2019	65,73,60,700	262,94,42,800	328,68,03,500
2 <sup>nd</sup> instalment released vide G.O.(Ms) No. 146, RD&PR (PR-1) Dept, dt: 10.10.2019	65,73,60,700	262,94,42,800	328,68,03,500
3 <sup>rd</sup> instalment released vide G.O.(Ms). No. 17, RD&PR (PR-1) Dept, dt: 09.01.2020	65,73,60,700	262,94,42,800	328,68,03,500
<b>Total amount released up to December 2019</b>	<b>197,20,82,100</b>	<b>788,83,28,400</b>	<b>986,04,10,500</b>
<b>Amount requested to release as 4<sup>th</sup> instalment</b>	<b>65,73,60,700</b>	<b>262,94,42,800</b>	<b>328,68,03,500</b>

7. The Government after careful examination of the proposal of the Director of Rural Development and Panchayat Raj have decided to sanction and accord for release of a sum of Rs.44,80,86,500/- (Rupees Forty four crore eighty lakhs eighty six thousand and five hundred only) for the year 2019-20 as balance and final instalment of Capital Grant Fund under Fifth State Finance Commission.

8. The expenditure sanctioned in para7 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)

9. The Director of Rural Development and Panchayat Raj is hereby authorized to draw and disburse the amount sanctioned in para7 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 (PR-1) Department, dated 21.09.2017. He is also requested to furnish necessary utilization certificate towards the utilization of funds sanctioned in para 7 above at the appropriate time to Government.

10. This order issues with the concurrence of Finance Department vide its U.O. No.7589/SFC-MC/2020, dated 27.03.2020.

(By Order of the Governor)

HANS RAJ VERMA  
Additional Chief Secretary to Government.

To  
The Director of Rural Development and Panchayat Raj, Chennai -15.  
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,  
(MA & RD, Impn.Spl. Prog.), 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.

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

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// Forwarded by Order //



(K.Gowri Lakshmi)

Under Secretary to Government

27/03/2020