



ABSTRACT

Rural Development and Panchayat Raj Department – Fourteenth Finance Commission General Performance Grant 2016-17 – Release of Rs.172.12 Crore for the year 2016-17 – Orders – Issued.

Rural Development and Panchayat Raj (PR-1) Department

G.O. (Ms) No.9

Dated: 24.01.2017

Read:

1. G.O. (Ms) No.55, Rural Development and Panchayat (PR-1) Department, dated 05.05.2016.
2. From the Director of Rural Development and Panchayat Raj letter Roc.No.12173/2016/PR-I 2.1, dated 21.11.2016.
3. From the Additional Chief Secretary, Finance Department, D.O. letter No.24686/FC.II/2016, dated 09.12.2016.
4. From the Ministry of Finance, Government of India letter No.F13(41)/FFC/FCD/2015-16/37/2016-17, dated 11.01.2017.

ORDER:

In the Government order first read above, the Guidelines and Operational criteria for availing Performance Grant by the Village Panchayats were issued.

2. In the reference second read above, the Director of Rural Development and Panchayat Raj has stated that the Fourteenth Finance Commission has recommended Grants in aid to the Village Panchayats under two components viz., Basic Grant and Performance Grant. Out of the total Grants-in-aid to Village Panchayats, 90% of the Grant will be the Basic Grant and 10% will be the Performance Grant. The Commission has also decided that Performance Grant will be released from the year 2016-17 onwards. The Government of India has intimated an allocation of Rs.172.12 crore towards Performance Grant to Tamil Nadu for the year 2016-17 under Fourteenth Finance Commission General Performance Grant.

3. The Director of Rural Development and Panchayat Raj has further stated that the Fourteenth Finance Commission has recommended that the detailed procedure and operational criteria, including quantum of incentives to be given for the distribution of performance grant to the Village Panchayats be decided by the State Governments concerned, subject to the following eligibility conditions:-

- i. Village Panchayats will have to submit audit report of Village Panchayat accounts that relate to a year not earlier than two years preceding the year in which the Village Panchayats seeks to claim the performance grant.
- ii. Village Panchayats will have to show an increase in their own revenues over the preceding year as reflected in the audited accounts.

Accordingly, the Government have issued guidelines and operational criteria for availing Performance Grant by the Village Panchayats in G.O. (MS) No. 55, Rural Development and Panchayat Raj (PR-1) Department, dated 5.05.2016.

4. He has also stated that the District Collectors have sent the list of 6482 eligible Village Panchayats which are eligible for availing Performance Grant for the year 2016-17:-

Number of eligible Village Panchayats recommended for availing Fourteenth Finance Commission General Performance Grant for the year 2016-17.

Sl. No.	Name of the District	Total No. of Village Panchayats	Eligible no. of Village Panchayats
1	2	3	4
1	Kancheepuram	633	296
2	Tiruvallur	526	312
3	Cuddalore	683	314
4	Villupuram	1099	206
5	Vellore	743	357
6	Tiruvannamalai	860	346
7	Salem	385	251
8	Namakkal	322	252
9	Dharmapuri	251	99
10	Krishnagiri	333	174
11	Erode	225	170
12	Tiruppur	265	190
13	Coimbatore	228	163
14	The Nilgiris	35	27
15	Thanjavur	589	6
16	nagapattinam	434	275
17	Tiruvarur	430	266
18	Tiruchirappalli	404	355
19	Karur	157	120
20	Perambalur	121	80
21	Ariyalur	201	81
22	Pudukkottai	497	215
23	Madurai	420	299

24	Theni	130	109
25	Dindigul	306	221
26	Ramanathapuram	429	224
27	Virudhunagar	450	274
28	Sivagangai	445	162
29	Tirunelveli	425	266
30	Thoothukudi	403	281
31	Kanniyakumari	95	91
	Total	12524	6482

5. He has added that the Performance Grant will be released to the eligible Village Panchayats on the basis of the following distribution formula as envisaged in G.O.(Ms)No.55, Rural Development and Panchayat Raj (PR1) Department , dated 05.05.2016.

i)	Total population	:	60%
ii)	SC/ST population	:	20%
iii)	Area	:	20%

6. The Director of Rural Development and Panchayat Raj has therefore requested the Government to forward the proposal to Ministry of Finance for sanction and release of Rs.172.12 crore as General Performance Grant under Fourteenth Finance Commission for the year 2016-17. Accordingly, the Finance Department has forwarded the proposal to Ministry of Finance, Government of India in the reference third read above.

7. Now the Ministry of Finance, Government of India in the reference fourth read above has released a sum of Rs.172.12 crore as General Performance Grant to the Rural Local Bodies (Village Panchayats) under Fourteenth Finance Commission for the year 2016-17.

8. Based on the release made by Government of India, the Government now sanction a sum of Rs.172.12 crore (Rupees One hundred and seventy two crore and twelve lakhs only) as General Performance Grant under Fourteenth Finance Commission for the year 2016-17 to the eligible 6482 Village Panchayats.

9. The expenditure sanctioned in para 8 shall be debited to the following head of account:-

"3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions – 198- Assistance to Gram Panchayats – Schemes in the Twelfth Five year Plan – II State Plan – JB Performance Grants to Rural Local Bodies as per the recommendations of 14th Finance Commission controlled by DRD – 09 Grants-in-aid – 01- Grants for Current Expenditure." (DPC 3604-00-198-JB-0908).

10. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in para 8 above to the 6482 eligible Village Panchayats and the Grant shall be utilized in conformity with the guidelines issued in the G.O.Ms.No.55, Rural Development and Panchayat Raj (PR-1) Department, dated 05.05.2016. He is also requested to furnish necessary utilization certificate towards the utilization of funds sanctioned in para 8 above in the prescribed format for forwarding the same to the Government of India.

11. This order issues with the concurrence of Finance Department vide its U.O.No.3363 / Finance (RD), dated 24.01.2017.

(By Order of the Governor)

Hans Raj Verma,
Principal Secretary to Government.

To

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

The Additional Chief Secretary / Commissioner of Rural Development and Panchayat Raj (Training), Chennai – 15.

A" District Collectors,

All District Treasury Officers.

The Director of Treasuries and Accounts, Chennai-15.

The Director of Local Fund Audit, Chennai -108.

The Pay and Account Officer (South) Chennai 35

Copy to:

The Senior Personal Assistant to Hon'ble Minister, (MA & RD, Impn. Spl. Prog.), Chennai-9

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

The Secretary to Government of India, Ministry of Panchayat Raj, Krishi Bhawan, Dr.Rajendra Prasad Road, New Delhi-110 001.

The Director, Finance Commission Division, Ministry of Finance, Department of Expenditure, CGO Complex, Lodhi Road, New Delhi 110003

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

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

The Planning Development and Special Initiatives (B&C) Department, Chennai-9.

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

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// Forwarded by Order //

B. Bonnelha
Section Officer.