



ABSTRACT

Announcement – Hon'ble Minister's (Municipal Administration, Rural Development, Law, Courts and Prisons) Announcement – Sanction of Incentive of Rs.1.00 lakh each to qualified 824 Panchayat Level Federations for the year 2014-15 – Orders Issued.

Rural Development and Panchayat Raj (CGS-3) Department

G.O.(Ms)No.126

Dated: 10.09.2014.

Read:

1. Announcement No. 5 made by the Hon'ble Minister (Municipal Administration, Rural Development, Law, Courts and Prisons) on 01.08.2014.
2. From the Managing Director, Tamil Nadu Corporation for Development of Women Limited, D.O. Letter No.2649/E2/2014, dated 12.08.2014.

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ORDER:-

Hon'ble Minister (Municipal Administration, Rural Development, Law, Courts and Prisons) while moving Demand No.42 on 01.08.2014 has announced the following Announcement No.5 on the floor of the Assembly,

“2014-15-ஆம் ஆண்டில் ஊராட்சி அளவிலான கூட்டமைப்புகள் ஒவ்வொன்றுக்கும் ஒரு இலட்சம் ரூபாய் வீதம் 8.24 கோடி ரூபாய் ஊக்க நிதி வழங்கப்படும்”.

2. The Managing Director, Tamil Nadu Corporation for Development of Women Limited in her D.O. letter second read above has stated that the Government of Tamil Nadu has taken many initiatives to strengthen the Panchayat Level Federations which includes restructuring and registering them with the objective of making them more Inclusive, Transparent and Participatory and to improve their Governance and Sustainability. The legal status to the Panchayat Level Federations facilitates them to access bank credit.

3. She has further stated that the primary objective of the Panchayat Level Federations is to provide financial and non financial support and services to member Self Help Groups thereby ensuring sustainability of the Self Help Group movement. Among the financial services, the Panchayat Level Federation is expected to provide financial intermediation i.e. to avail bulk loans and onlend to member Self Help Groups catering to their productive and consumption needs. The financial intermediation by the Panchayat Level Federation has become very essential to minimize the impact of micro finance institutions who usually charge exploitative rates of interest. It is necessary that Panchayat Level Federations undertake lending on a small scale before actually availing major loans from external financial institutions, so that the office bearers gain experience in fund management. Such an initiative will also give credit history to the Panchayat

(P.T.O.)

Level Federation, based on which the external agencies can sanction bulk loan. To encourage these federations to perform the financial intermediation role, the Government has sanctioned an amount of Rs.1.00 lakh each as incentive to successfully graded federation. So far, 12000 successfully graded Federations have been given incentive at a cost of Rs.120.00 crores which includes 3702 Panchayat Level Federations of Pudhu Vazhvu Project (PVP) and 300 Urban Neighbourhood Federations (UNFs). Out of 12524 Village Panchayats, so far 11,700 Panchayat Level Federations were given incentive.

4. The Managing Director, Tamil Nadu Corporation for Development of Women Limited has therefore requested the Government to issue necessary orders sanctioning a sum of Rs.8.24 crores (Rupees eight crores and twenty four lakhs only) from the state contribution for providing Incentive of Rs.1.00 lakh each to successfully graded 824 Panchayat Level Federations for the year 2014-2015.

5. The Government after careful examination of the proposal of Tamil Nadu Corporation for Development of Women Limited direct the Managing Director, Tamil Nadu Corporation for Development of Women Limited to utilize Rs.8.24 crores (Rupees Eight crores and twenty four lakhs only) from the funds of National Rural Livelihoods Mission towards incentive of Rs.1.00 lakh each to 824 Panchayat Level Federations for the year 2014-15.

6. This order issues with the concurrence of Finance Department vide its U.O No. 46019/RD/14, dated 26.08.2014.

(By Order of the Governor)

N.S. PALANIAPPAN,
Principal Secretary to Government.

To
The Managing Director,
Tamil Nadu Corporation for Development of Women Limited, Chennai – 600 034.
All District Collectors.
(through Managing Director, Tamil Nadu Corporation
for Development of Women Limited)
All Project Officers (Mahalir Thittam),
(through Managing Director, Tamil Nadu Corporation
for Development of Women Limited)

Copy to:

The Senior Personal Assistant to Hon'ble Minister (Municipal Administration,
Rural Development, Law, Courts and Prisons), Chennai - 600 009.
The Senior Private Secretary to Principal Secretary to Government,
Rural Development and Panchayat Raj Department, Chennai - 600 009.
Rural Development and Panchayat Raj(OP-2 & B&C) Department, Chennai – 600 009.
National Informatics Centre, Chennai – 600 009.

//Forwarded // By Order//

Section Officer.