



ABSTRACT

Grants - State Finance Commission Grant for the year 2013-14 – Balance release of Grant to the tune of Rs.204,24,79,000/- to Rural Local Bodies for the months of February and March 2014 – Orders - Issued.

Rural Development and Panchyat Raj (PR-I) Department

G.O. (Ms) No.40

Date 26.03.2014

Read:

1. G.O.(Ms) No.194, Finance (FC-IV) Department, dated 10.06.2013.
 2. G.O.(Ms) No.78, Rural Development and Panchayat Raj (PR-I) Department, dated 15.07.2013.
 3. G.O.(Ms) No.111, Rural Development and Panchayat Raj (PR-I) Department, dated 23.08.2013.
 4. G.O.(Ms) No.134, Rural Development and Panchayat Raj (PR-I) Department, dated 19.09.2013.
 5. G.O.(Ms) No.8, Rural Development and Panchayat Raj (PR-I) Department, dated 22.01.2014.
 6. Director of Rural Development and Panchayat Raj letter No.26790/2013/PRI 2.2, dated 29.01.2014 and 24.2.2014.
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ORDER:

Government in the order second read above have issued orders releasing an amount of Rs.3548,53,12,000/- out of the State Finance Commission devolution to the three tiers of rural local bodies for the months of April 2013 to January 2014 including part of the amount of Infra Structure Gap Filling Fund (IGFF) during the year 2013-14. The Director of Rural Development and Panchayat Raj has been authorized to draw and disburse the amount sanctioned on monthly basis i.e., from April 2013 to January 2014 to the rural local bodies as indicated therein.

2. Government in its order third read above, based on the proposals of the Director of Rural Development and Panchayat Raj have ratified the action of the Director of Rural Development and Panchayat Raj for the release of State Finance Commission Grant to the rural local bodies for the year 2013-14 on the basis of 2001 Census population till the receipt of 2011 Census population data from the Director of Census Operations subject to the condition that soon after the receipt of particulars from the Director of Census Operation and the Districts, necessary adjustments shall be made in the remaining instalments to be released.

3. Government in its order fourth read above have released the balance amount of Rs.151,38,47,000/- available under Infrastructure Gap Filling Fund for the year 2013-14 and issued necessary guidelines for utilizing the Infrastructure Gap

Filling Fund vested with the Director of Rural Development and Panchayat Raj and District Collectors. Government in its order fifth read above have also issued orders to release 20% of the State Finance Commission Grant to rural local bodies for the year 2013-14 based on the area details of the village panchayat furnished by the District Collectors.

4. The Director of Rural Development and Panchayat Raj in his letters sixth read above has stated that the Government have sanctioned State Finance Commission Grant to Village Panchayats, Panchayats Unions and District Panchayat for the months of April 2013 to January 2014 and the population based grant for the months of February and March 2014 has to be released to rural local bodies. He has stated that the Devolution Grant is being released to Village Panchayat, Panchayat Union and District Panchayat based on the recommendations of the Fourth State Finance Commission as per section 198 of Tamil Nadu Panchayats Act 1994. As such it is a statutory grant which is to be released on regular basis as per the formula ordered by the Government. Since the Village Panchayats, Panchayat Unions and the District Panchayats are entitled to the Devolution Grant from out of State's Own Tax Revenue, they are free to use the grant as per the necessity in the Panchayat Raj Institutions and he has requested the Government to sanction the balance amount of Rs.612,52,00,000/- based on the funds made available in Revised Estimate (RE) / Final Modified Appropriation (FMA) 2013-14 as State Finance Commission Grant to Village Panchayats, Panchayat Unions and District Panchayats for the months of February and March 2014 as follows:-

(Amount in Rupees)

Sl. No.	Details	Village Panchayat amount	Panchayat Union amount	District Panchayat
1	Funds made available in Revised Estimate / Final Modified Appropriation 2013-14.	2005,20,61,000	1454,72,53,000	363,73,51,000
2	Funds released upto January 2014.	1656,42,24,000	1130,93,73,000	279,29,68,000
3	Funds already provided vide G.O.(Ms) No.78, Rural Development and Panchayat Raj Department, dated 15.7.2013 as minimum grant for February and March 2014.	125,24,00,000	19,25,00,000	
4	Funds to be provided as population Grant for the month of February & March 2014 (Rs.612,52,00,000)	223,54,37,000	304,53,80,000	84,43,83,000

5. The Director of Rural Development and Panchayat Raj has also requested the Government to issue orders to release the State Finance Commission Grant for the months of February and March 2014 to the Village Panchayats based on the total population, Scheduled Caste / Scheduled Tribe Population as per 2011 Census and area of the Village Panchayat and in respect of Panchayat Unions and District Panchayats orders may be issued to release the grant based on the 2011 Census Population as per the recommendations of Fourth State Finance Commission. He has also stated that as the sanction for release of minimum grant to be released to Village Panchayats and Panchayat Unions for the months of February and March 2014 has already been accorded vide the Government Order second read above, orders may be issued authorizing him to draw and release the population grant amounting to Rs.612,52,00,000 for the months of February and March 2014.

6. The Government have carefully examined the proposal of the Director of Rural Development and Panchayat Raj and after careful examination, the Government hereby sanction a sum of **Rs.204,24,79,000/- (Rupees Two hundred and four crores, twenty four lakhs and seventy nine thousand only)** as the balance of State Finance Commission Grant for the year 2013-14 to be distributed to the rural local bodies for the months of February and March 2014 as follows:-

(Amount in Rupees)

Name of the Local Body	Balance funds now sanctioned for February and March 2014
Panchayat Unions amount	156,74,09,000
District Panchayats amount	47,50,70,000
Total	204,24,79,000

The above said amount is sanctioned with the following conditions:-

- a) The funds utilized should be for routine recurring expenditure or for expenditure on works which have been already carried out or for works which are to be carried out in the balance part of the year 2013-14.
- b) No new work should be taken up from these funds.
- c) Funds released can be utilized only after election process is completed, if works have not been commenced.
- d) No publicity should be given to the fund release.

7. The amount sanctioned in para 6 above shall be debited to the following heads of account:

Amount in Rupees

Panchayat Unions:

3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions – 197. Assistance to Block Panchayats / Intermediate Level Panchayats - I. Non-Plan – AA. Grants to Panchayat Union as per the recommendation of State Finance Commission Controlled by Director of Rural Development – 09. Grants-in-Aid – 02. Grants for creation of Capital Assets. (DPC 3604 00 197 AA 0929)	156,74,09,000
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District Panchayats:

3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions – 196. Assistance to Zilla Parishads/District Level Panchayats - I. Non-Plan – AA. Grants to District Panchayat as per the recommendation of State Finance Commission Controlled by Director of Rural Development – 09. Grants-in-Aid – 02. Grants for creation of Capital Assets. (DPC 3604 00 196 AA 0921)	47,50,70,000
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8. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the balance amount of State Finance Commission grant sanction in para 6 above and the minimum grant to Village Panchayats and Panchayat Unions already sanctioned vide the Government Order second read above, the Director of Rural Development and Panchayat Raj is authorised to draw and release the population grant amounting to Rs.204,24,79,000 for the months of February and March 2014.

9. The Director of Rural Development and Panchayat Raj is requested to make necessary deductions for pension payment to Panchayat Union Employees and he is directed to ensure that the overall expenditure as specified will not exceed the amount sanctioned for the current Financial Year.

10. 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 found otherwise in order.

11. This order is issued with the concurrence of Finance Department vide its U.O. No.12295/RD/2014, dated: 11.03.2014.

(BY ORDER OF THE GOVERNOR)

N.S.PALANIAPPAN
Principal Secretary to Government

To

The Director of Rural Development and Panchayat Raj, Chennai-15.
All District Collectors (Except Chennai)
The Chairman, Tamil Nadu Electricity Board, Chennai-2.
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 Accountant General, Chennai-18/9.
The Pay and Accounts Officer, Madurai.
All District Treasury Officers.

Copy to:

The Finance (RD/FC.IV/W&M) Department, Chennai-9.
The Personal Secretary to the Principal Secretary to Government,
Rural Development and Panchayat Raj Department, Chennai-9.
The Rural Development and Panchayat Raj (B&C /SGS.1/ SGS.2/SGS.4)
Department, Chennai-9.
Stock file / Spare copy

// Forwarded / By Order //

SECTION OFFICER.