



ABSTRACT

Rural Development and Panchayat Raj Department – 6th State Finance Commission Grant – Release a sum of Rs.421,70,00,000/- under Operations, Maintenance and Deficit Grant Fund for the year 2023-24 as per the Sixth State Finance Commission Recommendation - Orders - Issued.

Rural Development and Panchayat Raj (PR-1(2)) Department

G.O. (Ms) No.14

Dated: 24.01.2024

சோபகிருது, தை - 10

திருவள்ளூர் ஆண்டு 2055

Read:

1. G.O. (Ms) No.60, Finance (SFC-MC) Department, dated 28.02.2023.
2. G.O. (Ms) No.121, Rural Development and Panchayat Raj (PR-1) Department, dated 04.10.2023.
3. From the Director of Rural Development and Panchayat Raj Letter No.30791/2023/PRI 1-3, dated 10.01.2024.

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ORDER:

In the Government Order first read above, the Government have ordered that the vertical sharing ratio for devolution of State Finance Commission Grant to Rural and Urban Local Bodies will be 51:49 for the Sixth State Finance Commission award period from 2022-23 to 2026-27. The Government have also ordered to apportion the Devolution Grant of Rural Local Bodies among the Village Panchayats, Panchayat Unions and District Panchayats in the ratio of 55:39:6 respectively. As per the Sixth SFC recommendations, the horizontal distribution of SFC devolution to Rural Local Bodies should be done on the basis of the following multiplier formula:-

- | | | |
|-----------------------|---|-----|
| a) Population | - | 65% |
| b) Area | - | 15% |
| c) SC / ST Population | - | 20% |

2. In the Government Order 2nd read above, the Government have sanctioned a sum of Rs.843.40 Crore under Operations, Maintenance and Deficit Grant Fund for the year 2023-24 and released the first installment of Rs.421.70 Crore for the year 2023-24.

(P.T.O)

3. In the letter 3rd read above, the Director of Rural Development and Panchayat Raj has requested the Government to issue orders to draw and disburse the amount as per the table below:-

(Amount Rs.in Crores)			
Head of Account	BE 2023-24	1 st Installment availed	2 nd Installment requested now
3604 00 200 BY Operations, Maintenance Deficit Grant Fund (OMDGF)-TWAD	110	55.00	55.00
3604 00 200 BZ Operations, Maintenance Deficit Grant Fund (OMDGF) - Rural Regional Training Institute	0.60	0.30	0.30
3604 00 200 CA Operations, Maintenance Deficit Grant Fund (OMDGF) - Deficit Fund for RLBs	308.00	154.00	154.00
3604 00 200 CB Operations, Maintenance Deficit Grant Fund (OMDGF) - TANGEDCO	220.00	110.00	110.00
3604 00 200 CC Operations, Maintenance Deficit Grant Fund (OMDGF) - Advance Library Cess	30.80	15.40	15.40
3604 00 200 CD Operations, Maintenance Deficit Grant Fund (OMDGF)-Sanitary Workers Welfare Board	5.00	2.50	2.50
3604 00 200 CE Operations, Maintenance Deficit Grant Fund (OMDGF)- Peri-Urban Panchayats	69.00	34.50	34.50
3604 00 200 CF Operations, Maintenance Deficit Grant Fund (OMDGF)-Hill Area Panchayats	30.00	15.00	15.00
3604 00 200 CG Operations, Maintenance Gap Fund (OMGF) - Schools	60.00	30.00	30.00
3604 00 200 CH Operations, Maintenance Gap Fund (OMGF) - Reward for Forest Rights Act	10.00	5.00	5.00
Total - Deficit Funding	843.40	421.70	421.70

4. The Director of Rural Development and Panchayat Raj has therefore requested the Government to authorize the Director of Rural Development and Panchayat Raj to draw the amount of Rs.421,70,00,000/- (Rupees Four hundred and twenty one Crore and seventy lakh only) as second instalment towards Operations,

Maintenance and Deficit Grant Fund for the year 2023-24 from the above mentioned Head of Account and to transfer the amount to concerned scheme Accounts.

5. The Director of Rural Development and Panchayat Raj has also requested the Government to issue orders on the following:-

- (i) To draw and disburse an amount of Rs.55 Crore as second instalment and directly released to TWAD Board to settle Water charges of the Village Panchayats. The list of Village Panchayat wise dues will be communicated by the Director of Rural Development and Panchayat Raj to TWAD Board to adjust the amount.
- (ii) To draw and disburse an amount of Rs.110.00 Crore as second instalment directly to TANGEDCO and it should be utilised for settlement of current consumption charges of Village Panchayats. The list of Village Panchayat wise Service Connections will be sent to TANGEDCO by the Village Panchayats concerned for settlement of CC dues.
- (iii) To draw and disburse an amount Rs.30 Lakh as second instalment and it may be transferred to Director General, Training of Rural Development and Panchayat Raj to undertake capacity building of officials working for RLBs and the elected representatives.
- (iv) To draw and disburse an amount of Rs.15.40 Crore in respect of Advance Library cess and it may be settled directly to Directorate of Libraries.
- (v) To draw and disburse an amount of Rs.154 Crore to Deficit Village Panchayats identified by the Director of Rural Development and Panchayat Raj as per the 6th State Finance Commission.
- (vi) To release an amount of Rs.30.00 Crore to the section concerned in the Directorate of Rural Development and Panchayat Raj to undertake School infrastructure works.
- (vii) To sanction and release remaining Rs.5 Crore towards reward for Forest Rights Act implementation and the fund initially given to Director, Rural Development and Panchayat Raj and after finalization of the hamlets at the District level it may be given to District Collectors for implementation.
- (viii) To draw and disburse the second instalment amount of Rs.34.50 Crore and Rs.15 Crore respectively to Peri-Urban Panchayats and Hill area Panchayats respectively for execution and implementation of the scheme.
- (ix) To draw and disburse the second instalment amount of Rs.2.5 Crore directly to Tamil Nadu Sanitary Workers Welfare Board to undertake welfare activities.
- (x) To empower the Principal Secretary to Government Rural Development and Panchayat Raj to modify these guidelines wherever necessary in consultation with the Director of Rural Development and Panchayat Raj.

6. The Government after careful examination of the proposal of the Director of Rural Development and Panchayat Raj have decided to accept the same and issue orders as follows:-

- a) Release the amount of Rs.421,70,00,000 (Rupees Four hundred and twenty one core and seventy lakh only) for the year 2023-24 as second instalment under Operations, Maintenance and Deficit Grant Fund as per the Sixth State Finance Commission recommendations.
- b) Permission is given to draw and disburse an amount of Rs.55 Crore as second installment and the amount may be credited into the following account of the TWAD Board:

Account No.	332502010094093
Bank	UNION BANK OF INDIA
IFSC Code	UBIN0533254

so as to settle Water charges of the Village Panchayats as per the list communicated by the Director of Rural Development and Panchayat Raj.

- c) Permission is given to draw and disburse an amount of Rs.110.00 Crore as second installment and the amount may be credited into the following account of the TANGEDCO:

Account No.	0911201003004
Bank	CANARA BANK
IFSC Code	CNRB0000911

it should be utilised for settlement of current consumption charges of Village Panchayats as per the list communicated by the Director of Rural Development and Panchayat Raj.

- d) Permission is given to draw and disburse an amount Rs.30 Lakh as second instalment and it may be transferred to Director General, Training of Rural Development and Panchayat Raj to undertake capacity building of officials working for RLBs and the elected representatives.
- e) Permission is given to draw and disburse an amount of Rs.15.40 Crore as second instalment and the amount may be credited into the following account of the Directorate of Libraries in respect of Advance Library cess.

Account No.	7463241406
Bank	INDIAN BANK
IFSC Code	IDIB000C032

- f) Permission is given to draw and disburse an amount of Rs.154 Crore to Deficit Village Panchayats identified by the Director of Rural Development and Panchayat Raj as per the 6th SFC.
- g) An amount of Rs.30.00 Crore released to the section concerned in the Directorate of Rural Development and Panchayat Raj to undertake School infrastructure works.

- h) Sanction is accorded to release of Rs.5 Crore towards reward for Forest Rights Act implementation and the fund initially given to Director of Rural Development and Panchayat Raj and after finalization of the hamlets at the District level it may be given to District Collectors for implementation.
- i) Permission is given to draw and disburse the second instalment amount of Rs.34.50 Crore and Rs.15 Crore respectively to Peri-Urban Panchayats and Hill area Panchayats execution and implementation of the scheme.
- j) Permission is given to draw and disburse the second installment amount of Rs.2.5 Crore as second instalment and the amount may be credited into the following account of the Tamil Nadu Sanitary Workers Welfare Board to undertake welfare activities.

Account No.	300020007000
Bank	RBL BANK
IFSC Code	RATN0000245

7. The expenditure sanctioned in para '6' above shall be debited under the following head of account:-

Head of Account	Sanction and release of amount (In Rupees)
3604-00 – Compensation and Assignments to local Bodies and Panchaya Raj Institutions – 200 - Other Miscellaneous Compensations and Assignments State's Expenditure – BY - Operations, Maintenance Deficit Grant Fund(OMDGF) – TWAD – 309 - Grants-in-Aid – 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 BY 30902	55,00,00,000/-
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 - Other Miscellaneous Compensations and Assignments State's Expenditure – BZ - Operations, Maintenance Deficit Grant Fund(OMDGF) - Rural Regional Training Institute – 309 - Grants-in-Aid – 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 BZ 30902	30,00,000/-
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 - Other Miscellaneous Compensations and Assignments State's Expenditure – CA - Operations, Maintenance Deficit Grant Fund(OMDGF) - Deficit Fund or RLBs – 309 - Grants-in-Aid- 02- Grants for Creation of Capital Assets. DPC 3604 00 200 CA 30902	154,00,00,000/-

Head of Account	Sanction and release of amount (In Rupees)
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 -Other Miscellaneous Compensations and Assignments State's Expenditure - CB - Operations, Maintenance Deficit Grant Fund(OMDGF) – TANGEDCO – 309 - Grants-in-Aid - 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 CB 30902	110,00,00,000/-
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 - Other Miscellaneous Compensations and Assignments State's Expenditure - CC - Operations, Maintenance Deficit Grant Fund(OMDGF) – Advance Library Cess – 309 -Grants-in-Aid - 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 CC 30902	15,40,00,000/-
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 - Other Miscellaneous Compensations and Assignments State's Expenditure – CD - Operations, Maintenance Deficit Grant Fund(OMDGF) – Sanitary Workers Welfare Board – 309 -Grants-in-Aid- 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 CD 30902	2,50,00,000/-
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 -Other Miscellaneous Compensations and Assignments State's Expenditure – CE - Operations, Maintenance Deficit Grant Fund(OMDGF) –Peri Urban Panchayats – 309 - Grants-in-Aid - 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 CE 30902	34,50,00,000/-
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 - Other Miscellaneous Compensations and Assignments State's Expenditure – CF - Operations, Maintenance Deficit Grant Fund(OMDGF) -Hill Area Panchayats – 309 - Grants-in-Aid – 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 CF 30902	15,00,00,000/-

Head of Account	Sanction and release of amount (In Rupees)
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 - Other Miscellaneous Compensations and Assignments State's Expenditure – CG - Operations, Maintenance Gap Fund (OMGF) – Schools - 309 - Grants-in-Aid - 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 CG 30902	30,00,00,000/-
3604-00 – Compensation and Assignments to local Bodies and Panchayat Raj Institutions – 200 - Other Miscellaneous Compensations and Assignments State's Expenditure – CH - Operations, Maintenance Gap Fund (OMGF) - Reward for Forest Rights Act – 309 - Grants-in-Aid- 02 - Grants for Creation of Capital Assets. DPC 3604 00 200 CH 30902	5,00,00,000/-
Total	421,70,00,000/-

8. The Principal Secretary to Government Rural Development and Panchayat Raj has empowered to modify the guidelines wherever necessary in consultation with the Director of Rural Development and Panchayat Raj.

9. The utilization of funds under the Operations, Maintenance and Deficit Grant Fund shall be adopted for the year 2023-24.

10. This order issues with the concurrence of Finance Department vide its U.O. No.187/Fin(RD)/2023, dated 23.01.2024.

(By Order of the Governor)

P. SENTHILKUMAR,
Principal Secretary to Government.

To

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

The Secretary, Sanitary Workers Welfare Board, Chennai.

All District Collectors.

The Chairman cum Managing Director, Tamil Nadu Generation and Distribution Corporation Limited, Chennai-600 002.

Managing Director, Tamil Nadu Water Supply and Drainage Board, Chennai –600 005.

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 (Rural Development),
Chennai-9.

The Senior Private Secretary to the Principal 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/CGS-IV/PR-III/
SGS-II /SGS-III) Department, Chennai-9.

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// Forwarded by Order //

S. V. [Signature]
Section Officer

29/1/24

29.01.24