



ABSTRACT

Schemes – State Scheme – Member of Legislative Assembly Constituency Development Scheme (MLACDS) – Implementation of Scheme for the year 2025-26 – Administrative Sanction accorded – Releasing an amount of Rs.702 Crore – GST (18%) cost on works sanctioned under this scheme to be claimed reimbursements basis from the Government after every Financial Year from 2025-26 onwards – Orders – Issued.

Rural Development and Panchayat Raj (SGS.1) Department

G.O.(Ms.) No.203

Dated: 15.09.2025

விசுவாவசு, ஆவணி 30

திருவள்ளூர் ஆண்டு- 2056

Read:

- (1) G.O.(Ms) No.46, Rural Development and Panchayat Raj (SGS-1) Department, dated 27.03.2025.
- (2) Announcement made by the Hon'ble Chief Minister of Tamil Nadu on the floor of the Tamil Nadu Legislative Assembly 2025-26 on 26th April 2025.
- (3) From the Commissioner of Rural Development and Panchayat Raj, Letter No.8297/2025/CDS-2.2, dated 30.06.2025.

ORDER:

In the Government Order first read above, orders were issued according Administrative Sanction for a sum of Rs.702 Crore allocating fund of Rs.3 Crore per Constituency along with the detailed Guidelines for the implementation of Member of Legislative Assembly Constituency Development Scheme (MLACDS) for the year 2025-26.

2. In the reference 2nd read above, the Hon'ble Chief Minister of Tamil Nadu during the budget session 2025-26 have made the announcement on the floor of the Tamil Nadu Legislative Assembly as per the representations given by the MLAs as follows: -

“The State Government will bear the 18% Goods and Services Tax (GST) charges for projects executed by the MLAs under Member of Legislative Assembly Constituency Development Scheme.”

3. The Commissioner of Rural Development and Panchayat Raj in his letter third read above has stated that the Member of Legislative Assembly Constituency Development Scheme (MLACDS) fund is maintained in the Single Nodal Account(SNA) in Indian Overseas Bank, Saidapet branch, Chennai through which the users of the Districts and Implementing Agencies are mapped in the SNA and the funds are routed through the MLACDS Single Nodal Account to the districts(DRDAs) and subsequently to the Implementing Agencies and to the vendors. For completed works, 18% GST amount is being deducted for all the works through SNA. The voucher for deducted GST amount will be generated when the final bill payment is made to the vendor and then the deducted GST amount will be sent to the SNA bank and the Bank will process the GST amount and will update the UTR number in the vouchers generated by the Implementing Agencies for the specific work and the GST amount will be paid directly to the GST account from SNA and the districts will download the vouchers of GST.

4. Hence, the Commissioner of Rural Development and Panchayat Raj has requested the Government to issue necessary orders for sanctioning the enhanced amount of Rs.828.36 crore and release the same for all 234 MLA Constituencies (including the 18% GST amount of Rs.54 lakh to each MLA Constituency i.e. Rs.3.54 crore Per MLA) for implementation of the MLACD scheme for the year 2025-26.

5. The Government have carefully examined the proposal of the Commissioner of Rural Development and Panchayat Raj in detail and decided to release a sum of Rs.702,00,00,000 (Rupees Seven Hundred and Two Crore only) from Budget Allocation for implementation of the Member of Legislative Assembly Constituency Development Scheme for the year 2025-26. Further, the Commissioner of Rural Development and Panchayat Raj is directed to consolidate the total GST (18%) cost on works sanctioned under this scheme and he may claim the reimbursements from the Government after every Financial Year from 2025-26 onwards.

6. The amount sanctioned in para 5 above, shall be debited to the following Heads of account: -

Sl. No.	Heads of Account	Amount in Rupees
1.	4515 – 00 - Capital Outlay on Other Rural Development Programmes – 800 Other expenditure – State's expenditure - JF Execution of other Schemes under Member of Legislative Assembly Constituency Development Scheme - 416 Major Works – 01 – Major Works. IFHRMS (DPC 4515-00-800-JF-41601) (78%)	547,56,00,000
2.	4515 – 00 - Capital Outlay on Other Rural Development Programmes – 789 Special Component Plan for Scheduled Castes - State's expenditure – JB Execution of other Schemes under Member of Legislative Assembly Constituency Development Scheme under Special Component Plan - 416 Major Works – 01 – Major Works. IFHRMS (DPC 4515-00-789-JB-41601) (21%)	147,42,00,000
3.	4515 – 00 - Capital Outlay on Other Rural Development Programmes - 796 Tribal Area Sub-Plan - State's expenditure – JC Execution of other Schemes under Member of Legislative Assembly Constituency Development Scheme - 416 Major Works – 01 – Major Works. IFHRMS (DPC 4515-00-796-JC-41601) (1%)	7,02,00,000
	Total	702,00,00,000

7. The amount sanctioned in para 5 above by debiting the heads mentioned in para 6 above, shall not be paid in cash, but shall be contra credited to the following Public Deposit Account.

"Public Deposit Account No-202309656713:

K. Deposits and Advance (b) Deposits Not Bearing Interest - 8443 00 Civil Deposits - 800 Others Deposits- FJ 'MLA Constituency Development Scheme'-801 Receipts 02 Not Bearing Interest"
(DPC 8443 00 800 FJ 80102)

8. The Commissioner of Rural Development and Panchayat Raj is authorized to draw the amount sanctioned in para 5 above and disburse the same to the District Collectors (except Chennai) and the Commissioner, Greater Chennai Corporation.

9. This order issues with the concurrence of Finance Department vide its U.O. No.4523/Finance (Infra-IV)/2025, dated 08.09.2025.

(BY ORDER OF THE GOVERNOR)

**GAGANDEEP SINGH BEDI
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

To

All Members of Legislative Assembly

(through the Commissioner of Rural Development and Panchayat Raj, Chennai-15.).

The Commissioner of Rural Development and Panchayat Raj, Chennai-15.

The Principal Secretary to Government,

Municipal Administration and Water Supply Department, Chennai – 9.

The Principal Secretary, Tamil Nadu Legislative Assembly Secretariat, Chennai – 9.

All District Collectors (except Chennai).

All Project Directors, District Rural Development Agency.

(through the Commissioner of Rural Development and Panchayat Raj, Chennai-15.).

The Commissioner, Corporation of Chennai, Chennai-3.

The Commissioner of Town Panchayats, Chennai-108.

The Commissioner of Treasuries and Accounts, Chennai-35.

The Member Secretary, State Planning Commission, Chennai-5.

The Director, Local Fund Audit Department, Chennai-35.

The Principal Accountant General, Chennai – 18/35.

The Pay and Accounts Officer (Secretariat), Chennai – 9.

The Pay and Accounts Officer (South), Chennai – 35.

The Pay and Accounts Officer (East), Chennai – 8.

The Pay and Accounts Officer (North), Chennai –1.

The Pay and Accounts Officer, Madurai.

All Treasury Officers.

The Resident Audit Officer, Chennai – 9.

The National Informatics Centre, Chennai-9.

Copy to

The Secretary-II to the Hon'ble Chief Minister, Chennai-9.

The Special Personal Assistant to Hon'ble Minister for Rural Development, Chennai-9.

The Principal Private Secretary to the Chief Secretary to Government, Chennai-9.

The Principal Private Secretary to the Principal Secretary to Government, Finance Department, Chennai-9.

The Senior Private Secretary to Additional Chief Secretary to Government, Rural Development and Panchayat Raj Department, Chennai-9.

Finance (BG-I/BG-II/Infra-IV/W&M) Department, Chennai – 9.

Stock File / Spare Copy.

//FORWARDED BY ORDER//

Shanitha
15/9/25
Section Officer

27/09/25
15/9