



FA
ITS

ABSTRACT

Grant – 3rd State Finance Commission Devolution Grant to Municipalities and Municipal Corporations for the year 2009-2010– Release of Funds for the months of April, 2009 to January, 2010 - Orders – Issued.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MA.II) DEPARTMENT

G.O.(D) No. 233

DATED: 04.06.2009

READ:

1. G.O.No.199, Finance (FC.IV) Department, dated 25.5.2007.
2. From the Commissioner of Municipal Administration Letter Roc No.20049/2009/LA3, dated 24.4.2009.

ORDER:

In the letter second read above the Director of Municipal Administration has stated that in the Budget Estimate for the year 2009-2010 provision has been made under the following heads of account for the sanction of Third State Finance Commission grants to Urban Local Bodies as per the recommendations of Third State Finance Commission.

Urban Local Bodies	Head of Account	Total allocation (In Rupees)
(Municipal Corporations including Chennai Corporation)	3604-00 Compensation and Assignments to Local bodies and Panchayat Raj Institutions – 191 Assistance to Municipal Corporations. 1.Non Plan – AA Grants to Municipal Corporations as per the recommendations of the State Finance Commission – Controlled by Commissioner of Municipal Administration 09 Grants– in–Aid 02 Grants for Capital Expenditure(D.P.Code 3604-00-191-AA-0921)	Rs.426,24,15,000

Municipalities (including 3 rd Grade Municipalities]	3604-00 Compensation and Assignments to Local bodies and Panchayat Raj Institutions - 192 Assistance to Municipalities / Municipal Councils. I. Non - Plan - AA Grants to Municipalities as per the recommendation of State Finance Commission - Controlled by Commissioner of Municipal Administration - 09 Grants - in - Aid 02 Grants for Capital Expenditure (D.P. Code 3604-00-192-AA-0929)	Rs. 582,53,00,000
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3. In the G.O. first read above, Government have ordered that the State Finance Commission devolution grants to the Urban Local Bodies would be released in 10 monthly instalments based on the Budget Estimate provisions and the balance would be released based on the Revised Estimate provisions. Accordingly, in the previous year, i.e. for the year 2008-2009, the State Finance Commission grants had been released.

4. The Director of Municipal Administration has therefore requested to issue orders for release of State Finance Commission grant for the year 2009-2010 in 10 monthly instalments for the period from April 2009 to January 2010 based on the allocation made in the B.E. 2009-2010. The quantum of amount to be devolved based on the B.E. 2009-2010 in 10 monthly instalments is as indicated below:-

I. Municipal Corporations:

Rs.426,24,15,000/- = 30,44,58,214X10 = 304,45,82,140

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II. Municipalities:

Rs.582,53,00,000/- = 41,60,92,857X10 = 416,09,28,570

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5. The Director of Municipal Administration has therefore requested the Government to release the State Finance Commission devolution grant to Municipalities and Municipal Corporations for the year 2009 - 2010 as indicated in para 4 above.

6. The Government after careful consideration, accord sanction for the release of State Finance Commission devolution grants to the Urban Local Bodies in 10 equal monthly instalments from April, 2009 to January, 2010 as indicated below :-

For the months from April, 2009 to January, 2010.

Municipal Corporations	-	Rs. 30,44,58,214 /- per month (Rupees Thirty crores forty four lakhs fifty eight thousand two hundred and fourteen only)
Municipalities	-	Rs. 41,60,92,857/- per month (Rupees forty one crores, sixty lakhs Ninety two thousand eight hundred and fifty seven only).

7. The Director of Municipal Administration is authorized to draw and disburse the amount sanctioned in para 6 above to the Municipal Corporations / Municipalities concerned on the basis of 2001 Census population.

8. The Director of Municipal Administration is authorized and permitted to present bill and draw the amount in periodical instalments.

9. The Director of Municipal Administration is authorized to effect recoveries of loans or other charges as per schedule from the State Finance Commission Devolution.

10. As per the G.O. first read above, the Director of Municipal Administration is also requested to pursue necessary action to distribute 10% of the devolution share of Chennai Corporation to Chennai Metropolitan Water Supply and Sewerage Board. The amount devolved to the Board shall be spent on development schemes only.

11. The Pension commitment of local body pensioners shall be deducted from the devolution amount for the respective local bodies instead of respective tiers.

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

1. Municipal Corporations: Rs. 30,44,58,214/- per month

3604 – 00 – Compensation and assignments to Local Bodies and Panchayat Raj Institutions – 191 – Assistance to Municipal Corporations – I-Non-Plan – AA. Grants to Municipal Corporation as per the recommendation of State Finance Commission controlled by Commissioner of Municipal Administration – 09. Grants – in – aid – 02 – Grants for Capital Expenditure. (DP Code 3604 00 191 AA 0921).

2. Municipalities: Rs. 41,60,92,857 /- per month

3604 – 00 – Compensation and assignments to Local Bodies and Panchayat Raj Institutions – 192 – Assistance to Municipalities/ Municipal Councils – I-Non-Plan – AA. Grants to Municipalities as per the recommendation of State Finance Commission controlled by Commissioner of Municipal Administration – 09. Grants – in – aid – 02 – Grants for Capital Expenditure. (DP Code 3604 00 192 AA 0929).

13. This order issues with the concurrence of Finance Department vide its U.O.No. 27650/MAWS/09 dated 28.05.2009.

(BY ORDER OF THE GOVERNOR)

NIRANJAN MARDI
SECRETARY TO GOVERNMENT

To
The Director of Municipal Administration, Chennai-5.
The Pay and Accounts Officer (East), Chennai-5.(2 copies)
The Accountant General, Chennai-18.
The Accountant General, Chennai-35.
The Commissioner, Corporation of Chennai, Chennai - 3
Copy to: The Finance (MAWS / FC.IV / RD / W & M) Department, Chennai-9
The Private Secretary to Secretary, Municipal Administration and Water Supply Department, Chennai-9.
The Municipal Administration and Water Supply (OP.II) Department, Chennai-9.

//FORWARDED BY ORDER//

M.T. Nandani
(M.T.NANDANI) *8/6/09*

UNDER SECRETARY TO GOVERNMENT

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