



ABSTRACT

Urban Local Bodies – Municipalities - Various major works taken up – Administrative sanction to be accorded for the estimate of Civil Works – Enhancement of monetary power to the Municipalities to accord Administrative sanction for civil works - Orders – Issued.

Municipal Administration and Water Supply (Election) Department

G.O.(D) No.334

Dated: 03.08.2016

Read:

1. G.O. (D) No.37, Municipal Administration and Water Supply (ME.3) Department, dated 30.01.2008.
2. The Director of Municipal Administration letter Roc. No.39114/P2/2015-2, dated 13.01.2015.

ORDER:

In the Government Order first read above, the Government have enhanced the monetary limit to accord Administrative Sanction for the estimate cost of Civil works to be taken up by the Municipalities as follows:-

Competent Authority	Existing monetary limit
Special Grade Municipalities	Upto 40 lakhs
Selection Grade Municipalities	Upto 35 Lakhs
First Grade Municipalities	Upto 30 Lakhs
Second Grade Municipalities	Upto 25 Lakhs
Third Grade Municipalities	Upto 15 Lakhs
Regional Director of Municipal Administration	Upto 50 Lakhs
Commissioner of Municipal Administration	Upto 5 Crores
Government	Above 5 Crores

2. The Director of Municipal Administration in his letter second read above has informed that the Urban Local Bodies are taking up major projects such as under ground drainage scheme, water supply scheme, solid waste management, special road works, bus stands, modernized gasifier crematorium, modernized slaughter houses, multi storied parking stands, multi level shopping complexes and markets, office buildings, etc., at a huge estimated costs for providing infrastructure and basic facilities to the public. He has further added that at

present the estimate cost is escalating every year for various reasons such as periodical increase in the cost of material and labour wages etc. If the Administrative Sanction to be accorded is delayed, the project cost is escalated and it will cause the preparation of revised estimate. Moreover, the prevailing powers were delegated five years before and therefore, an enhancement of monetary limit for according Administrative Sanction is absolutely necessary to reduce the time taken for the same.

3. The Director of Municipal Administration has therefore requested the Government to enhance the monetary limit for according Administrative Sanction to the estimate cost of Civil works to be taken up in the Municipalities as detailed below:-

Sl. No.	Municipal Council / Competent Authority	Existing monetary limit (Rs. in lakh)	Proposed monetary limit (Rs. in lakh)
1.	Third Grade	Upto Rs.15.00	The erstwhile Gr.III Municipalities were upgraded as Municipalities in various Grades.
2.	Second grade	Upto Rs.25.00	Upto Rs.50.00
3.	First Grade	Upto Rs.30.00	Upto Rs.60.00
4.	Selection Grade	Upto Rs.35.00	Upto Rs.70.00
5.	Special Grade	Upto Rs.40.00	Upto Rs.80.00
6.	Corporation Councils (Except Chennai)	Upto Rs.100.00	Upto Rs.200.00
7.	Regional Director of Municipal Administration	Upto Rs.50.00	Upto Rs.100.00
8.	Director of Municipal Administration	Upto Rs.500.00	Upto Rs.1000.00
9.	Government	Above Rs.500.00	Above Rs.1000.00

4. The Government after careful examination of the proposal of the Director of Municipal Administration and taking into the account of inflation between the previous revision (2009) and the proposed revision (2016), the percentage change in the Wholesale Price Index (WPI) (All Commodities) & Wholesale Price Index (Fuel, Power and Manufactured products) etc., have decided to enhance monetary limit of the Municipalities for according Administrative Sanction to the estimate cost of Civil works to be taken up in the Municipalities as below:-

Sl. No.	Competent Authority	Existing Monetary Limit	Enhanced Monetary Limit
		(Rs. in lakhs)	
1.	Second Grade Municipal Council	Upto Rs.25.00	Upto Rs.35.00
2.	First Grade Municipal Council	Upto Rs.30.00	Upto Rs.40.00
3.	Selection Grade Municipal Council	Upto Rs.35.00	Upto Rs.48.00
4.	Special Grade Municipal Council	Upto Rs.40.00	Upto Rs.55.00

5.	Regional Director of Municipal Administration	Upto Rs.50.00	Upto Rs.68.00
6.	Commissioner of Municipal Administration	Upto Rs.500.00	Upto Rs.650.00
7.	Government	Above Rs.500.00	Above Rs.650.00

5. Orders in respect of Corporations (except Greater Chennai Corporation) for enhancing monetary power will be issued separately.

6. This order issues with the concurrence of Finance Department vide its U.O.No.37727/MAWS/2016, Dated 29.07.2016.

(BY ORDER OF THE GOVERNOR)

**K. PHANINDRA REDDY
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Commissioner of Municipal Administration, Chepauk,
Chennai – 600 005.

The Chief Engineer, Highways and Rural Works, Chennai – 600 005.

The Chief Engineer, Public Works Department, Chennai – 600 005.

The Director, Local Fund Audit, Chennai – 600 108

The Accountant General, Chennai – 600 018.

Copy to:

The Finance (MA&WS) Department, Chennai – 600 009.

The Municipal Administration and Water Supply (OP- 2) Department,
Chennai – 600 009.

// Forwarded By order //

T. Shakile
Section Officer.