



### **ABSTRACT**

State Finance Commission Devolution (5<sup>th</sup> SFC) – Grants to Municipal Corporations and Municipalities for the year 2020-2021 – Release of Grant for the month of December 2020 to Municipal Corporations and Municipalities – Orders – Issued.

### **MUNICIPAL ADMINISTRATION AND WATER SUPPLY (FC) DEPARTMENT**

**G.O.(D)No.5**

**Dated 12.01.2021**

திருவள்ளூர்வராண்டு, 2051  
சார்வரி வருடம் – மார்கழி 28

#### **Read:**

1. G.O.(Ms)No.84, Finance (FC-IV) Department, dated 31.03.2017.
2. G.O.(D) No.223, Municipal Administration and Water Supply (FC) Department, dated 29.06.2020.
3. G.O.(D) No.250, Municipal Administration and Water Supply (FC) Department, dated 29.07.2020
4. G.O.(D) No.286, Municipal Administration and Water Supply (FC) Department, dated 21.08.2020.
5. G.O.(D) No.325, Municipal Administration and Water Supply (FC) Department, dated 24.09.2020.
6. G.O.(D) No.361, Municipal Administration and Water Supply (FC) Department, dated 28.10.2020.
7. G.O.(D) No.398, Municipal Administration and Water Supply (FC) Department, dated 23.11.2020.
8. From the Commissioner of Municipal Administration Letter Roc.No.7188/2020/LA3, dated 01.12.2020.

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### **ORDER:**

Based on the Fifth State Finance Commission recommendation vide the Government Order first read above, it has been ordered that the Devolution Grant for the Urban Local Bodies shall be released in 10 monthly instalments (from April to January) as per the existing procedure based on Budget Estimate provisions and the balance based on Revised Estimate provisions for State Own Tax Revenue (SOTR).

2. In the Government Order second read above, among others, the Government have adopted a methodology that the provision made in the Budget estimate 2020-2021 under the State Finance Grant, the 5% of amount to be devolved each and every month (from the month of April 2020 to January 2021) and the sanction for the balance amount would be



accorded in 4 instalments from February to March 2021. Accordingly, the Government have sanctioned for the release of Devolution Fund of the Fifth State Finance Commission to the Municipal Corporations and Municipalities for the months of April, May, June, July, August, September, October and November 2020 in Government Order's second, third, fourth, fifth, sixth and seventh read above.

3. In the letter eighth read above, the Commissioner of Municipal Administration has requested the Government to release Devolution Fund to the Municipal Corporations and Municipalities as per the recommendation of the Fifth State Finance Commission for the month of December, 2020.

(Rs. in thousands)

Head of Department	BE 2020-2021	Revised (60% of BE 2020-2021)	For every month up to Jan.2021 (5% of Revised amount)	For remaining 4 Instalments
Municipal Corporations	16117118	9670270.8	4835135.4 (483513.54 x 10 Instalments)	4835135.4 (to be released 12.5% x 4)
Municipalities	11684911	7010946.6	3505473.3 (350547.33 x 10 Instalments)	3505473.3 (to be released 12.5% x 4)

4. In view of slight improvement in State Own Tax Revenue Collections compared to previous months, out of the provision made in Budget Estimate 2020-2021, the State Finance Commission Devolution has been revised from 60% to 75%.

5. In view of above, Government after careful examination of the proposal of Commissioner of Municipal Administration accord sanction for release of Rs.136,99,55,000/- (Rupees One hundred and thirty six crore ninety nine lakh and fifty five thousand only) to Municipal Corporations (including Greater Chennai Corporation) and a sum of Rs.99,32,17,000/- (Rupees Ninety nine crore thirty two lakh and seventeen thousand only) to Municipalities as Devolution Grant as per the recommendation of the Fifth State Finance Commission for the month of December 2020.

6. The amount sanctioned in para 5 above shall be debited under the following heads of account:-

**Devolution Grant:**

**Municipal Corporations: Rs.136,99,55,000/- (Rupees One hundred and thirty six crore ninety nine lakh and fifty five thousand only)**

3604-00 Compensation and Assignments to Local bodies and Panchayat Raj Institutions - 191 Assistance to Municipal Corporations - State's Expenditure - AA Grants to Municipal Corporations as per the recommendation of State Finance Commission - Controlled by Commissioner of Municipal Administration -309 Grants - in - Aid -02 Grants for Creation of Capital Assets.

**(IFHRMS D.P.Code 3604-00-191-AA-30902)**  
**(Old D.P.Code 3604-00-191-AA-0921)**



**Municipalities: Rs.99,32,17,000/- (Rupees Ninety nine crore thirty two lakh and seventeen thousand only)**

3604-00 Compensation and Assignments to Local bodies and Panchayat Raj Institutions – 192 Assistance to Municipalities / Municipal Councils. State's Expenditure – AA Grants to Municipalities as per the recommendation of State Finance Commission - Controlled by Commissioner of Municipal Administration – 309 Grants – in – Aid -02 Grants for Creation of Capital Assets.

**(IFHRMS D.P.Code 3604-00-192-AA-30902)**  
**(Old D.P.Code 3604-00-192-AA-0929)**

7. The Commissioner of Municipal Administration is authorized to draw the amount sanctioned in para 5 above and disburse to the concerned Urban Local Bodies.

8. This order issues with the concurrence of Finance Department vide its U.O.No.47055/Finance(MAWS)/2020, dated 11.01.2021.

**(BY ORDER OF THE GOVERNOR)**

**HARMANDER SINGH**  
**ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

**To:-**

✓ The Commissioner of Municipal Administration, Chennai – 28.  
The Commissioner, Greater Chennai Corporation, Chennai– 3.  
The Pay and Accounts Officer (East), Chennai – 8. (4 Copies)  
The Accountant General (GSSA) Chennai – 18.  
The Accountant General (Audit) Chennai – 18.

**Copy to:-**

The Senior Private Secretary to the Additional Chief Secretary to Government, Municipal Administration and Water Supply Department, Chennai - 9.  
The Finance (MAWS/SFC-MC/W&M-I) Department, Chennai-9.  
The Municipal Administration and Water Supply (OP-2/MC1) Department, Chennai-9.

**//FORWARDED BY ORDER//**

  
12/1/2021  
**SECTION OFFICER.**



