



ABSTRACT

State Finance Commission Devolution (5th SFC) – Grants to Municipal Corporations and Municipalities for the year 2021-2022 – Release of Grant for the month of July 2021 to September 2021 - Orders – Issued.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (FC) DEPARTMENT

G.O.(D)No.218

Dated: 14.07.2021

திருவள்ளூர்வராண்டு 2052

பிலவ வருடம் - ஆணி 30

Read:

1. G.O.(Ms)No.84, Finance (FC-IV) Department, dated 31.03.2017.
 2. G.O.(D)No. 416, Municipal Administration and Water Supply (FC) Department, dated 13.10.2017.
 3. G.O.(D)No. 498, Municipal Administration and Water Supply (FC) Department, dated 18.12.2019.
 4. G.O.(D)No. 119, Municipal Administration and Water Supply (FC) Department, dated 23.03.2020.
 5. G.O.(D)No. 223, Municipal Administration and Water Supply (FC) Department, dated 29.06.2021.
 6. G.O.(D)No. 125, Municipal Administration and Water Supply (FC) Department, dated 26.02.2021.
 7. G.O.(D)No. 188, Municipal Administration and Water Supply (FC) Department, dated 20.05.2021.
 8. From the Commissioner of Municipal Administration Letter Roc.No.8626/2021/ LA3, dated 10.06.2021.
-

ORDER:

Based on the recommendations of the Fifth State Finance Commission, vide the Government Order first read above, it has been ordered that the grant for the Urban Local Bodies shall be released in 10 monthly instalments (from April to January) based on the Budget Estimate and the balance based on the Revised Estimate Provisions.

2. In the Government Order second read above, orders were issued for sanction of Interest Free Ways and Means Advance to Greater Chennai Corporation, Coimbatore and Salem Corporations.

3. In the Government Order third read above, orders were issued permitting Commissioner of Municipal Administration to defer the recovery of Ways and Means advances from Chennai, Coimbatore and Salem Corporations from State Finance Commission devolution for first two quarters for 2019-2020.

4. In the Government Order fourth read above, orders were issued permitting the recovery to defer the third and fourth quarters of 2019-2020 for Greater Chennai Corporation.

5. In the Government Order fifth read above, the repayment of Ways and Means advance was deferred till 31.03.2021 for Greater Chennai Corporation, Coimbatore and Salem Corporations.

6. In the Government Order sixth read above, orders were issued among others that the advance payment sanctioned to the Coimbatore, Salem, Madurai and Dindigul Corporations shall be adjusted from out of their share under State Finance Commission grant for the year 2020-2021.

7. In the Government Order seventh read above, orders for release of grant for the Month of April, May and June 2021 were issued and the repayment of Interest free Ways and Means advance sanctioned to the Greater Chennai Corporation, Coimbatore and Salem Corporations during the year 2017-2018 and the advance payment sanctioned to Coimbatore, Salem and Dindigul Corporations during the year 2020-2021 deferred till 30.06.2021.

8. In the letter eighth read above, the Commissioner of Municipal Administration has stated that now in the context of Covid-19 second waves the Urban Local Bodies are not able to collect the various taxes and the lease rents due to complete lock down. The available resources are dried up and additional expenditure are incurred for anti-Covid measures. Moreover the Urban Local Bodies are depending on the State Finance Commission grant for the disbursement of monthly salary to their employees, outsourcing staff, pensionary benefits and also municipal pensioner's pension contribution to be released to Director of Local Fund Audit.

9. The Commissioner of Municipal Administration has therefore requested orders of the Government to release State Finance Commission Devolution grant to 12 Municipal Corporations /124 Municipalities for the period from July 2021 to January 2022 as per the provisions made in the budget estimate for the year 2021-2022 without deduction of interest free ways and means advances sanctioned for the three Corporations viz. Chennai, Coimbatore and Salem during the year 2017-2018 for a period

of three months till 30.09.2021 and he has also requested to authorize him to draw and disburse the amount to Urban Local Bodies (Municipal Corporations/ Municipalities).

10. The Government after careful examination of the proposal of the Commissioner of Municipal Administration at para 9 above, accord sanction for release of **Rs.345,36,68,143/-** (Rupees three hundred and forty five crore thirty six lakh sixty eight thousands one hundred and forty three only) to 12 Municipal Corporations (including Greater Chennai Corporation) and a sum of **Rs.250,39,09,286/-** (Rupees two hundred and fifty crore thirty nine lakh nine thousand two hundred and eighty six only) to **124 Municipalities** for the period from July 2021 to September 2021.

11. The Government also direct that the repayment of Interest free Ways and Means advances sanctioned to the Greater Chennai Corporation, Coimbatore and Salem Municipal Corporations during the year 2017-2018 be deferred till 30.09.2021 and to recover the balance share amount of advance payment already sanctioned to the Coimbatore, Salem and Dindugal Municipal Corporations from their Devolution Grant for the year 2021-2022.

12. The amount sanctioned in para 10 above shall be debited under the following heads of account:-

Devolution Grant:

Municipal Corporations: Rs.345,36,68,143/-

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.250,39,09,286/-

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)

13. The Director of Municipal Administration is authorized to draw the amount sanctioned in para 10 & 11 above and disburse to the concerned Urban Local Bodies.

14. This order issues with the concurrence of Finance Department vide its U.O.No.26465/Finance (MAWS)/2021, dated 13.07.2021.

(BY ORDER OF THE GOVERNOR)

**SHIV DAS MEENA
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

To

The Director of Municipal Administration, Chennai – 28.
The Principal Secretary /Commissioner,
Greater Chennai Corporation, Chennai– 3.
The Managing Director, Chennai Metropolitan Water Supply
and Sewerage Board, Chennai – 2.
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//


SECTION OFFICER.


14/7/2021