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Annexure-I

Constitutional Provisions

Article 243(I)

- (1) The Governor of a State shall, as soon as may be within one year from the commencement of the Constitution (Seventy-third Amendment) Act, 1992, and thereafter at the expiration of every fifth year, constitute a Finance Commission to review the financial position of the Panchayats and to make recommendations to the Governor as to—
- (a) the principles which should govern—
- (i) the distribution between the State and the Panchayats of the net proceeds of the taxes, duties, tolls and fees leviable by the State, which may be divided between them under this Part and the allocation between the Panchayats at all levels of their respective shares of such proceeds;
 - (ii) the determination of the taxes, duties, tolls and fees which may be assigned to, or appropriated by, the Panchayats;
 - (iii) the grants-in-aid to the Panchayats from the Consolidated Fund of the State;
- (b) the measures needed to improve the financial position of the Panchayats;
- (c) any other matter referred to the Finance Commission by the Governor in the interests of sound finance of the Panchayats.
- (2) The Legislature of a State may, by law, provide for the composition of the Commission, the qualifications which shall be requisite for appointment as members thereof and the manner in which they shall be selected.
- (3) The Commission shall determine their procedure and shall have such powers in the performance of their functions as the Legislature of the State may, by law, confer on them.
- (4) The Governor shall cause every recommendation made by the Commission under this article together with an explanatory memorandum as to the action taken thereon to be laid before the Legislature of the State.

Article 243(Y)

- (1) The Finance Commission constituted under article 243(I) shall also review the financial position of the Municipalities and make recommendations to the Governor as to-

(a) the principles which should govern-

(i) the distribution between the State and the Municipalities of the net proceeds of the taxes, duties, tolls and fees leviable by the State, which may be divided between them under this Part and the allocation between the Municipalities at all levels of their respective shares of such proceeds;

(ii) the determination of the taxes, duties, tolls and fees which may be assigned to, or appropriated by, the Municipalities;

(iii) the grants-in-aid to the Municipalities from the Consolidated Fund of the State;

(b) the measures needed to improve the financial position of the Municipalities;

(c) any other matter referred to the Finance Commission by the Governor in the interests of sound finance of the Municipalities.

(2) The Governor shall cause every recommendation made by the Commission under this article together with an explanatory memorandum as to the action taken thereon to be laid before the Legislature of the State.

Eleventh Schedule (Article 243 G):-

Following 29 functional items are placed within the purview of panchayats:

1. Agriculture, including agricultural extension.
2. Land improvement, implementation of land reforms, land consolidation, and soil conservation.
3. Minor irrigation, water management, and watershed development.
4. Animal husbandry, dairying, and poultry.
5. Fisheries.
6. Social forestry and farm forestry.
7. Minor forest produce.
8. Small-scale industries, including food processing industries.
9. Khadi, village, and cottage industries.
10. Rural housing.
11. Drinking water.
12. Fuel and fodder.
13. Roads, culverts, bridges, ferries, waterways, and other means of communication.
14. Rural electrification, including distribution of electricity.
15. Non-conventional energy sources.
16. Poverty alleviation program.

17. Education, including primary and secondary schools.
18. Technical training and vocational education.
19. Adult and non-formal education.
20. Libraries.
21. Cultural activities.
22. Markets and fairs.
23. Health and sanitation including hospitals, primary health centers, and dispensaries.
24. Family welfare.
25. Women and child development.
26. Social welfare, including the welfare of the handicapped and mentally retarded.
27. The welfare of the weaker sections, and in particular, of the scheduled castes and the scheduled tribes.
28. Public distribution system.
29. Maintenance of community asset.

Twelfth Schedule (Article 243 W):

Following 18 functional items are placed within the purview of panchayats:

1. Urban planning including town planning.
2. Regulation of land use and construction of buildings.
3. Planning for economic and social development.
4. Roads and bridges.
5. Water supply for domestic, industrial and commercial purposes.
6. Public health sanitation, conservancy and solid waste management.
7. Fire services.
8. Urban forestry protection of the environment and promotion of ecological aspects.
9. Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded.
10. Slum improvement and upgradation.
11. Urban poverty alleviation.
12. Provision of urban amenities and facilities such as parks, gardens, playgrounds.
13. Promotion of cultural, educational and aesthetic aspects.
14. Burials and burial grounds, cremations, cremation grounds and electric crematoriums.
15. Cattle pounds, prevention of cruelty to animals.
16. Vital statistics including registration of births and deaths.
17. Public amenities including street lighting, parking lots, bus stops and public conveniences.
18. Regulation of slaughter houses and tanneries.

Annexure-II

Statutory Provision

The Tamil Nadu Panchayats Act, 1994

The Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 22nd April 1994:-

An Act to repeal and re-enact the Tamil Nadu Panchayats Act, 1958.

WHEREAS it is expedient to repeal and re-enact the Tamil Nadu Panchayats Act, 1958, for establishing a three-tier Panchayat Raj system in the State to the elected bodies at the village, intermediate and district level in keeping with the Constitution (Seventy-third Amendment) Act, 1992,

Chapter I

Preliminary

This Act may be called the Tamil Nadu Panchayats Act, 1994. It extends to the whole of the State of Tamil Nadu except,

- (i) the City of ¹(Chennai);
- (ii) the City of Madurai constituted under the Madurai City Municipal Corporation Act, 1971 (Tamil Nadu Act 15 of 1971);
- (iii) the City of Coimbatore constituted under the Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981);
- (iv) the Municipalities, Town Panchayats and Industrial Townships constituted under the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920); and
- (v) the Cantonments constituted under the Cantonments Act, 1924 (Central Act II of 1924)

Chapter II

Grama Sabha

Grama Sabha. – There shall be a Grama Sabha for every Village Panchayat consisting of persons registered in the electoral roll relating to the Panchayat Village, comprised within the area of the said

Village Panchayat. Subject to the general orders of the Government, the Grama Sabha shall meet atleast twice in a year but six months shall not intervene between any two meetings.

Every meeting of the Grama Sabha shall be convened by the President of the Village Panchayat. If the President fails to convene the meeting of the Grama Sabha, the Inspector shall convene the meeting.

The Grama Sabha shall, -

- (i) approve the village plan ;
- (ii) approve the village budget for the year and approve the audit report on the Village Panchayat accounts of the previous year; and]
- (iii) review the progress of the implementation of all schemes entrusted to the Village Panchayat.

(b) The Government may, by notification, entrust to the Grama Sabha such other functions as may be specified.

(4) The Village Panchayat shall give due consideration to the recommendations and suggestions of the Grama Sabha.

(5) The *quorum* for a meeting and the procedure for convening and conducting such meetings of the Grama Sabha shall be such as may be prescribed.

(6) Every meeting of the Grama Sabha shall be presided over by the President and in his absence, by the Vice President and in the absence of both the President and Vice President, by a member chosen by the members present at the meeting.

Chapter III

Village panchayats

Formation of village panchayats and their incorporation. – A Village Panchayat shall be constituted for each Panchayat Village consisting of such number of elected members. Subject to the provisions of this Act, the administration of the Panchayat Village shall vest in the Village Panchayat but the Village Panchayat shall not be entitled to exercise functions expressly assigned by or under this Act or any other law to its President or to any Panchayat Union Council or the District Panchayat or other authority.

Every Village Panchayat shall be a body corporate by the name of the Panchayat Village specified in the notification issued under Section 4, shall have perpetual succession and a common seal, and subject to any restriction or qualification imposed by or under this Act or any other law, shall be vested with the capacity of suing or being sued in its corporate name, of acquiring, holding and transferring property, movable or immovable, of entering into contracts, and of doing all things necessary, proper or expedient for the purposes for which it is constituted.

Strength of a Village Panchayat. – Notwithstanding anything contained in Section 12 or any other provisions of this Act, the total number of members of a Village Panchayat (exclusive of its President) shall be notified by the Inspector in accordance with such scale as may be prescribed with reference to population of the Panchayat Village concerned, as ascertained at the last preceding census of which the relevant figures have been published.

The Inspector may, from time to time, by notification, alter the total number of members of a Village Panchayat notified under sub-section (1).

The number notified under sub-section (1) or the number as altered by notification under sub-section (2) shall not be less than five or more than fifteen.

Duration of Village Panchayats. – Every Village Panchayat unless sooner dissolved, shall continue for five years from the date appointed for its first meeting after each ordinary election and no longer.

Election of members of Village Panchayat.– The members of the Village Panchayat shall be elected in such manner as may be prescribed:

Provided that no person shall be eligible to be elected as a member of more than one ward in the same Village Panchayat or as a member of more than one Village Panchayat;

Reservation of seats.– Seats shall be reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes in every Village Panchayat and the number of seats so reserved shall bear as nearly as may be, the same proportion to the total number of seats to be filled by direct election in that Village Panchayat as the population of the Scheduled Castes in that Village Panchayat area or of the Scheduled Tribes in that Village Panchayat area bears to the total population of that area.

Provided that for the first election for the Village Panchayat to be held immediately after the commencement of this Act, the provisional population figures of the Panchayat Village as published in relation to 1991 census shall be deemed to be the population of the Panchayat Village.

The reservation of seats under sub-section (1) and (2) shall cease to have effect on the expiration of the period specified in Article 334 of the Constitution.

Panchayat Union Councils

Formation of Panchayat Union Councils and their incorporation.- A Panchayat Union Council shall be constituted for each Panchayat Union with effect from such date as may be specified in the notification issued in that behalf by the Government.

Subject to the provisions of this Act, the administration of the Panchayat Union shall vest in the Panchayat Union Council but the Panchayat Union Council shall not be entitled to exercise functions expressly assigned by or under this Act or any other law to its Chairman or the Commissioner or to the Village Panchayat or District Panchayat or any other authority.

Strength of a Panchayat Union Council.- A Panchayat Union Council constituted for any Panchayat Union, shall consist of the elected members as notified under Section 19.

Duration of a Panchayat Union Council.- Every Panchayat Union Council unless sooner dissolved shall continue for five years from the date appointed for its first meeting after each ordinary election and no longer.

Where a Panchayat Union Council is dissolved before the expiration of the said period of five years, election to reconstitute such Panchayat Union Council shall be completed in accordance with the provisions of Section 215 as soon as may be, and in any case, before the expiration of a period of six months from the date of such dissolution.

Election of members of Panchayat Union Council.- Every Panchayat Union Council shall consist of persons elected from the wards in the Panchayat Union, as may be notified from time to time by the Government ²[at the rate of one member for such population as may be prescribed] of the Panchayat Union area as ascertain the last preceding census of which the relevant figures have been published. Such a

ward of the Panchayat Union area may either comprise a full ward or one or more wards of the Village Panchayats.

Reservation of seats.- Seats shall be reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes in every Panchayat Union Council and the number of seats so reserved shall bear as nearly as may be, the same proportion to the total number of seats to be filled by direct election in that Panchayat Union Council as the population of the Scheduled Castes in that Panchayat Union area or of the Scheduled Tribes in that Village Panchayat area bears to the total population of that area.

Provided that for the first election for the Panchayat Union Council to be held immediately after the commencement of this Act, the provisional population figures of the Panchayat Union as published in relation to 1991 census shall be deemed to be the population of that Panchayat Union.

The reservation of seats under sub-section (1) and (2) shall cease to have effect on the expiration of the period specified in Article 334 of the Constitution.

DISTRICT PANCHAYATS

Formation of District Panchayat.- all the elected members as determined under Section 27. The members of the House of People and the members of the State Legislative Assembly representing a part or whole of the district whose constituencies lie within the district.

The member of the Council of States who is a registered as elector within the district;

Duration of a District Panchayat.- Every District Panchayat constituted under this Act unless sooner dissolved, shall continue for five years from the date appointed for its first meeting after each ordinary election and no longer.

Reservation of seats.- Seats shall be reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes in every District Panchayat and the number of seats so reserved shall bear as nearly as may be, the same proportion to the total number of seats to be filled by direct election in that District Panchayat as the population of the Scheduled Castes in that District Panchayat area or of the Scheduled Tribes in that District Panchayat area bears to the total population of that area.

Provided that for the first election for the District Panchayat to be held immediately after the commencement of this Act, the provisional population figures of the District Panchayat area as published in relation to 1991 census, shall be deemed to be the population of the District Panchayat area.

The reservation of seats under sub-sections (1) and (2) shall cease to have effect on the expiration of the period specified in Article 334 of the Constitution.

Powers of the Tamil Nadu State Election Commission.- Where in connection with the tendering of any opinion to the Government under Section 41, the Tamil Nadu State Election Commission considers it necessary or proper to make an inquiry, and the Tamil Nadu State Election Commission is satisfied that on the basis of the affidavits filed and the documents produced in such inquiry by the parties concerned of their own accord, it cannot come to a decisive opinion on the matter which is being inquired in to, the Tamil Nadu State Election Commission shall have, for the purposes of such inquiry, the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908 (Central Act V of 1908).

CHAPTER IV

OFFENCES RELATING TO ELECTIONS

Infringement of secrecy of election.- Every officer, clerk, agent or other person performing any duty in connection with the recording or counting of votes at an election who, except for some purpose authorized by law, communicates to any person any information showing directly or indirectly for which candidate any voter has voted, and every person who by any improper means, procures any such information, shall be punished with imprisonment which may extend to six months or with fine, or with both.

Minimum penalty for personation at an election.

Notwithstanding anything contained in Section -171F of the Indian Penal Code (Central Act XLV of 1860), any person who in connection with an election under this Act commits an offence of personation punishable under that section shall be punishable with imprisonment for a term which shall not be less than six months and not more than two years and with fine.

Promoting enmity between classes in connection with election.- Any person who in connection with an election under this Act promotes or attempts to promote on grounds of religion, race,

caste, community or language, feelings of enmity or hatred between different classes of the citizens of India shall be punishable with imprisonment for a term which may extend to three years or with fine, or with both.

Prohibition of public meeting on the day preceding the election day and on the election day.- (1) No person shall convene, hold or attend any public meeting in any local area comprised in a Panchayat within forty-eight hours before the date of termination of the poll or on the date or dates on which a poll is taken for an election in that Panchayat.

(2) Any persons who contravenes the provisions of sub-section (1) shall be punishable with fine which may extend to two hundred and fifty rupees.

Disturbances at election meeting.- Any person who at a public meeting to which this section applies acts or incites others to act, in a disorderly manner for the purpose of preventing the transaction of the business for which the meeting was called shall be punishable with fine which may extend to two hundred and fifty rupees.

Restrictions on printing of pamphlets, posters, etc.-

(1) No person shall print or publish or cause to be printed or published, any election pamphlet or poster which does not bear on its face the names and address of the printer and the publisher thereof.

(2) No person shall print or cause to be printed any election pamphlet or poster-

Officers, etc., at elections not to act for candidates or to influence voting.- (1) No person who is a Returning Officer, or an Assistant Returning Officer or a Presiding or Polling Officer at an election, or an officer or clerk appointed by the Returning Officer or the Presiding Officer to perform any duty in connection with an election shall in the conduct or the management of the election do any act (other than the giving of vote) for the furtherance of the prospects of the election of a candidate.

(2) No such person as aforesaid, and no member of the police force, shall endeavour -

(a) to persuade any person to give his vote an election, or

(b) to dissuade any person from giving his vote at an election, or

(c) to influence the voting of any person at an election in any manner.

(3) Any person who contravenes the provisions of sub-section (1) or sub-section (2) shall be punishable with imprisonment for a term which may extend to six months, or with fine, or with both.

Prohibition of canvassing in or near polling stations.- (1) No person shall, on the date or dates on which a poll is taken at any polling station, commit any of the following acts within the polling station or in any public or private place within a distance of one hundred metres of the polling station, namely:-

(a) canvassing for votes; or

(b) soliciting the vote of any elector; or

(c) persuading any elector not to vote for any particular candidate; or

(d) persuading any elector not to vote at the election; or

(e) exhibiting any notice or sign (other than an official notice) relating to the election.

(2) Any person who contravenes the provisions of sub-section (1) shall be punishable with fine which may extend to two hundred and fifty rupees.

(3) An offence punishable under this section shall be cognizable.

Penalty for disorderly conduct in or near polling stations.- (1) No person shall, on the date or dates on which a poll is taken at any polling station –

(2) Any person who contravenes, or wilfully aids or abets the contravention of the provisions of sub-section (1) shall be punishable with imprisonment for a term which may extend to three months or with fine, or with both.

(3) If the Polling Officer of a polling station has reason to believe that any person is committing or has committed an offence punishable under this section, he may direct any Police Officer to arrest such person, and thereupon the Police Officer shall arrest him.

(4) Any Police Officer may take such steps, and use such force, as may be reasonably necessary for preventing any contravention of the provisions of sub-section (1) and may seize any apparatus used for such contravention.

Penalty for misconduct at the polling station.- (1) Any person who during the hours fixed for the poll at any polling station misconducts himself or fails to obey the lawful directions of the Polling Officer may be removed from the polling station by the Polling Officer or by any Police Officer on duty or by any person authorized in this behalf by such Polling Officer.

(2) The powers conferred by sub-section (1) shall not be exercised so as to prevent any elector who is otherwise entitled to vote at a polling station from having opportunity of voting at that polling station.

(3) If any person who has been so removed from a polling station re-enters the polling station without the permission of the Polling Officer, he shall be punishable with imprisonment for a term which may extend to three months or with fine, or with both.

(4) An offence punishable under sub-section (3) shall be cognizable.

Penalty for illegal hiring or procuring of conveyance at elections.- (1) No candidate or his agent or any other person with the consent of a candidate or his agent shall hire or procure whether on payment or otherwise any vehicle or vessel for the conveyance of any elector (other than the candidate himself, the members of his family or his agent) to or from any polling station:

Breaches of official duty in connection with election.- (1) If any person to whom this section applies is without reasonable cause guilty of any act or omission in breach of his official duty, he shall be punishable with fine which may extend to five hundred rupees.

(2) No suit or other legal proceedings shall lie against any such person for damages in respect of any such act or omission as aforesaid.

(3) The persons to whom this section applies are the Returning Officers, Assistant Returning Officers, Presiding Officers, Polling Officers and any other person appointed to perform any duty in connection with the receipt of nominations or withdrawal of candidatures, or the recording or counting of votes at an election; and the expression "official duty" shall for the purposes of this section be construed accordingly, but shall not include duties imposed otherwise than by or under this Act.

Power of entry into and inspection of premises, etc.- (1) Any person authorised in this behalf by the Government may enter into any premises and inspect such premises and any vehicle, vessel or animal therein for the purpose of determining whether and if so in what manner, an order under Section 73 should be made in relation to such premises, vehicle, vessel or animal or with a view to securing compliance with any order made under that section.

(2) In this section, the expressions 'premises' and 'vehicle' shall have the same meaning as in Section 73.

Grant of paid holiday to employees on the day of poll.-(1) Every person employed in any business, trade, industrial undertaking or any other establishment and entitled to vote at election to any Panchayat shall on the day of poll, be granted a holiday.

(2) No deduction or abatement of the wages of any such person shall be made on account of a holiday having been granted in accordance with sub-section (1) and if such person is employed on the basis that he would not ordinarily receive wages for such a day, he shall nonetheless be paid for such day the wages he would have drawn had not a holiday been granted to him on that day.

(3) If an employer contravenes the provisions of sub-section (1) or sub-section (2), then such employer shall be punishable with fine which may extend to five hundred rupees.

(4) This section shall not apply to any elector whose absence may cause danger or substantial loss in respect of the employment in which he is engaged.]

1. *Section 80-A inserted by Tamil Nadu Act 12 of 2007 w.e.f. 31.5.2007.*

MEMBERS

Rights of individual member.- (1) Any member may call the attention of the Executive Authority or the Commissioner or the ¹[Secretary], as the case may be, to any neglect in the execution of Panchayat work, to any waste of Panchayat property or to the wants of any locality, and may suggest any improvement which may appear desirable.

(2) Every member shall have the right to move resolutions and to interpellate the President or Chairman on matters connected with the administration of the Panchayat, subject to such Rules as may be prescribed.

(3) Every member shall have access during office hours to the records of the Panchayat after giving due notice to the Executive Authority or Commissioner or the ¹[Secretary], provided that the Executive Authority or Commissioner or the ¹[Secretary] may, for reasons recorded in writing, forbid such access.

No President, Vice-President, Chairman, Vice-Chairman or Member to receive remuneration.- No President, Vice-President, Chairman, Vice-Chairman or Member shall receive or be paid from the funds at the disposal of or under the control of the Panchayat ¹[any salary or other remuneration, except traveling allowance, fixed monthly traveling allowance, daily allowance and sitting fees as may be fixed by the Government from time to time] for services rendered by him whether in his capacity as such or in any other capacity.

President, Vice-President, Chairman, Vice-Chairman or Member to obtain permission to undertake trip to foreign country.- No person holding the office of President, Vice-President or Member of a Village Panchayat or Chairman, Vice-Chairman or Member of a Panchayat Union Council or of a District Panchayat shall undertake any trip to any foreign country in his official capacity as such, except with the permission in writing of the Government.]

CHAPTER V

POWERS AND DUTIES OF THE EXECUTIVE AUTHORITY

Executive Authority of Village Panchayat.- The Government may, by notification, appoint any person, who shall, subject to such rules as may be prescribed, exercise the powers and perform the functions of the Executive Authority of a Village Panchayat.

Functions of Executive Authority.- The Executive Authority shall carry into effect the resolutions of the Village Panchayat:

Provided that where the Executive Authority considers that a resolution has not been legally passed or is in excess of the powers conferred by this Act or that, if carried out, it is likely to endanger

human life or health or the public safety, the Executive Authority shall refer the matter to the Government for orders and their decision shall be final;

(b) control all the officers and servants of the Village Panchayat;

(c) discharge all the duties specifically imposed and exercise all the powers conferred on the Executive Authority and subject to all restrictions and conditions imposed, by or under this Act, exercise the executive power for the purpose of carrying out the provisions of this Act and be directly responsible for the due fulfillment of the purposes thereof.

THE COMMISSIONER

Commissioner:- A Commissioner shall be appointed by the Government in the case of each Panchayat Union Council. Such Commissioner shall ordinarily be the Development Officer appointed in pursuance of the National Extension Service Scheme of Community Development for the Panchayat Development Block.

Emergency powers of Executive Authority and Commissioner.- The Executive Authority or the Commissioner may in cases of emergency direct the execution of any work or the doing of any act which requires the sanction of the Village Panchayat or the Panchayat Union Council, as the case may be, and the immediate execution or doing of which is, in his opinion, necessary for the health or safety of the public, and may direct that the expenses of executing such work or doing such act shall be paid from the Village Panchayat Fund or the Panchayat Union Fund, as the case may be.

District Panchayat Secretary

District Panchayat Secretary :- The Government shall appoint an officer not below the rank of ²[Divisional Development Officer in the Tamil Nadu Panchayat Development Service as Secretary of the District Panchayat.

The Government shall have power to regulate the method of recruitment and conditions of service, pay and allowances and discipline and conduct of the ¹[Secretary] appointed under sub-section (1).

Functions, powers and duties of Secretary.-

(a) The Secretary shall exercise all the powers specially imposed or conferred upon him by or under this Act or under any other law for the time being in force

(b)supervise and control the execution of all works of the District Panchayat, and have the right to attend meetings of the District Panchayat or any committee thereof and take part in the discussions thereat, but without the right to move any resolution or to vote;

(c)attend any meeting of the District Panchayat or any Committee thereof if required to do so by the Chairman;

(d)carry out the resolutions of the District Panchayat;

(e)furnish to the District Panchayat such periodical reports regarding the progress made in carrying out the resolutions of that body and in the collection of taxes as the council may direct;

(f) control the officers and servants of the District Panchayat;

(g) exercise such other powers and discharge such other functions as may be prescribed.

CHAPTER VI

PROCEDURE

Presidency at meetings of Panchayat.- Every meeting of a Panchayat shall be presided over by the President or the Chairman, as the case may be, and, in his absence by the Vice-President or Vice-Chairman, as the case may be, and in the absence of the President, Chairman, Vice-President and Vice-Chairman, by a member chosen by the members present at the meeting to preside for the occasion.

The President or the Chairman, as the case may be, shall preserve order and decide all points of order arising at or in connection with meetings. There shall be no discussion on any point of order and the decision of the President or Chairman, as the case may be, on any point of order shall be final.

A Vice-President, a Vice-Chairman or member presiding for the occasion shall, for that meeting and during the period he presides over it, have all the powers of the President or Chairman, as the case may be.

Proceedings of Panchayat and Committees.- The proceedings of every Panchayat, and of all Committees thereof shall be governed by such rules as may be prescribed and by regulations, not inconsistent with such rules or the provisions of this Act, made by the Panchayat with the approval of the Inspector.

Appointment of Joint Committees.- A Panchayat may, and if so required by the Inspector, shall, join with one, or more than one, other local authority in constituting a Joint Committee for any purpose for which they are jointly responsible.

Committees.- There shall be an Appointments Committee for every Panchayat Union, ¹[which shall be composed of the Chairman and the Vice-Chairman of the Panchayat Union Council and the Commissioner]. The Chairman of the Panchayat Union Council shall be Chairman of the Committee. Subject to the provisions of Section 102 and to such Rules as may be made by the Government in this behalf, appointments to all posts under the Panchayat Union Council, the pay of which is debitable to the funds of the Panchayat Union Council shall be made with the prior approval of the Committee.

Standing Committees.- For the purpose of assisting the District Panchayat in exercising such of its powers, discharging such of its duties and performing such of its functions specified under this Act.

ADMINISTRATION REPORTS

Administration reports of Village Panchayats.- Every Village Panchayat shall submit to the Panchayat Union Council a report on its administration for each year as soon as may be after the close of such year and not later than the prescribed date, in such form, with such details and through such authority as may be prescribed.

The report shall be prepared by the Executive Authority and Village Panchayat shall consider it and forward the same to the Panchayat Union Council with its resolution thereon.

Administration report of Panchayat Union Councils and District Panchayats.-
Every Panchayat Union Council shall submit to the District Panchayat a consolidated report on its administration and on the administration of all Village Panchayats in the Panchayat Union for each year as soon as may be after the close of such year and not later than the prescribed date, in such form, with such details and through such authority as may be prescribed.

(2) The report shall be prepared by the Commissioner and the Panchayat Union Council shall consider it and forward the same to the District Panchayat with its resolution thereon.

(3) The District Panchayat shall prepare a general report on the administration of Panchayat Union Councils and Village Panchayats in the district and submit the same to the Government before such date as may be prescribed. The District Panchayat shall also send a copy of the report to the Inspector.

(4) The report and resolution thereon shall be published in such manner as the Government may direct.

VALIDATION OF PROCEEDINGS

Acts of Village Panchayat, Panchayat Union Council and District Panchayat, etc. not to be invalidated by infirmity vacancy, etc.- No act of a Village Panchayat or of a Panchayat Union Council or of a District Panchayat or of a Committee thereof or of any person acting as President, Vice-President, Chairman, Vice-Chairman or Member of such Village Panchayat or Panchayat Union Council or District Panchayat or Committee, shall be deemed to be invalid by reason only of a defect in the establishment of such Panchayat or Committee, as the case may be, or on the ground that the President, Vice-President, Chairman, Vice-Chairman or Member of such Village Panchayat or Panchayat Union Council or District Panchayat or Chairman or Member of a Committee was not entitled to hold or continue in such office by reason of any disqualification or by reason of any irregularity or illegality in his election or by reason of such act having been done during the period of any vacancy in the office of President, Vice-President, Chairman, Vice-Chairman or Member of such Village Panchayat, Panchayat Union Council or District Panchayat or Committee.

CHAPTER VII

ESTABLISHMENT, POWERS AND FUNCTIONS OF PANCHAYATS

Establishment of Panchayats.- The sanction of the Panchayat shall be obtained for all proposals for fixing or altering the number, designations and grades of its officers and servants and the salaries, fees and allowances payable to them.

Such proposals shall be taken into consideration by the Panchayat, only at the instance of the Executive Authority or the Commissioner or the Secretary, as the case may be, and the Panchayat may sanction the proposal with or without modifications.

Provided that no proposal adversely affecting any officer or servant of a Panchayat who has been in the permanent service of such Panchayat for more than five years and is drawing a salary of not less than five hundred rupees per mensem shall be considered except at a special meeting convened for the purpose and no such proposal shall be given effect to unless assented to by atleast one-half of the members then in the Panchayat.

Notwithstanding anything contained in sub-sections (1) and (2), the Government in the case of a Panchayat Union Councils and District Panchayats and the Inspector in the case of Village Panchayats shall have power to fix or alter the number, designations and grades of, and the salaries, fees and allowances payable to the officers and servants of any Village Panchayat or Panchayat Union Council or the District Panchayat or any class of such officers and servants and it shall not be open to the Village Panchayat or Panchayat Union Council or the District Panchayat to vary the number, designations, grades, salaries, fees or allowances as so fixed or altered except with the previous sanction of the Government in the case of Panchayat Union Councils and District Panchayats and of the Inspector in the case of Village Panchayats.

Conditions of service of officers and servants of Panchayats.- The Government shall have power to make rules regarding the authorities who may appoint the officers and servants of Panchayats, other than the Commissioners and the Secretaries and the classification, method of recruitment, pay and allowances, discipline and conduct and conditions of service of such officers and servants.

Transfer of officers and servants of Village Panchayats and Panchayat Union Councils.- (1) Any officer or servant of a Village Panchayat may be transferred to the service of any Panchayat Union Council or any other Village Panchayat by the Inspector.

Power of Government to transfer officers and servants of District Panchayats.- (1) Notwithstanding anything contained in this Act or in the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920), the Government shall have power,-

(a) to transfer any officer or servant of the District Panchayat (including the ¹[Secretary] to the service of any other District Panchayat or to any Municipality constituted under the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920);

Power to punish officers and servants.- Subject to such control as may be prescribed, the Executive Authority, the Commissioner or the ¹[Secretary] may censure, fine, withhold increments or promotions from, or reduce to a lower rank in the seniority list, or to a lower post or time-scale or to a lower stage in a time-scale, suspend, remove or dismiss any officer or servant in the service of Village Panchayat or Panchayat Union Council or the District Panchayat, as the case may be, for any breach of departmental rules or discipline, or for carelessness, unfitness, neglect of duty or other misconduct.

CHAPTER VIII

FUNCTIONS, POWERS AND PROPERTY OF VILLAGE PANCHAYATS, PANCHAYAT UNION COUNCILS AND DISTRICT PANCHAYATS.

Duty of Village Panchayat to provide for certain matters.- Subject to the provisions of this Act and the Rules made thereunder, it shall be the duty of Village Panchayat, within the limits of its funds, to make reasonable provision for carrying out the requirements of the Panchayat Village in respect of the following matters, namely:-

(a) the construction, repair and maintenance of all village roads, that is to say, all public roads in the village (other than those classified as National Highways, State Highways, major district roads and Panchayat Union roads) and of all bridges, culverts, road-dams and causeways on such roads:

¹[(aa)] the extension of village-sites and the regulations of building;]

(b) the lighting of public roads and public places in built-up areas;

(c) the construction of drains and the disposal of drainage water and sullage not including sewage;

(d) the cleaning of streets, the removal of rubbish heaps, jungle growth and prickly-pear, the filling in or disused wells, insanitary ponds, pools, ditches, pits or hollows and other improvements of the sanitary condition of the village;

- (e) the provision of public latrines and arrangements to cleanse latrines whether public or private;
- (f) the opening and maintenance of burial and burning grounds;
- (g) the sinking and repairing of wells, the excavation, repair and maintenance of ponds²[] and the construction and maintenance of water-works³[for the supply of water for drinking, washing] and bathing purposes; and
- (h) such other duties as the Government may, by notification, impose.

Power of Village Panchayat to provide for certain other matters.- Subject to the provisions of this Act and the Rules made thereunder a Village Panchayat may also make such provisions as it thinks fit for carrying out the requirements of the village in respect of the following matters, namely:-

- (a) the planting and preservation of trees on the sides of all public roads in the village subject to mutually agreed terms and conditions between the Village Panchayat and the authority which maintains the road in case the road is not maintained by the Village Panchayat itself;
- (b) the lighting of public roads and public places in areas other than built-up areas;
- (c) the opening and maintenance of public markets other than markets which are classified as Panchayat Union markets;
- (d) the control of fairs and festivals other than those classified as Panchayat Union fairs and festivals;
- (e) the opening and maintenance of public landing places, halting places and cart-stands and of public cattle-sheds;
- (f) the opening and maintenance of public slaughter-houses;
- (g) the opening and maintenance of reading rooms;
- (h) the establishment and maintenance of wireless receiving sets, ¹[television sets], playgrounds, parks, sports clubs and centres of physical culture;

- (i) the opening and maintenance of literacy centres and centres for imparting social education;
and
- (j) the construction of works of public utility and the provision of other facilities for the safety, health, comfort, convenience, culture or recreation of the inhabitants of the village.

Duty of Panchayat Union Council to provide for certain matters.- Subject to the provisions of this Act and the Rules made thereunder, it shall be the duty of a Panchayat Union Council, within the limits of its funds, to make reasonable provision for carrying out the requirements of the Panchayat Union in respect of the following matters, namely:-

the construction, repair and maintenance of all public roads in the Panchayat Union which are classified as Panchayat Union roads and of all bridges, culverts, road-dams etc.

Power of Panchayat Union Council to provide for certain other matters.- Subject to the provisions of this Act and the Rules made thereunder, a Panchayat Union Council may, within the limits of its funds, make such provision as it thinks fit for carrying out the requirements of the Panchayat Union in respect of measures of public utility other than those specified in Section 112, calculated to promote the safety, health, comfort or convenience of the inhabitants of the Panchayat Union.

Lighting of public roads and public places.- Notwithstanding anything contained in clause (b) of Section 111, the Government may, by general or special order, direct any ¹[Village Panchayat or Panchayat Union Council or District Panchayat] to provide for lighting of public roads and public places within its jurisdiction and it shall be the duty of the ¹[Village Panchayat or Panchayat Union Council or District Panchayat] to provide for such light:

Provided that where such a direction is given, the Government shall make such provision for the cost of lighting as they may consider reasonable and the decision of the Government shall be final.

Maintenance of common dispensaries, child welfare centres, etc.- Subject to the provisions of this Act and Rules made thereunder, two or more Panchayat Union Councils may establish and maintain common dispensaries, child welfare centres and institutions of such other kind as may be prescribed.

Transfer of immovable property, management of institutions, execution or maintenance of works, etc. to a Village Panchayat.- (1) The Panchayat Union Council may, subject to such control as may be prescribed, by notification declare that any immovable property vested in itself shall vest in any Village Panchayat in the same Panchayat Union .

Power of Government to resume possession of unreserved forest vested in Village Panchayat and payment of compensation, etc.- (1) If in the opinion of the Government any unreserved forest vested in a Village Panchayat under Section 120 is required for any public purpose, they may, by notification, resume the possession and administration of such unreserved forest and upon such resumption by the Government, all rights and interests created in or over such unreserved forest before such resumption shall as against the Government cease and determine.

Power of Commissioner of Land Administration to transfer or resume control of endowments and inams.- Subject to the control of the Government, the Commissioner of Land Administration may, by notification, make over to a Panchayat Union Council, with its consent, the management and superintendence of any charitable endowment in respect of which powers and duties attached to the Commissioner of Land Administration under the provisions of the Tamil Nadu Endowments and Escheats Regulation, 1817 (Tamil Nadu Regulation VII of 1817).

Limitation of power to accept donations and trusts.- A Panchayat may accept donation for, or Trusts relating exclusively to, the furtherance of any purpose to which its funds may be applied.

Vesting of public roads in Village Panchayat.- (a) All public roads in any village (other than roads which are classified by the Government as National Highways or State Highways or as Major District roads or as Panchayat Union roads) shall vest in the Village Panchayat together with all pavements, stones, and other materials thereof, all works, materials and other things provided therefore, all drains, drainage works, tunnels and culverts whether made at the cost of the Village Panchayat or otherwise, in, alongside or under such roads, and all works, materials and things appertaining thereto.

Vesting of public roads in Panchayat Union Councils.- (1) All public roads in any Panchayat Union which are classified as Panchayat Union roads shall vest in the Panchayat Union Council

together with all pavements, stones, and other materials thereof, all works, materials and other things provided therefor, all drains, drainage works, tunnels and culverts whether made at the cost of the Panchayat Union Council or otherwise, in, alongside or under such roads, and all works, materials and things appertaining thereto.

Duty of Village Panchayat in respect of public roads excluded from the operation of the Act.- Where any public road has been excluded from the operation of this Act under sub-section (2) of Section 125 or sub-section (2) of Section 126 and placed under the control of the Highways Department of Government (hereinafter referred to as the Highways Department), the Village Panchayat may and if so required by the Government shall make provision –

- (a) for the watering and maintenance of the drainage of such road;
- (b) for the provision, maintenance and repair of the drains in, alongside or under such road;
- (c) for the provision, maintenance and repair of foot-ways attached to such road.

Public markets.- The Panchayat Union Council may, after obtaining the previous written permission of the Inspector, provide places for use as public markets and, with the sanction of the Inspector.

Licensing of private markets.- No person shall open a new private market or continue to keep open a private market unless he has obtained a licence from the Village Panchayat or Panchayat Union Council,

Decision of disputes as to whether places are markets.- If any question arises as to whether any place is a market or not, the Village Panchayat or Panchayat Union Council, as the case may be, shall make a reference thereon to the Government and their decision shall be final.

Prohibition of sale in unlicensed private markets, etc.- No person shall sell or expose for sale any animal or article-

Prohibition against sale in public roads.- The Executive Authority or Commissioner may, with the sanction of the Village Panchayat or Panchayat Union Council, as the case may be, prohibit by

public notice or licence or regulate the sale or exposure for sale of any animal or article in or upon any public road or place or part thereof.

Classification of markets.- The Government shall have power to classify public and private markets situated in Panchayat Development Block as Panchayat Union markets and Village Panchayat market, and provide for the control of any such market, and for the apportionment of the income derived therefrom between the Panchayat Union Council and the Village Panchayat or the payment of a contribution in respect thereof to the Village Panchayat or the Panchayat Union, as the case may be.

Acquisition of right of persons to hold private market.- (1) A Panchayat Union Council may acquire the rights of any person to hold a private market in any place in a Panchayat Development Block and to levy fee therein. The acquisition shall be made under the Land Acquisition Act, 1894 (Central Act I of 1894) and such rights shall be deemed to be land for the purposes of that Act.

(2) On payment by the Panchayat Union Council of the compensation awarded under the said Act in respect of such property and any other charges incurred in acquiring it, the rights of such person to hold a private market and to levy fees therein shall vest in the Panchayat Union Council.

Numbering or naming of building, etc.- In any area to which this Act applies, such authority as may be prescribed in this behalf, may cause a number to be affixed to the side or outer door of any building or to some place at the entrance of the premises.

Purposes for which places may not be used without a licence.- The Government may, by notification, specify the purposes which in their opinion, are likely to be offensive or dangerous to human life or health or property.

The Village Panchayat may, with the previous approval of the prescribed authority, notify that no place within the limits of the Panchayat Village shall be used for any of the purposes specified in the notification issued under sub-section (1) without a licence and except in accordance with the conditions specified in such licence.]

No notification issued under sub-section (1) or sub-section (2) shall take effect until sixty days from the date of its publication.

The Village Panchayat shall be the authority competent to grant the licence or to refuse to grant it.]

Permission for construction of factories and the installation of machinery.- No person shall, without the permission of the Panchayat Union Council in Panchayat Villages and except in accordance with the conditions specified in such permission,-

(a) construct or establish any factory, workshop or workplace in which it is proposed to employ steam power, water power or other mechanical power or electrical power, or

(b) install in any premises any machinery or manufacturing plant driven by any power as aforesaid, not being machinery or manufacturing plant exempted by the Rules.

Power of Government to make Rules in respect of the grant and renewal of licences and permissions.-

(a) prohibiting or regulating the grant or renewal of licences under Section 159 and the period for which such licences shall be valid;

(b) as to the time within which applications for such licences or renewals thereof shall be made; and

(c) prohibiting or regulating the grant of permissions under Section 160.

Functions of District Panchayat.- (1) The District Panchayat shall advise the Government on all matters concerning the activities of Village Panchayats, Panchayat Union Councils in the district as well as on all matters relating to the development of the economic resources of the district and the services maintained therein for promoting the culture and welfare of the inhabitants of the district.

General powers of District Panchayat.- For the purpose of efficiently performing its functions under this Act, every District Panchayat may, within the limits of its jurisdiction,-

(a) undertake such measures as it deems necessary;

(b) collect such data as it deems necessary ;

(c) publish statistics or other information relating to various aspects of the regulation or development of the activities of Panchayat Union Councils and Village Panchayats in the district;

(d) require any Panchayat Union Council or Village Panchayat to furnish such information as may be required by it in relation to the measures undertaken by that Panchayat Union Council or Village Panchayat for the regulation or development of its activities and such other matters as may be prescribed.

Returns and reports of District Panchayat.- Every District Panchayat shall furnish to the Government such returns, reports, statistics and other informations with respect to its activities as the Government may from time to time require.

Annual report of the functioning of Panchayats. – The Government shall lay on the table of the Legislative Assembly, an annual report on the functioning of the Panchayats in the State.]

CHAPTER IX

TAXATION AND FINANCE

Local Cess.- (1) There shall be levied in every Panchayat Development block, a Local Cess at the rate of ¹[two rupees] on every rupee of land revenue payable to the Government in respect of any land for every Fasli.

Local Cess Surcharge.- Every Panchayat Union Council may levy on every person liable to pay land revenue to the Government in respect of any land in the Panchayat Union, a Local Cess Surcharge at such rate as may be considered suitable as an addition to the Local Cess levied in Panchayat Development Block under Section 167.

Orders regarding collection of Local Cess, Local Cess Surcharge and Surcharge on the Duty on transfers of property.-

(a) regulate the collection of Local Cess under Section 167, Local Cess Surcharge under Section 168 and Surcharge on the Duty on transfers of property under Section 175;

(b) fix the proportions in which the proceeds of Local Cess, Local Cess Surcharge and Surcharge on the Duty on transfers of property shall be distributed among Village Panchayats, Panchayat Union Councils and District Panchayats and grant any amount from the said proceeds for the execution of specific scheme, project, programme or plan in any Village Panchayat, Panchayat Union Council or District Panchayat; and

(c) deduct the expenses incurred by the Government in the collection of Local Cess, Local Cess Surcharge and Surcharge on the Duty on transfers of property.]

Land Revenue Assignment.- The Government shall pay to each Panchayat Union Council a sum representing one rupee for each individual of the population of the Panchayat Development Block concerned from out of the total land revenue (including water cess) collected in the State during that year. The sum thus credited to the Panchayat Union Council shall be referred to as the Land Revenue Assignment of that block.

Taxes leviable by Village Panchayats.-

(1) Every Village Panchayat shall levy in the Panchayat Village a house-tax.

(2) A Duty shall also be levied in every Panchayat Village on certain transfers of property in accordance with the provisions of Section 175.

(3) Subject to such rules as may be prescribed and with the sanction of the Inspector and subject to such restrictions and conditions, if any, as may be imposed by him either at the time of granting sanction or later, the Village Panchayat may also levy in the village, a tax on agricultural land for a specific purpose.

House tax. - The house tax shall be levied on all houses in every Panchayat Village on the basis on which such tax was levied in the local area concerned immediately before the commencement of this Act or on the basis of classified plinth area at the rates specified in Schedule I, as the Village Panchayat may adopt subject to the provisions of sub-section (3).

The house tax shall, subject to the prior payment of the land revenue, if any, due to the Government in respect of the site of the house, be a first charge upon the house and upon the movable property, if any, found within or upon the same and belonging to the person liable to such tax.

The Government shall, by notification, determine in regard to any Panchayat Village or any class of Panchayat Villages whether the house tax shall be levied every half-year or year and in so doing have regard to the following matters, namely:-

(a) the classification of the local areas under Section 4;

(b) the annual receipts of the Village Panchayat;

(c) the population of the Panchayat Village and the predominant occupation of such population; and

(d) such other matters as may be prescribed.

(4) The Government may make *rules providing for-

(a) the persons who shall be liable to pay the tax and the giving of notices of transfer of houses;

(b) the grant of vacancy and other remissions;

(c) the circumstances in which and the conditions subject to which, houses constructed, reconstructed or demolished, or situated in areas included in, or excluded from the Panchayat Village during any half year or year, shall be liable or cease to be liable to the whole or any portion of the tax.

(5) If the occupier of a house pays the house tax on behalf of the owner thereof, such occupier shall be entitled to recover the same from the owner and may deduct the same from the rent then or thereafter due by him to the owner.

Levy and collection of advertisement tax.- Every person who erects, exhibits, fixes or retains upon or over any land, building, wall, hoardings or structure any advertisement, or who displays any advertisement to public view in any manner whatsoever in any place whether public or private, in the Panchayat Village shall pay on every advertisement which is so erected, exhibited, fixed, retained or displayed to public view, a tax calculated at such rates and in such manner as the ³[collector may], determine in accordance with such rule *as may be prescribed.

Provided that the rates shall be subject to the rates that may be prescribed by the Government and different rates may be prescribed for different Village Panchayats taking into consideration the location, the size of the advertisement board, the period and the types of advertisements.

Provided further that no tax shall be levied under this Section on any advertisement or a notice-

(a) of a public meeting; or

²[(b) of an election to the Parliament, Legislative Assembly or a Panchayat; or]

(c) of a candidature in respect of such an election:

Provided also that no such tax shall be levied on advertisement which is not a sky-sign and which-

(a) is exhibited within the window of any building; or

(b) relates to the trade or business carried on within the land or building upon or over which such advertisement is exhibited, or to any sale or letting of such land or building or any effects therein or to any sale, entertainment or meeting to be held upon or in the same; or

(c) relates to the name of the land or building upon or over which the advertisement is exhibited, or to the name of the owner or occupier of such land or building; or

(d) relates to the business of any railway administration; or

(e) is exhibited within any railway station or upon any wall or other property of a railway administration except any portion of the surface of such wall or property fronting any street.

Prohibition of advertisements.- No advertisement shall after the levy of tax under Section 172-A as determined by the ⁴[collector] be erected, exhibited, fixed or retained upon or over any land, building, wall, hoarding or structure within the Panchayat Village, or shall be displayed in any manner whatsoever in any place except in accordance with the rules made under this Act:

Provided that the ⁴[collector] shall regulate the height of the advertisement in the Panchayat Village and shall remove such objectionable advertisement in such manner *as may be prescribed:

Provided further that the Government may, by notification, prohibit advertisements in any place within any Panchayat Village.

Apportionment of Entertainment Tax among Panchayats.- Notwithstanding anything contained in Section 13 of the Tamil Nadu Entertainments Act, 1939 (Tamil Nadu Act X of 1939) so far as Panchayats are concerned, ten per cent of the proceeds of the tax under Section 4, Section 4-F and Section 4-H of that Act collected every year shall be credited to the Government and the balance of ninety percent shall be distributed among Village Panchayats, Panchayat Union Councils and District Panchayats in such proportions as the Government may fix.

District Panchayat (General) Fund.-

There shall be constituted for each District Panchayat, a District Panchayat (General) Fund and the following shall form a part of, or be paid into, the District Panchayat (General) Fund, namely:-

- (a) the amount transferred to the District Panchayat (General) Fund by appropriation from out of the Consolidated Fund of the State;
- (b) all grants, assignments, loans and contributions made by the Government;
- (c) all rents from lands or other property of the District Panchayat;
- (d) all interests, profits and other money accruing by gift, grants, assignments or transfer from private individuals or institutions;
- (e) all proceeds of land, security and other properties sold by the District Panchayat;
- (f) all fees and penalties paid to or levied by or on behalf of the District Panchayat under this Act;
- (g) all sums received by or on behalf of the District Panchayat by virtue of this Act.

(2) The Government shall make a grant to every District Panchayat (General) Fund, to cover the expenses of establishment at such scale as may be determined by it.

State Finance Commission.- The Governor shall as soon as may be, after the commencement of this Act, but not later than 24th April 1994 and thereafter at the expiration of every fifth year, constitute a Finance Commission referred to in Article 243-I of the Constitution to review the financial position of the panchayats and to make recommendations to the Governor.

TAX ON PROFESSION, TRADE, CALLING AND EMPLOYMENT

Levy of profession tax.- (1) There shall be levied by the Village Panchayat a tax on profession, trade, calling and employment.

(2) Every company which transacts business and every person, who is engaged actively or otherwise in any profession, trade, calling or employment within the Panchayat Village on the first day of the half year for which return is filed, shall pay half yearly tax at the rates specified .

Penalty and interest.- In addition to the tax assessed under sub-section (11) of Section 198-B or sub-section (2) of Section 198-E, the Executive Authority shall direct the person or employer to pay by way of penalty a sum-

Which shall be, in the case of submission of incorrect or incomplete return, one hundred percent of the difference of the tax assessed and the tax paid as per return.

CHAPTER X

CONTROLLING AUTHORITIES

Appointment of officers to supervise Panchayats.- (1) The Government may appoints such officers as may be required for the purpose of inspecting or superintending the operations of all or any of the Panchayats constituted under this Act.

(2) The Government shall have power to regulate by rules made under this Act, the classifications, methods of recruitment, conditions of service, pay and allowances and discipline and conduct of the officers referred to in sub-section (1) and of the members of their establishments.

Powers of Inspecting Officers.- (1) The Inspector or the Collector or any officer appointed under Section 199 or any other officer or person whom the Government or the Inspector or the Collector may empower in this behalf.

Emergency powers of Collector and Inspector.- Subject to such control as may be prescribed, the Inspector or the Collector may, in cases of emergency, direct or provide for the execution of any work, or the doing of any act which a Panchayat or Executive Authority or Commissioner or ¹[Secretary] is empowered to execute or do and the immediate execution or doing of which is in his opinion necessary for the safety of the public and may direct that the expense of executing such work or doing such act shall be paid by the person having the custody of the Village Panchayat Fund or the Panchayat Union (General) Fund or the District Panchayat (General) Fund in priority to any other charges against such Fund except charges for the service of authorised loans.

Delegation of powers.- (1) The Government may, by notification, authorise any authority or officer not below the rank of a Collector to exercise in regard to any Panchayat or any

class of Panchayats in any area or all Panchayats in any area, any of the powers vested in them by this Act except the power to make rules and may in like manner withdraw such authority.

(2) The Inspector or the Collector may by notification authorise any officer not below the rank of a Revenue Divisional Officer to exercise in respect of any Panchayat Union Council or any class of Panchayat Union Councils or all Panchayat Union Councils in the area under the jurisdiction of such officer, any of the powers vested by this Act on the Inspector or the Collector as the case may be and may in like manner withdraw such authority.

(3) The Inspector or the Collector may, by notification, authorise any officer not below the rank of a Commissioner to exercise in respect of any Village Panchayat or any class of Village Panchayats or all Village Panchayats in the Panchayat Development Block any of the powers vested by this Act on the Inspector or the Collector as the case may be and may in like manner withdraw such authority.

(4) The exercise of any power delegated under sub-sections (1) to (3) shall be subject to such restrictions and conditions as may be prescribed or as may be specified in the notification and also to control and revision by the delegating authority, or where such authority is the Government by such officer as may be empowered by the Government in this behalf. The Government shall also have power to control and revise the acts or proceedings of any officer so empowered.

(5) The exercise of any power conferred on the Inspector or the Collector by any of the provisions of this Act including sub-sections (2) to (4) of this section shall whether such power is exercised by the Inspector or the Collector himself or by any officer to whom it has been delegated under sub-section (2) or (3) be subject to such restrictions and conditions as may be prescribed and also control by the Government or by such officer as may be empowered by them in this behalf. The Government shall also have power to control the acts or proceedings of any officer so empowered.

Chapter XI

General and Miscellaneous

Licences and Permissions

General provisions regarding licence and permissions.- Save as otherwise expressly provided in or may be prescribed under this Act, every application for any licence or permission under this Act or any rule, bye-law or regulation made thereunder, or for the renewal thereof, shall be made not less than thirty and not more than ninety days before the earliest date with effect from which, or the commencement of the period (being a year or such less period as is mentioned in the application) for which the licence or permission is required.

Government and Market Committees not to obtain licence and permission.- Nothing in this Act or in any rule, bye-law or regulation made thereunder shall be construed as requiring the taking out of any licence or the obtaining of any permission under this Act or any such rule, bye-law or regulation in respect of any place in the occupation or under the control of the Central or State Government or of a Market Committee established under the Tamil Nadu Agricultural Produce Marketing (Regulation) Act, 1987 (Tamil Nadu Act 27 of 1989), or in respect of any property of the Central or the State Government or of any property belonging to such Market Committee.

POWER TO ENFORCE NOTICES, ORDERS, ETC.

Time for complying with notice, order, etc. and power to enforce in default.-

(1) Whenever by any notice, requisition or order under this Act, or under any rule, bye-law or regulation made thereunder, any person is required to execute any work, to take any measures or to do anything, a reasonable time shall be named in such notice, requisition or order within which the work shall be executed, the measure taken or the thing done.

(2) If such notice, requisition or order is not complied with within the time so named:-

(a) the Executive Authority of the Village Panchayat or the Commissioner or the ¹[Secretary], as the case may be, may cause such work to be executed, or may take any measure or do anything which may, in his opinion, be necessary for giving due effect to the notice, requisition or order, and

(b) if no penalty has been specially provided in this Act for failure to comply with such notice, requisition or order, the said person shall be punishable with fine not exceeding fifty rupees for every such offence.

1. *Substituted for the words “Chief Executive Officer” by Tamil Nadu Act 28 of 1998.*

POWER OF ENTRY AND INSPECTION

Power of entry and inspection.- (1) Subject to such restrictions and conditions as may be prescribed, the Executive Authority or the Commissioner of the ¹[Secretary] or any person authorised by him may enter on or into any place, building or land, with or without assistants or workmen in order-

(a) to make any enquiry, inspection, test, examination, survey, measurement or valuation or to execute any other work, which is authorised by the provisions of this Act or of any rule, bye-law, regulation or order made under it or which it is necessary to make or execute for any of the purposes of this Act or in pursuance of any of the said provisions, or

Testing of weights and measures.- The Executive Authority or the Commissioner or the ¹[Secretary] or any person authorised by him, may examine and test the weights and measures used in the markets and shops in the Panchayat Village or the Panchayat Union Council or the District Panchayat area as the case may be, with a view to the prevention and punishment of offences relating to such weights and measures under Chapter XIII of the Indian Penal Code, 1860 (Central Act XLV of 1860).

225. Power to call for information from Village Administrative Officer.- (1) The Executive Authority or the Commissioner or the ¹[Secretary] may, by an order in writing, require the Village Administrative Officer of any revenue village comprised within the jurisdiction of the Village Panchayat or Panchayat Union Council or District Panchayat to furnish him with information on any matter falling within such categories as may be prescribed in respect of such village or any part thereof or any person or property therein.

(2) The order shall specify the period within which it may be complied with but the Executive Authority or the Commissioner of the ¹[Secretary], may, from time to time, extend such period.

LIMITATION

Limitation for recovery of dues.- No distraint shall be made, no suit shall be instituted and no prosecution shall be commenced in respect of any tax or other sum due to a Panchayat under this Act or any rule, bye-law, regulation or order made under it after the expiration of a period of six years from the date on which distraint might first have been made, a suit might first have been instituted or prosecution might first have been commenced, as the case may be, in respect of such tax or sum.

PROSECTIONS, SUITS, ETC.

Persons empowered to prosecute.- Save as otherwise expressly provided in this Act, no person shall be tried for any offence against this Act or any rule or bye-law made thereunder unless complaint is made within three months of the commission of the offence by the police, ¹[the Village Panchayat], the Executive Authority, the Panchayat Union Council, the Commissioner, the District Panchayat, the ²[Secretary] or a person expressly authorised in this behalf by the Village Panchayat, Panchayat Union Council, District Panchayat, Executive Authority or Commissioner or the ²[Secretary] but nothing herein shall affect the provisions of the Code of Criminal Procedure, 1973 (Central Act 2 of 1974) in regard to the power of certain Magistrates to take cognizance of offence upon information received or upon their own knowledge or suspicion:

Composition of offences.- The Executive Authority or the Commissioner or the ¹[Secretary] may, subject to such restrictions and control, as may be prescribed, compound any offence against this Act or any rule or bye-law made thereunder, which may by rules be declared compoundable.

1. *Substituted for the words "Chief Executive Officer" by Tamil Nadu Act 28 of 1998.*

Prosecutions and compositions to be reported to Village Panchayat, Panchayat Union Council or District Panchayat.- Every prosecution instituted or offence compounded by the Executive Authority or the Commissioner or the ¹[Secretary] shall be reported by him to the Village Panchayat or Panchayat Union Council or the District Panchayat, as the case may be, at its next meeting.

Tamil Nadu State Election Commission.- (1) The superintendence, direction and control of the preparation of electoral rolls for and the conduct of all elections to the Village Panchayats, Panchayat Union Councils and District Panchayats shall be vested in the ¹[Tamil Nadu State Election Commission] consisting of a ²[Tamil Nadu State Election Commissioner] to be appointed by the Governor under Article 243-K of the Constitution.

(2) (a) No person shall be qualified for appointment as ²[Tamil Nadu State Election Commissioner] unless he is or has been an officer of the Government not below the rank of Secretary to the Government.

³[(b) The Tamil Nadu State Election Commissioner shall hold office for a term of two years and shall be eligible for reappointment for two successive terms ⁶[terms]:

Provided that no person shall hold the office of the Tamil Nadu State Election Commissioner for more than six years in the aggregate:

Provided further that a person appointed as Tamil Nadu State Election Commissioner shall retire from office if he completes the age of sixty-five years during the terms of his office.]

(3) Subject to the provisions of sub-section (2), the conditions of service and tenure of office of the ²[Tamil Nadu State Election Commissioner] shall be such as Governor *may by rules determine:

Provided that the ²[Tamil Nadu State Election Commissioner] shall not be removed from his office except in like manner and on the like grounds as a Judge of a High Court and conditions of service of the ²[Tamil Nadu State Election Commissioner] shall not be varied to his disadvantage after his appointment.

(4) The Governor shall, when so requested by the ¹[Tamil Nadu State Election Commission] make available to the ¹[Tamil Nadu State Election Commission] such staff as may be necessary for the discharge of the functions conferred on the ¹[Tamil Nadu State Election Commission] by sub-section (1).

Preparation of development plan.- (1) Every Village Panchayat shall prepare every year a development plan for the Panchayat Village and submit it to the Panchayat Union Council before such date and in such form as may be prescribed.

(2) Every Panchayat Union Council shall prepare every year a development plan for the Panchayat Union after including the development plans of the Village Panchayats and submit it to the District Panchayat before such date and in such form as may be prescribed.

(3) Every District Panchayat shall prepare every year a development plan for the district after including the development plans of the Panchayat Union Councils and submit it to the District Planning Committee constituted under Section 241.

District Planning Committee].- (1) The Government shall constitute in every district a District Planning Committee (hereinafter in this section referred to as the Committee) to consolidate the plans prepared by the District Panchayats, Panchayat Union Councils, Village Panchayats, ²[Town Panchayats], Municipal Councils and Municipal Corporations in the district and to prepare a draft development plan for the district as a whole.

³[(2) (a) The Committee shall consist of,-

- (i) the Chairman of the District Panchayat;
- (ii) the Mayor of the City Municipal Corporation in the district;
- (iii) the Collector of the district;
- (iv) such number of persons, not less than four-fifth of the total number of members of the Committee as may be specified by the Government, elected in the prescribed manner from amongst the members of the District Panchayats, Town Panchayats and Councillors of the Municipal Corporations and the Municipal Councils in the district in proportion to the ratio between the population of the rural areas and of the urban areas in the district.

(b) The following persons shall be permanent special invitees of the Committee:-

- (i) members of the House of the People who represent the whole or part of the district;
- (ii) members of the Council of States who are registered as electors in the district;
- (iii) members of the Tamil Nadu State Legislative Assembly whose constituencies lie within the district;

- (iv) all the Chairmen of the Panchayat Union Councils in the district;
- (v) all the Chairmen of the Municipal Councils in the district;
- (vi) all the Chairmen of the Town Panchayats in the district;
- (c) The permanent special invitees referred to in clause (b) shall be entitled to take part in the proceedings in the meetings of the Committee]

(3) The ⁴[Secretary] of the District Panchayat shall be the Secretary to the Committee.

⁵[(4) The Chairman of the District Panchayat shall be the Chairperson of the Committee and the Collector of the District shall be Vice Chairman of the Committee.]

(5) The Committee shall meet at such place, at such interval and at such time and observe such rules of procedure in regard to transaction of business at its meetings (including the *quorum* at its meetings) as may be prescribed.

(6)The Committee shall consolidate the plans prepared by the District Panchayats, Panchayat Union Councils, Village Panchayats, Town Panchayats, Municipal Councils and the Municipal Corporations in the district and prepare a draft development plan for the district as a whole.

(7) Every Committee shall, in preparing the draft development plan,-

(a) have regard to,-

(i) the matters of common interest between the District Panchayats, Panchayat Union Councils, Village Panchayats, Town Panchayats, Municipal Councils and Municipal Corporations in the district including spatial planning, sharing of water and other physical and natural resources, the integrated development of infrastructure and environmental conservation;

(ii)the extent and type of available resources whether financial or otherwise;

(b)consult such institutions and organization as the Governor may, by order, specify.

(8) The Chairperson of the Committee shall forward the development plan to the Government alongwith the recommendations of the Committee regarding the sources available and the resources required for the implementation of the plans proposed.

(9) The Committee shall allocate funds to various schemes to the Panchayats and Panchayat Unions and shall monitor the implementations of the schemes.

CHAPTER XII

PENALTIES

Penalties for breach of Rules.- In making any Rule under this Act, the Government may provide that a breach thereof shall be punishable with fine which may extend to one hundred rupees, or in case of a continuing breach, with fine not exceeding fifteen rupees for every day during which the breach continues after conviction for the first breach.

Bye-laws and penalties for their breach.- (1) Subject to the provisions of this Act and of any other law and to such rules as may be prescribed, a Panchayat may, with the approval of the Inspector, make bye-laws for carrying out any of the purposes for which it is constituted.

(2) In making a bye-law, the Panchayat may provide that any person who commits a breach thereof shall be liable to pay by way of penalty such sum as may be fixed by the Panchayat not exceeding fifteen rupees or, in case of a continuing breach, not exceeding five rupees for every day during which the breach continues after a penalty has been levied for the first breach.

(3) The Government shall have power to make Rules regarding the procedure for the making of bye-laws, the publication thereof, and the date on which they shall come into effect.

General provisions regarding penalties specified in the Schedules.- (1) Whoever-

- (a) contravenes any of the provisions of this Act specified in the first and second columns of Schedule II; or
- (b) contravenes any rule or order made under any of the provisions so specified; or
- (c) fails to comply with any directions lawfully given to him, or any requisition lawfully made upon him under or in pursuance of any of the said provisions, shall be punishable with fine which may extend to the amount mentioned in that behalf in the fourth column of the said Schedule.

(2) Whoever after having been convicted of-

- (a) contravening any of the provisions of this Act specified in the first and second columns of Schedule III; or
- (b) contravening any rule or order made under any of the provisions so specified; or
- (c) failing to comply with any direction lawfully given to him, or any requisition lawfully made upon him under or in pursuance of any of the said provisions, continues to contravene the said provision or the said rule or order, or continues to fail to comply with the said direction or requisition, shall be punishable for each day after the previous date of conviction during which he continues so to offend, with fine which may extend to the amount mentioned in that behalf in the fourth column of the said Schedule.

STATUTORY PROVISIONS

THE TAMIL NADU DISTRICT MUNICIPALITIES ACT, 1920 (Tamil Nadu Act V of 1920)

An Act to consolidate and amend the law relating to District Municipalities.

Preamble : --WHEREAS it is expedient to consolidate and amend the law relating to District Municipalities in the 1 [State of Tamil Nadu] and whereas the previous sanction of the Governor-General has been obtained under Section 79 of the Government of India Act, 1915, to the passing of this Act;

Chapter-I-A

THIRD GRADE MUNICIPALITIES

3-A. Application of Chapter .—

This Chapter shall apply only to the Third Grade Municipalities.

3-B. Formation of Third Grade Municipalities.—(1) The Governor ,—

(a) may, having regard to the revenue generated for local administration, the percentage of employment in non-agricultural activities, the economic importance or such other factors as he deems fit, by notification, classify and declare every local area comprising a revenue village or villages or any portion of a revenue village or contiguous portions of two or more revenue villages and having. a population estimated at not less than **thirty thousand** as a [Transitional Area] for the purposes of this Act.

Chapter-I-B

TOWN PANCHAYATS

3-O. Application of Chapter.— This Chapter shall apply only to the Town Panchayats. 3-P. Formation of Town Panchayats.— (1) The Governor,

(a) may, having regard to the revenue generated for local administration, the percentage of employment in non-agricultural activities, the economic importance or such other factors as he deems fit,

by notification, classify and declare every local area comprising a revenue village or villages or any portion of a revenue village or contiguous portions of two or more revenue villages and having a population estimated at not less than thirty thousand as a Panchayat Town for the purposes of this Act.

PART II
ESTABLISHMENT, CONSTITUTION AND GOVERNMENT OF DISTRICT MUNICIPALITIES
CHAPTER II
CREATION AND ABOLITION OF MUNICIPALITIES

4. Creation of Municipalities .—

[(1) The Governor may, having regard to the population of the area, the density of population therein, the revenue generated for local administration, the percentage of employment in non-agricultural activities, the economic importance or such other factors as he may deem fit, by notification, declare his intention] —

(a) to constitute as a Municipality any, town, village, hamlet, bazaar, station or other local area or any group of the same in the immediate neighbourhood of one another, or

(b) to exclude from a Municipality any local area comprised therein and defined in such notification;
or

(c) to include within a Municipality any local area in the vicinity thereof and defined in such notification: Provided that no Cantonment shall be included within a Municipality.

(2) Any inhabitant of a local area or tax-payer of a Municipality, in respect of which any such notification has been published may, if he desires to object to anything therein contained, submit his objection in writing to 2 [the Governor] within six weeks from the publication of the notification and ² [the Governor] shall take all such objections into consideration.

(3) When six weeks from the publication of the notification have expired, and ² [the Governor he may] has considered the objections, if any, which have been submitted, he may, as the case may be, by notification declare to be a Municipality, or exclude from or include in a Municipality, the local area or any portion thereof.

(4) This Act shall come into force in, or cease to apply to, any Municipality or part thereof, as the case may be, on such date as may be specified in the notification under subsection (3).

[(5) If any local area in which the ⁴ [Tamil Nadu] Local Boards Act, 1920 (Tamil Nadu Act XIV of 1920) is in force is, constituted as or included

1. Substituted by the Tamil Nadu District Municipalities (Amendment) Act, 1994 (Tamil Nadu Act 25 of 1994)

2. Substituted for the expression "the State Government may by notification declare their intention" by the Tamil Nadu District Municipalities (Amendment) Act, 1994 (Tamil Nadu Act 25 of 1994).

3. This sub-section was substituted for the original sub-section by Section 5 of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).

4. These words were substituted for the word "Madras" by the Tamil Nadu Adaptation of Laws Order, 1969, as amended by the Tamil Nadu Adaptation of Laws (Second Amendment) Order, 1969, which came into force on the 14th January 1969.

5. Now, the Tamil Nadu District Boards Act, 1920 (Tamil Nadu Act XIV of 1920), which Act stands repealed in the panchayat development blocks by virtue of Section 13 (i) of the Tamil Nadu Panchayats Act, 1958 (Tamil Nadu XXXV of 1958)

CHAPTER-III

CONSTITUTION OF MUNICIPAL AUTHORITIES

6. The Municipal Authorities and their incorporation .—¹ [(1) The Municipal Authorities charged with carrying out the provisions of this Act are (a) a Council; (b) a Chairman ; and (c) an Executive Authority.]

2) The Municipal Council shall, by the name of the Municipality, be a body Corporate, shall have perpetual succession and a common seal and subject to any restriction or qualification imposed by this or any other enactment shall be vested with the capacity of suing or being sued in its corporate name, of acquiring, holding and transferring property movable or immovable, of entering into contracts and of doing all things necessary for the purpose of its constitution.

7. Constitution of Council .— (1)The Municipal Council shall consist of such number of Councillors ² [***] as may be determined by the State Government, by notification and different notifications may be issued for different Municipal Councils: Provided that the number of Councillors so notified shall not be more than fifty-two and shall not be less than twenty. Provided further that the power to determine the number of Councillors shall not be exercised by the State Government more than once within a period of five years in respect of any Municipality. ³ [(2) Save as provided in sub-section (3), every Municipality shall consist of the following elected members as notified under sub-section (1).

(3) The following persons shall also be represented in the Municipality, namely :-

⁴ [(a) ***]

⁵ [****]

(b) the members of the House of the People and the members of the State Legislative Assembly representing the constituency comprising the whole or any part of the Municipality;

1. This section was substituted for the original sub-section by Section 2 of the Tamil Nadu District Municipalities (Amendment) Act, 1933 (Tamil Nadu Act XV of 1933).

2. The word "exclusive of its Chairman" were omitted by Tamil Nadu Act 18 of 2006.

3. Sub-sections (2) to (10) substituted by Tamil Nadu Act 25 of 1994.

4. Clause (a) of sub-section 3 omitted by Tamil Nadu Act 3 of 1997.

5. Proviso to clause (a) omitted by Tamil Nadu Act 22 of 1996.

FUNCTIONS OF THE SEVERAL AUTHORITIES

1 [THE CHAIRMAN AND THE EXECUTIVE AUTHORITY]

13. Functions of the Chairman.—

The Chairman of the Municipal Council shall — (a) make arrangements for the election of the Vice-Chairman ; (b) convene the meetings of the Council ; and (c) perform all the duties and exercise all the powers specifically imposed or conferred on the Chairman by this Act.]

13-A. Functions of the Executive Authority .—

The Executive Authority of the Municipal Council shall —

(a) carry into effect the resolutions of the Council; (b) furnish to the Council such periodical reports regarding the progress made in carrying out the resolutions of that body in the collection of taxes as the Council may direct; and

(c) perform all the duties and exercise all the powers specifically imposed or conferred on the Executive Authority by this Act and subject, whenever it is hereinafter expressly so provided, to the sanction of the Council, and subject to all other restrictions, limitations and conditions hereinafter imposed, exercise power for the purpose of carrying out the provisions of this Act and be directly responsible for the due fulfillment of the purposes of this Act.]

13-B. Rights of Chairman where a Commissioner has been appointed.—

In the case of Municipalities included in Schedule IX or notified

42. Powers of officers acting for, or in default of, Municipal Council and liability of Municipal Fund .—When the District Collector or person appointed by the ³ [State Government] lawfully takes action on behalf of or in default of, the Municipal Council under this Act, he shall have ⁴ [all such powers] as are necessary for the purpose, and shall be entitled to the same protection under this Act as the municipal authority whose powers he is exercising, and compensation shall be recoverable from the municipal fund by any person suffering damage from the exercise of such powers to the same extent as if the action has been taken by such municipal authority.

3. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

4. These words were substituted for the words "power to make such contracts" by Section 34 of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).

CHAPTER IV

ELECTION AND APPOINTMENT OF COUNCILLORS ELECTIONS

¹ [43. Election of Municipal Councillors.—

² [(1) For the purposes of election to a Municipal Council, the State Government shall, after consulting the Municipal Council, by notification, divide the Municipality into wards and determine the number of members to be elected in accordance with such scale as may be prescribed.]

³ [(1) ***]

4 [(2) Only one member shall be elected for each ward.]

(3) All the electors of a ward, irrespective of their community or sex, shall be entitled to vote at an election ⁵ [to the seat in that ward.]

(4) When issuing under sub-section

(1) a notification which materially alters the existing division of a Municipality into wards, the ⁶ [State Government] may direct that the alteration shall take effect from the next ordinary elections. (5) ⁷ [When a new ward is formed], or when an existing ward is abolished, the Tamil Nadu ⁸ [State Election Commission shall determine] (a) the ward which each Councillor then on the Council shall be deemed to represent ; and (b) the ward or wards in which elections shall be held to fill up the vacancies, if any, in the Council.]

⁹ [43-A. Election of same person for more than one ward .— (1) If any person has been elected for two or more wards, he shall, within seven days from the date of the last of such elections, intimate to the commissioner, the ward for which he chooses to serve.

1. This section was substituted for original Section 43 by Section 36 of Tamil Nadu Act X of 1930.

2. Substituted by Tamil Nadu Act 25 of 1994.

3. Sub-section 1-A was inserted by Tamil Nadu Act 17 of 1973 and omitted by Tamil Nadu Act 25 of 1994.

4. This sub-section was substituted for sub-section (2) by Section 4 (iii), of the Tamil Nadu District Municipalities (Amendment) Act 1973. (Tamil Nadu Act 17 of 1973).

5. These words were substituted for the words "to any seat in that ward whether reserved or not" by Section 4 (iv.), *ibid*.

6. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

7. These words were substituted for the words "When the number of Councillors to be returned by a ward is altered or when a new ward is formed" by Section 4 (v) of the Tamil Nadu District Municipalities (Amendment) Act, 1973 (Tamil Nadu Act 17 of 1973).

8. Substituted by Tamil Nadu Act 25 of 1994. 9. This section was inserted by Section 5 of the Tamil Nadu District Municipalities (Amendment) Act, 1973 (Tamil Nadu Act 17 of 1973)

CHAPTER V

POWERS OF MUNICIPAL AUTHORITIES IN RESPECT OF

[PROPERTY, CONTRACTS AND ESTABLISHMENT] PROPERTY

61. Vesting of public streets and appurtenances in the Municipal Council.—

(1) All public streets in any Municipality, with the pavements, stones and other materials thereof, and all [works], materials and other things provided for such streets, all sewers, drains, drainage works, tunnels and culverts, whether made at the cost of the municipal fund or otherwise, in, alongside or under any street, whether public or private, and all [works], materials and things appertaining thereto shall vest in the Municipal Council.

(2) The [State Government] may, by notification, withdraw any such street, sewer, drain, drainage work, tunnel or culvert from the control of the Council.

61-A. Duty of Municipal Council in respect of public streets withdrawn from its control .—

Where any public street has been withdrawn from the control of a Municipal Council under sub-section (2) of Section 61 and placed under the control of the Highways Department of the [State] Government, it shall be the duty of the Municipal Council to provide at the cost of the municipal fund, to such extent as the [State] Government may, by general or special order direct, —

[(a) for the lighting, watering, scavenging, and drainage of such street];

(b) for the provision, maintenance and repair of the water-supply mains

ELECTION AND TERM OF OFFICE OF MEMBERS 3-H.

Election of members to ¹ [Third Grade Municipality].—

The members of 1 [Third Grade Municipality]

referred to in sub-section (1) of Section 3-C shall be elected in such manner as may be prescribed :

Provided that no person shall be eligible to be elected under this Act as a member of more than one ¹ [Third Grade Municipality].

3-I. Reservation of seats.—

(1) Seats shall be reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes in every ¹ [Third Grade Municipality] and the number of seats so reserved, shall bear, as nearly as may be, the same proportion to the total number of seats to be filled by direct election in that ¹ [Third Grade Municipality] as the population of the Scheduled Castes in the [Third Grade Municipality] area or of the Scheduled Tribes in that 1 [Third Grade Municipality] area, bears to the total population of that area.

(2) Seats shall be reserved for women belonging to the Scheduled Castes and the Scheduled Tribes from among the seats reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes which shall not be less than one-third of the total number of seats reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes.

1. *Substituted for the words "Town Panchayat " by the Tamil Nadu District Municipalities (Amendment) Act, 2004 (Tamil Nadu Act 24 of 2004).*
2. *Substituted for the words "Town Panchayats" by ibid.*
3. *Sub-sections 2 (a) and 2 (b) inserted by the Tamil Nadu Act 34 of 1995 and Omitted by the Tamil Nadu Act 17 of 1996*

ELECTION AND TERM OF OFFICE OF MEMBERS 3-V.

Election of members to Town Panchayat.—

The members of Town Panchayat referred to in sub-section (1) of Section 3-Q shall be elected in such manner as may be prescribed : Provided that no person shall be eligible to be elected under this Act as a member of more than one Town Panchayat. 3-W. Reservation of seats.—

(1) Seats shall be reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes in every Town Panchayat and the number of seats so reserved, shall bear, as nearly as may be, the same proportion to the total number of seats to be filled by direct election in that Town Panchayat as the population of the Scheduled Castes in the Town Panchayat area or of the Scheduled Tribes in that Town Panchayat area, bears to the total population of that area.

(2) Seats shall be reserved for women belonging to the Scheduled Castes and the Scheduled Tribes from among the seats reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes which shall not be less than one-third of the total number of seats reserved for the persons belonging to the Scheduled Castes and the Scheduled Tribes.

(3) Seats shall be reserved for women in the Town Panchayat and the number of seats reserved for women shall not be less than one-third.

CONSTITUTION OF MUNICIPAL AUTHORITIES AUTHORITIES

6. The Municipal Authorities and their incorporation .—

(1) The Municipal Authorities charged with carrying out the provisions of this Act are (a) a Council; (b) a Chairman ; and (c) an Executive Authority.]

(2) The Municipal Council shall, by the name of the Municipality, be a body Corporate, shall have perpetual succession and a common seal and subject to any restriction or qualification imposed by this or any other enactment shall be vested with the capacity of suing or being sued in its corporate name, of acquiring, holding and transferring property movable or immovable, of entering into contracts and of doing all things necessary for the purpose of its constitution.

7. Constitution of Council.—

(1) The Municipal Council shall consist of such number of Councillors

2 [***] as may be determined by the State Government, by notification and different notifications may be issued for different Municipal Councils: Provided that the number of Councillors so notified shall not be more than fifty-two and shall not be less than twenty. Provided further that the power to determine the number of Councillors shall not be exercised by the State Government more than once within a period of five years in respect of any Municipality.

3 [(2) Save as provided in sub-section (3), every Municipality shall consist of the following elected members as notified under sub-section (1). (3) The following persons shall also be represented in the Municipality, namely :-

4 [(a) ***]

5 [****]

(b) the members of the House of the People and the members of the State Legislative Assembly representing the constituency comprising the whole or any part of the Municipality;

1. This section was substituted for the original sub-section by Section 2 of the Tamil Nadu District Municipalities (Amendment) Act, 1933 (Tamil Nadu Act XV of 1933).

2. The word "exclusive of its Chairman" were omitted by Tamil Nadu Act 18 of 2006.

3. Sub-sections (2) to (10) substituted by Tamil Nadu Act 25 of 1994.

4. Clause (a) of sub-section 3 omitted by Tamil Nadu Act 3 of 1997.

5. Proviso to clause (a) omitted by Tamil Nadu Act 22 of 1996

8. Term of 3 [*] Councillors and filling up of seats .—**

4 [(1) The term of office of 5

[***] Councillors shall, save as otherwise expressly provided in this Act, be 6 [five years], beginning and expiring at noon on such date as the State Government may, by notification, appoint in that behalf.

7 [***]

8 [****]

9 [(2) Ordinary vacancies in the office of Councillors shall be filled at ordinary elections which shall, in consultation with the State Government, be fixed by the Tamil Nadu State Election Commissioner], to take place on such days within three months before the occurrence of the vacancies as he thinks fit.

12-A. Procedure when no 3 [Chairman or] Vice-Chairman is elected.—

If at an election held under Section 12 no 3 [Chairman or] Vice-Chairman is elected, a fresh election shall be held.]

12-B. Chairman, Vice-Chairman or Councillor not to receive remuneration .— No Chairman, Vice-Chairman or Councillor shall receive or be paid, from the funds at the disposal of or under the control of the Council, any salary or other remuneration for services rendered by him in any capacity whatsoever.]

12-BB. Chairman, Vice-Chairman or Councillor to obtain permission to undertake trip to foreign country. No person holding the office of Chairman, Vice-Chairman or Councillor shall undertake any trip to any foreign country in his official capacity as such, except with the permission in writing of the State Government.]

12-C. Commissioner.— (1) A Commissioner shall be appointed by the State Government in the case of each Municipality included in Schedule IX and in the case of any other Municipality notified by the State Government in this behalf. Every notification issued under this sub-section shall specify the reasons therefore.

1. Sub-sections (6) and (7) substituted by Tamil Nadu Act 16 of 1989.

2. Sections 12 and 12-A were substituted for Section 12 by Section 11 of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930)

3. Omitted by Tamil Nadu Act 23 of 1978 and subsequently substituted by Tamil Nadu Act 18 of 2006.

4. Section 12-B was inserted by Section 6 of the Tamil Nadu District Municipalities (Amendment), Act 1933 (Tamil Nadu Act XV of 1933).

5. Inserted by Tamil Nadu Act 31 of 2002 w.e.f. 17-4-2003.

6. This section was substituted for Section 12-C (which was inserted by *ibid* (by Section 2 of the Tamil Nadu District Municipalities (Second Amendment) Act 1955 (Tamil Nadu Act XXXI of 1955)

4 [18-A. Rights and duties of the Commissioner.— (1)

(a) The commissioner shall have the right to attend the meetings of the Council or any committee thereof, and take part in the discussions thereat but shall not have the right to move any resolution or to vote.

(b) He shall attend any meeting of the Council or of any committee, if required to do so by the Chairman.

(2) In the case of Municipalities included in Schedule IX or notified under sub-section (1) of Section 12-C, the officers and servants of the Municipal Council shall be subordinate to the commissioner.

(3) Subject to any directions given or restrictions imposed by the State Government] or the Municipal Council, the commissioner may, by order in writing, delegate any of his functions to any officer or servant of the Council or to any⁶ [servant of the Government]. The exercise or discharge of any functions so delegated shall be subject to such restrictions, limitations and conditions as may be laid down by the Commissioner and shall also be subject to his control and revision.

6. The words "servant of the Crown" were substituted for the words "officer of Government" by the Adaptation Order of 1937 and the word "Government" was substituted for "Crown" by the Adaptation Order of 1950.

THE COUNCIL.

Functions of the Council .—

Subject to the provisions of this Act, the municipal administration shall vest in the Council, but the Council shall not be entitled to exercise functions expressly assigned by or under this Act or any other law to the 1Chairman or Executive Authority.] 20. Duties and powers of individual Councillors.—

(1) Any Councillor may call the attention of the ² [Executive Authority] to any neglect in the execution of municipal work, to any waste of municipal property, or to the wants of any locality and may suggest any, improvements which may appear desirable.

(2) Every Councillor shall have the right to move resolutions ³ [and] to interpellate the Chairman on matters connected with the municipal administration subject to such regulations as may be framed by the Council.

(3) Every Councillor shall have access during office hours to the records of the Council after giving due notice to the ² [Executive Authority] provided that the ² [Executive Authority] may, for reasons given in writing forbid such access.

1. These words were substituted for the word "Chairman" by Section 17 (2) of the Tamil Nadu District Municipalities (Amendment) Act, 1933 (Tamil Nadu Act XV of 1933).

2. These words were substituted for the word "Chairman" by Section 17(1), *ibid*.

23-A. Taxation Appeals Committee .—

Notwithstanding anything contained in this Act ,—

(1) for every Municipality, there shall be a Taxation Appeals Committee which shall consist of the Chairman of the Municipal Council who shall also be the Chairman of the Taxation Appeals Committee ⁵ [and four Councillors selected by the Council] ;

(2) the business of the Taxation Appeals Committee shall be transacted in accordance with the rules made by the State Government in this behalf.]

24. Appointment of Special Committees. —

It shall be lawful for the Council from time to time by a resolution supported by not less than one-half of the sanctioned strength of the Council to appoint as members of any committee any persons ² [***] who are not Councillors but who may in the opinion of such Council possess special qualifications for serving on such committee. But the number of persons so appointed on any committee shall not exceed onethird of the total number of members of such committee. All the provisions of this Act relating to the duties, powers, liabilities and disqualifications and disabilities of Councillors shall, save as regards, the disqualification on the ground of ³ [residence], be applicable, so far as may be, to such persons: ⁴ [Provided that nothing contained in this section shall apply to the Taxation Appeals Committee referred in Section 23-A.]

⁷ **[24-A. Preparation of development plan .—**There shall be prepared every year a development plan for the Municipality and the Panchayat Town and submitted to the District Planning Committee

constituted under Section 241 of the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) having jurisdiction over the Municipality or the ⁶ [Third Grade Municipality] or the Town Panchayat.

27. Notification of election . —

All elections ¹ [***] of Chairman, Vice-Chairman and members of Municipal Councils shall be notified in the 2 [Official Gazette].

28. Presidency of Council .—

³ [(1) Every meeting of the Council shall be presided over by the Chairman ; in his absence by the Vice-Chairman ; and in the absence of both the Chairman and the Vice-Chairman, the Councillors.

31. Power of Chairman, Vice-Chairman or Councillor to resign .—

Any Councillor or Vice-Chairman may resign his office by giving notice to the Chairman ; the Chairman may resign his office by giving notice to the commissioner. Such resignation shall take effect in the case of a Councillor or Vice-Chairman from the date on which it is received by the Chairman and in the case of a Chairman from the date on which it is received by the commissioner.

1. Original Section 23-A was inserted by Tamil Nadu Act 15 of 1987 with effect from 27th May 1987 and the present Section 23-A was substituted by Tamil Nadu Act 16 of 1989 with effect from 29th May 1989.

2. The words "of either sex" were omitted by Section 20 (i) of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).

3. This word was substituted for the word "sex" by Section 20 (ii), *ibid*.

4. Inserted by Tamil Nadu Act 15 of 1987.

5. Substituted by Tamil Nadu Act 3 of 1997. 6. Substituted for the words "Town Panchayats" by the Tamil Nadu District Municipalities (Amendment) Act, 2004 (Tamil Nadu Act 24 of 2004).

7. Sections 24-A and 24-B inserted by Tamil Nadu Act 25 of 1994

5.DISPUTES REGARDING ELECTIONS

51-A. Election petitions .—

(1) No election of a Chairman or a Councillor shall be called in question except by an election petition presented to the District Judge of the district in which the Municipality is situated within ⁶ [forty five days] from the date of the publication of the result of the election under Section 27.

(2) An election petition calling in question any elector may be presented on one or more of the grounds specified in Section 51-B by any candidate at such election, by any election of the ward concerned, or by any Councillor.

(3) A petitioner shall join as respondents to his petition all the candidates at the election.

(4) An election petition —

(a) shall contain a concise statement of the material facts on which petitioner relies ;

(b) shall, with sufficient particulars, set forth the ground or grounds on which the election is called in question ; and

(c) shall be signed by the petitioner and verified in the manner laid down in the Code of Civil Procedure, 1908 (Central Act V of 1908), for the verification of pleadings.

^[(5)] The trial of an election petition shall, so far as is practicable consistently with the interest of justice in respect of the trial, be continued from.

CHAPTER VI

TAXATION AND FINANCE

78. Enumeration of ordinary taxes and powers of control of State Government.—

(1) Every Municipal Council may levy (a) a property tax ;

1 [(b)] a profession tax ;

1 [(c)] a tax on carriages and animals ;

1 [(d)] a tax on cars.

2 [(dd) a tax on advertisements other than advertisements published in the news papers and advertisements broadcast by radio or television.] 3 [(e) ***]

(2) A hill station Municipal Council may also levy a tax on servants.

(3) Any resolution of a Municipal Council determining to levy a tax 4 [***] shall specify the rate at which any such tax ⁴ [***] shall be levied and the date from which it shall be levied.

78-A. Duty on transfers of property .—

In every Municipality, a duty shall be levied on certain transfers of property in accordance with the provisions hereinafter contained in this Act.]

79. Special taxation .—

With the previous sanction of the ² [State Government] and the ⁵ [Central Government]-

⁶[(a)**] (b) a tax on persons ⁷ [travelling by railway from any station notified under Section 116 in or near the Municipality] may be levied by the Council of any Municipality which is resorted to by pilgrims: ⁸ [Provided that no portion of the proceeds of any tax levied under clause (b) shall be expended for purposes other than making arrangements for the health and comfort of the pilgrims or the improvement or development of the municipal area.]

THE PROPERTY TAX

Description and classes of property tax .—

(1) If the Council by resolution determines that a property tax shall be levied, such tax shall be levied on all buildings and lands within municipal limits save those exempted by or under this Act or any other law. The property tax may comprise

(a) a tax for general purposes ;

(b) a * [water and] drainage tax to provide for expenses connected with the construction, maintenance, repair, extension or improvement of *[water or] drainage works heretofore provided or hereafter to be provided ;

1. These words were substituted for the words "an incorporated company" by Section 41(ii)(d), *ibid*.

2. The proviso was inserted as a proviso to clause (c) by Section 41(ii)(e), *ibid*.

3. These words were substituted for the words "such a contract or work as aforesaid" by *ibid*.

4. This clause was inserted by Section 41(ii) (f) *ibid*.

5. Omitted by Tamil Nadu Act 18 of 2006.

6. The words "or appointment" were omitted by Section 41 (ii)(g), *ibid*.

7. These words were inserted by *ibid*.

8. Substituted for the words "the Chairman or a Councillors" by Tamil Nadu Act 18 of 2006.

9. The word "or" was omitted by Section 2(i) (a) of the Tamil Nadu District Municipalities and Local Boards (Amendment) Act, 1940 (Tamil Nadu Act XIV of 1940), re-enacted permanently by Section 2 of, and the First Schedule to, the Tamil Nadu Re-enacting and Repealing (No. 1), Act, 1948 (Tamil Nadu Act VI of 1948)

84. Taxation to be uniform

(1) The rate of any class of property tax on lands when levied on their annual value ⁶ [under Section 81, sub-section

(2)] may be lower than the rate of the same class of property tax on buildings but either rate shall be uniform throughout the municipal area on all buildings or on all lands liable to be taxed on their annual value, as the case may be.

89. Owner's obligation to give notice of construction, re-construction or demolition of building .—

(1) (a) If any building in a Municipality is constructed or re-constructed, the owner shall give notice thereof to the [Executive Authority] within fifteen days from the date of completion or occupation of the building, whichever is earlier.

(b) If such date falls within the last two months of a half-year, the owner shall, subject to notice being given under clause (a), be entitled to a remission of the whole of the tax or enhanced tax, as the case may be, payable in respect of the building only for that half-year.

(c) If such date falls within the first four months of a half-year, the owner shall, subject to notice being given under clause (a), be entitled to a remission of so much not exceeding a half of the tax or enhanced tax, as the case may be, payable in respect of the building only, for that half-year, as is proportionate to the number of days in that half-year preceding such date

80. Notification of new taxes .—

When a Municipal Council shall have determined subject to the provisions of Sections 78 and 79 to levy any tax ¹ [***] for the first time or at a new rate, the ² [Executive Authority] shall forthwith publish a notification in the district gazette and by beat of drum specifying the rate at which, I ³ (the date from which and the period of levy, if any, for which such tax ⁴ [***] shall be levied.

81. Description and classes of property tax .—

(1) If the Council by resolution determines that a property tax shall be levied, such tax shall be levied on all buildings and lands within municipal limits save those exempted by or under this Act or any other law.

The property tax may comprise

(a) a tax for general purposes ;

(b) a * [water and] drainage tax to provide for expenses connected with the construction, maintenance, repair, extension or improvement of *[water or] drainage works heretofore provided or hereafter to be provided ;

81-A. Levy of property tax on a direction by Government .—

(1) The ² [State] Government may, by order published in the Official Gazette, direct any Municipal Council to levy the property tax referred to in sub-section (1) of Section 78 or any class of such tax, at such rate and with effect from such date (not being earlier than the first day of the half-year immediately following that in which the order is published) as may be specified in the order.

(2) When an order under sub-section has been published, the provisions of this Act relating to property tax shall apply as if the Municipal Council had on the date of publication of such order by resolution determined to levy the tax.

1. The words "or" and clause (g) were added by Section 2(i) (b) of the Tamil Nadu District Municipalities and Local Boards (Amendment) Act, 1940 (Tamil Nadu Act XIV of 1940), re-enacted permanently by Section 2 of, and the First Schedule to, the Tamil Nadu Re-enacting and Repealing (No. I), Act, 1948 (Tamil Nadu Act VII of 1948).

2. Sub-section (2-A) added by Tamil Nadu Act 22 of 2001.

3. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

4. This sub-section was omitted by Section 41(iii) of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Order of 1930).

5. Inserted by the Tamil Nadu Municipal Laws (Amendment) Act, 2002 (Tamil Nadu Act 29 of 2002).

6. Substituted for the words "Town Panchayat" by the Tamil Nadu District Municipalities (Amendment) Act, 2004 (Tamil Nadu Act 23 of 2004)

7. This word was inserted by Section 42(i)(a), of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).

8. These words were inserted by *ibid*. 9. Class (aa) was inserted by Tamil Nadu Act 11 of 197

TAXES LEVIABLE UNDER SECTIONS 98 AND 105

[106-A. Prepayment of municipal tax condition precedent to registration under 2 [Tamil Nadu] Act V of 1911.—

Where the [Tamil Nadu] Hackney Carriage Act, 1911 ('[Tamil Nadu] Act V of 1911), is in force in any area of a Municipality, the person appointed to perform the functions of the Commissioner under the said Act in respect of such area shall, before registering any hackney carriage thereunder, satisfy himself that the Municipal Council has received payment of the tax, if any, due under Section 98 or Section 105, as the case may be, on account of the last preceding half-year and the current half-year.]

PILGRIM TAX 3

116. Levy of pilgrim tax

(1) Where a Municipality is resorted to by pilgrims and the occasions for pilgrimage occur at intervals of years or only once or twice in a single year, a tax on persons leaving the Municipality or its neighbourhood by railway, shall be levied only for a specified period in respect of each such occasion. Where occasions for pilgrimage are more frequent or a Municipality is a place of pilgrimage of perennial resort, the tax may be levied throughout the year.

(2) The occasion and the period of levy of the tax shall, in consultation with the railway administrations concerned, and with the previous approval of the 4 [State Government], be determined by the Municipal Council.

117. Power to exempt from taxes .

With the sanction of the ¹ [State Government], the Municipal Council may exempt any person or class of persons wholly or in part from the payment of any tax ² [***]. ³ [But nothing in this section shall be deemed to authorise the exemption of any person solely on the ground that he is a member of a Municipal Council.

118. Power to write off irrecoverable taxes, etc .

The Municipal Council may write off any tax, ²

[***] fee or other amount whatsoever due to it, whether under a contract or otherwise, or any sum payable in connection therewith, if in its opinion, such tax, ² [***] fee, amount or sum is irrecoverable.]

119. Definition of Municipal Fund .

All moneys received by the Municipal Council shall constitute a fund which shall be called the Municipal fund and shall be applied and disposed of subject to the provisions of this Act or other laws.

120. Budget Estimate

The Municipal Council shall ³ [***] in each year frame a budget showing the probable receipts and the expenditure which it proposes to incur during the following year and shall submit a copy of the budget to the [State Government] before [such date as may be fixed by them in that behalf]. The budget shall contain provision adequate in the opinion of the ⁴[State Government] for the due discharge of all liabilities in respect of loans contracted by the Council and for the maintenance of a working balance; and if the budget as submitted to the [State Government] fails to make these provisions, the ⁴ [State Government] may ⁶ [modify any part of the budget] so as to ensure that such provisions are made.

125. Vesting of works in Municipal Councils

(1) All public watercourses and springs and all public reservoirs, tanks, cisterns, fountains, wells, stand-pipes, and other water-works existing at the time of the coming into force of this Act or afterwards made, laid or erected, and whether made, laid or erected at the cost of the Municipal Council or otherwise, and also any adjacent land (not being private property) appertaining thereto shall vest in the Council and be subject to its control : ¹ [Provided that nothing contained in this section shall apply to any work which is, or is connected with, a work of irrigation or to any adjacent land appertaining to any such work.]

(2) The ² [State Government] may, by notification, limit or define such control or may assume the administration of any public source of water-supply and public land adjacent and appertaining thereto after consulting the Municipal Council and giving due regard to its objections, if any.

126. Construction and maintenance of water-works

(1) The Municipal Council may, with the sanction of the ² [State Government], direct the construction of such works as it deems fit without the limits of the Municipality for supplying it with water and may provide channels, tanks, reservoirs, cisterns, engines, mains, wells, fountains, stand-pipes, and other works as it may deem fit within the said limits for the use of the inhabitants.

171. Watering of streets .

The Council shall, so far as it considers it requisite for the public convenience, and so far as funds permit, cause the chief public streets to be watered, and for that purpose may provide such water-carts, animals and apparatus as it thinks necessary.

172. Temporary closure of streets

The ³ [Executive Authority] may, by an order in writing, temporarily close any street to traffic for repair, or in order to carry out any work connected with drainage, ⁴ [water-supply] or lighting or any of the purposes of this Act : Provided that such work shall be completed and such street re-opened to traffic with all reasonable speed.

173. Protection of appurtenances and materials of streets

It shall not be lawful for any person, without the permission of the ³ [Executive Authority], to displace, take up, or make any alteration in the fences, posts, pavement, flags or other materials of any public street.

174. Power of Municipality to recover expenses caused by extraordinary traffic.

When by a certificate of an officer of the Government Public Works Department of a rank not below that of Executive Engineer.

1. This word was inserted by Section 98(i) of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).
2. The proviso to sub-section (2) was omitted by Section 98(ii), *ibid*.
3. These words were substituted for the word "Chairman" by Section 17(1) of the Tamil Nadu District Municipalities (Amendment) Act, 1933 (Tamil Nadu Act XV of 1933).
4. Omitted in the respect of Chennai City Metropolitan Development Authority. See Schedule to the Tamil Nadu Act 28 of 1978

182. Removal of encroachments .

(1) The [Executive Authority] may, by notice, require the owner or occupier of any premises to remove or alter any projection, encroachment or obstruction (other than a door, gate, bar or ground-floor window) situated against or in front of such premises and in or over any street.

(2) If the owner or occupier of the premises proves that any such projection, encroachment or obstruction has existed for a period sufficient under the law of limitation to give any person a prescriptive title thereto or that it was erected or made with the permission or licence of any municipal authority duly empowered in that behalf, and that the period, if any, for which the permission or licence is valid has not expired, the Municipal Council shall make reasonable compensation to every person who suffers damage by the removal or alteration of the same.

217-A. Application of Chapter.—

This Chapter shall apply only to hill stations.

217-B. Prohibition of construction or reconstruction of buildings, etc., without licence (1) No person other than the Central or State Government or local authority, shall —

- (a) construct or reconstruct a building on any land ; or
- (b) put to use any agricultural land to any non-agricultural purpose ; or
- (c) carry out any engineering, mining or other allied operations on any land, within the area of the hill station without a licence granted by the State Government and except in accordance with the terms and conditions specified in such licence.

Explanation .—

For the purpose of the provisions of this Chapter, "agriculture" includes, horticulture, fruit growing, seed growing, animal husbandry (including breeding of livestock), apiculture, pisciculture and sericulture and "agriculture" shall be construed accordingly.

(2) (a) When any department of the Central Government or State Government or any local authority proposes to carry out any construction or reconstruction of building on any land or put to use any agricultural land to nonagricultural purpose or carry out any engineering, mining or other allied operations on any land within the area of the hill station, the officer-in-charge thereof shall inform, in writing, the Committee for Architectural and Aesthetic Aspects constituted under Section 217-C (hereinafter in this Chapter referred to as the Committee) the intention to do so, giving full particulars thereof, and accompanied by such plans and documents at least three months before commencing such activities.

255. Licence for slaughter-houses .

(1) The owner of any place ³ [within municipal limits or at a distance within three miles of such limits] which is used as a slaughter-house for the slaughtering of animals or for the skinning or cutting up of any carcasses, ⁴ [***] ⁵ [shall apply to the Executive Authority for a licence not less than thirty and not more than ninety days before the opening of such place as a slaughter-house or the commencement of the year for which the licence is sought to be renewed, as the case may be] : ⁶ [Provided that this sub-section shall not take effect in any area outside the municipal limits except with the previous sanction of the ² [State Government].]

(2) The ⁷ [Executive Authority] may, by an order and subject to such restrictions and regulations as to supervision and inspection and as he thinks fit, grant or refuse to grant such licence.

267. Power to close Private Markets

The Council or any officer duly authorised by it in that behalf may close any Private Market in respect of which no licence has been applied for or ¹ [***] the licence for which has been refused, withheld or suspended ² [or which is held or kept contrary to the provisions of this Act.]

267-A. Acquisition of rights of private persons to hold Private Markets

(1) A Municipal Council may acquire the rights of any person to hold a Private Market in any place and to levy fees therein. The acquisition shall be made under the Land Acquisition Act, 1894 (Central Act I of 1894) and such rights shall be deemed to be land for the purpose of that Act.

(2) On payment by the Municipal Council of the compensation awarded under the said Act in respect of such property and any other charges incurred in acquiring it, the rights of such person to hold a Private Market and to levy fees therein shall vest in the Municipal Council.]

289. Power of entry into suspected places .

The [Executive Authority] ² [or health officer] may at any time by day or by night without notice, or after giving such notice as may appear to him reasonable, inspect any place in which any dangerous disease is reported or suspected to exist, and take such measures as he may think fit to prevent the spread of such disease beyond such place.

290. Disinfection of buildings and article . —

(1) If the ¹ [Executive Authority] ² [or health officer] is of opinion that the cleansing or disinfecting of any premises or part thereof, or of any article therein which is likely to retain infection, will tend to prevent or check the spread of any dangerous disease, he may, by notice, require the occupier to cleanse or disinfect the same in the manner and within the time specified in such notice.

306. Power of Council to make by-laws .

The Council may make bylaws, not inconsistent with this Act or with any other law to provide

4 [(l) for all matters expressly required or allowed by this Act to be provided for by bylaw;]

5 [(1-A)] for the due performance by all municipal officers and servants of the duties assigned to them (2) for the regulation of the time and mode of collecting the taxes

6 [and duties] under this Act 7 [(2-A) for determining the conditions under which lands shall be deemed to be appurtenant to buildings] ;

(3) *[(a) for the use of public tanks, wells, conduits and other places or works for water-supply ;] (b) for the regulation of public bathing, washing and the like; *

[(c) for the maintenance and protection of the water-supply system, and the protection of the water-supply from contamination ;

1. Substituted by the Tamil Nadu Adaptation of Laws and Order, 1987.
2. This section was substituted for the original section by Section 13 of the Tamil Nadu District Municipalities (Amendment) Act, 1933 (Tamil Nadu Act XV of 1933).
3. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.
4. Added by Tamil Nadu Act 35 of 1990.
5. This section was inserted by Section 124 (3) (b) of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).
6. The expression "sub-section (2) of Section 77-A and" was omitted by Section 4 (i) of the Tamil Nadu District Municipalities (Amendment) Act, 1972 (Tamil Nadu Act 5 of 1973).
7. The expression "under sub-section (2) of Section 77-A of" was omitted by Section 4 (ii), *ibid*.
8. These words and figures were substituted for the word and figures "Section 305" by Section 14 of the Tamil Nadu District Municipalities (Amendment) Act, 1933 (Tamil Nadu Act XV of 1933)

315. Penalty for acquisition by municipal officer of interest in contract or work .

If any municipal officer or servant knowingly acquires, directly or indirectly, by himself or by a partner or employer or servant, any personal share or interest in any contract or employment with, by, or on behalf of the Municipal Council, he shall be deemed to have committed an offence under Section 168 of the Indian Penal Code (Central Act XLV of 1860).

335. Power of entry to inspect, survey or execute the work.

The ¹ [Executive Authority] or any person authorised by him in this behalf may enter into or on any building or land with or without assistants or workmen in order to make any inquiry, inspection, test examination, survey, measurement or valuation or for the purpose of lawfully placing or removing pipes or meters, or to execute any other work which is authorised by the provisions of this Act or of any rule, by-law, regulation or order made under it, or which it is necessary for any of the purposes of this Act or in pursuance of any of the said provisions, to make or execute : Provided that —

(a) except when it is in this Act otherwise expressly provided, no such entry shall be made between sunset and sunrise ;

(b) except when it is in this Act otherwise expressly provided, no dwelling house and no part of a public building used as a dwelling place, shall be so entered without the consent of the occupier thereof unless the said occupier has received at least six hours' previous notice of the intention to make such entry ;

(c) sufficient notice shall be given in every case even when any premises may otherwise be entered without notice, to enable the inmates of any apartment appropriated to women to remove to some part of the premises where their privacy may be preserved ;

(d) due regard shall be paid, so far as may be compatible with the exigencies of the purpose of the entry, to the social and religious usages of the occupants of the premises. 336. Power of entry on lands adjacent to works .—

(1) The ¹ [Executive Authority] or any person authorised by him in this behalf may with or without assistants or workmen enter on any land adjoining or within fifty yards of any work authorised by this Act or by any rule, by-law, regulation or order made.

344. Recovery of sum dues as taxes.

All costs, damages, ¹ [penalties], compensation, charges, fees (other than school fees), expenses, rents (not being rents for lands and buildings demised by the Municipal Council), contributions and other sum which under this Act or any other law or rules or by-laws made thereunder, or under any contract in respect of watersupply ² [or drainage] made in accordance with this Act, the rules or by-laws are due by any person to the Council, may, if there is no ³ [special provision in this Act for their recovery] be demanded by bill as provided in the rules in Schedule IV and recovered in the manner provided ⁴ [therein].

345. Limitation for recovery of dues

No distraint shall be made, no suit shall be instituted and no prosecution shall be commenced in respect of any sum due to the Municipal Council under this Act after the expiration of a period of ⁵ [twelve] years from the date on which distraint might first have been made, a suit might first have been instituted, or prosecution might first have been commenced, as the case may be, in respect of such sum.

346. Procedure in dealing with surplus sale proceeds

If any property, movable or immovable, is sold under the provisions of this Act, and if there is a surplus after the sum due to the Municipal Council and the costs have been deducted from the sale-proceeds, such surplus shall, if the owner of the property sold claims it within six months from the date of

the sale, be paid to him by the 6 [Executive Authority], but if no such claim is preferred within such time, the said surplus shall be credited to the municipal fund, and no suit shall lie for the recovery of any sum so credited.

347. Persons empowered to prosecute

[***] ⁸ [Save as otherwise expressly provided in this Act, no Court shall take cognizance of any offence] against the provisions of this Act, or of any rule, or by-law, made under it unless complaint is made by the police, or the ⁶ [Executive Authority] or by a person expressly authorised in this behalf by the Council or the ⁶ [Executive Authority] within three months of the commission of the offence. But nothing herein shall affect the provisions of the *Code of Criminal Procedure, ⁹ [1898] Central Act.

1. This word was inserted by Section 136 (i) of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).

2. These words were substituted for the words "drainage or scavengings" by Section 136 (ii), *ibid*.

3. These words were substituted for the words "special provisions for their recovery contained in this Act" by *ibid*.

4. These word was substituted for the words "in those rules" by the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).

5. Substituted for the word "three" by the Tamil Nadu Act 36 of 2008.

6. These words were substituted for the word "Chairman" by Section 17 (1) of the Tamil Nadu District Municipalities (Amendment) Act, 1933 (Tamil Nadu Act XV of 1933).

7. The words "Save as provided in Section 59" were omitted by Section 137 (1) of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930).

8. These words were substituted for the words "No person shall be tried for any offence" by Section 22 of the Chennai City Municipal Corporation and District Municipalities (Amendment) Act, 1962 (Tamil Nadu Act 10 of 1962).

9. These figures were inserted by Section 137 (ii) of the Tamil Nadu District Municipalities (Amendment) Act, 1930 (Tamil Nadu Act X of 1930). * See now the Code of Criminal Procedure, 1973 (Central Act 2 of 1974).

374. Powers, authority and responsibilities of the Municipalities .

Save as otherwise provided in this Act, the State Government may, by notification and subject to such conditions and restrictions as may be specified therein, entrust to the Municipality, ¹ [Third Grade Municipality, Town Panchayat] the wards Committee or any other Committee constituted under this Act with such powers and responsibilities with respect to the preparation of plans for economic development and social justice and also with such powers and authority as may be necessary to enable them to carry out the responsibilities conferred upon them including those in relation to the matter listed in Schedule X.

Annexure-III

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GOVERNMENT OF TAMIL NADU
2020



MANUSCRIPT SERIES

FINANCE (SFC - MC) DEPARTMENT

G.O.Ms.No.50, DATED 06th March, 2020

(Vikari, Maasi 23, Thiruvalluvar Aandu, 2051)

COMMISSION – Sixth State Finance Commission - To study the financial position of Village Panchayats, Panchayat Union Councils, District Panchayats, Town Panchayats, Municipalities and Municipal Corporations – Constitution of the Sixth State Finance Commission and Terms of Reference - Orders issued - Notified.

ORDER:

The appended Notification constituting the Sixth State Finance Commission with a Chairman and five other members to study the financial position of Village Panchayats, Panchayat Union Councils, District Panchayats, Town Panchayats, Municipalities and Municipal Corporations and containing the Terms of Reference to the Commission shall be published in an Extraordinary issue of Tamil Nadu Government Gazette, dated: 06.03.2020.

(By Order of the Governor)

K. SHANMUGAM
CHIEF SECRETARY TO GOVERNMENT

To

The Works Manager, Government Central Press, Chennai-79. (for publication of the Notification)

Thiru Mohan Pyare, I.A.S., (Retd.), – Chairman, Sixth State Finance Commission, Chennai.

Thiru C.V. Sekar, Member of Legislative Assembly, Pattukottai Constituency, Non-official Member, Sixth State Finance Commission, Chennai.

The Director of Rural Development and Panchayat Raj, Panagal Buildings, No.1, Jeenis Road, Saidapet, Chennai-15.

The Commissioner of Municipal Administration, 11th Floor, Urban Administrative Building, 75, Santhome High Road, MRC Nagar, R.A. Puram, Chennai-28.

The Director of Town Panchayats, Kuralagam Building, Chennai-08. All Secretaries to Government, Chennai-9.

All Departments of Secretariat, Chennai-9. All Commissioners of Municipal Corporations.

The Principal Accountant General (General & Social Sector Audit), Chennai-18. The Accountant General (A&E), Chennai-18.

The Accountant General (CAB), Chennai-9. The Director of Local Fund Audit, Chennai-35.

/p.t.o./

All Heads of Departments.

All District Collectors (Except Chennai). All Assistant Directors of Panchayats.

All Assistant Directors of Town Panchayats.

All Regional Directors of Municipal Administration.

The Secretary to the Hon'ble Governor, Raj Bhavan, Chennai-25. Secretaries to the Hon'ble Chief Minister, Chennai-9.

The Director of Information and Public Relations, Chennai-9. The Registrar of High Court, Chennai-104. Public (Special-A) Department, Chennai-9.

The Legislative Assembly Secretariat, Chennai-9. Law Department, Secretariat, Chennai-9.

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/ Forwarded by order /



SECTION OFFICER

APPENDIX

NOTIFICATION

In exercise of the powers conferred by clause (1) of Article 243-I and clause (1) of Article 243-Y of the Constitution of India and sub-section (1) of section 198 of the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) read with the Tamil Nadu State Finance Commission, Chairman and other Members (Conditions of Service) Rules, 1994, sub-section (1) of section 162-A of the Chennai City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919), sub-section (1) of section 124-B of the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920), sub-section (1) of section 193-A of the Madurai City Municipal Corporation Act, 1971 (Tamil Nadu Act 15 of 1971), sub-section (1) of section 193-A of the Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981) readwith section 8 of the Tiruchirappalli City Municipal Corporation Act, 1994 (Tamil Nadu Act 27 of 1994), section 8 of the Tirunelveli City Municipal Corporation Act, 1994 (Tamil Nadu Act 28 of 1994), section 8 of the Salem City Municipal Corporation Act, 1994 (Tamil Nadu Act 29 of 1994), section 8 of the Tiruppur City Municipal Corporation Act, 2008 (Tamil Nadu Act 7 of 2008), section 8 of the Erode City Municipal Corporation Act, 2008 (Tamil Nadu Act 8 of 2008), section 8 of the Vellore City Municipal Corporation Act, 2008 (Tamil Nadu Act 26 of 2008) and section 8 of the Thoothukudi City Municipal Corporation Act, 2008 (Tamil Nadu Act 27 of 2008), section 8 of the Thanjavur City Municipal Corporation Act, 2013 (Tamil Nadu Act 24 of 2013), section 8 of the Dindigul City Municipal Corporation Act, 2013 (Tamil Nadu Act 25 of 2013), section 8 of the Hosur City Municipal Corporation Act, 2019 (Tamil Nadu Act 10 of 2019), section 8 of the Nagercoil City Municipal Corporation Act, 2019 (Tamil Nadu Act 11 of 2019), section 8 of the Avadi City Municipal Corporation Act, 2019 (Tamil Nadu Act 24 of 2019), the Governor of Tamil Nadu hereby constitutes the Sixth State Finance Commission with a Chairman and five other Members as follows:-

- | | | |
|-------------------------|---|---|
| (1) Chairman | : | Thiru . Mohan Pyare, I.A.S., (Retd.,) |
| (2) Non-official Member | : | Thiru. C.V.Sekar, B.A., B.L.,
Member of Legislative Assembly,
Pattukottai Constituency. |
| (3) Ex-officio Member | : | Commissioner of Municipal Administration |
| (4) Ex-officio Member | : | Director of Rural Development and
Panchayat Raj |
| (5) Ex- officio Member | : | Director of Town Panchayats |
| (6) Member-Secretary | : | Deputy Secretary to Government (Budget),
Finance Department. |

2. The period of office of the Chairman and other Members of the Sixth State Finance Commission shall be upto 31st July 2021, from the date on which they respectively assume charges.

3. The Commission shall review the financial position of the rural and urban local bodies namely Village Panchayats, Panchayat Union Councils, District Panchayats, Town Panchayats, Municipalities and Municipal Corporations and make recommendations as to:-

(a) the principles which should govern –

- (i) the distribution between the State and the said local bodies of the net proceeds of the taxes, duties, tolls and fees leviable by the State, which may be divided between them and the allocation between the said local bodies of their respective shares of such proceeds;
- (ii) the determination of taxes, duties, tolls and fees which may be assigned to, or appropriated by, the local bodies;
- (iii) the grants-in-aid to the local bodies from the Consolidated Fund of the State;

(b) the measures needed to improve the financial position of the local bodies and identifying new avenues for resources mobilization in rural and urban local bodies keeping in mind the local body tax structure in other States.

(c) suggesting ways to avoid mounting of unpaid bills of electricity charges to Tamilnadu Generation and Distribution Corporation (TANGEDCO) and water charges to Tamil Nadu Water Supply & Drainage Board (TWAD)/ Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) and other bulk water providers and to ensure prompt and timely settlement of charges to these utilities.

(d) suggesting ways for strengthening the service delivery capacities of Local body administration to enable them to effectively discharge the roles and responsibilities entrusted to them in the Constitution of India and the State Legislations.

(e) examining the possibility of providing devolution to Cantonment Boards from out of the Consolidated Fund of the State.

4. The Commission shall review the financial position of the local bodies as on 31st March 2020 based on the present reorganized status of local bodies.

5. In making its recommendations, the Commission shall have regard to the resources of the State Government, the demands thereon, in particular the expenditure of the State on pension and debt servicing, including the debt servicing on behalf of local bodies or other committed expenditure or liabilities of the State Government and the need to generate adequate surplus on revenue account for State's commitments on capital account and other commitments of the State Government.

6. The Commission shall make its report available by 31st July 2021 covering the period of five years commencing on 1st April 2022.

06 March, 2020
Chennai.

Banwarilal Purohit
Governor of Tamil Nadu

/True Copy/



SECTION OFFICER

இணைப்பு

அறிவிக்கை

இந்திய அரசியலமைப்புச் சட்டத்தின் 243-I பிரிவைச் சேர்ந்த (1) பகுதியிலும் 243-Y பிரிவைச் சேர்ந்த (1) பகுதியிலும், 1994 ஆம் ஆண்டு தமிழ்நாடு ஊராட்சிகள் சட்டத்தின் (தமிழ்நாடு சட்டம் 21/1994) 198 ஆம் பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும், 1994 ஆம் ஆண்டு தமிழ்நாடு மாநில நிதி ஆணையம், தலைவர் மற்றும் ஏனைய உறுப்பினர்கள் (பணி விதிகள்) விதிகளுடன், 1919 ஆம் ஆண்டு சென்னை மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் IV/1919) 162-A பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும், 1920 ஆம் ஆண்டு தமிழ்நாடு மாவட்ட நகராட்சிகள் சட்டத்தின் (தமிழ்நாடு சட்டம் V/1920) 124-B பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும் 1971 ஆம் ஆண்டு மதுரை மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 15/1971) 193-A பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும், 1981 ஆம் ஆண்டு கோயம்புத்தூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 25/1981) 193-A பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும், 1994 ஆம் ஆண்டு திருச்சிராப்பள்ளி மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 27/1994) 8-ஆம் பிரிவிலும், 1994 ஆம் ஆண்டு திருநெல்வேலி மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 28/1994) 8-ஆம் பிரிவிலும் 1994 ஆம் ஆண்டு சேலம் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 29/1994) 8-ஆம் பிரிவிலும் 2008 ஆம் ஆண்டு திருப்பூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 7/2008) 8-ஆம் பிரிவிலும், 2008 ஆம் ஆண்டு ஈரோடு மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 8/2008) 8-ஆம் பிரிவிலும், 2008 ஆம் ஆண்டு வேலூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 26/2008) 8-ஆம் பிரிவிலும் மற்றும் 2008 ஆம் ஆண்டு தூத்துக்குடி மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 27/2008) 8-ஆம் பிரிவிலும் 2013 ஆம் ஆண்டு தஞ்சாவூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 24/2013) 8-ஆம் பிரிவிலும், 2013 ஆம் ஆண்டு திண்டுக்கல் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 25/2013) 8-ஆம் பிரிவிலும், 2019 ஆம் ஆண்டு ஒசூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 10/2019) 8-ஆம் பிரிவிலும், 2019 ஆம் ஆண்டு நாகர்கோவில் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 11/2019) 8-ஆம் பிரிவிலும் மற்றும் 2019 ஆம் ஆண்டு ஆவடி மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 24/2019) 8-ஆம் பிரிவிலும் வழங்கியுள்ள அதிகாரங்களைக் கொண்டு, தமிழ்நாடு ஆளுநர் அவர்கள் 6வது மாநில நிதி ஆணையத்தை அதன் தலைவர் மற்றும் ஏனைய ஐந்து உறுப்பினர்களுடன் அமைத்து பின்வருமாறு ஆணையிடுகிறார்:-

- (1) தலைவர் : திரு.மோகன் பியாரே, இ.ஆ.ப., (ஓய்வு)
- (2) அலுவல் சாரா உறுப்பினர் : திரு. சி.வெ.சேகர், பி.ஏ., பி.எல்.,
சட்டமன்ற உறுப்பினர், பட்டுக்கோட்டை தொகுதி.
- (3) உறுப்பினர் (அலுவலால்) : நகராட்சி நிர்வாக ஆணையர்
- (4) உறுப்பினர் (அலுவலால்) : ஊரக வளர்ச்சி மற்றும் ஊராட்சி இயக்குநர்
- (5) உறுப்பினர் (அலுவலால்) : பேரூராட்சிகளின் இயக்குநர்
- (6) உறுப்பினர்-செயலர் : அரசு துணைச்செயலாளர்(வரவு-செலவு),
நிதித்துறை.

2. ஆறாவது நிதி ஆணையத்தின் தலைவர் மற்றும் இதர உறுப்பினர்களின் பதவிக்கால அளவு முறையே அவரவர் பதவிப் பொறுப்பேற்ற நாளிலிருந்து 2021 ஆம் ஆண்டு ஜூலை திங்கள் 31 ஆம் நாள் வரையில் இருக்கும்.

3. இந்த ஆணையம், ஊரக மற்றும் நகர்ப்பகுதி உள்ளாட்சி அமைப்புகளின், அதாவது கிராம ஊராட்சிகள், ஊராட்சி ஒன்றியக் குழுக்கள், மாவட்ட ஊராட்சிகள், பேரூராட்சிகள், நகராட்சிகள் மற்றும் மாநகராட்சிகள் ஆகியவற்றின் நிதி நிலையை ஆய்வு செய்து பின்வருபவை குறித்து பரிந்துரை செய்ய வேண்டும் :-

/த.பி.பா./

(அ) கீழ்க்கண்டவற்றை நிர்ணயிக்கும் கொள்கைகள் –

- (i) மாநில அரசு விதிக்கத்தக்க வரிகள், தீர்வைகள், சுங்கங்கள் மற்றும் கட்டணங்கள் ஆகியவற்றின் நிகர வருவாயினை மாநில அரசுக்கும் மேற்சொன்ன உள்ளாட்சி அமைப்புகளுக்கும் இடையே பகிர்ந்து கொள்ளுதல், அத்தகைய வருவாயில் மேற்சொன்ன உள்ளாட்சி அமைப்புகளுக்கிடையே அவற்றிற்குரிய பங்குகளை முறையே பிரித்தளித்தல்;
 - (ii) மேற்சொன்ன உள்ளாட்சி அமைப்புகளுக்கு ஒதுக்கீடு செய்யப்படக்கூடிய அல்லது அவைகளே தக்கவைத்துக் கொள்ளக்கூடிய வரிகள், தீர்வைகள், சுங்கங்கள் மற்றும் கட்டணங்கள் ஆகியவற்றைத் தீர்மானித்தல்;
 - (iii) மாநில அரசின் தொகுப்பு நிதியிலிருந்து மேற்சொன்ன உள்ளாட்சி அமைப்புகளுக்கு உதவி மானியங்கள்;
- (ஆ) உள்ளாட்சி அமைப்புகளின் நிதி நிலைமையை மேம்படுத்துவதற்குத் தேவையான நடவடிக்கைகள் மற்றும் ஏனைய மாநிலங்களில் உள்ள உள்ளாட்சி அமைப்புகளின் வரிவீத அமைப்பைக் கருத்தில் கொண்டு, ஊரக மற்றும் நகர்ப்பகுதி உள்ளாட்சி அமைப்புகளில் நிதி ஆதாரங்களை திரட்டுவதற்கான புதிய வாய்ப்புகளை கண்டறிதல்.
- (இ) தமிழ்நாடு மின் உற்பத்தி மற்றும் பகிர்மான கழகத்திற்கு செலுத்தப்படாத மின்சார கட்டணங்கள் மற்றும் தமிழ்நாடு குடிநீர் வழங்கல் மற்றும் வடிகால் வாரியம் / சென்னை பெருநகர குடிநீர் வழங்கல் மற்றும் கழிவு நீரகற்று வாரியம் மற்றும் பிற மொத்த நீர் வழங்குநர்களுக்கு செலுத்தப்படாத நீர் கட்டணங்கள் அதிகரிப்பதைத் தவிர்ப்பதற்கான வழிகளை பரிந்துரைத்தல் மற்றும் இந்த பயன்பாடுகளுக்கான கட்டணங்களை உடனடியாகவும், சரியான நேரத்திலும் தீர்ப்பதை உறுதிசெய்தல்.
- (ஈ) இந்திய அரசியலமைப்பு சாசனம் மற்றும் மாநில சட்ட மன்றங்களினால் கொடுக்கப்பட்ட கடமைகள் மற்றும் பொறுப்புகளை திறம்பட நிறைவேற்றுவதற்காக உள்ளாட்சி அமைப்பு நிர்வாகத்தின் சேவை வழங்கல் திறன்களை வலுப்படுத்துவதற்கான வழிகளை பரிந்துரைத்தல்.
- (உ) மாநிலத்தின் தொகுப்பு நிதியிலிருந்து கன்டோன்மென்ட் கழகத்திற்கு நிதிப்பகிர்வு வழங்குவதற்கான சாத்தியத்தை ஆராய்தல்.

4. திருத்தியமைக்கப்பட்டுள்ள உள்ளாட்சி அமைப்புகளின் தற்போதைய நிலையை கருத்தில் கொண்டு ஆணையம் உள்ளாட்சி அமைப்புகளின் நிதி நிலையை மார்ச் 31, 2020ல் உள்ளவாறு மதிப்பீடு செய்ய வேண்டும்.

5. ஆணையம், தனது பரிந்துரைகளை அளிக்கும் போது, மாநில அரசின் நிதி ஆதாரங்கள், அவற்றின் மீதான தேவைகள், குறிப்பாக மாநில அரசின் ஓய்வூதியச் செலவு மற்றும் உள்ளாட்சி அமைப்புகளின் சார்பாக கடன்களைத் திருப்பிச் செலுத்துதல் உள்ளிட்ட கடன்களைத் திருப்பிச் செலுத்துவது தொடர்பான செலவு அல்லது இதர பொறுப்பேற்ற செலவுகள் அல்லது மாநில அரசின் செலவுப் பொறுப்புகள் மற்றும் மூலதன கணக்கில் செலவு பொறுப்புகள் மற்றும் மாநில அரசின் இதர பொறுப்புகள் முதலியவற்றிற்குத் தேவையான அளவிற்கு வருவாய்க் கணக்கில் உபரியை ஏற்படுத்த வேண்டிய அவசியம் ஆகியனவற்றை கவனத்தில் கொள்ள வேண்டும்.

6. 2022 ஆம் ஆண்டு ஏப்ரல் முதல் தேதியிலிருந்து தொடங்கும் ஐந்தாண்டுகளுக்குப் பொருந்தும் வகையில் ஆணையம், 2021 ஆம் ஆண்டு ஜூலை திங்கள் 31 ஆம் தேதிக்குள் தனது அறிக்கையை அளித்திட வேண்டும்.

மார்ச் 6, 2020
சென்னை.

பன்வாரிலால் புரோகித்
தமிழ்நாடு ஆளுநர்

/ உண்மை நகல் /

E. V. Jayakumar
பிரிவு அலுவலர்



FINANCE (SFC-MC) DEPARTMENT

G.O.Ms.No.171, Dated 14th July 2021
(Pilava, Aani 30 – Thiruvalluvar Aandu – 2052)

ABSTRACT

Commission – Sixth State Finance Commission to study the financial position of Village Panchayats, Panchayat Union Councils, District Panchayats, Town Panchayats, Municipalities and Municipal Corporations – Constitution of the Sixth State Finance Commission – Constituted by the Governor of Tamil Nadu – Extension of the tenure of the Commission by five months i.e., upto 31st December 2021 beyond 31st July 2021 and appointment of a Non-official Member for the balance period of tenure of the Sixth State Finance Commission – Orders – Issued – Further Amendment - Issued.

Read the following:

1. G.O.Ms.No.50/Finance (SFC-MC) Department, dated: 06.03.2020.
2. G.O.Ms.No.53/ Finance (SFC-MC) Department, dated:09.03.2020.
3. Chairman, Sixth State Finance Commission Letter No.79 / 6th SFC, dated:27.05.2021.

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ORDER:

The appended Notification shall be published in an Extraordinary issue of Tamil Nadu Government Gazette, dated: 14th July 2021.

(BY ORDER OF THE GOVERNOR)

V. IRAI ANBU
CHIEF SECRETARY TO GOVERNMENT

To

The Works Manager, Government Central Press, Chennai-79.
(for publication of the Notification)

The Chairman, Sixth State Finance Commission,
6th Floor, Integrated Complex for Finance Department, Nandanam, Chennai-35.
The Member Secretary, Sixth State Finance Commission,
6th Floor, Integrated Complex for Finance Department, Nandanam, Chennai-35.

Thiru Katharbatcha Muthuramalingam, MLA., Ramanathapuram Constituency,
Non-official Member, 6th Floor, Integrated Complex for Finance Department,
Nandanam, Chennai-35.
The Director of Rural Development and Panchayat Raj, Panagal Buildings,
No.1, Jeenias Road, Saidapet, Chennai-15.
The Commissioner of Municipal Administration, 11th Floor, Urban Administrative
Building, 75, Santhome High Road, MRC Nagar, R.A. Puram, Chennai-28.
The Director of Town Panchayats, 8th Floor, Urban Administrative Building,
75, Santhome High Road, MRC Nagar, R.A. Puram, Chennai-28.
All Secretaries to Government, Chennai-09.
All Departments of Secretariat, Chennai-09.
All Commissioners of Municipal Corporations.
The Principal Accountant General (General & Social Sector Audit), Chennai-18.
The Accountant General (A&E), Chennai-18.
The Accountant General (CAB), Chennai-09.
The Director of Local Fund Audit, Chennai-35.
All Heads of Departments.
All District Collectors (Except Chennai).
All Assistant Directors of Panchayats.
All Assistant Directors of Town Panchayats.
All Regional Directors of Municipal Administration.
The Secretary to the Hon'ble Governor, Raj Bhavan, Chennai-25.
Secretaries to the Hon'ble Chief Minister, Chennai-09.
The Director of Information and Public Relations, Chennai-09.
The Registrar of High Court, Chennai-104.
Public (Special-A) Department, Chennai-09.
The Legislative Assembly Secretariat, Chennai-09.
Law Department, Secretariat, Chennai-09.
Stock File/ Spare Copies.

/ Forwarded by Order /

S. Maheswari
14/7/2021
SECTION OFFICER

APPENDIX

NOTIFICATION

Further to Finance Department's Notification No.II(1)/FIN/7(g)/2020, dated: 06.03.2020, published at pages 1 – 4 of part II section 1 of the Tamil Nadu Government Gazette Extraordinary, Dated : 6th March, 2020, the Governor of Tamil Nadu hereby makes following amendments to the Finance Department Notification No.II(1)/FIN/7(g)/2020 of the Tamil Nadu Government Gazette, Extraordinary, dated : 6th March, 2020.

AMENDMENT

In the said Notification:-

- i. Wherever the expression "31st July 2021" occur, the expression "31st December 2021", shall be substituted.
- ii. In paragraph 1, for serial number 2 and the entries relating thereto, the following serial number and entries shall be substituted, namely:-

2)	Non Official Member:	Thiru Katharbatcha Muthuramalingam, Member of Legislative Assembly, Ramanathapuram Constituency.
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V. IRAI ANBU
CHIEF SECRETARY TO GOVERNMENT

/ True Copy /

S. Maheswari
14/7/2021
SECTION OFFICER



FINANCE (SFC-MC) DEPARTMENT

G.O.Ms.No.24, Dated 27th January 2022
(Pilava, Thai 14 – Thiruvalluvar Aandu – 2053)

ABSTRACT

Commission – Sixth State Finance Commission – To study the financial position of Village Panchayats, Panchayat Union Councils, District Panchayats, Town Panchayats, Municipalities and Municipal Corporations – Constituted by the Governor of Tamil Nadu – Extension of the tenure of the Commission by two months i.e., upto 28th February 2022 beyond 31st December 2021 – Orders – Issued – Further Amendment – Issued.

Read the following:

1. G.O.Ms.No.50, Finance (SFC-MC) Department, dated : 06.03.2020.
2. G.O.Ms.No.53, Finance (SFC-MC) Department, dated : 09.03.2020.
3. G.O.Ms.No.171, Finance (SFC-MC) Department, dated : 14.07.2021.
4. Chairman, Sixth State Finance Commission Letter No.267/6th SFC, dated : 24.12.2021.

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ORDER:

The appended Notification shall be published in an Extraordinary issue of Tamil Nadu Government Gazette, dated : 27th January 2022.

(BY ORDER OF THE GOVERNOR)

V. IRAI ANBU
CHIEF SECRETARY TO GOVERNMENT

To

The Works Manager, Government Central Press, Chennai-79.

(for publication of the Notification)

The Chairman, Sixth State Finance Commission,

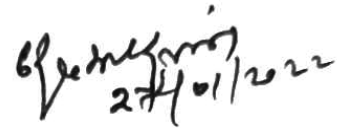
6th Floor, Integrated Complex for Finance Department, Nandanam, Chennai-35.

The Member Secretary, Sixth State Finance Commission,

6th Floor, Integrated Complex for Finance Department, Nandanam, Chennai-35.

Thiru Katharbatcha Muthuramalingam, MLA., Ramanathapuram Constituency,
Non-official Member, 6th Floor, Integrated Complex for Finance Department,
Nandanam, Chennai-35.
The Director of Rural Development and Panchayat Raj, Panagal Buildings,
No.1, Jeenis Road, Saidapet, Chennai-15.
The Commissioner of Municipal Administration, 11th Floor, Urban Administrative
Building, 75, Santhome High Road, MRC Nagar, R.A. Puram, Chennai-28.
The Director of Town Panchayats, 7th & 8th Floor, Urban Administrative Building,
75, Santhome High Road, MRC Nagar, R.A. Puram, Chennai-28.
All Secretaries to Government, Chennai-09.
All Departments of Secretariat, Chennai-09.
All Commissioners of Municipal Corporations.
The Principal Accountant General (General & Social Sector Audit), Chennai-18.
The Accountant General (A&E), Chennai-18.
The Accountant General (CAB), Chennai-09.
The Director of Local Fund Audit, Chennai-35.
All Heads of Departments.
All District Collectors (Except Chennai).
All Assistant Directors of Panchayats.
All Assistant Directors of Town Panchayats.
All Regional Directors of Municipal Administration.
The Secretary to the Hon'ble Governor, Raj Bhavan, Chennai-25.
Secretaries to the Hon'ble Chief Minister, Chennai-09.
The Director of Information and Public Relations, Chennai-09.
The Registrar of High Court, Chennai-104.
Public (Special-A) Department, Chennai-09.
The Legislative Assembly Secretariat, Chennai-09.
Law Department, Secretariat, Chennai-09.
Stock File/ Spare Copies.

/ Forwarded by Order /



SECTION OFFICER

APPENDIX

NOTIFICATION

Further to Finance Department's Notification No.II(1)/FIN/17(b)/2021, dated: 14.07.2021, published at page 1 of part II section 1 of the Tamil Nadu Government Gazette Extraordinary, Dated : 14th July, 2021, the Governor of Tamil Nadu hereby makes following amendment to the Finance Department Notification No.II(1)/FIN/17(b)/2021 of the Tamil Nadu Government Gazette, Extraordinary, dated : 14th July, 2021.

2. The amendment hereby made shall come into force on and from the 1st January 2022.

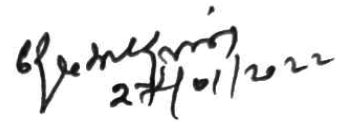
AMENDMENT

In the said Notification:-

- i. Wherever the expression "31st December 2021" occur, the expression "28th February 2022", shall be substituted.

V. IRAI ANBU
CHIEF SECRETARY TO GOVERNMENT

/ True Copy /



SECTION OFFICER



TAMIL NADU GOVERNMENT GAZETTE

EXTRAORDINARY PUBLISHED BY AUTHORITY

No. 104]

CHENNAI, FRIDAY, MARCH 6, 2020
Maasi 23, Vikari, Thiruvalluvar Aandu-2051

Part II—Section 1

**Notifications or Orders of specific character or of particular interest to the public
issued by Secretariat Departments.**

NOTIFICATIONS BY GOVERNMENT

FINANCE DEPARTMENT

CONSTITUTION OF THE SIXTH STATE FINANCE COMMISSION TO STUDY THE FINANCIAL POSITION OF
VILLAGE PANCHAYATS, PANCHAYAT UNION COUNCILS, DISTRICT PANCHAYATS, TOWN PANCHAYATS,
MUNICIPALITIES AND MUNICIPAL CORPORATIONS AND FOR THE TERMS OF REFERENCE OF THE
COMMISSION.

[G.O.Ms.No.50, Finance (SFC - MC), 6th March 2020, Maasi 23, Vikari, Thiruvalluvar Aandu-2051.]

No. II(1)/FIN/7(g)/2020.

In exercise of the powers conferred by clause (1) of Article 243-I and clause (1) of Article 243-Y of the Constitution of India and sub-section (1) of section 198 of the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) read with the Tamil Nadu State Finance Commission, Chairman and other Members (Conditions of Service) Rules, 1994, sub-section (1) of section 162-A of the Chennai City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919), sub-section (1) of section 124-B of the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920), sub-section (1) of section 193-A of the Madurai City Municipal Corporation Act, 1971 (Tamil Nadu Act 15 of 1971), sub-section (1) of section 193-A of the Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981) read with section 8 of the Tiruchirappalli City Municipal Corporation Act, 1994 (Tamil Nadu Act 27 of 1994), section 8 of the Tirunelveli City Municipal Corporation Act, 1994 (Tamil Nadu Act 28 of 1994), section 8 of the Salem City Municipal Corporation Act, 1994 (Tamil Nadu Act 29 of 1994), section 8 of the Tiruppur City Municipal Corporation Act, 2008 (Tamil Nadu Act 7 of 2008), section 8 of the Erode City Municipal Corporation Act, 2008 (Tamil Nadu Act 8 of 2008), section 8 of the Vellore City Municipal Corporation Act, 2008 (Tamil Nadu Act 26 of 2008) and section 8 of the Thoothukudi City Municipal Corporation Act, 2008 (Tamil Nadu Act 27 of 2008), section 8 of the Thanjavur City Municipal Corporation Act, 2013 (Tamil Nadu Act 24 of 2013), section 8 of the Dindigul City Municipal Corporation Act, 2013 (Tamil Nadu Act 25 of 2013), section 8 of the Hosur City Municipal Corporation Act, 2019 (Tamil Nadu Act 10 of 2019), section 8 of the Nagercoil City Municipal Corporation Act, 2019 (Tamil Nadu Act 11 of 2019), section 8 of the Avadi City Municipal Corporation Act, 2019 (Tamil Nadu Act 24 of 2019), the Governor of Tamil Nadu hereby constitutes the Sixth State Finance Commission with a Chairman and five other Members as follows:-

(1)	Chairman	:	Thiru Mohan Pyare, I.A.S., (Retd.,)
(2)	Non-official Member	:	Thiru. C.V. Sekar, B.A., B.L., Member of Legislative Assembly, Pattukottai Constituency.
(3)	Ex-officio Member	:	Commissioner of Municipal Administration
(4)	Ex-officio Member	:	Director of Rural Development and Panchayat Raj
(5)	Ex-officio Member	:	Director of Town Panchayats
(6)	Member-Secretary	:	Deputy Secretary to Government (Budget), Finance Department.

2. The period of office of the Chairman and other Members of the Sixth State Finance Commission shall be upto 31st July 2021, from the date on which they respectively assume charges.

3. The Commission shall review the financial position of the rural and urban local bodies namely Village Panchayats, Panchayat Union Councils, District Panchayats, Town Panchayats, Municipalities and Municipal Corporations and make recommendations as to:-

(a) the principles which should govern –

- (i) the distribution between the State and the said local bodies of the net proceeds of the taxes, duties, tolls and fees leviable by the State, which may be divided between them and the allocation between the said local bodies of their respective shares of such proceeds;
- (ii) the determination of taxes, duties, tolls and fees which may be assigned to, or appropriated by, the local bodies;
- (iii) the grants-in-aid to the local bodies from the Consolidated Fund of the State;

(b) the measures needed to improve the financial position of the local bodies and identifying new avenues for resources mobilization in rural and urban local bodies keeping in mind the local body tax structure in other States.

(c) suggesting ways to avoid mounting of unpaid bills of electricity charges to Tamil Nadu Generation and Distribution Corporation (TANGEDCO) and water charges to Tamil Nadu Water Supply & Drainage Board (TWAD)/ Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) and other bulk water providers and to ensure prompt and timely settlement of charges to these utilities.

(d) suggesting ways for strengthening the service delivery capacities of Local body administration to enable them to effectively discharge the roles and responsibilities entrusted to them in the Constitution of India and the State Legislations.

(e) examining the possibility of providing devolution to Cantonment Boards from out of the Consolidated Fund of the State.

4. The Commission shall review the financial position of the local bodies as on 31st March 2020 based on the present reorganized status of local bodies.

5. In making its recommendations, the Commission shall have regard to the resources of the State Government, the demands thereon, in particular the expenditure of the State on pension and debt servicing, including the debt servicing on behalf of local bodies or other committed expenditure or liabilities of the State Government and the need to generate adequate surplus on revenue account for State's commitments on capital account and other commitments of the State Government.

6. The Commission shall make its report available by 31st July 2021 covering the period of five years commencing on 1st April 2022.

6th March, 2020,
Chennai.

BANWARILAL PUROHIT,
Governor of Tamil Nadu.

K. SHANMUGAM,
Chief Secretary.

அறிவிக்கை

[G.O.Ms.No.50, Finance (SFC - MC), 6th March 2020, Maasi 23, Vikari, Thiruvalluvar Aandu-2051.]

இந்திய அரசியலமைப்புச் சட்டத்தின் 243-I பிரிவைச் சேர்ந்த (1) பகுதியிலும் 243-Y பிரிவைச் சேர்ந்த (1) பகுதியிலும், 1994 ஆம் ஆண்டு தமிழ்நாடு ஊராட்சிகள் சட்டத்தின் (தமிழ்நாடு சட்டம் 21/1994) 198 ஆம் பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும், 1994 ஆம் ஆண்டு தமிழ்நாடு மாநில நிதி ஆணையம், தலைவர் மற்றும் ஏனைய உறுப்பினர்கள் (பணி விதிகள்) விதிகளுடன், 1919 ஆம் ஆண்டு சென்னை மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் IV/1919) 162-A பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும், 1920 ஆம் ஆண்டு தமிழ்நாடு மாவட்ட நகராட்சிகள் சட்டத்தின் (தமிழ்நாடு சட்டம் V/1920) 124-B பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும் 1971 ஆம் ஆண்டு மதுரை மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 15/1971) 193-A பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும், 1981 ஆம் ஆண்டு கோயம்புத்தூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 25/1981) 193-A பிரிவைச் சேர்ந்த (1) உட்பிரிவிலும், 1994 ஆம் ஆண்டு திருச்சிராப்பள்ளி மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 27/1994) 8-ஆம் பிரிவிலும், 1994 ஆம் ஆண்டு திருநெல்வேலி மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 28/1994) 8-ஆம் பிரிவிலும் 1994 ஆம் ஆண்டு சேலம் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 29/1994) 8-ஆம் பிரிவிலும் 2008 ஆம் ஆண்டு திருப்பூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 7/2008) 8-ஆம் பிரிவிலும், 2008 ஆம் ஆண்டு ஈரோடு மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 8/2008) 8-ஆம் பிரிவிலும், 2008 ஆம் ஆண்டு வேலூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 26/2008) 8-ஆம் பிரிவிலும் மற்றும் 2008 ஆம் ஆண்டு தூத்துக்குடி மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 27/2008) 8-ஆம் பிரிவிலும் 2013 ஆம் ஆண்டு தஞ்சாவூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 24/2013) 8-ஆம் பிரிவிலும், 2013 ஆம் ஆண்டு திண்டுக்கல் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 25/2013) 8-ஆம் பிரிவிலும், 2019 ஆம் ஆண்டு ஓசூர் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 10/2019) 8-ஆம் பிரிவிலும், 2019 ஆம் ஆண்டு நாகர்கோவில் மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 11/2019) 8-ஆம் பிரிவிலும் மற்றும் 2019 ஆம் ஆண்டு ஆவடி மாநகராட்சிச் சட்டத்தின் (தமிழ்நாடு சட்டம் 24/2019) 8-ஆம் பிரிவிலும் வழங்கியுள்ள அதிகாரங்களைக் கொண்டு, தமிழ்நாடு ஆளுநர் அவர்கள் 6வது மாநில நிதி ஆணையத்தை அதன் தலைவர் மற்றும் ஏனைய ஐந்து உறுப்பினர்களுடன் அமைத்து பின்வருமாறு ஆணையிடுகிறார்:-

- | | |
|----------------------------|---|
| (1) தலைவர் | : திரு.மோகன் பியாரே, இ.ஆ.ப., (ஓய்வு) |
| (2) அலுவல் சாரா உறுப்பினர் | : திரு. சி.வெ. சேகர், பி.ஏ., பி.எல்.,
சட்டமன்ற உறுப்பினர், பட்டுக்கோட்டை தொகுதி. |
| (3) உறுப்பினர் (அலுவலரால்) | : நகராட்சி நிர்வாக ஆணையர் |
| (4) உறுப்பினர் (அலுவலரால்) | : ஊரக வளர்ச்சி மற்றும் ஊராட்சி இயக்குநர் |
| (5) உறுப்பினர் (அலுவலரால்) | : பேரூராட்சிகளின் இயக்குநர் |
| (6) உறுப்பினர்-செயலர் | : அரசு துணைச்செயலாளர் (வரவு-செலவு), நிதித்துறை. |

2. ஆறாவது நிதி ஆணையத்தின் தலைவர் மற்றும் இதர உறுப்பினர்களின் பதவிக்கால அளவு முறையே அவரவர் பதவிப் பொறுப்பேற்ற நாளிலிருந்து 2021 ஆம் ஆண்டு ஜூலை திங்கள் 31 ஆம் நாள் வரையில் இருக்கும்.

3. இந்த ஆணையம், ஊரக மற்றும் நகர்ப்பகுதி உள்ளாட்சி அமைப்புகளின், அதாவது கிராம ஊராட்சிகள், ஊராட்சி ஒன்றியக் குழுக்கள், மாவட்ட ஊராட்சிகள், பேரூராட்சிகள், நகராட்சிகள் மற்றும் மாநகராட்சிகள் ஆகியவற்றின் நிதி நிலையை ஆய்வு செய்து பின்வருபவை குறித்து பரிந்துரை செய்ய வேண்டும் :-

(அ) கீழ்க்கண்டவற்றை நிர்ணயிக்கும் கொள்கைகள் -

- மாநில அரசு விதிக்கத்தக்க வரிகள், தீர்வைகள், சுங்கங்கள் மற்றும் கட்டணங்கள் ஆகியவற்றின் நிகர வருவாயினை மாநில அரசுக்கும் மேற்சொன்ன உள்ளாட்சி அமைப்புகளுக்கும் இடையே பகிர்ந்து கொள்ளுதல், அத்தகைய வருவாயில் மேற்சொன்ன உள்ளாட்சி அமைப்புகளுக்கிடையே அவற்றிற்குரிய பங்குகளை முறையே பிரித்தளித்தல்;
 - மேற்சொன்ன உள்ளாட்சி அமைப்புகளுக்கு ஒதுக்கீடு செய்யப்படக்கூடிய அல்லது அவைகளே தக்கவைத்துக் கொள்ளக்கூடிய வரிகள், தீர்வைகள், சுங்கங்கள் மற்றும் கட்டணங்கள் ஆகியவற்றைத் தீர்மானித்தல்;
 - மாநில அரசின் தொகுப்பு நிதியிலிருந்து மேற்சொன்ன உள்ளாட்சி அமைப்புகளுக்கு உதவி மானியங்கள்;
- (ஆ) உள்ளாட்சி அமைப்புகளின் நிதி நிலைமையை மேம்படுத்துவதற்குத் தேவையான நடவடிக்கைகள் மற்றும் ஏனைய மாநிலங்களில் உள்ள உள்ளாட்சி அமைப்புகளின் வாரிசு அமைப்பைக் கருத்தில் கொண்டு, ஊரக மற்றும் நகர்ப்பகுதி உள்ளாட்சி அமைப்புகளில் நிதி ஆதாரங்களை திரட்டுவதற்கான புதிய வாய்ப்புகளை கண்டறிதல்.
- (இ) தமிழ்நாடு மின் உற்பத்தி மற்றும் பகிர்மான கழகத்திற்கு செலுத்தப்படாத மின்சார கட்டணங்கள் மற்றும் தமிழ்நாடு குடிநீர் வழங்கல் மற்றும் வடிகால் வாரியம் / சென்னை பெருநகர குடிநீர் வழங்கல் மற்றும் கழிவு நீரகற்று வாரியம் மற்றும் பிற மொத்த நீர் வழங்குநர்களுக்கு செலுத்தப்படாத நீர் கட்டணங்கள் அதிகரிப்பதைத் தவிர்ப்பதற்கான வழிகளை பரிந்துரைத்தல் மற்றும் இந்த பயன்பாடுகளுக்கான கட்டணங்களை உடனடியாகவும், சரியான நேரத்திலும்

தீர்ப்பதை உறுதிசெய்தல்.

- (ஈ) இந்திய அரசியலமைப்பு சாசனம் மற்றும் மாநில சட்ட மன்றங்களினால் கொடுக்கப்பட்ட கடமைகள் மற்றும் பொறுப்புகளை திறம்பட நிறைவேற்றுவதற்காக உள்ளாட்சி அமைப்பு நிர்வாகத்தின் சேவை வழங்கல் திறன்களை வலுப்படுத்துவதற்கான வழிகளை பரிந்துரைத்தல்.
- (உ) மாநிலத்தின் தொகுப்பு நிதியிலிருந்து கன்டோன்மென்ட் கழகத்திற்கு நிதிப்பகிர்வு வழங்குவதற்கான சாத்தியத்தை ஆராய்தல்.

4. திருத்தியமைக்கப்பட்டுள்ள உள்ளாட்சி அமைப்புகளின் தற்போதைய நிலையை கருத்தில் கொண்டு ஆணையம் உள்ளாட்சி அமைப்புகளின் நிதி நிலையை மார்ச் 31, 2020-ல் உள்ளவாறு மதிப்பீடு செய்ய வேண்டும்.

5. ஆணையம், தனது பரிந்துரைகளை அளிக்கும் போது, மாநில அரசின் நிதி ஆதாரங்கள், அவற்றின் மீதான தேவைகள், குறிப்பாக மாநில அரசின் ஓய்வூதியச் செலவு மற்றும் உள்ளாட்சி அமைப்புகளின் சார்பாக கடன்களைத் திருப்பிச் செலுத்துதல் உள்ளிட்ட கடன்களைத் திருப்பிச் செலுத்துவது தொடர்பான செலவு அல்லது இதர பொறுப்பேற்ற செலவுகள் அல்லது மாநில அரசின் செலவுப் பொறுப்புகள் மற்றும் மூலதன கணக்கில் செலவு பொறுப்புகள் மற்றும் மாநில அரசின் இதர பொறுப்புகள் முதலியவற்றிற்குத் தேவையான அளவிற்கு வருவாய்க் கணக்கில் உபரியை ஏற்படுத்த வேண்டிய அவசியம் ஆகியனவற்றை கவனத்தில் கொள்ள வேண்டும்.

6. 2022 ஆம் ஆண்டு ஏப்ரல் முதல் தேதியிலிருந்து தொடங்கும் ஐந்தாண்டுகளுக்குப் பொருந்தும் வகையில் ஆணையம், 2021 ஆம் ஆண்டு ஜூலை திங்கள் 31 ஆம் தேதிக்குள் தனது அறிக்கையை அளித்திட வேண்டும்.

மார்ச் 6, 2020,
சென்னை.

பன்வாரிலால் புரோகித்,
தமிழ்நாடு ஆளுநர்.

K. சண்முகம்,
தலைமைச் செயலாளர்.



TAMIL NADU GOVERNMENT GAZETTE

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CHENNAI, WEDNESDAY, JULY 14, 2021
Aani 30, Pilava, Thiruvalluvar Aandu-2052

Part II—Section 1

Notifications or Orders of specific character or of particular interest to the public
issued by Secretariat Departments.

NOTIFICATIONS BY GOVERNMENT

FINANCE DEPARTMENT

CONSTITUTION OF THE SIXTH STATE FINANCE COMMISSION TO STUDY THE FINANCIAL POSITION OF VILLAGE PANCHAYATS, PANCHAYAT UNION COUNCILS, DISTRICT PANCHAYATS, TOWN PANCHAYATS, MUNICIPALITIES AND MUNICIPAL CORPORATIONS AND FOR THE TERMS OF REFERENCE OF THE COMMISSION.

AMENDMENT TO NOTIFICATION

[G.O.Ms.No.171, Finance (SFC-MC), 14th July 2021, Aani 30, Pilava, Thiruvalluvar Aandu-2052.]

No. II(1)/FIN/17(b)/2021.

Further to Finance Department's Notification No.II(1)/FIN/7(g)/2020, dated:06.03.2020, published at pages 1-4 of Part II--Section 1 of the *Tamil Nadu Government Gazette* Extraordinary, dated 6th March 2020, the Governor of Tamil Nadu hereby makes following amendments to the Finance Department Notification No.II(1)/FIN/7(g)/2020 of the *Tamil Nadu Government Gazette* Extraordinary, dated 6th March, 2020.

AMENDMENT

In the said Notification:—

- i. Wherever the expression "31st July 2021" occur, the expression "31st December 2021", shall be substituted.
- ii. In Paragraph 1, for serial number 2 and the entries relating thereto, the following serial number and entries shall be substituted, namely:-

- (2) Non Official Member: Thiru Katharbatcha Muthuramalingam,
Member of Legislative Assembly,
Ramanathapuram Constituency.

V. IRAI ANBU,
Chief Secretary.

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Ex-II-1—(321)



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Thai 14, Pilava, Thiruvalluvar Aandu-2053.

Part II—Section 1

**Notifications or Orders of specific character or of particular interest to the public
issued by Secretariat Departments.**

NOTIFICATIONS BY GOVERNMENT

FINANCE DEPARTMENT

CONSTITUTION OF THE SIXTH STATE FINANCE COMMISSION TO STUDY THE FINANCIAL POSITION OF VILLAGE PANCHAYATS, PANCHAYAT UNION COUNCILS, DISTRICT PANCHAYATS, TOWN PANCHAYATS, MUNICIPALITIES AND MUNICIPAL CORPORATIONS EXTENSION OF THE TENURE OF THE COMMISSION BY TWO MONTHS.

AMENDMENT TO NOTIFICATION

[G.O. Ms. No. 24, Finance, 27th January 2022, Thai 14, Pilava, Thiruvalluvar Aandu-2053.]

No. II(1)/FIN/12(b)/2022.

Further to Finance Department's Notification No.II(1)/FIN/17(b)/2021, dated 14-07-2021, published at page 1 of Part II—Section 1 of the *Tamil Nadu Government Gazette* Extraordinary, dated 14th July 2021, the Governor of Tamil Nadu hereby makes following amendment to the Finance Department Notification No.II(1)/FIN/17(b)/2021 of the *Tamil Nadu Government Gazette* Extraordinary, dated 14th July 2021.

2. The amendment hereby made shall come into force on and from the 1st January 2022.

AMENDMENT

In the said Notification:-

i. Wherever the expression "31st December 2021" occur, the expression "28th February 2022", shall be substituted.

V. IRAI ANBU,
Chief Secretary.

Annexure-V

RULES OF PROCEDURE **OF THE TAMIL NADU** **SIXTH STATE FINANCE COMMISSION**

Tamil Nadu Sixth State Finance Commission has been constituted vide State Government's Notification issued in G.O.Ms.No.50, Finance (SFC-MC) Department, Dated: 06.03.2020, under the provisions of Article 243-I and 243-Y of the Constitution and in pursuance of the provisions in the relevant Tamil Nadu Acts.

Clause 3 of the Article 243-I of the Constitution of India states that the Commission shall determine their procedure. Tamil Nadu Sixth State Finance Commission has accordingly devised its procedure, taking due note of the Terms of Reference issued vide G.O.Ms.No.50, Finance (SFC-MC) Department, Dated: 06.03.2020. Rules for the Conduct of the Tamil Nadu Sixth State Finance Commission are as follows:-

1. For the Commission:

- i. Formal meetings of the Commission shall be held as and when necessary for hearing the evidence or for meeting the representatives of the State Government and Rural and Urban Local Bodies. The time and place of such meeting shall be fixed by the Commission. Meeting through Video Conference will be preferred due to present prevailing conditions.
- ii. Internal meetings of the Commission shall be informal.
- iii. All meetings of the Commission shall be held in private session.
- iv. District level meetings may be conducted through Video Conference due to Covid-19 Pandemic.
- v. Meeting shall ordinarily be so arranged that all members are present. But, if for any unavoidable reason any member is unable to be present, meetings may still be held if at least three members including the Chairman are present. However, if for any reason, the Chairman is unable to join, he may designate the senior most Members to chair the meeting.
- vi. Such officers of the Commission shall be present at the meetings of the Commission as permitted by the Chairman.
- vii. Background notes for the informal meetings will be sent in advance wherever possible. No verbatim record shall be kept of the proceedings of the informal meetings of the Commission. But, if any

decisions are taken at such a meeting, a record of the decisions shall be duly prepared by the Member-Secretary and after approval by the Chairman, circulated to the Members of the Commission.

- viii. No verbatim record of the proceedings of the formal meetings of the Commission shall ordinarily be kept, but the Commission may direct that such a record be kept of the proceedings of any particular meeting or meetings. When no verbatim record is kept, minutes of the proceedings of the meeting shall be prepared as soon as possible by Member-Secretary under the direction of the Chairman and circulated to the Members of the Commission including any Member who may have been absent from such a meeting.
- ix. Minutes of the meetings with representatives of State Government, Rural and Urban Local Bodies, etc shall be prepared as soon as possible by Member-Secretary under the direction of Chairman.
- x. It shall be the endeavour of the Commission to evolve consensus. However, in exceptional cases, a Member may, if he disagrees in respect of any decision, give a dissent note if he so desires. In such cases, the majority opinion will prevail.
- xi. No information relating to the meetings or the work of the Commission shall be furnished to the press by any Member except under the direction of Chairman.
- xii. Press conferences will be held by the Commission as a whole. In exceptional/ emergent cases, the Chairman may hold such conference.
- xiii. The Member-Secretary, under the direction of Chairman, shall keep the Commission informed from time to time, of all-important matters involving the Commission.
- xiv. The Commission will hold its meeting at least once in two months to review the progress of work. If any proposal is so urgent that it cannot wait till the Commission's meeting, it can be approved by the Chairman, followed by an ex-facto approval of the Commission.
- xv. The Commission shall call for any record, relevant information and views pertaining to Terms of Reference from the various Secretariat departments of the State Government, Heads of Department, line agencies, local bodies, elected representatives and reputed Non-Governmental Organisations as per the provisions in clause (a) of sub-section 7 of section 198 of the Tamil Nadu Panchayats Act 1994.

- xvi. The Commission shall also have the power to summon any person to give evidence or produce records before the Commission as per clause (b) of sub-section 7 of section 198 of the Tamil Nadu Panchayats Act 1994.
- xvii. All communications/ orders and decisions of the Commission other than the final report will be signed by the Chairman/ Member-Secretary or by any officer authorized by the Chairman/ Member-Secretary. Any communication or interim report containing the views of the Commission shall be signed only after the views of all the members including the approval by Chairman are obtained. In emergent cases, the Chairman and Member-Secretary may take a view and express their opinion.
- xviii. The Commission represented by the Chairman and/ or Member-Secretary will conduct/ participate in various State level as well as National level meetings, workshops, seminars, conferences, etc.
- xix. The Commission may engage suitable expert organizations/ financial institutions, preference being given to those under the control of the Government, to study the various financial and functional aspects of local bodies and to give their reports to the Commission, within stipulated periods.
- xx. The Commission will visit within the State to discuss and review the financial position of the Rural and Urban Local Bodies with the concerned executive authorities/ selected representatives so as to make recommendations on the financial devolution and possible new avenues for tapping resources.
- xxi. The Commission may also visit other States in the Country to study local body tax structure prevailing in those States so as to suggest possible new avenues for tapping resources in local bodies in our State.

2. For the Commission's Secretariat:

- i. The Secretariat of the Tamil Nadu Sixth State Finance Commission is headed by the Chairman, working under the immediate control of Member-Secretary and assisted by the Deputy Secretary/ Joint Secretary, other officers and seven sections.
- ii. The Member-Secretary of the Commission, under the general direction of the Chairman, shall be in overall charge of the Office of the Commission and shall be responsible to the Commission for its proper functioning.

- iii. All the rules and procedures prescribed by the State Government will be generally followed, with suitable modifications and variations whenever and wherever necessary, in transacting the business and administration of the Commission's Secretariat.
- iv. All appointments to the posts carrying pay matrix level 26 and above i.e. posts right from the level of Deputy Secretary or equivalent including Executive Consultants of the Commission shall be made by the Chairman or on his behalf by Member-Secretary including those made by transfer from other Government Department, except those where the approval of the Government is required.
- v. If staff is not appointed by the Government/Head of Department in the sanctioned posts due to shortage of hands the Commission may appoint supporting staff in lieu of Assistant Section Officers or any other posts through outsourcing or Contract appointment/ Daily wages basis, if required, and the payment shall not exceed the gross amount applicable to the scale of pay sanctioned to the post by the Government.
- vi. Appointment of staff other than those referred to above including staff obtained on transfer from other Government Departments shall be made by the Member-Secretary or by an officer not below the rank of Deputy Secretary/ Joint Secretary duly authorized by Member-Secretary or in his/ her absence by the Chairman.
- vii. The Chairman will grant leave, whether regular or casual, to Member-Secretary of the Commission. As regards the other officers and staff, the leave may be sanctioned by Member-Secretary. In the absence of Member-Secretary, Deputy Secretary/ Joint Secretary may sanction leave. On emergent occasions, the staff shall obtain prior permission of the Member-Secretary before proceeding on leave. In the case of personal staff of the Chairman, the Member-Secretary will be duly consulted before granting any leave.
- viii. The budget and the revised estimates of the Commission will be prepared by Member-Secretary under the directions of the Chairman and sent to Finance Department for making necessary provisions in the Budget of the State.
- ix. No information relating to the meetings/ works of the Commission shall be furnished to the press or any outside persons by any staff except under the direction of Chairman.

**MOHAN PYARE, I.A.S., (Retd.),
CHAIRMAN,
SIXTH STATE FINANCE COMMISSION.**

Annexure – VI

Summary of Recommendations of Fifteenth Central Finance Commission on Local Government:

- i. The total size of the grant to local governments should be Rs.4,36,361 crore for the period 2021-26. We favour a fixed amount rather than a proportion of the divisible pool of taxes to ensure greater predictability of the quantum and timing of fund flow. (para 7.60)
- ii. Of these total grants, Rs.8,000 crore is performance-based grants for incubation of new cities and Rs. 450 crore is for shared municipal services. A sum of Rs.2,36,805 crore is earmarked for rural local bodies, Rs.1,21,055 crore for urban local bodies and Rs.70,051 crore for health grants through local governments. (para 7.61, 7.62 and 7.93)
- iii. For inter se distribution among States for rural and urban local bodies, weightage of 90 per cent should be given to population and 10 per cent to the area of the State. (para 7.62 and 7.93)
- iv. We recommend that all States which have not done so, must constitute State Finance Commissions, act upon their recommendations and lay the explanatory memorandum as to the action taken thereon before the State legislature on or before March 2024. After March 2024, no grants should be released to a State that has not complied with the Constitutional provisions in respect of the State Finance Commission and these conditions. The Ministry of Panchayati Raj (MoPR) will certify the compliance of all Constitutional provisions by a State in this respect before the release of their share of grants for 2024-25 and 2025-26. (para 7.58)
- v. The entry level condition for rural and urban local bodies availing any grants due to them is having both provisional and audited accounts online in the public domain. States will receive grants for those rural and urban local bodies that have their provisional accounts for the previous year and audited accounts for the year before the previous, available online. (para 7.76 to 7.78, 7.95 and 7.96)
- vi. For urban local bodies, apart from the entry level condition of having both provisional and audited accounts online in the public domain, after 2021-22, fixation of minimum floor for property tax rates by the relevant State followed by consistent improvement in the collection of property taxes

in tandem with the growth rate of State's own Gross State Domestic Product (GSDP) will be an additional mandatory pre-condition. (para 7.95 to 7.99, 7.101 and 7.102)

- vii. To supplement the resources needed to fulfil national priorities, 60 per cent of the grants to rural local bodies should be tied to supporting and strengthening the delivery of two categories of basic services: (a) sanitation and maintenance of ODF status; and (b) drinking water, rain water harvesting and water recycling. (para 7.84 and 7.85)
- viii. Urban local bodies have been categorised into two groups, based on population, and different norms have been used for flow of grants to each, based on their specific needs and aspirations. For cities with million plus population (Million-Plus cities), 100 per cent of the grants are performance-linked through the Million-Plus Cities Challenge Fund (MCF). Basic grants are proposed only for cities/ towns having a population of less than a million. (para 7.104, 7.105 and 7.128)
- ix. Category-I cities (urban agglomerations with a population of more than one million) will be treated as a single unit for monitoring of performance indicators of ambient air quality and service level benchmarks. One-third of the total MCF of each city is earmarked for achieving ambient air quality. The balance two-third of the city-wise MCF is earmarked for achieving service level benchmarks for drinking water (including rainwater harvesting and recycling) and solid waste management. For drinking water (including rainwater harvesting and recycling) and sanitation and solid waste management criteria under service level benchmarks, the Ministry of Housing and Urban Affairs (MoHUA) shall act as the nodal ministry for determining the eligible urban local bodies. (para 7.111 to 7.127)
- x. Sixty per cent of the basic grants for urban local bodies in non-Million-Plus cities should be tied to supporting and strengthening the delivery of: (a) sanitation and solid waste management and attainment of star ratings as developed by the MoHUA; and (b) drinking water, rain water harvesting and water recycling. (para 7.130 and 7.131)
- xi. We recommend that for the five-year award period (2021-22 to 2025-26) grants should go to all the three tiers of panchayati raj institutions. Since no resident of India should be denied a share of the local body grants, these should be distributed to even those areas which are not required to have panchayats (Fifth and Sixth Schedule areas and Excluded Areas) for augmenting their resources to provide basic services by similar local level bodies. (para 7.63 to 7.68)

- xii. State Governments, while deciding the share of basic grant among various urban local bodies in cities other than Million-Plus cities, shall make allotment of grants (only under basic grants) on a per capita basis for the Cantonment Boards falling within the State. (para 7.133 and 7.134)
- xiii. The grants recommended by us for rural local bodies and non-Million-Plus cities shall be released in two equal instalments each year in June and October after ascertaining the entry level benchmarks and other requirements recommended by us. The States shall transfer grants-in-aid to the local bodies within ten working days of having received them from the Union Government. Any delay beyond ten working days will require the State Governments to release the same with interest as per the effective rate of interest on market borrowings/ State Development Loans for the previous year. (para 7.135)
- xiv. Since health grants are meant for addressing the gaps in primary health infrastructure, the allocations would not be on a per capita basis for States or for local governments. Based on the MoHFW proposal, the recommended year-wise State-wise fund allocation for this purpose is provided. The MoHFW shall closely coordinate with respective State Governments and work out a mechanism for flow and utilisation of these health grants and also involve panchayati raj institutions at all three levels by entrusting them with the responsibility to supervise and manage the delivery of health services in a phased manner. No conditions or directions other than those indicated in para 7.147 should be imposed either by the Union or the State Governments, or any authority, for releasing the grants for health. (para 7.136 to 7.147)
- xv. A sum of Rs.8,000 crore is recommended to States as grants for incubation of new cities and Rs.450 crore for facilitating shared municipal services. (para 7.148 to 7.154)
- xvi. Since the ceiling for professions tax has not been revised for the last three decades, it is time that the relevant amendment to the Constitution is carried out on a priority basis. (para 7.155 and 7.156)

Annexure-VII

STATUS OF FIFTH STATE FINANCE COMMISSION RECOMMENDATIONS

Sl. No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
CHAPTER-III						
STATUS OF IMPLEMENTATION OF FOURTH SFC'S RECOMMENDATIONS						
1	1	3.11 (i)	The Departments concerned must take follow up action on the pending recommendations of the Fourth State Finance Commission and ensure compliance in accordance with the Explanatory Memorandum submitted in the Assembly. (Annexure – III (3)) (para 3.7)	Accepted	Partially Implemented	1) MA&WS 2) RD&PR
2	2	3.11 (ii)	The recommendations of the Fourth SFC regarding strengthening the existing FC wing in the Finance Department and forming exclusive sections in RD & PR and MA&WS departments to deal with the subjects relating to SFCs are reiterated. (para 3.8)	Accepted	Implemented	1) MA&WS 2) RD&PR

Sl. No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
3	3	3.11 (iii)	A permanent SFC cell should be formed in Finance Department similar to the Kerala model to deal with the issues relating to State Finance Commissions. (para 3.9)	Accepted	Not Implemented	--
4	4	3.11 (iv)	The data collected by the Commission should be taken up for further analysis and after the report of the Commission is laid on the table of the Legislative Assembly, the Report and the study Reports specifically prepared by the expert bodies at the behest of the Commission should be hosted on the tn.gov.in website. (para 3.11)	Accepted	Not Implemented	--

CHAPTER-IV
ASSESSMENT OF FINANCES OF RURAL LOCAL BODIES

House Tax						
5	5	4.32 (i)	The recommendations of Third SFC and Fourth SFC to revise the unit measurement in square decimetre into square metre under Schedule I of the Act is reiterated. (para 4.25)	Accepted	Not Implemented	RD&PR
Sl. No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
6	6	4.32 (ii)	The recommendation of Fourth SFC, that the quinquennial revision of House Tax in respect of all Village Panchayats be brought forward to a common date i.e. 1 st April 2013 through appropriate amendments to the Act and Rules so as to ensure that Village Panchayats do not postpone or not revise House Tax, is reiterated. (para 4.32)	Accepted	Not Implemented	RD&PR
7	7	4.32 (iii)	The recommendation of Fourth SFC that the Government in RD & PR Department shall take up the issue with Ministry of Rural Development of Government of India for levying service charges on Central Government properties is reiterated. (para 4.32)	Accepted	Not Implemented	RD&PR
8	8	4.32 (iv)	To enhance house tax collection, the following measures should be taken: (para 4.28)			
		4.32 (iv) (a)	GPS, GIS techniques are to be used for tax assessment.	Accepted	Under Process	RD&PR
9	9	4.32 (iv) (b)	Hand billing machines should be used for House Tax collection.	Accepted	Not Implemented	RD&PR

Sl. No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
10	10	4.32 (iv)(c)	Slab system should be introduced for various types of houses to have transparent and non discretionary levy.	Accepted	Not Implemented	RD&PR
11	11	4.32 (iv)(d)	Unassessed buildings should be brought under tax net by comparing with list of electricity service connections and Commercial Taxes registration list.	Accepted	Not Implemented	RD&PR
12	12	4.32 (iv)(e)	The minimum rate of House Tax may be revised to Rs.100 per annum.	Accepted	Not Implemented	RD&PR
13	13	4.32 (iv)(f)	Windmills, lands and buildings on which cell phone towers are erected should be taxed at rates applicable to commercial buildings as per Explanation II to Schedule I under Section 172 of the Tamil Nadu Panchayats Act and this should be enforced. (para 4.30)	Accepted	Implemented	RD&PR
14	14	4.32 (v)	Tribunals should be constituted at the district level to settle issues on tax assessments and the Block Development Officer (Village Panchayats) should function as an arbitral authority and the Assistant Director (Panchayat) should act as the appellate authority. (para 4.28)	Accepted	Not Implemented	RD&PR

Profession Tax					
15	15	4.37 (i)	State Government should take up with the Government of India the early passage of the necessary Constitutional amendments to increase the ceiling on Profession Tax and simplify the process of raising the limit in future as recommended by the 14 th CFC. (para 4.34)	Accepted	Under Process
16	16	4.37 (ii)	State and Central Government agencies like the Commercial Taxes Department, Labour and Employment Department, Employee Provident Fund Organization and professional self regulating organizations should co-ordinate and co-operate with local bodies to enable more effective collection of Profession Tax. (para 4.36)	Accepted	Under Process
					1) CT&R
					2) RD&PR
					3) Labour & Employment

20	20	4.42 (iv)	Rural Local Bodies should be allowed to collect tax for all types of advertisements including wall paintings / writings, posters, banners and flex boards. (para 4.41)	Accepted	Not Implemented	RD&PR
21	21	4.42 (v)	As per the existing rules, the license for advertisement is granted for 3 years and the collection of tax is by every half year. Licensing for shorter periods could also be considered. The revision of tax should be done annually with an upward revision of atleast 5 percent per year. (para 4.41)	Accepted	Not Implemented	RD&PR
Non Tax Revenue						
22	22	4.46	Assets including buildings of Village Panchayats lying vacant and unused should be identified, renovated and rented out to augment revenue. (para 4.45)	Accepted	Not Implemented	RD&PR
Water charges						
23	23	4.52 (i)	Village Panchayats should be encouraged to enhance water charges by including enhancement of water charges as one of the factors based on which allocation from the capital Grant Fund /Pooled Fund for Deficit RLBs would be considered. (para 4.52)	Accepted	Implemented	RD&PR

24	24	4.52 (ii)	Measures to improve collection of water charges should be undertaken including through fixing water meters and tracking down illegal connections. Water meters should be made mandatory for all house service connections and water charges should be collected on the basis of actual consumption. (para 4.51)	Accepted	Not Implemented	RD&PR
25	25	4.52 (iii)	The quantum of water supplied under CWSS to Village Panchayats should be measured by bulk meters to be installed by TWAD Board, out of the special allocation recommended by the Commission. (para 4.48)	Accepted	Partially Implemented	RD&PR
26	26	4.52 (iv)	Village Panchayats should be permitted to establish water purifying units and to sell such purified water to the public at cost. (para 4.51)	Accepted	Implemented	RD&PR
Dangerous and Offensive (D&O) Trades License Fees						
27	27	4.54	The recommendation of the Fourth SFC to change the nomenclature of D&O Trade License fees as Trade License fees as in the case of the Greater Chennai Corporation is reiterated. (para 4.53)	Accepted	Not Implemented	RD&PR

Bus Stand fees						
28	28	4.57	Bus stand fees may be revised by 50%. (para 4.56 and para 5.122)	Accepted	Not Implemented	1) RD&PR 2) Home
Building Plan and Layout Approval Fee						
29	29	4.63 (i)	A special Country Planning Unit may be created at the district level to provide technical support for the grant of layout and building plan approvals in rural areas. (para 4.60)	Accepted	Not Implemented	RD&PR
30	30	4.63 (ii)	Regularization of unapproved layouts based on certain norms should be expedited to ensure that local bodies receive revenue.Necessary regulatory and legal measures must also be taken to ensure that the problem of unapproved layouts does not recur. (para 4.61)	Accepted	Implemented	RD&PR
31	31	4.63 (iii)	The fees for Building Plan and Layout approval should be revised at the earliest. (para 4.62)	Accepted	Not Implemented	RD&PR

Pooling of Assigned Revenue					
32	32	4.74 (i)	Since Entertainment Tax is expected to be subsumed under the Goods and Services Tax in Tamil Nadu and 101 st Constitution Amendment permits levy and collection of Entertainment Tax by Local Bodies, Government of Tamil Nadu should enact necessary legislation to enable Local Bodies to levy, collect and appropriate Entertainment Tax. (para 4.66)	Accepted	Implemented
33	33	4.74 (ii)	Pooling of Assigned Revenues viz. Surcharge on Stamp Duty and Entertainment Tax must be done away with. The Assigned Revenues should be distributed to the Local bodies based on the place where they actually accrue, after deduction of cost of collection. (para 4.73)	Accepted	Not Implemented
34	34	4.74 (iii)	The recommendation of Third SFC and Fourth SFC to levy surcharge on Stamp Duty on documents relating to (i) Agreement (ii) Power of Attorney (iii) Release of benami right (iv) Release of right in favour of partners and (v) Settlement is again reiterated. (para 4.67)	Accepted	Not Implemented
					1) CT&R
					2) RD&PR

35	35	4.74 (iv)	Surcharge on Stamp Duty should be levied on registration of "Construction Agreements" and "Settlement among Family Members" to augment revenue to the local bodies. (para 4.68)	Accepted	Not Implemented	1) CT&R 2) RD&PR
36	36	4.74 (v)	Separate receipt head of account should be indicated under the major head "0030 Stamps and Registration fees" for remitting the Surcharge on Stamp Duty. (para 4.69)	Accepted	Not Implemented	1) CT&R 2) RD&PR
37	37	4.74 (vi)	The details of collection of Surcharge on Stamp Duty should be shared to the local bodies concerned and the District Collector by the Registration Department. (para 4.69)	Accepted	Not Implemented	1) CT&R 2) RD&PR
Shared Revenue / Fishery Rental						
38	38	4.77 (i)	The timely release of the Panchayat share of the proceeds of fishery rentals from Panchayat Unions and Public Works Department tanks should be regularly monitored by the District Collectors and the Director of Rural Development and Panchayat Raj (para 4.76).	Accepted	Not Implemented	1) RD&PR 2) Animal Husbandry
39	39	4.77 (ii)	The process of the auctions should be carefully monitored and it should be ensured that upset prices are fixed on a	Accepted	Implemented	1) RD&PR

			realistic basis and auctions are not confirmed whenever collusive bidding to keep auction prices down artificially is suspected. (para 4.76)			2) Animal Husbandry
Social Forestry						
40	40	4.82 (i)	A simple procedure should be evolved to release the share of social forestry sale proceeds to the Village Panchayat in time, such that sanction for the release is accorded at the District Level itself and the funds are transferred to Panchayats as electronic credits (para 4.80).	Accepted	Not Implemented	RD&PR
						E&F
41	41	4.82 (ii)	Taking up social forestry plantation works under MGNREGS could be considered, but in such cases, the deduction of wage costs by the Forest Department would not be justified. The entire sale proceeds should be transferred to the Village Panchayat. (para 4.81)	Accepted with modification. If the expenses are incurred by Forest Department like watch and ward that can be deducted.	Not Implemented	RD&PR
						E&F
Mines and Minerals						
42	42	4.92 (i)	A separate receipt head of account to be opened, only for the remittance of lease rent and seigniorage fees of minor minerals intended to be apportioned to the local bodies. (para 4.86)	Accepted	Not Implemented	1) RD&PR
						2) Industries

43	43	4.92 (ii)	The proportion of revenue from minor minerals to be shared with local bodies should be fixed at 60 percent to leave the government with an incentive to levy and collect this revenue more effectively and at higher rates. (para 4.91)	Accepted	Not Implemented	1) RD&PR 2) Industries
44	44	4.92 (iii)	60 percent of the revenue from sand quarrying should also be transferred to local bodies on the same basis as other minor mineral based revenue, i.e., 75 percent to the local body where the quarry is located and 25 percent to be distributed by the District Collector to the neighbouring local bodies that are impacted by quarrying activity. (para 4.88)	Accepted	Not Implemented	1) RD&PR 2) Industries
45	45	4.92 (iv)	The release mechanism for the share of the Village Panchayats should be changed and 75 percent of the entitlement of the Panchayat based on the previous year's collection should be released in advance to overcome delays. The advance release can be adjusted against actual collection subsequently. (para 4.89)	Accepted with modification that the release mechanism should be centralised and done by the HoD for prompt settlement.	Under Process	1) RD&PR 2) Industries

Track Rent on Optical Fibre Cable feeders						
46	46	4.95 (i)	The Government should take necessary action to resolve the legal issues regarding collection of track rent on OFC feeders and Cable Television cables at the earliest to enable local bodies to collect track rent. (para 4.94)	Accepted	Under Process	RD&PR
47	47	4.95 (ii)	The District Collectors should arrange for surveys of the OFCs laid Village Panchayat wise and ensure that the Annual Track Rent is levied and collected as per the G.O.s in force. (para 4.94)	Accepted	Implemented	RD&PR
Electricity charges						
48	48	4.111 (i)	All the unused electricity connections of Village Panchayats should be surrendered. The Village Panchayat should ensure that electricity charges are paid only for the electricity connections used by the Village Panchayats for its functions. (para 4.110)	Accepted	Implemented	1) RD&PR 2) Energy
49	49	4.111 (ii)	TANGEDCO should raise its electricity consumption demand only after taking and recording the actual meter reading and not on a historical or ad hoc basis. (para 4.110)	Accepted	Implemented	1) RD&PR 2) Energy

50	50	4.111 (iii)	Since most of the electricity charges are incurred on water supply connections, the installation of solar powered motor pumps should be taken up wherever feasible. An energy efficiency audit of water pumps should be taken up. (para 4.110)	Accepted	Partially Implemented	1) RD&PR 2) Energy
51	51	4.111 (iv)	TANGEDCO should provide the data related to Village Panchayat current consumption charges online to facilitate timely payment and close monitoring to avoid belated payment of electricity charges. Further, TANGEDCO should use other modes of communications such as SMS to intimate the meter readings and electricity charges to the Village Panchayats. (para 4.110)	Accepted	Under Process	1) RD&PR 2) Energy
Peri Urban Panchayats						
52	52	4.123 (i)	The Tamil Nadu Panchayats Act, 1994 should be suitably amended to permit classification as Peri Urban Villages based on population and proximity to ULBs and to collect house tax at the rates on par with adjacent ULBs. (para 4.121)	Accepted	Not Implemented	RD&PR

53	53	4.123 (ii)	The recommendations of the Fourth SFC and 14 th CFC that Peri-Urban Panchayats be empowered to levy Vacant Land Tax (VLT) for house sites other than agricultural lands based on plinth area as in ULBs by amending the Tamil Nadu Panchayats Act, 1994 is reiterated. (para 4.121)	Accepted	Not Implemented	RD&PR
54	54	4.123 (iii)	Large Village Panchayats should be bifurcated based on population to solve some of the issues relating to Peri Urban Panchayats. (para 4.121)	Accepted	Not Implemented	RD&PR
District Panchayat Expenditure						
55	55	4.148	The ceiling on administrative expenditure of District Panchayats be revised as 7.5 percent of the total SFC devolution or Rs. 40 lakhs whichever is less. (para 4.146)	Accepted	Implemented	RD&PR

CHAPTER – V

ASSESSMENT OF FINANCES OF URBAN LOCAL BODIES

Tax Rates and Revisions

56	56	5.65 (i)	The target for property tax collection for ULBs should be fixed to reach 0.60 percent of GSDP by the last year of award period i.e., 2021-22. (para 5.27)	Accepted with modification that the increase may be fixed to reach 0.25% of GSDP instead of 0.60%.	Implemented	MA&WS
57	57	5.65 (ii)	The coordination between the Town Planning and Revenue Wings should be structurally strengthened through an automated work flow process with data sharing regarding planning permissions, construction and completion to ensure that properties are brought to tax promptly. (para 5.33)	Accepted	Implemented	MA&WS
58	58	5.65 (iii)	In Chennai, where the powers to permit different types of buildings are with different authorities, ranging from the	Accepted	Implemented	1) MA&WS

			Corporation to CMDA to the Government, an online link between the databases of CMDA and Corporation of Chennai would ensure a fool proof system of updation of Property Tax registers. This could be done alongside the automation and online process proposed to be introduced for Building Plan clearances in CMDA. (para 5.33)					2)Housing & Urban Development.	
59	59	5.65 (iv)	GIS mapping of all ULBs to bring left out properties to assessment should be completed in all Municipalities and Corporations. A special drive should be launched for Town Panchayats as well to cover all Town Panchayats in a phased manner during the award period. (para 5.35)	Accepted	Implemented			MA&WS	
60	60	5.65 (v)	The Computerisation of the property tax system must be speedily completed and online Self Assessment of Property Tax should be implemented with the necessary enabling amendments to the Tamil Nadu District Municipalities Act, 1920 and other City Municipal Corporations Act. (para 5.38)	Accepted	Implemented			MA&WS	
61	61	5.65 (vi)	Property Tax Clearance Certificate may be made mandatory to acquire Government benefits and to avail the service like electricity connections. (para 5.39)	Accepted	Not Implemented			MA&WS	

62	62	5.65 (vii)	Greater awareness building through IEC programmes to pay Property Tax can be undertaken, similar to the advertisement campaigns undertaken for Income Tax and Service Tax payment. The expenditure on such campaigns can be shared on a pro rata basis by the ULBs. The IEC programmes could also involve the Residents Welfare Associations, local NGOs and Chambers of Commerce. (para 5.40)	Accepted	Implemented	MA&WS
63	63	5.65 (viii)	Prompt payment rebates should be offered to encourage payment before time. (para 5.41)	Not Accepted. As the property tax etc. have to be collected in full, rebate is not possible.		
64	64	5.65 (ix)	Incentives can be given to Wards and Streets which show the best collection performance, in terms of percentage of collection by implementing small special schemes exclusively in that area. (para 5.41)	Not Accepted. As it is administratively cumbersome and such incentive may not enthruse the public.		
65	65	5.65 (x)	Penalty should be imposed for belated payments. Tax defaulters list should be published by the ULBs soon after the close of the financial year. (para 5.41).	Accepted	Implemented	MA&WS
66	66	5.65 (xi)	"Any time anywhere" remittance systems should be enabled for Property Tax in all ULBs (para 5.42)	Accepted	Implemented	MA&WS

67	67	5.65 (xii)	A mechanism should be initiated by the Commissioner of Municipal Administration to ensure that department wise and local body wise demand for Property Tax are consolidated and adequate budgetary provisions sought from the Finance Department under the relevant heads of account to prevent accumulation of arrears on State Government buildings. (para 5.43)	Accepted	Under Process	MA&WS
68	68	5.65 (xiii)	Government should take up necessary amendments to Article 285 of the Constitution to make Central Government buildings liable for Property Tax. In the interim, Ministry of Urban Development, Government of India must be impressed upon to make statutory provisions enabling levy of service charges to replace the current executive instructions which have proved ineffective (para 5.44 & 5.55)	Accepted	Under Process	MA&WS
69	69	5.65 (xiv)	Strict instructions should be issued to the Urban Local Bodies not to encourage write off of Property Tax quoting invalid reasons since properties are stationary. (para 5.46)	Accepted	Implemented	MA&WS
70	70	5.65 (xv)	The differences in the methodology of tax calculation between properties belonging to the period prior to 1993 and post 1993 should be done away with and all urban properties should be treated alike. (para 5.52)	Accepted	Implemented	MA&WS

71	71	5.65 (xvi)	An Area Based Property Assessment System should be introduced for Property Tax. The value of the property should be determined based on the guideline value of the land, the value of the building, the built up area, type and quality of construction, number of floors and its usage. The Government should mandate the adoption of the new methodology during the next revision of Property Tax.(para 5.50, 5.51 and 5.52)	Accepted	Implemented	MA&WS
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72	72	5.65 (xvii)	<p>The proposed methodology for Property Tax assessment will enable an automatic calculation of the tax to be paid based on data, some of which, like the guideline value of the land is already available online and the rest could be provided by the assessee directly, like the type of building, plinth area etc. The system of self-assessment could then be effectively utilized, with provisions for scrutiny and audit to ensure that the self-assessment has been done correctly. Filing of self-assessment return by the taxpayer was introduced in Tamil Nadu in 1998. The response from the property owners to this system has not been encouraging. The system has to be popularized by simplifying it and making it an on-line automated process, in which the tax payer would be informed about the amount due immediately on filling in the requisite details about the property. (para 5.53)</p>	Accepted	Implemented	MA&WS
73	73	5.65 (xviii)	<p>The Property Tax Board should be activated and disputes relating to valuation of property referred to the Board for speedy resolution. (para 5.54)</p>	Accepted	Under Process	MA&WS

74	74	5.65 (xix)	The list of tax exempted properties under section 81 of the District Municipalities Act, 1920 should be reviewed and minimized, specifically self financing educational institutions should be brought under the Property Tax net by suitably amending the Act. (para 5.57)	Accepted	Implemented	MA&WS
75	75	5.65 (xx)	Cell Phone towers and buildings on which such towers are situated should be assessed to Property Tax as commercial buildings with the levy based on the height and capacity of the cell phone towers. (para 5.58)	Accepted	Implemented	MA&WS
76	76	5.65 (xxi)	Despite the provisions contained in the ULB Acts, the quinquennial general revision of Property Tax has not been done since 2008 and since 1998 for some ULBs. There should be no further postponement of the general revision. In the event of further postponements of general revision, the Government should compensate the ULBs and CMWSSB for the loss of revenue. (para 5.60)	Accepted	Implemented	MA&WS

75	77	5.65 (xxii)	Section 81 (A) of the District Municipalities Act, 1920 should be seen as only a safeguard for revenue, whereby the local body is stopped from either doing away with a tax or reducing the rate of levy. Government may issue suitable instructions reiterating the above position and thereby ensure that timely general revision of taxes is carried out by the respective ULBs. (para 5.61)	Accepted	Under Process	MA&WS
Vacant Land Tax						
78	78	5.72 (i)	A systematic GIS based survey of the land, followed up with a field verification of ownership based on the relevant revenue records should be carried out. Based on the inventory of vacant land, VLT should be levied. (para 5.69)	Accepted	Implemented	MA&WS
79	79	5.72 (ii)	The basis and the rate of levy of Vacant Land Tax should be revised since the present rate of levy is not indexed to the value of the land. (para 5.71)	Accepted	Under Process	MA&WS

Betterment Levies					
80	80	5.80	Betterment levy should be implemented for urban infrastructure works undertaken by ULBs to ensure more effective land value capture on a sustainable basis, along the lines of the existing provisions under the Tamil Nadu Highways Act, 2001. (para 5.79)	Accepted	Under Process
Profession Tax					
81	81	5.86 (i)	ULBs should systematically verify the details of employees of private companies, and self-employed professionals, with reference to data that is available with other departments such as Income Tax Department, Labour Department, Provident Fund Commissioner, and professional bodies like the Bar Council, Medical Council, Institutes for Company Secretaries, Chartered Accountants, Architects etc and update the Profession Tax assesses list. (para 5.84)	Accepted	Implemented
					MA&WS

82	82	5.86 (ii)	The State Government should take up with the Government of India the early passage of the necessary Constitutional amendment to enhance or even remove the ceiling on the Profession Tax that can be levied and to simplify the process of raising the limit in future as recommended by the 14 th CFC. (para 5.85)	Accepted	Under Process	MA&WS
Advertisement Tax						
83	83	5.90 (i)	The procedure for grant of permission for hoardings and banners should be revised and the applications for permission to advertise being made to the respective Local Bodies with a requirement to remit the due fee and tax in advance, directly into the Local Bodies' accounts. The application along with the proof of payment of the due fees and tax could then be submitted to the authority competent to grant permission. (para 5.89)	Accepted	Under Process	MA&WS

84	84	5.90 (ii)	The power to grant permission could be delegated from the District Collectors to the Revenue Divisional Officers/ Sub Collectors. Local Bodies should be given enforcement powers to ensure that advertisements without due permission and payment of tax are not put up. (para 5.89)	Accepted	Under Process	MA&WS
Non-Tax Revenue						
85	85	5.98 (i)	The present executive instructions regarding regulation of lease and rent should be replaced with Statutory Rules to provide greater sanctity and certainty, allowing for more investment in creation of remunerative assets which would augment the non-tax revenue. (para 5.92)	Accepted	Implemented	MA&WS
86	86	5.98 (ii)	The development of remunerative projects like new market complexes, truck terminals, theme parks etc could be taken up jointly with Village Panchayats in areas adjoining the ULBs on a profit sharing basis. (para 5.93)	Accepted	Not Implemented	1) MA&WS 2) RD&PR
87	87	5.98 (iii)	Arrears of rent payable to ULBs for the Uzhavar Sandhais should be settled by the Cooperative Marketing Societies/ Regulated Market Committees without further delay. (para 5.95)	Accepted	Under Process	1) MA&WS 2) Agriculture

88	88	5.98 (iv)	To augment non-tax revenue, the ULBs may prepare and enforce effective parking policies and also create parking lots including multi-level car parks on PPP mode. (para 5.96)	Accepted	Under Process	MA&WS
Water Charges						
89	89	5.106	All individual water supply connections should be metered and water consumption charges should be levied on the metered supply at a rate that at least ensures the recovery of the operation and maintenance costs. (para 5.104)	Accepted	Under Process	MA&WS
Fees / Trade Licences						
90	90	5.113 (i)	The Commission reiterates the recommendation of the Fourth SFC that the Rule provisions in Schedule-V in Tamil Nadu District Municipalities Act, 1920 and the relevant schedule in respect of other Municipal Corporation Acts be amended to enable the Council to notify the list of trades and to revise the rates once in three years. The necessary amendments may be notified at the earliest. (para 5.110)	Accepted	Implemented	MA&WS

91	91	5.113 (ii)	The Commission also reiterates the recommendation of the Fourth SFC to change the nomenclature D&O trade license fee, be revised as "Trade License fee" as in the case of Chennai Corporation. (para 5.111)	Accepted	Implemented	MA&WS
92	92	5.113 (iii)	The Government may issue suitable directions to the Commissioner of Commercial Taxes to create a separate mandatory field in the application form for registration as dealers to capture the details of the trade license given by the local bodies and the payment of License fee, Property Tax and Profession Tax, as part of the GST Reform process. (para 5.112)	Accepted	Under Process	CT&R
Building License Fees						
93	93	5.118 (i)	Common building Rules should be notified at the earliest for greater clarity (para 5.117)	Accepted	Implemented	MA&WS
94	94	5.118 (ii)	All Government Buildings belonging to the State as well as Central Governments should be obligated to obtain necessary building licenses and planning permissions from the competent authority, namely ULB or Local Planning Authority or CMDA by remitting such fees as prescribed in the ULB's Bye-laws. (para 5.117)	Accepted	Implemented	MA&WS

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Action Taken	Department
Bus Stand Fees						
95	95	5.122	Bus stand fee should be increased by 50%. (para 5.121)	Accepted	Under Process	1) MA&WS 2) Home
Track Rent Fees on OFC Feeders and Cables						
96	96	5.125	The Government should take necessary action to resolve the legal issues regarding collection of track rent on OFC feeders and Cable Television cables at the earliest to enable local bodies to collect track rent. (para 5.124)	Accepted	Under Process	MA&WS
Entertainment Tax						
97	97	5.129	The Government should take urgent action to legislate and permit Local Bodies to levy and collect Entertainment Tax, in the light of new GST provisions. In Tamil Nadu's context this is very important as the entire revenue from Entertainment Tax is assigned to local bodies even though it is collected by a State Government agency. (para 5.128)	Accepted	Implemented	1) MA&WS 2) CT&R

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
Surcharge on Stamp Duty						
98	98	5.138 (i)	Pooling of Assigned Revenues including Surcharge on Stamp Duty must be done away with. The Assigned Revenues should be distributed to the local bodies based on the place where they actually accrue, after deducting cost of collection, if any. (para 5.135)	Not Accepted. The purpose is to encourage taking up some useful capital work to fulfill State priority works like roads etc. Hence existing system may continue.		
99	99	5.138 (ii)	The recommendation of the Third and Fourth SFCs to levy Surcharge on Stamp Duty on documents relating to (i) Agreement (ii) Power of Attorney (iii) Release of benami right (iv) Release of right in favour of partners and (v) Settlement is reiterated. In addition "Construction Agreements" and "Settlement among Family Members" should also be made subject to Surcharge on Stamp Duty. (para 5.137)	Accepted	Not Implemented	MA&WS
100	100	5.138 (iii)	The details of collection of Surcharge on Stamp Duty should be informed to the local bodies concerned and the District Collectors by the Registration Department. (para 5.138)	Accepted	Not Implemented	1) MA&WS 2) CT&R

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
Issuance of Municipal Bonds to augment capital revenue						
101	101	5.153	The ULBs must be encouraged to issue bonds and other debt instruments for augmenting resources for capital projects. (para 5.152)	Accepted	Not Implemented	MA&WS
CHAPTER VI						
TOWARDS STREAMLINING ACCOUNTS, AUDIT AND FISCAL DATA						
Internal Audit						
102	102	6.33 (i)	The relevant provisions of the Local Fund Audit Act, 2014 should be effectively implemented in order to ensure that the local body accounts are compiled and audited in time in order to ensure that the local bodies are able to avail of the Performance Grants under the 14 th CFC. (para 6.2 & 6.16)	Accepted	Implemented	1) MA&WS 2) LFA
103	103	6.33 (ii)	The implementation of the Municipal e-governance system which will integrate all functional department modules with the Financial Accounting Module in order to get a holistic view of the finances and operations of ULBs should be completed expeditiously. (para 6.32)	Accepted	Implemented	1) MA&WS 2) LFA

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
104	104	6.33 (iii)	The DRD & PR shall ensure effective implementation of PRIA Soft Model Accounting System with more focus on deployment of skilled human resources at critical levels training at the village level to realise the full impact and benefit of the software so that credible fiscal data is made available to all stakeholders including policy makers. DRD & PR should work towards making available the accounts of RLBs online to be viewed by the public as is being done in Karnataka. (para 6.8 to 6.11)	Accepted	Not Implemented	1) LFA 2) RD&PR
105	105	6.33 (iv)	The Government should consider, in consultation with the C & AG and Controller General of Accounts, implementing through the Central Plan Scheme Monitoring System (CPSMS) and the Integrated Financial and Human Resources Management System being implemented in TamilNadu, a mechanism of allowing local bodies to incur expenditure on the basis Personal Deposit Accounts on "Letters of Credit" mechanisms from the State Government's accounts through the Treasury system. This would improve accountability in local bodies and also ensure more efficient use of fiscal resources. (para 6.26)	Not Accepted. Existing system may continue as the recommendation may curtail freedom of local bodies. Further, keeping Village Panchayat account etc in Treasury will make their peration more difficult.		

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
106	106	6.33 (v)	The deployment of dedicated accounting staff in the Municipalities and Corporations should be expedited. (para 6.7)	Accepted	Under Process	LFA
107	107	6.33 (vi)	Tamil Nadu Institute of Urban Studies and the State Institute of Rural Development should impart intensive training to enhance the capacity of employees in key financial and e-governance issues. (para 6.7& 6.30)	Accepted	Implemented	1) MA&WS 2) RD&PR
108	108	6.33 (vii)	The Fourth SFC had also made a recommendation to introduce internal audit in urban local bodies with professional Chartered Accountants or Cost and Management Accountants through outsourcing to facilitate better accountability and to strengthen the audit and accounting systems. This recommendation is reiterated. (para 6.22)	Accepted	Not Implemented	MA&WS
CHAPTER VII						
EQUATION BETWEEN SPECIALIZED DEPARTMENTS / AGENCIES AND LOCAL BODIES						
TWAD						
109	109	7.18 (i)	The Centage charges payable to TWAD Board may be increased to 7.5 per cent for ULBs and 10 per cent for RLBs as an interim measure. (para 7.11)	Accepted with modification (i.e.) 7.5 per cent for ULBs 12 per cent for RLBs	Implemented	MA&WS RD&PR

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
110	110	7.18 (ii)	TWAD shall initiate a process of restructuring existing divisions to rationalize staff strength and enhance productivity on key functions. (para 7.11)	Accepted	Implemented	MA&WS
111	111	7.18 (iii)	Government may approve the water charges revision proposal already sent by TWAD in 2014. (para 7.12)	Accepted	Implemented	MA&WS
112	112	7.18 (iv)	TWAD should also send fresh proposals on further revision of water charges updating the costs specifically on account of electricity tariff increases. In future, revision of water tariffs should be automatically effected through a price fixation formula so that small annual increases are made which are relatively easier for the local bodies to bear as opposed to large infrequent increases in tariffs. (para 7.12)	Accepted	Not Implemented	MA&WS
113	113	7.18 (v)	An amount of Rs. 25 crores spread over the first two years of the Award period is set apart from the Capital Grant Fund for RLBs to install bulk meters for all local body bulk consumers to accurately measure the actual quantity of water supplied under the CWSS. (para 7.14 & 10.42)	Accepted	Implemented	RD&PR

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
114	114	7.18 (vi)	20% of the Pooled Funds for Deficit RLBs and ULBs, amounting to 2% of the RLB devolution and 1% of the ULB devolution may be provided to TWAD Board as a deficit correction mechanism for maintenance of CWSSs, over and above the water charges levied. (para 7.16, 7.17 and 10.47)	Accepted	Implemented	1) MA&WS 2) RD&PR
CMWSSB						
115	115	7.32 (i)	The sharing of devolution in Chennai City between CoC and CMWSSB may be modified from the present 90:10 ratio to 85:15 ratio. (para 7.30)	Accepted	Implemented	MA&WS

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
116	116	7.32 (ii)	The CMWSSB is responsible for creating infrastructure for the whole of Chennai. CMDA must also allocate funds to CMWSS Board for undertaking water supply and sewerage projects out of its Planning and Development Fund. (para 7.29 and 7.31)	Not Accepted. CMDA is allocating such funds to local bodies. CMWSSB is carrying out only one function of the local bodies. CMWSSB is also getting a share in the devolution. Hence recommendation is not accepted.		
Town and Country Planning						
117	117	7.38 (i)	Town and Country Planning authorities can devise a mechanism to train the village level staff and elected representative on existing provisions / rules for the building / layout approval to check any approval in excess of provisions / rules on building / layout approvals.(para 7.37)	Accepted	Not Implemented	1) RD&PR 2) Housing& Urban Development.

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
118	118	7.38 (ii)	The recommendation of Fourth SFC that, the reconciled and audited establishment expenditure of the Planning wing of the T&CP authorities should be borne by all the local bodies in such areas is reiterated. (para 7.36)	Accepted	Not Implemented	1) MA&WS 2) RD&PR
119	119	7.38 (iii)	The Government should take an early decision on the issue relating to regularization of unauthorized layouts. (para 7.37)	Accepted	Partially Implemented	1) Housing & Urban Development. 2) RD&PR
CMDA						
120	120	7.45 (i)	CMDA should positively consider allocation of more funds for provision of infrastructure and civic amenities in local bodies in proportion to the resources raised from the properties that fall within these ULBs. (para 7.43)	Accepted	Implemented	Housing & Urban Development.
121	121	7.45	CMDA should initiate action to provide	Accepted	Implemented	1) RD&PR

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
		(ii)	more trained or qualified town planning staff both in Urban Local Bodies and at the Panchayat Union level in Rural Local Bodies. Local Body clearances should be accorded only after the requisite technical scrutiny of the planning permission applications. A mechanism of fixing responsibility on the architects who prepare such planning permission proposals should also be ensured, as they are professionals who would be bound by a professional code of conduct. (para 7.44)			2) Housing& Urban Development.
TNSCB						
122	122	7.50 (i)	The TNSCB should work out Public Private Partnership models which would enable the creation of affordable housing stock, both on ownership and rental models, where the Government or Government entities, including Urban Local Bodies can participate through provision of land as their equity contribution. (para 7.49)	Accepted	Under Process	Housing& Urban Development.
123	123	7.50 (ii)	The Government have announced the Shelter Fund in the Budget 2016-17, it should be put in to operation at the earliest. (para 7.49)	Accepted	Under Process	Housing& Urban Development.

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
119	124	7.50 (iii)	TNSCB should work out alternative managerial models that can be attempted to ensure that affordable housing apartment blocks cater to the truly deserving and at the same time remain well maintained and financially sustainable. Such models through the Shelter Fund and the Tamil Nadu Infrastructure Fund Management Corporation (TNIFMC) should be operationalised early. The existing schemes available under the Government of India's Housing For All programme also need to be fully converged. (para 7.49)	Accepted	Under Process	Housing& Urban Development.
Tamil Nadu Rural Road Development Fund						
125	125	7.56	The improvement of 2500 km of local body roads to ODR standards may be taken up as a priority by Panchayat Unions through the Capital Grant Fund, with an allocation of Rs. 100 crore per year for this purpose. (para 7.55 and 10.42)	Accepted	Implemented	1) Highways 2) RD&PR
TNPCCB						

Sl.No.	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
126	126	7.60 (i)	The recommendation of the Fourth SFC that levy of Water Cess for water used for domestic purposes should be withdrawn through a State Amendment to the Water (Prevention and Control of Pollution) Cess Act, 1977 is reiterated. (para 7.58)	Accepted	Not Implemented	1) MA&WS 2) E&F
127	127	7.60 (ii)	In the meantime, the Pollution Control Board shall examine the possibility of releasing the Water Cess collected on domestic water supply to the local bodies or the agency operating the water supply system, for use for environmental upgradation efforts. (para 7.58)	Not Accepted. In the other recommendation water cess on domestic use is proposed for withdrawal. This is also accepted. Therefore this recommendation pertains to arrear and amount involved is not much. Hence not accepted.		

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
128	128	7.60 (iii)	Appropriate solid waste management fees should be levied on the owners or managers of large residential, commercial, educational, medical and industrial complexes based on biodegradable, non-biodegradable waste generation and disposal of debris in order to reduce solid waste generation. (para 7.59)	Accepted	Implemented	1) MA&WS 2) E&F
TEDA						
129	129	7.63 (i)	A portion of the Capital Grant Fund should be set apart for meeting the cost of the capital investment required towards establishing local renewable energy generation facilities, including solar panels, wind energy and bio-methanation plants. (para 7.61)	Accepted	Not Implemented	MA&WS RD&PR
130	130	7.63 (ii)	Solar powered drinking water pumping facilities wherever feasible should be encouraged. (para 7.62)	Accepted	Not Implemented	1) MA&WS 2) RD&PR 3) Energy

Public Libraries						
131	131	7.67	The DRD, DTP, CMA and Commissioner, Corporation of Chennai may be advised to clear pending dues of library cess as per the audited accounts at the earliest as a statutory due. (para 7.65)	Accepted	Implemented	1) MA&WS
						2) School Education
						3) RD&PR
HR & CE						
132	132	7.70 (i)	The Fourth SFC's recommendation that the HR & CE Department / Temples should meet at least 50 percent of the cost incurred on provision of civic services even for non-notified festivals is reiterated. In case a particular temple does not have a surplus, the Commissioner, HR & CE should arrange to make payments to the Local Body from the overall surpluses available with them. (para 7.69)	Accepted with modification that the temple with sufficient resources must share the expenses.	Not Implemented	MA&WS
						RD&PR
						Tourism

133	133	7.70 (ii)	The Commission also recommends in order to ensure proper coordination regarding provision of amenities and to ensure that public safety concerns are effectively addressed, more festivals which see large numbers of pilgrims should be notified by HR&CE Department. (para 7.69)	Accepted	Not Implemented	Tourism
CHAPTER – X						
SCHEME OF DEVOLUTION						
What Constitutes States Own Tax Revenue						
134	134	10.12	The net SOTR for the award period may be determined by permitting the following deductions from gross SOTR: (i) Surcharge on Stamp Duty of RLBs/ULBs provided in the expenditure budget, if not already deducted under the receipt major head (ii) Cost of collection for the major tax items – Commercial Taxes, State Excise, Stamps and Registration and Motor Vehicles Tax iii) Other surcharges, if any. (para 10.6, 10.7 and 10.8)	Accepted	Implemented	Finance
135	135	10.14	The cumulative arrears of Rs.156.90 crore for RLBs and Rs. 395.11 crore for ULBs be added to the divisible pool in the first year of the award period, i.e. 2017-18 and released to the respective local bodies as per the devolution scheme recommended. (para 10.13)	Accepted with modification that the cumulative arrears be considered for release in three equal instalments commencing from 2017-18.	Implemented	Finance

Implications of Implementation of GST					
136	136	10.21 (i)	The State Government should compensate Local Bodies for loss of Entertainment Tax revenue in case a separate legislation enabling local bodies to collect Entertainment Tax is not passed. This compensation should extend to 90 per cent of the State GST collected on Entertainment Services and be distributed on the destination principle. (para 10.19)	Not Accepted. As the proposal is likely to be cleared by Government for authorising local bodies themselves to levy Entertainment Tax, the hypothetical situation pictured by SFC may not arise.	
137	137	10.21 (ii)	In the event there is a loss in State Tax collection due to the introduction of GST and the Government of India also agrees to compensate States for loss in devolution from the Union divisible pool of taxes to the States on implementation of GST, in addition to the losses in State's tax revenue, then on a paripassu basis, the State should share 10 per cent of the compensation that it receives from the Centre for the shortfall in revenue collections of the State due to introduction of GST, with the Local Bodies. (para 10.20)	Accepted	Finance
				Implemented	

Interceptions and Deductions from Devolution						
138	138	10.28	The practice of deducting funds from the devolution beyond the purposes and mechanisms recommended by the SFC should be eschewed. Interception from devolution should be exercised only as a last resort measure and only to meet statutory dues, court ordered dues, loan dues, pension dues, and in exceptional cases, electricity and water supply related charges. Even in such cases, interception of SFC devolution should be only to the extent of devolution due to that particular local body, without affecting the devolution flowing to other local bodies. (para 10.22 – 10.27)	Accepted	Implemented	Finance
Global Sharing						
139	139	10.33	The existing overall vertical devolution proportion of 10 per cent of the net State’s Own Tax Revenue (SOTR) may be retained for the award period of the Commission. (para 10.31 and 10.32)	Accepted	Implemented	Finance
Vertical Sharing Ratio between Rural and Urban Local Bodies						
140	140	10.39	A 56:44 sharing ratio between RLBs and ULBs may be adopted. (para 10.39)	Accepted	Implemented	Finance

Capital Grant Fund for Rural Local Bodies						
141	141	10.41	A Capital Grant Fund may be established to replace the IGFF, into which 20 per cent of the aggregate devolution intended for RLBs would be paid. Of this Fund, 20 per cent would be set apart for taking up projects which are deemed to be of importance at the State level. These works may be identified and approved by a Committee comprising the Secretary, Rural Development and Panchayati Raj, Director of Rural Development, a representative of the Finance Department and Member Secretary, State Planning Commission. The balance 80 per cent would be distributed district wise, based on the formula adopted for horizontal distribution amongst District Panchayats. The allocation of these funds project wise would be decided by the District Planning Committee based on detailed guidelines to be issued by the RD & PR Department in consultation with Finance and Planning and Development Departments. (para 10.40)	Accepted	Implemented	Finance

142	142	10.42	<p>The following items may be accorded priority in sanction from the Capital Grant Fund for RLBs :</p> <p>i) Improvement of 2500 km of local body roads to ODR standards may be taken up as a priority by Panchayat Unions through the enhanced Infrastructure Gap Filling Fund/Capital Grant Fund, with an allocation of Rs.100 crore per year for this purpose. (para 7.55)</p> <p>ii) An amount of Rs. 25 crores spread over the first two years of the Award period be set apart from the Capital Grant Fund to install bulk meters for all RLB bulk consumers to accurately measure the actual quantity of water supplied under the CWSS. (para 7.14)</p> <p>iii) An amount of Rs. 309 crores for revamping of Old CWSSs which are not functioning to full capacity to provide additional water supply to rural areas. (para 7.15)</p>	Accepted	<p>Implemented</p> <hr/> <p>Implemented</p> <hr/> <p>Implemented</p> <hr/> <p>Implemented</p>	Finance
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Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
Pooled Fund for Deficit RLBs						
143	143	10.45	<p>10 per cent of the overall devolution intended for RLBs be credited into a Pooled Fund for Deficit RLBs. 40 per cent of the amounts available in this Fund, i.e. 4 per cent of the overall devolution intended for RLBs, may be disbursed in the first three years of the award period by the DRD only amongst those Panchayat Unions and Village Panchayats which have been in deficit for at least 3 of the last 5 years. The list of such 127 Panchayat Unions and 3921 Village Panchayats is too bulky to be annexed to the report and will be provided separately to DRD. The distribution amongst these deficit RLBs will follow the vertical and horizontal distribution formulae indicated for Panchayat Unions and Village Panchayats.</p> <p>After the first three years of the Award period, the list of deficit RLBs may be updated on the basis of the accounts for the subsequent years and the distribution may be done amongst those RLBs which are still found to be deficit. In case there are no deficit RLBs at that stage, the funds available in the Pooled Fund or if the total funds available in the Pooled Fund exceed 100 percent of the basic devolution including the minimum lump sum grant of the deficit RLBs, then such excess funds may be transferred to the Capital Grant Fund. (para 10.45)</p>	Accepted	Implemented	Finance

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
144	144	10.46	40 per cent of the Pooled Fund for Deficit RLBs, should be allocated with 20 per cent retained by the DRD and 20 per cent distributed amongst District Collectors based on the horizontal District Panchayat wise share. These Funds can be utilized by the DRD/District Collectors to provide grants to those Village Panchayats and Panchayat Unions who have special problems which cannot be addressed under any of the existing transfer mechanisms or schemes. (para 10.46)	Accepted	Implemented	Finance
145	145	10.47	TWAD provides a basic service as an agent of RLBs / ULBs. It also incurs a huge deficit in the maintenance of CWSSs. A provision of sharing the devolution between Chennai Corporation and CMWSSB has been made separately. Accordingly, the Commission recommends that 20% of the Pooled Fund for Deficits RLBs i.e. 2% of the RLB devolution will be provided to TWAD to meet the deficit on CWSSs in addition to the water charges levied and collected from RLBs. (para 7.17)	Accepted	Implemented	Finance

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
146	146	10.48	Since the Capital Grant Fund and Pooled Fund for Deficit RLBs provide the necessary tools to address equity and flexibility concerns and to meet important requirements that may not be prioritized by individual RLBs, the practice of deducting funds from the devolution intended for RLBs must be scrupulously avoided. (para 10.22)	Accepted	Implemented	Finance
Vertical Sharing Ratio between Tiers of RLBs						
147	147	10.50	The vertical sharing ratio between RLBs may be determined as 8:37:55 amongst District Panchayats, Panchayat Unions and Village Panchayats. (para 10.49)	Accepted	Implemented	Finance
Minimum Lumpsum Grant						
148	148	10.51	The minimum lumpsum grant may be increased from Rs.5 lakh to Rs.7 lakh per Village Panchayat per year. (para 10.51)	Accepted	Implemented	Finance
149	149	10.52	The Minimum Lump Sum Grant to Panchayat Unions may be increased to Rs. 40 lakhs per annum per Panchayat Union to be released on a monthly basis out of the 37 per cent share of Panchayat Unions in the SFC devolution. (para 10.52)	Accepted	Implemented	Finance

Horizontal Ratio within each Tier of RLBs							
150	150	10.60	The horizontal distribution of the SFC devolution to Rural Local Bodies may be done on the basis of the following formula:		Accepted	Implemented	Finance
			Sl. No .	Criterion	Weight		
			1	Population as per 2011 Census	60 per cent		
			2	Area	15 per cent		
			3	Scheduled Caste / Tribe Population	15 per cent		
			4	Per Capita Consumption Expenditure Distance	10 per cent		
				Total	100 per cent		

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
Incentive Fund						
151	151	10.67	<p>Out of the aggregate devolution intended for ULBs, 5 per cent may be set apart for the incentive fund. ULBs who have actually improved their Property Tax collection by more than 20 per cent may be made eligible to receive the incentive amount as a matching share of the collection in excess of 10 per cent growth rate. This incentive will be paid out based on the audited tax collection figures provided by the Director of Local Fund Audit. In case, many ULBs qualify and the amount payable as incentive exceeds the size of the fund, the incentive payable ULB wise will be adjusted on a pro rata basis to fit within the size of the fund available for that year. In case no ULBs qualify, the incentive amount will be carried over into the next year. At the end of the award period, any undisbursed incentive amount will lapse to the Government Account. (para 10.66)</p> <p>Accepted with modification that at the end of award period, any undisbursed incentive amount will not lapse to the Government Account but will be made available to the HOD for his further use in subsequent years to carry out works relating to amenities and infrastructure.</p>	Accepted with modification that at the end of award period, any undisbursed incentive amount will not lapse to the Government Account but will be made available to the HOD for his further use in subsequent years to carry out works relating to amenities and infrastructure	Implemented	Finance

Special Grant to Tamil Nadu Institute of Urban Studies					
152	152	10.69	<p>A special grant of Rs. 25 crores may be provided to TNIUS to be distributed in equal annual installments over the award period out of the aggregate devolution for ULBs in Tamil Nadu. TNIUS should also open the regional centres in the first phase itself, if need be in rented premises or by co-locating with other government training institutions, so that capacity building activities for ULB elected representatives and staff can be taken up without delay. (para 10.68)</p>	Accepted	Implemented
					Finance

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department																		
Vertical Sharing Ratio between the Tiers of ULBs																								
153	153	10.73	<div>The following devolution formula may be adopted for both the vertical sharing between tiers and horizontal sharing within the tier for ULBs: (para 10.72)</div> <table><thead><tr><th>Sl. No.</th><th>Criterion</th><th>Weight</th></tr></thead><tbody><tr><td>1</td><td>Population as per 2011 Census</td><td>65 per cent</td></tr><tr><td>2</td><td>Area</td><td>15 per cent</td></tr><tr><td>3</td><td>Per Capita Consumption Expenditure Distance</td><td>10 per cent</td></tr><tr><td>4</td><td>Proportion of Slum Population</td><td>10 per cent</td></tr><tr><td></td><td>Total</td><td>100 per cent</td></tr></tbody></table>	Sl. No.	Criterion	Weight	1	Population as per 2011 Census	65 per cent	2	Area	15 per cent	3	Per Capita Consumption Expenditure Distance	10 per cent	4	Proportion of Slum Population	10 per cent		Total	100 per cent	Accepted	Implemented	Finance
Sl. No.	Criterion	Weight																						
1	Population as per 2011 Census	65 per cent																						
2	Area	15 per cent																						
3	Per Capita Consumption Expenditure Distance	10 per cent																						
4	Proportion of Slum Population	10 per cent																						
	Total	100 per cent																						
Minimum Lumpsum Grant																								
154	154	10.77	The Minimum Lump Sum Grant for Town Panchayats may be enhanced from Rs 20 lakh to Rs 30 lakh. (para 10.76)	Accepted	Implemented	Finance																		

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
Capital Grant Fund for ULBs						
155	155	10.80	A Capital Grant Fund may be established to replace the IGFF, into which 15 per cent of the aggregate devolution intended for ULBs tier wise would be paid. This Fund, which would have three parts corresponding to each tier of ULB, would be utilized to support capital works linked to basic functions and services in the ULBs. Sanctions for works would be accorded based on guidelines to be issued by Government and subject to approval of an empowered committee in order to minimize delays in according administrative sanction. (para 10.78 and 10.79)	Accepted	Implemented	Finance

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
156	156	10.81	In Chapter V, a recommendation had been made that Rs 35 crores would be allocated for implementing a GIS Based Property Tax assessment scheme in Town Panchayats. Given the importance of this initiative to enhance revenues of Town Panchayats, they should be willing to take up the scheme out of their own funds. However, to enable centralized co-ordination, it is recommended that the Rs. 35 crores may be allocated in equal installments over the five year award period from out of the Capital Grant Fund for Town Panchayats as a special grant for completing GIS based mapping and field enumeration in all Town Panchayats for updating Property Tax Registers. (para 5.37)	Accepted	Implemented	Finance
157	157	10.82	In Chapter VII a recommendation was made that the revival of outlived CWSSs could be taken up as a priority work under the Capital Grant Fund. Accordingly, the share of the cost of ULBs is Rs. 70.13 crores for Corporations, Rs. 81.10 crores for Municipalities and Rs. 129.15 crores for Town Panchayats. This project is for implementation under the respective CGFs. (para 7.15)	Accepted	Implemented	Finance
Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
Pooled Fund for Deficit ULBs						

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
158	158	10.84	5 per cent of the overall devolution intended for ULBs be impounded into a Pooled Fund for Deficit ULBs subsuming the Operation and Maintenance Gap Filling Fund. 40 per cent of the Fund, i.e., 2 per cent of the devolution amounts tier wise should be disbursed in the first three years of the award period by the DMA and DTP respectively only amongst those Corporations, Municipalities and Town Panchayats which have been in deficit for at least 3 of the last 5 years based on audited accounts. The distribution amongst these deficit ULBs will follow the horizontal distribution formula for ULBs. After the first three years of the Award period, the list of deficit ULBs may be updated on the basis of the accounts for the subsequent years and the distribution may be done amongst those ULBs which are still found to be deficit. In case there are no deficit	Accepted with modification that the O&MGFFIs to be increased to 5% and the existing practice will continue.	Implemented	Finance

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
			ULBs at that stage, the funds available in the Pooled Fund or if the total funds available in the Pooled Fund exceed 100 percent of the basic devolution including the minimum lump sum grant of the deficit ULBs, then such excess funds may be retained by the DMA and DTP along with the balance 50%.			
159	159	10.85	Out of another 40 per cent of the Pooled Fund for Deficit ULBs (i.e. 2 per cent of the devolution to ULBs tier wise) 30 percent (i.e. 1.5 percent of devolution) will be retained by the DMA and DTP. These Funds can be utilized by the DMA / DTP to provide grants to those ULBs who have special problems which cannot be addressed under any of the existing transfer mechanisms or schemes. The first priority under this fund should be accorded to settling electricity and water supply dues. The unutilized portion of the Pooled Fund can be transferred to the Capital Grant Fund. (para 10.83)	Accepted with modification that the O&MGFF is to be increased to 5% and the existing practice will continue.	Implemented	Finance

Sl.No	Sl. No. (ATR)	Para No.	Gist of Recommendations	Decision taken by the State Government	Current Status of implementation	Department
160	160	10.86	TWAD maintains CWSSs for both RLBs & ULBs. Hence, a special provision needs to be made for TWAD from out of ULB allocation as well. Accordingly, 20% of the Pooled Fund for Deficit ULBs (i.e., 1% of the devolution intended for ULBs) should be provided to TWAD to meet the deficits on CWSSs maintenance, in addition to the water charges payable by the respective ULBs. (para 10.86)	Accepted with modification that the O&MGFF is to be increased to 5% and the existing practice will continue.	Implemented	Finance
CHAPTER XI						
RECORDING OF BEST PRACTICES						
Bio / Vermi Composting						
161	161	11.50	The best practices adopted in civic services by some of the local bodies indicated should be tried by other local bodies as well. The Heads of Departments concerned and the District Collectors should take initiatives to follow the best practices proved successful wherever possible through IEC.	Accepted	Partially Implemented	MA&WS

Annexure-VIII

Best Practices

Solid Waste Management in Coonoor Municipality

For effective solid waste management, bin-less doorstep collection of waste has been segregated into dry, wet and domestic hazardous.

Wet Waste Management

A Micro Composting Centre was set up near the Farmer's Market in 2019 to deal with the wet waste generated for 4 tonne capacity. A 12.35 acre municipal dumpsite was converted it into a Waste Management Park housing a Resource Recovery Centre, a Fish and Poultry Waste Management Unit and a Fecal Sludge Treatment Plant. A Biomedical Waste Collection Centre has been setup in the year 2001 for Biomedical Waste Management in the District.



Wet Waste Composting Facility at Micro Composting Centre



Waste Management Park

Domestic Hazardous Waste Management

The NGO Clean Coonoor through funding from interested individuals set up a 100-200 kg capacity baler to deal with plastic and paper waste. A 800 kg High Temperature No-Fuel Burner equipped with a scrubber and carbon sequestration sump, to deal with Domestic Hazardous waste such as Diapers, Sanitary pads and such was also erected.



Construction of (Experimental) Plastic Retaining Wall at MICRO COMPOST CENTRE

The municipality has constructed a demonstration wall innovatively with baled plastic being used as building blocks. Usage of plastic bales enmeshed in Gabion wire can be used to construct emergency revetment structures.

Dry Waste Management

To handle the dry waste, a Public-Private Partnership named Resource Recovery Centre has been signed between the Coonoor Municipality and the NGO Clean Coonoor. The Coonoor Municipality collects the waste at doorstep and transports the same to the Resource Recovery Centre, which is operated by Clean Coonoor, which performs the following functions:

- i. 100% handling of all dry waste delivered.
- ii. Achieving and maintaining Recyclables Recovery Rate of 50%.
- iii. Zero Landfill.
- iv. Safe disposal of E-Waste.



The fully operational Resource Recovery Centre

In the Resource Recovery Centre, the dry waste is re-sorted into recyclables and non-recyclable streams. The recyclables are grouped basically under plastics, paper, leather and rubber goods, glassware

and e-waste are further separated into 19 sub-streams to facilitate good recycling practices. Non recyclables are classified into Inerts (silt,rubber,etc.), which is used as a soil ameliorant and Incinerables (DHWs, Rags and such) are disposed of by burning in the High Temperature No-Fuel Burners. Ash generated in the last process is used as a bulking agent in composting of fish and poultry waste.

To improve natural carbon sequestration, the NGO has planted a little over an acre of an emptied landfill cell with native grass which stores most of its carbon underground and developed a butterfly breeding park and made the ornamental garden around the Resource Recovery Centre bee-friendly.



Fish and Poultry Waste Disposal

A fish and poultry waste processing centre was set up to manage wet wastes that are generated during tourism spikes and by forecasting future needs. The NGO pulverize the wet waste for easy decomposition and the method adopted to compose is frequently turned windrows. The innoculum used is cow dung slurry and the composting time will be around 30-40 days for each batch instead of expected 60 days.

Paverblock Road at Nagercoil City Municipal Corporation

Nagercoil City Corporation located in Kanniyakumari District receives heavy rainfall during North East and North West monsoons every year. Due to very heavy rainfall received every six months in a year, it affects the road very badly. Hence, the Highways, Research and Development Department initiated laying of Paver blocks and cement concrete pavement at both the sides of the roads (for strengthening), which absorbs rain water and prevents stagnation of rain water in the roads, resulting in no damage of roads due to stagnation of rain water.



Paverblock road with cement concrete at the pavement in the street of Nagercoil

Paverblock road was successfully laid in the areas of municipality, town panchayat, village panchayat and in Nagercoil Corporation. Some of the State roads maintained by Highways at Aralvaimozhi, Thovallai, etc. also laid Paverblock which yields very fruitful results.



Women Christian College Junction, Vettunimadam Road, Nagercoil

Nursery Garden at Sakkimangalam Village Panchayat

Sakkimangalam Village Panchayat is located in Northern Side Bund of Vaigai river, Madurai District. One of the hamlet named Pasumpon Nagar in this Village Panchayat was densely covered by Juliflora trees has been converted into a nursery.



Nursery Garden at Sakkimangalam Village Panchayat of Madurai District

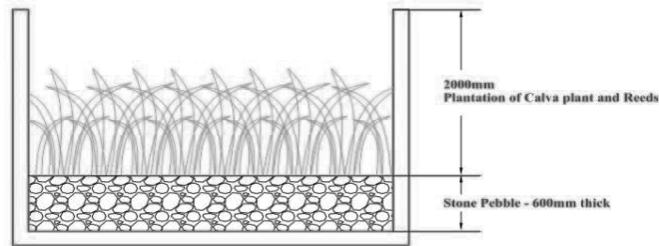
To raise this nursery, farmers are grouped in Self help groups and provided with polyhouses/nethouses for production of quality planting material on commercial basis in protected conditions. They were provided with the structure with accessories and initial consumable and were trained in field about advanced nursery management technologies like soil solarization, grafting, sowing, fertilization, raised beds, pest and disease management activities, etc.



Rain water harvesting was done by construction of recharge shafts. Also, an artificial pond has been dug out to cultivate fish and also to recharge ground water level. Implementation of these practices helps in watering of nursery and Massive Tree Plantation.

Fecal Sludge Treatment Plant at Karunguzhi Town Panchayat

A pilot Fecal Sludge Treatment Plant was constructed at Karunguzhi, a Grade I Town Panchayat in Kanchipuram District to serve the needs of Karunguzhi and the adjacent municipality of Madurantagam. Septage is collected from 3,075 households in Karunguzhi and from 7,000 households in Madurantagam. Raw fecal sludge collected from households are segregated into solid and liquid and the solid fecal sludge is air dried naturally in storage drying beds and stored in storage yard. The filtrates from the storage drying beds are conveyed to the Horizontal Planted Gravel Filter to reduce the organic matter and nutrients. Dried sludge is mixed with organic municipal solid waste and used as organic manure and sold to the public.



HORIZONTAL PLANTED GRAVEL FILTER
(Size : 17.00x8.00m)





Maturation Pond

Liquid segregated are collected in a maturation pond and pathogens are reduced by exposure to sunlight. Treated effluent is collected in the filtrate sump and the treated water is used for watering the plants.



Filtrate Sump

Revenue Augmentation in Thanjavur City Municipal Corporation

In Thanjavur corporation, the ownership of the most of the commercial complexes and shops belongs to this corporation was in the names of some of the individuals and deceased persons. They inturn let out these commercial complexes and shops privately and earns huge profits whereas they paid a very meager amount as rent to the Corporation. Due to this aggravate practice, the corporation suffers huge financial crunch and further during the first wave of Covid-19, the situation got worsened. Hence, to correct and set right this aggravate practice, the Corporation has auctioned the Shops and Commercial complexes in Ayyasamy Vandaiyar Memorial Bus Stand (Old Bus Stand) and New Bus Stand vide Public Notice. As a result, the Corporation earns a revenue of Rs.50,000/- as monthly minimum rent and Rs.65,000/- as monthly maximum rent from the Shops and Commercial Complexes from Old Bus Stand. Earlier the monthly minimum rent was Rs.301/- and monthly maximum rent was Rs.16,664/-. In respect of New Bus stand, the Corporation earns revenue of Rs.18.28 lakhs as monthly rent whereas earlier it was only Rs.7.85 lakhs only. Apart from this, the Corporation earned Rs. 4 crore as deposit amount.

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Farm Ponds in Tiruvannamalai District

Tiruvannamalai District has done a world record by digging 1121 farm ponds in 541 Panchayats in this District. In order to save the rain water which is to be received during North East monsoon, a special initiative has been undertaken by the State Government. It results in effective implementation of rain water harvesting and increase in ground water level in this District. Each farm pond measures 72 feet length, 36



feet width and 5 feet depth and has a capacity to store 3.63 lakh litre water. 1121 farm ponds have been dug out in 30 days using workers of Mahatma Gandhi National Rural Employment Scheme.



Solar Energy at Salem Municipal Corporation Office

Solar Panels has been installed at the rooftop in the Office Building of the Salem Municipal Corporation. Ongrid solar inverter has been connected through the Rooftop Net Meter System of TANGEDCO in order to reduce the Electricity bills for 69 Building of Salem City Municipal Corporation.



Solar Panels installed at rooftop building of the Salem Municipal Corporation

The Salem Municipal Corporation saves Rs.3,98,176/- every month as a result of use of renewable energy of Solar Power in their office buildings.

Annexure-IX

CEGIS

[Centre for Effective Governance of Indian States]

I. Study Topic

Mapping Functions and Finances in 14 Municipal Corporations of Tamil Nadu.

II. Approach and Methodology

1. Analysis of data submitted by MCs to the SFC on key thematic areas (e.g., outcomes, resources, collection efficiencies, overall governance, service delivery models etc.) and identification of hypotheses on each
2. Interaction with a sample of MCs to validate these hypotheses - both through in person interviews and submission of web forms
3. Secondary research/ discussions with experts to identify potential areas of support to the MCs in view of their issues
4. Validation of some of these inputs and emerging recommendations with the CMA (ongoing).

III. Recommendations

No.	Suggestions	Category	Timeframe
4.1	Revenue Enhancement		
4.1.1	Creation of a robust property database with unique property identifiers (UIDs) using the existing GIS maps with timely updates	Process improvements	Short term
4.1.2	Linking the revenue and town planning data with such a property database to facilitate convergence	Process improvements	Medium term
4.1.3	Assess modifications to the property tax assessment process/ basis along the following lines <ul style="list-style-type: none"> - Revision of property tax rates - Including the currently excluded properties such as private educational institutions, charity-run buildings - Revision of the valuation method from the ARV method to the unit area based one as suggested by the fifth SFC report in 2016 and the World Bank report - Structure incentives (e.g., discounts and rebates on payment of timely property tax) and penalties (e.g., levy 	Process improvements/ Policies	Medium term

	<p>of interest on arrears) on delinquency</p> <ul style="list-style-type: none"> - Conduct studies to assess the effect of tax rates on compliance and collections to inform future tax revisions 		
4.1.4	<p>Commission studies / pilots related to property tax assessments, collection platforms, IEC and improve capacity of municipal corporations on the following:</p> <ul style="list-style-type: none"> - Incorporate user friendly improvements on the collection platforms such as accepting multiple payment models at PoS, automatic scheduling, location tagging etc. - Conducting mass assessments using artificial neural networks (ANN) based dynamic modelling of the real estate market - Micro experiments can be administered in select MCs to test the efficacy of performance pay on tax collection - both for existing staff and for third parties (commission basis) - Create templates for MCs to calculate cost to serve (capital and O&M) for tariff justifications. Develop and maintain a State level portal with cost to serve and tariff benchmarks of MCs and parastatal agencies using data from past projects - Platforms for IEC reach to citizens across taxes 	Resources and guidelines	Short - Mid term
4.1.4	Assess devolution of property tax related powers to MCs - to decide on the tax rates and the incentive structure for enforcement agents and the taxpayers.	Policy	Mid term
4.1.6	State level cell to support MCs in mapping properties, suggesting monetization options, reviewing contracts and support on auction processes.	Process improvements	Short term
4.1.7	Conduct an annual exercise of reclassification of property tax zones to ensure that the latest infrastructure access is reflected in the classification (interim measure)	Process improvements	Short term

4.2	HR and Capacity Building		
4.2.1	<p>The CMA should undertake a cadre benchmarking exercise to ensure availability of municipal capacity especially for merging MCs.</p> <p>Among other things, these should cover:</p> <ul style="list-style-type: none"> - Sufficiency of HR across levels and functions in view of consolidated availability and service delivery needs - Identification of training needs and capacity building pipeline - Resourcing and approvals for bridging quantity and quality gaps - Norms for integration of cadre across added areas with specification of timelines for the integration process 	Schemes/ Guidelines	Mid term
4.2.2	The CMA should evaluate developing processes for enabling mobility for personnel across Municipal Corporations, along with a transparent rule based system for movement, in consideration of factors such as need, performance, skills etc.	Policy/ Legislation	Mid-long term
4.2.3	Formulate a state-wide Capacity Building and Training Policy and a Capacity Building and Training Programme (CBTP) with appropriate funding provisions (details in annexure)	Policy	Mid term
4.2.4	Develop and administer role based “training needs assessments.” Leverage ICT for “refresher trainings” and to track the effect of training on perceived capability and performance	Process improvements	Short term
4.2.5	<p>Provide Technical Assistance to MCs on Infrastructure Planning and Alternative Project Implementation Models</p> <ul style="list-style-type: none"> - Working with existing consultants appointed by MCs/ CMA etc., create a repository of templates/ tools and resources to support MCs on infrastructure project planning and assessment of alternative implementation models (E.g. public sector comparator assessments) for 	Resources and guidelines	Short term

	<p>both capital and O&M projects</p> <ul style="list-style-type: none"> - Provide analytical support to MCs to help them forecast their committed liabilities over time, and in comparison with expected revenues for better longer term planning - Create guidelines to help Department and MCs assess the most suitable methods of recruitment specific to role characteristics (sample template in annexure) 		
4.3	Service Delivery and Other Areas		
4.3.1	Develop guidelines for measuring service delivery through a combination of access (e.g., infrastructure) and user feedback related elements, and use this as a basis for coming up with service improvement plans and resources for newly added areas.	Process/ Guidelines	Short term
4.3.2	Create rule based processes to guide addition of new areas into MCs	Process/ Guidelines	Short term
4.3.3	Support to MCs in applying to innovative funding windows like TANII. Templatize application forms, and provide training through examples of model projects	Process/ guidelines	Short term
4.3.4	Utilize the proposed unified procurement portal to support MCs on procurement and post award management	Process	Mid term
4.3.5	Revision of approval norms for projects in MCs	Policy/ Legislation	Mid term
4.3.5	Initiate discussions with PWD and Other Departments having meagre ownership of road and SWM assets for transfer to MCs	Process / Guidelines	Mid term
4.3.6	Formulate mechanisms for effective and timely coordination with GOI Ministries, agencies, PSUs related to service delivery, land, RoW and property taxes	Process / Guidelines	Mid term

MIDS

[Madras Institute of Development Studies]

I. Study Topic

Study for Need based devolution for Rural Local Bodies in Tamil Nadu.

II. Approach and Methodology

In order to capture the nuances of 'need based devolution', we adopted two different types of sampling process. First, in order to understand the issue of fund flow from District Panchayat (DP) to VP (VP) via the Panchayat Union (PU), a detailed analysis of the fund flow in Madurai district was carried out. Secondly, in order to analyse the challenges of need-based devolution (NBD) 15 VPs were selected, based on five variables, from different districts in the state.

A. Sample selection to study the Vertical Fund Flow

1. As per the ToR, two types of sampling process were undertaken to capture the nuances of need-based devolution. To study the Vertical Fund Flow of the three tiers of Panchayats System, one District Panchayat (DP) and within the same district two Panchayat Unions (PUs) and four Village Panchayats (VPs), two from the one PU were selected. Thus, the vertical fund flow of the three tiers could be analysed and it also helped to get a complete picture of a district (Panchayat system). Details of the selected DP, PUs and VPs is given in Table No.1.

Table No.1: Selection of DP, PUs and VPs

Name of Unit	No. of Units	Selected Panchayat
District Panchayat	1	Madurai
Panchayat Union	2	1.Sedapatti 2.Thirupparankudram
VP	4	1.Chinnakattalai 2.Sakklipatti 3.Erkudi Achampathu 4.Vandapuli

B. Typology of VPs for Case Study and its Selection (Second Stage of Field Work)

Typology of Panchayats is constructed by covering all types of the VPs in the states based on certain characteristic features such as Geographical Size, Population Size, and Proximity to Urban Centers. In addition, VPs were also selected based on their capacity to - generate Own Source Revenue (OSR) and utilize tied grants such as MGNREGS.

- i. Geographical Size: 3 VPs are selected (one from larger geographical size, one from middle geographical size and one from lower geographical size)
- ii. Population Size: 3 VPs are selected (one from large population size, one from middle population size and one from lower population size)
- iii. Proximity to Urban Centers: 3 VPs are selected (one from close to urban locality, one from 'middle in between urban and remote locality, and one from very remote locality, near to forest areas.)
- iv. Own Source Revenue: 3 VPs are selected (one from the highest OSR Panchayats, one from middle OSR range Panchayats and one from very low /nil OSR range Panchayats)
- v. Regional variation in the utilization of tied grants such as MGNREGS: 3 VPs are selected (one from highest 'Utilization of MGNREGS scheme, one from middle ' utilization of MGNREGS scheme' Panchayats and one from very low utilization of MGNREGS Panchayats).

Sample Size: In total 15 VPs are selected from different parts of the state for case study.

C. Construction of Questionnaire/ Checklist

A detailed questionnaire /checklist was constructed for each unit of panchayat. Accordingly, different set of questionnaires /checklists were prepared for DP, PU and VP. In addition to this, another set of tools was prepared to understand the earlier working of the District Planning Committee. The complete set of questionnaires /checklists were critically examined and vetted by a team of experts in the domain of decentralization and Panchayati Raj System in Tamil Nadu.

D. Field Work Plan for the Vertical Fund Flow Study

Two well experienced and qualified persons who were in the team prepared the questionnaire /checklist. A set of field investigators conducted the field work for period of one week (from 3/9 2021 to 8/9/2021). During the fieldwork, the following offices were visited and functionaries were interviewed

1. Office of AD Panchayat, Madurai District
2. Project Director, DRDA Madurai District
3. District Panchayat, Madurai District
4. Panchayat Unions Sedapatti
5. Panchayat Union Thirupparankudram
6. VP Chinnakattalai
7. VP Sakklipatti
8. VP ErkudiAchampathu
9. VP Vandapuli

The key functionaries (both official and political) were interviewed and collected copies of important documents such as i. Annual Financial Statements, ii. VP Development Plan (VPDP), iii, Administrative Reports, and other documents. In addition to this, the questionnaire /checklist prepared to be canvassed for each panchayat was carefully administered. As part of field work, other offices such as Anganawadi, Primary Health Centers (PHCs), Schools etc. were visited. Focus Group Discussions (FGDs) were conducted among women SHGs and local citizens and user groups (water and sanitation).

D. Data Analysis and Draft Report Preparation

The data collected from the field work in Madurai district had processed and studied. Thus, the vertical fund flow of the three tiers had analyzed and helped us to get a complete picture of a district (Panchayat system).

E. Selection of Village Panchayats (VPs) for the second stage of field work (detailed case study).

1. Details of selection of three VPs based on their performance in MGNREGS

The districts are selected on the basis of their expenditure performance of MGNREGS for the year 2020-21. Thiruvannamalai is identified as the top performing district, followed by Thoothukudy in the medium performing district and the Nilgiris in the least performing category. In the case of VPs (VPs), the Kovilur VP in Thiruvannamalai district is selected as it has the highest record in terms of expenditure performance among the other VPs in the district. Jambulingapuram VP in Thoothukudy district is the medium performing VP in the same range of the district and Kadinamala VP has the record of least

performed among the VPs in the Nilgiris district. In other words, Kovilur is the top performing VP among the top performing district, Jambulingapuram is the medium performing VP among the medium performing district and Kadinamala is the least performing VP in the least performing district. See Table No.2.

Table No.2: Details of selection of three VPs based on their Financial Performance under MGNREGS-2020-21

Sl.No.	Name of the District	Name of the Block	Name of the VP	Value	Justification for selection
1	Thiruvannamalai	Jawadu Hills	Kovilur	Rs.43948000.00	Highest Expenditure
2	Thoothukudy	Ottapidaram	Jambulingapuram	Rs.5655000.00	Medium Expenditure
3	The Nilgiris	Kotagiri	Kadinamala	Rs.1970000.00	Lowest Expenditure

Source: Data from different Govt. Sources

2. Details of selection of three VPs based on the Own Source of Revenue (OSR) Collection

It is seen that the highest Own Source Revenue (OSR) was collected by the Keeranatham VP from Coimbatore. Under the medium category Pudumadam GP from Ramanathapuram district was selected. The lowest performing one is Marudhathur VP from Cuddalore district and it is selected for the study. See Table No.3.

Table No.3: Details of selection of three VPs based on Own Source Revenue Collection

Sl. No.	Name of the District	Name of the Block	Name of the VP	Value	Justification for selection
1	Coimbatore	Sarkarsamakulam	Keeranatham	Rs. 39161676	Highest OSR collection
2	Ramanathapuram	Mandapam	Pudumadam	Rs. 800487	Medium OSR collection
3	Cuddalore	Nallur	Marudhathur	Rs. 7325	Lowest OSR collection

Source: Data from different Govt. Sources

3. Details of selection of three VPs based on the Geographical Area

Another three VPs are selected based on the size of geographical area. The first four VPs having highest area are from the Nilgiris and Madurai districts. The VPs from these districts are already selected based on other criteria for the study and fifth positioned one, Ahamalai VP from Theni district is selected. PuthamburVP fromKarur district and Karivedu VP from Ranipet district are selected as the medium and the lowest geographical coverage areas from the state. See Table No.4.

Table No.4: Details of selection of three VPs based on the Geographical Area

Sl.No.	Name of the District	Name of the Block	Name of the VP	Value	Justification for selection
1	Theni	Bodinayakanur	Ahamalai	134.21 Sq. Kms	Highest range in area
2	Karur	Thanthoni	Puthambur	8.47 Sq. Kms	Medium range in area
3	Ranipet	Arcot	Karivedu	2.64 Sq. Kms	Lowest range in area

Source: Data from different Govt. Sources

4. Details of selection of three VPs based on the population

When VPs are identified based on the population, Lakkiampatti VP from Dharmapuri district is selected having highest population. In the medium category, in terms of population size, Valathi VP in Villupuram district is selected. Balamore VP in Kanyakumari district, which has the lowest population is also selected for the study. See Table No.5

Table No.5: Details of selection of three VPs based on the Population.

Sl.No.	Name of the District	Name of the Block	Name of the VP	Value	Justification for selection
1	Dharmapuri	Dharmapuri	Lakkiampatti	60588 population	Highest range in Population
2	Villupuram	Melmalayannur	Valathi	3673 population	Medium range in Population
3	Kanyakumari	Thiruvattar	Balamore	306 population	Lowest range in Population

Source: Data from different Govt. Sources

5. Details of selection of three VPs based on the geographical location (Peri Urban)

Based on the geographical location /distance to the city, three VPs are selected. Vaniangudi VP is selected from Sivaganga district as the nearest one to the city and Karakathikottai VP from Pudukkottai district at the medium level. VPs from Villupuram, Nilgiris and Cuddalore are at the lowest proximity to the city centre. But VPs from these three districts are already selected for another category and so these VPs have been dropped. As a result, Manchukondapalli VP from Krishnagiri district was selected. See Table No.6

Table No. 6 : Details of selection of three VPs based on the Peri Urban

Sl.No	Name of the District	Name of the Block	Name of the VP	Value	Justification for selection
1	Sivaganga	Sivaganga	Vaniangudi	1 Km	Highest level Proximity to the Peri Urban
2	Pudukkottai	Manamelkudi	Karakathikottai	36 Km	Medium level Proximity to the Peri Urban
3	Krishnagiri	Thally	Manchukondapalli	76 km	Lowest level Proximity to the Peri Urban

Source: Data from different Govt. Sources

E. Field Work for the Second Stage:

Field work in the selected 15 selected VPs in 15 districts had been carried out in the month of October and November. Figure No. 1 provides the geographical location of the study area in Tamil Nadu.

F. Limitations of the Study

Given the paucity of time and further delays in the field work due to Diwali and the inclement weather during the month of November, the study had to rely on rapid survey techniques to collect information. Despite these constraints, we have addressed all the ToR laid down by the 6th SFC. The findings emerging from the study should be seen as indicative of emerging patterns that merits further detailed study. In this draft report we are providing key findings and recommendations based on our fieldwork. Based on the feedback from the 6th SFC, a detailed report will be submitted by 10th of December 2021.

G. Format of the Draft Report

The rest of the report is organised as follows. Section 1 provides the context by giving a detailed analysis of the relevant literature on fiscal decentralisation and gives the summary of major findings. Section 2,

which is divided into sub-sections, is centred around the data from field work and provides findings, reflections and details on – a) the process of Vertical Devolution in Madurai district and b) the 15 VP case studies.

III. Recommendations

1. Vertical Devolution

1. The 5th State Finance Commission recommended 10 per cent of the State Own Tax Revenue (SOTR) to Local Governments. We propose that a range between 12 to 15 per cent of the State Own Tax Revenue (SOTR) may be devolved to the Local Governments in the state of Tamil Nadu by the 6th SFC.
2. It is suggested that 65 per cent of the SFC grant may be shared with the VPs (VPs) and it is an increase of 10 point from the present share under 5th SFC. A suggestion may be made to earmark Rs. 3000 for conducting per Gram Sabha.
3. Being the middle tier 22 per cent of SFC share is suggested to Panchayat Unions by a 15 point drop from the present share as recommended by the 5th SFC.
4. We suggest 13 per cent of the SFC share to the district tier and out of this amount, 2.5 per cent may be earmarked to the DPC. Attempts may be made to strengthen the DPC.
5. We suggest that an independent committee may be constituted at the state level to monitor and review and to conduct stringent follow up to ensure that the funds allocated to Panchayats both Union Finance Commissions (UFCs) and SFCs are reaching them without fail.
6. We suggest a collaborative mode of capacity building and training (CB&T) with SIRD and academic / educational institutions / research organizations
7. The concept and road map for 'Smart Panchayats' can be considered.

2. Allocation, Utilization and Governance of Union Finance Commissions (UFCs) in the State of Tamil Nadu

It is seen that the overall ability of the State Government to draw Union Finance Commission (UFC) grants has been 'relatively slow'. This was the same trend during the 13th and 14th UFCs (both when the Panchayats were governed by elected representatives and by administrators (without the elected representatives). Therefore, the capacity / ability of the state machinery at all levels may be increased in drawing funds from the 15th UFC. The above issues are critical in the case of the award of 15th UFC, we fear that if the same trend continues, the State again may lose very heavily in drawing the full amount under the 'tied' and 'untied' grants and health grant allocated to the State.

In this context, some of the suggestions we made earlier while discussing the issues related to vertical devolution again reappears here.

1. We suggest that an independent committee may be constituted at the state level to monitor and review and to conduct stringent follow up to ensure that the funds allocated to Panchayats both Union Finance Commissions (UFC) and SFC are reaching them without fail. The poor utilisation of performance grant needs further inquiry.
2. It seems that online entry of *Annual Plan* and progress in *Plan Plus* and *TNRD Website* is not enough. *A Transparency Portal* may be the answer which ensure (i) local government- (each VP, PU and wise DP), category- wise concurrent monitoring by civil society, media and local citizens (ii) maintaining and monitoring of information and fund flow from State Govt. to each VP/PU/DP and, (iii) monitoring outcome for all key players. Therefore, *A Transparency Portal* is suggested.
3. Documentation /Utilization Certificate on the 15th FC and the proposed 6th SFC should be placed at the public domain.

3. Functionaries of PRIs Across the State of Tamil Nadu

1. The VPs may be equipped with qualified functionaries who are professionally responsible and committed to the Panchayat Council. Currently the devolution of functionaries is middle heavy with most of the panchayat functionaries deployed at the Panchayat Union (PU) level. They can be either deployed from the (PU) or by fresh recruitment. The present imbalance in the domain of functionaries may be addressed.
2. The number of VPs varies widely among the Panchayat Unions (PUs) and the present level of variation may be reduced by restructuring the number of VPs. As much as possible, the number of VPs in each Panchayat Union (PU) may be in a uniform pattern.
3. It may be suggested to constitute an Administrative Reform Commission /Committee to study and report the measures to be followed for good governance at the grassroots.
4. A special training and capacity building package may be needed to address the capacity deficit among the functionaries (officials)

4. Special Package to Address Multiple Deprivation at VPs and Sustainable Development Goals (SDGs) by applying Deprivation Index of VPs through Mission Antyodaya Survey

We suggest a special grant of Rs. 50 lakhs to each Most Deprived /Most Vulnerable category VP and Rs. 25 Lakhs to each Deprived /Vulnerable VP. This has a special importance in the context of achieving SDGs and its local application at the grassroots levels. The amount needed for the 'Most Deprived /Most Vulnerable VPs'= 28x Rs. 50 Lakhs= Rs. 14.00 crore. The amount needed for 'Deprived /Vulnerable VPs'= 262 x Rs.25 Lakhs= Rs. 65.50 crore. Total amount needed= Rs. 79.50 crore, around Rs. 80.00 crore.

5. Surplus and Deficit Panchayats in Tamil Nadu

1. We have a suggestion that a special package may be introduced to wipe off all the deficits in the accounts of the VPs. It is better to constitute a committee which may be authorized to work out the volume of deficit Panchayats and its total financial commitment. In other words, the deficit amount is the pending dues accumulated in the Panchayats towards TWAD and TANGEDCO. An opportunity should be given to all VPs in the State to start their activities on a clean slate. Once a clean slate is offered, the possibility to move the VPs in to a business mode may be more. A new generation of 'Smart VPs' may emerge from this exercise.
2. If the above proposal is not feasible and acceptable, then the VPs will be allowed to accommodate with its own accumulated surplus amount to settle the dues reflected.

6. Own Source Revenue

6.1. House Tax

1. The title 'house tax' in the Tamil Nadu Panchayati Raj Act, 1994 should be changed to the generic title 'property tax as the nomenclature gives a wrong impression that only houses are taxed and not commercial buildings.
2. A thorough reform of the house tax system is recommended, and it may have a significant impact in the tax and fee regimes of the VPs. This involves issuing of house number and receipt to all the houses in each village once in every year to ensure that all new houses are brought into the tax net and moving all houses that have been extended or rebuilt to their appropriate tax brackets. Addressing the issue of underpayment also can provide a substantial boost to revenue

from house taxes. Meanwhile, caution should be exercised to keep in mind the cultural and economic settings which may be heterogeneous in nature while attempting to provide a uniformity to the tax rate.

3. The tax base and tax rate has not been properly internalized by concerned stakeholders and grassroots level institutions. So, training and awareness on tax regime and its operationalization should be provided to elected functionaries and VP officials.
4. It is better to give more decision space to VPs in the domain of charging house taxes. So, it would be better if Panchayat Committees are given more decision space in this regard as it would be a collective decision for the good of all.

6.2. Professional Tax

1. The SFC can set upper and lower boundaries for professional tax rate slabs and VPs may be required to set their choice within the boundaries. This will ensure that professional tax slabs are revised every five years and serve to augment VP income without shrinking their decision space.
2. Attempts may be made for conducting periodic, scientific assessment of profession tax mapping and list of persons who are paying profession tax should be a public document and accessible in public domain including Gram Sabha.
3. Citizen education should be given to propagate that “no eligible person should be exempted from the profession tax” and thereby inculcating a “sense of pride for an enlightened citizen for paying profession tax”.
4. A consensus based democratic and transparent approach may be a more enabling factor for local tax regime rather than a confrontational one which is followed at higher levels of government (States and Union).
5. Citizen education programme, civic engagement, literacy on local fiscal architecture, and public action can be proliferated in the local governance which in turn would facilitate an upward growth in profession tax.

6.3. Water Tax

1. Accountability and transparency in the distribution and supply of water and the taxes and charges levied for water consumption should be seriously taken up by the VPs. The VPs should come up with some mechanism to ensure transparency and accountability in the water charges and taxes being levied on the consumers.

2. A 'wide decision space' for the VPs in the domain of fixing water charges should be strengthened and they should ensure water meter reading is done in a transparent manner and consumers are only billed accordingly.
3. Training should be given to VPs to develop economically feasible water purifying units to provide water to local communities on business mode and it can be developed into a large-scale operation with household connections.
4. To reduce the exorbitant expenditure involved in the maintenance of water tanks and pipes, training should be given to OHT operators on important aspects of plumbing. Therefore, the capacity building of the OHT operators should be seriously taken up.
5. A high-power committee should be constituted to study the extent of water crisis and address the problems in connection with water tax and maintenance costs.
6. The *JalJeevan Mission*, Ministry of Jal Shakti, Government of India, has launched a safe and adequate drinking water scheme to provide water to all households in rural India by 2024 and if so, it may be possible to achieve universal coverage by a convergence mode between VPs in Tamil Nadu and the Mission. The untied grant fund from the 15th FC can also accelerate the process.

7. Sanitary Workers

Attempts should be made to appoint the required number of sanitary workers in each VP and there should be capacity building and training (CB&T) for the sanitary workers.

8. Honorarium/Allowances /Sitting Fees /Fixed Travel Allowances

Keeping with the general trend in the neighbouring states, it is essential to fix a fair amount as honorarium, travel allowances, sitting fees to the elected functionaries (Presidents, Vice Presidents, Chairman, Standing Committees and Members) of the three tier Panchayats with periodic revisions.

9. Panchayat Data Sources

Lack of reliable grassroots level data hampers the process of data centric governance that Tamil Nadu is moving towards. Tamil Nadu RDPR needs a modernized MIS with real time data updates. The 6th SFC may consider allocating dedicated funds for the upgrading of MIS for the Department of Rural Development and Panchayat Raj and further to ensure transparency, make it public.

MSE

[Madras School of Economics]

I. Study Topic

Tracking property tax potential in Urban Local Bodies of Tamil Nadu with special focus on Town Panchayats.

II. Objectives of the Study

Based on the ToR and the data file given by Sixth Finance Commission covering details on all individual town panchayat's population, area, income and expenditure, tax revenues, components of property tax revenues, tax rate, demand and collection details, exempted properties etc during 2015-16 to 2020-21, and other secondary data available in public domain and past reports of SFCs and CFCs, this study specifically reviews and analyze the following:

- (i) the overall trends in income, expenditures and fiscal balances of TPs in Tamil Nadu during 2015-16 to 2020-21;
- (ii) the trends in the level and components of property tax revenues of TPs in Tamil Nadu during 2015-16 to 2020-21;
- (iii) the trends in the demand and collection of property revenues of TPs in Tamil Nadu during 2015-16 to 2020-21;
- (iv) the reasons for low property tax revenues of TPs in Tamil Nadu;
- (v) the different valuation methods of property tax of TPs;
- (vi) the untapped property tax potentials of TPs in Tamil Nadu based on rate revision, improved collection efficiency, taxing exempted properties, etc;
- (vii) the property tax potentials of TPs using the frontier approach and identify TPs with low efficiency in raising property tax revenues;
- (viii) the trends in population growth of TPs in Tamil Nadu;
- (ix) the trends in the pattern of financial devolution to TPs; and
- (x) the recommendations of Central Finance Commission including the Land Based Instruments.

In making the above analysis, this study provides the projection of population, property tax revenues etc till 2026-27 and provides suggestions for improving the property tax revenues of TPs in Tamil Nadu.

III. Summary of Major Findings and Policy Suggestions

A. State Economy

- (1) Tamil Nadu economy grew at an average rate of 6.42 percent from 2015-16 to 2020-21 and the COVID-19 pandemic affected its growth in the last two years.
- (2) The secondary sector grew at 8.15 percent while the primary and the tertiary sectors grew at 5.38 percent and 4.85 percent respectively. Slowdown in the growth of service sector is the major concern.
- (3) Tamil Nadu ranked 6th in per capita income (with Rs. 2.13 lakh) among major Indian States in 2019-20. Wide income inequality exists among districts in the State. The top district Thiruvallur's per capita income of Rs. 2.96 lakh was about 3.14 times higher than the per capita income of poorest district Thiruvallur of Rs. 94290 in 2017-18.
- (4) The State compares well with other Indian States in poverty reduction. It ranks first in the SDG index Goal 1 (No poverty) released by NITI Aayog. However, its labor participation rate has been steadily declining from 61.1 percent in September 2016 to 43.9 percent in March 2020.

B. State Government Finances

- (5) The key fiscal parameters-revenue deficit, fiscal deficit and public debt relative to GSDP have been kept as per the norms of FRBM legislation for many years. However, in 2017-18 and 2018-19, its revenue deficit exceeded 1 percent of GSDP. Due to pandemic, the revenue deficit-GSDP ratio increased to 1.94 percent in 2019-20 and further to 3.4 percent in 2020-21RE. This is the concern as part of net borrowed amounts is used to meet the revenue expenses.
- (6). Due to pandemic, the fiscal deficit-GSDP ratio also increased to 3.24% in 2019-20 and 4.99% in 2020-21RE. The outstanding liabilities of the State would be about Rs.485503 crore (25% of GSDP) in 2020-21 RE. While this is within the debt path set by the 15th Finance Commission, it seems to be unsustainable as the New FRBM committee suggested only 20 percent level for Indian States.
- (7) From 2015-16 to 2020-21, the revenue receipts grew only at 7.16 percent whereas the revenue expenditure grew at 11.93 percent. Own tax revenue grew only at 6.52 percent and almost all major taxes also grew at a lower rate than the (nominal) GSDP growth of 10.12 percent. Therefore, own tax buoyancy is less than one. This is a major concern.

(8) The 15th FC also has reduced the Tamil Nadu's share in Central transfers

C. Financial Status of ULBs in Tamil Nadu

(9) Currently there are 15 municipal corporations, 121 municipalities and 528 town Panchayats in Tamil Nadu, i.e. a total of 664 ULBs.

(10) From 2011-12 to 2016-17, the total expenditure of all ULBs increased from Rs. 4780 crore to Rs. 13301 crore while the total income increased from Rs. 6373 crore to Rs. 12677 crore

(11) During 2011-12 to 2016-17, own revenues of ULBs increased from Rs. 2148 crore to Rs. 3776 crore and transfers from Rs. 4000 crore to Rs. 6937 crore. Thus, the share of transfers in total revenues declined from 62.76 percent to 54.72 percent.

(12) From 2011-12 to 2017-18, property tax revenues of ULBs increased from Rs.971.7 crore to Rs. 1827.5 crore. The average growth of property tax revenue was 12.51 percent in municipal corporations, 9.36 percent in municipalities and only 7.65 percent in town panchayats. So its buoyancy was 1.06 for municipal corporations, 0.79 for municipalities and only 0.65 for town panchayats. Low buoyancies in both municipalities and town panchayats are major concern.

(13) Property tax-GSDP ratio of all ULBs ranged between 0.12 and 0.133 as against the target of 0. 6 percent in 2021-22, suggested by Fifth State Finance Commission.

(14) Interstate comparison reveals that the share of own revenues in total revenues of all ULBS in Tamil Nadu was 16.4 percent in 2017-18 while it was 66.6 percent in Punjab. Per capita property tax revenue for all ULBs in Tamil Nadu was only Rs. 487 and it was Rs. 1942 in Gujarat and Rs. 1512 in Maharashtra. It seems that this tax has the potential to bring more revenues to ULBs in Tamil Nadu.

D Financial Status of Town Panchayats in Tamil Nadu

(15) There are 528 TPs in Tamil Nadu which spread over about 7125 sq. km area. The total population of all TPs was 94.27 lakhs in 2020-21 and it is expected to increase to 1.05 crore in 2025-26.

(16) In 60 TPs, the population already exceeded 30,000. It is essential to either up-grade them based on population norms or revise the population norm. Income of many TPs also already increased significantly and so these TPs need to be upgraded or income norm need to be revised.

(17) While aggregate income of all TPs increased from Rs. 2886 crore in 2015-16 to Rs. 4278 in 2018-19 and then it declined to Rs. 3865 crore in 2020-21 (due to pandemic effect), the total expenditures continuously increased from Rs. 3033 crore to Rs. 3920 crore

(18) The overall budget of TPs showed a surplus of Rs. 567 crore in 2018-19, but it showed a deficit of Rs. 54 crore in 2020-21. In 2020-21, only the overall account for special grade TPs showed surplus while others showed deficit. 302 TPs incurred deficit in 2020-21 and 226 showed surplus. Thus, in about 57 percent of TPs in Tamil Nadu, there is a mismatch between growing expenditures and deteriorating finances.

(19) Since the total income of all TPs grew at only 6.67 percent, the income buoyancy was only 0.659. This is the major concern.

(20) During 2015-16 to 2020-21, the revenue buoyancy for all TPs was 0.59. It was 0.97 for special grade TPs, 0.51 for selection grade TPs, 0.44 for grade 1 TPs and 0.38 for grade 2 TPs. The revenue buoyancy of selection grade, grade 1 and grade 2 TPs should increase.

(21) The total expenditure of all TPs grew at 5.57 percent during 2015-16 to 2020-21. However, the revenue expenditure grew at 6.6 percent.

(22) The total own revenues of all TPs was Rs. 1171 crore, accounting for 57.68 percent of total revenues. During 2015-16 to 2020-21, it grew at an annual rate of 13.1 percent and the own revenue buoyancy was 1.3. Interestingly, the number of TPs with more than 50 percent of own revenue increased from 119 in 2015-16 to 313 in 2020-21.

(23) The share of transfers in total revenues was 56.1 percent in 2015-16 and it declined to 42.3 percent in 2020-21.

(24) As transfers are positively correlated with income and expenditures of TPs, there is an incentive effect of transfers on expenditures and a crowding-in effect on revenues of TPs.

(25) It is projected that own revenues of TPs would reach Rs. 3289.33 crore in 2026-27; the total revenues would increase to Rs. 5961 crore; total income would increase to Rs. 11280 crore; revenue expenditure would rise to Rs. 5669 crore and total expenditure to Rs. 15542 crore; and the overall deficit would increase to Rs. 4262 crore.

E. Performance of Property Tax of TPs in Tamil Nadu

(26) The property tax rate was kept constant in each town panchayat over the years. However, the rate varied significantly from 1 percent to 61 percent with average rate of 11.5 percent.

(27) The total number of assessments of property tax increased from 25.37 lakhs in 2015-16 to 28.02 lakhs in 2020-21. The number of assessments grew at average rate of 3.1 percent in special grade TPs, 1.9 percent in both selection and grade 1 TPs, and 1.5 percent in grade 2 TPs. The overall growth rate was only 2 percent.

(28) The overall property tax collection efficiency was 74.48 percent in 2015-16 and it increased to 85.19 percent in 2020-21. The average efficiency was 76.76 percent. TPs should aim to achieve 100 percent efficiency.

(29) The total property tax revenues of all TPs amounted to Rs. 126.46 crore in 2015-16 and increased to Rs. 223.45 crore in 2018-19 and then declined to Rs. 178.52 crore in 2020-21. However, the property tax revenues registered about 10 per cent annual growth and average tax buoyancy was is closer to 1. The tax buoyancy was 1.1 for both special grade and grade 1 TPs. It was 0.9 for selection grade TPs and 1.3 for grade 2 TPs.

(30) The general purpose tax accounted for about 32.8 percent of total property tax revenues, residential tax accounted for 50.04 percent, commercial components accounted for 11.4 percent and industrial components accounted for 3.95 percent.

(31) As on 31.03.2020, there were 2337 charitable and religious institutions, 1784 educational institutions, 25 monuments of tourist attractions and 3070 other properties that were exempted in all TPs. The revenue loss from these exempted properties was estimated at Rs. 4.18 crore. This list may not be exhaustive one.

(32) The aggregate property tax revenues of all TPs would increase to Rs. 688 crore in 2026-27 using 5-year average growth rate. Using three-year average rate (excluding growth rates during pandemic years), they would increase to Rs. 1925.73 crore.

(33) Total number of assessments would increase from 28.02 lakh in 2020-21 to 77.87 lakh in 2026-27.

F. Normative Ways to Tap the Untapped Property Tax Potentials

(34) There are various reasons for low performance of property tax (a) While the State Government issued an order on 19.07.2018 to revise property tax rate with effect from April 1, 2018 (it allows up to 50 percent rate for residential buildings and up to 100 percent for others) the revision is bending as the Government is still waiting for the report from the Property tax committee. Currently the average rate in TPs is 11.5 percent; (b) Property records are not maintained properly; (c) lack of accurate property tax rolls; (d) no proper methodology for evaluating and updating property values that should be closer to market value; (e) there is a wedge between tax demanded and tax collected; (f) loss of revenues due to exempted properties; etc.

(35) **Revenue Mobilization through Rate Revision:** If all TPs in Tamil Nadu had applied 20 percent rate instead of actual rate, the property tax yield would have been doubled to Rs. 343.73 crore in 2020-21 instead of the actual yield of Rs. 178.52 crore. Similarly applying 30 percent, 40 percent and 50 percent rate would have increased the yield to Rs. 515.61 crore, Rs. 687.48 crore and Rs. 892.60 crore. Since property tax rate revision is pending for many years and higher rate will bring more revenues, the Government needs to consider higher rate revision. The periodic revision of rate and use of updated market value of property would definitely bring high property tax yield to TPs in Tamil Nadu so that they can be more self-reliant.

(36) **Additional Revenues through Improved Collection Efficiency:** Since the average property collection efficiency of TPs in Tamil Nadu was 76.76 percent during 2015-16 to 2020-21, they need to improve their collection efficiency to 100 percent. If they had 100 percent collection efficiency, their property tax revenues would have been Rs. 1307.94 crore in six years instead of the actual yield of Rs. 999.38 crore. If the rate would have been 50 percent, the total yield in 6 years would have been Rs. 6471.27 crore.

(37) **Additional Revenues from Exempted Properties:** From 2015-16 to 2020-21, the assessment from the exempted properties increased from Rs.3.17 crore to Rs. 4.18 crore. However, there could be many more properties that are not in tax roll. Further, rate revision and updating property valuation will bring more revenues.

(38) **Raising Revenues based on Recommendation of Fifth State Finance Commission:** To meet the property tax revenue target of 0.6 percent of GSDP for ULBs in 2021-22 as recommended by

the Fifth State Finance Commission, the TPs should raise Rs. 1284.44 crore instead of the projected amount of Rs. 201.28 crore with current trend. This could be possible only if all TPs levy 60 percent rate.

(39) **Realizing Full Tax Potentials Measured Using the Frontier Approach:** The frontier approach shows that for special grade TPs, the average tax efficiency ranged between 18.19 percent and 38.88 percent over six years; for selection grade TPs, it ranged between 7.86 percent and 27.79 percent; for grade 1 TPs, it varied from 25.56 percent to 34.3 percent and for grade 2 TPs, the average efficiency varied from 14.69 percent to 21.47 percent. These results indicate that huge property tax potentials are not yet realized fully. If all TPs would have realized their full potentials, the aggregate property tax revenues in six years would have been Rs.5184 crore instead of realized amount of Rs. 999 crore. If all TPs would have levied 50 percent rate, this would have been more than Rs. 25,000 crore.

G. Use of Land Based Instruments to Augment Property Tax Revenues

(40) While the use of land as a source of financing urban infrastructure can be a very useful supplementary mechanism and the scale of land based financing is also much larger in scale, it cannot be a permanent and recurring source of revenue as land sales cannot continue indefinitely. This may breed the risk of favouritism, corruption and abuse of Government power.

(41) Land value increment tax, Development charges (area based and value based), Transfer of development rights and impact fees and fees for regularization of unauthorized development are most commonly used land based fiscal tools in India.

(42) Studies indicate that all ULBs and UDAs in Andhra Pradesh and Maharashtra earned substantial revenue through the land based fiscal instruments.

(43) Large scale bulk land acquisition, sharing of land, town planning scheme and development scheme are land based instrument model used by ULBs in India.

(44) There is a need to update the data base on the properties in their location using the latest technology available to identify the properties that are not recorded in their records.

(45) Many local bodies do not have accountability of the land they own. Using GIS based technology, they can undertake a GIS based inventory of lands owned by it. The inventory should cover Tenure (if leased, lease period, covenants, lease rent etc), current use, if built constructed area and consumed FSI, permissible built-up area at permissible FSI, assessed value of land etc. Based on such inventory, vacant

lands, plots with obsolete use and plots with underutilized FSI could be identified. This in turn should provide the basis for using their lands for generating additional financial resources.

(46) Further there is a need to integrate an element of revenue flows of the Town Panchayats into their infrastructure plans. This will provide cash flows to service the debt/capital also the surpluses any to redeploy. So there is a direct stake for the Town panchayats successful in income terms rather than capital value terms (that creates bubbles). The TPs should take up an equity stake in commercial developments based on land price at the time of transfer to developers. Downstream sales will thus contribute earnings to the TPs. Finally, the TPs can charge a small fee for the specific area based taxes for newer developments such as Road, water/sewage and electricity footprint etc that will contribute a steady income to the TPs. As a result, all the properties in that area benefits in terms of price rise etc.

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UNICEF

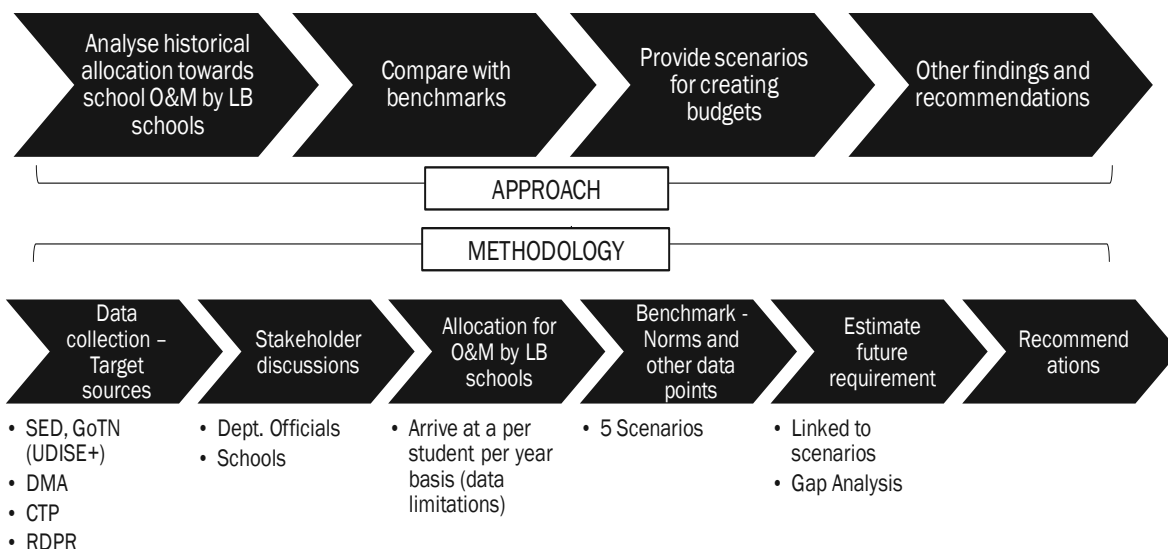
[United Nations Children's Fund]

I. Study Topic:

School Infrastructure Management by Local Bodies in Tamil Nadu.

II. Approach and Methodology.

The A&M is presented in the diagram below:



- 1. Defining the objective:** The objective of the study is to analyse the spending by local bodies (urban and rural) for operations and maintenance (O&M) of schools run by Local Bodies (LBs). The current levels of spending are then measured against good practices to see if there is a need for increase in spending for O&M.
- 2. Data collection:** The first step was to identify the relevant departments and information to be collected from. Following departments were identified as relevant for the study:
 - School Education Department
 - Commissionerate / Directorate of Municipal Administration
 - Commissionerate of Town Panchayats
 - Directorate of Rural Development & Panchayat Raj Department

- Forest Department
- AdiDravidar and Tribal Welfare Department
- PWD: Building division
- UDISE+

Then from each department/ agency the key information to be obtained was drawn. This was followed by writing to respective department(s) along with specific data request relevant to that department. Further visits to department to follow up on the request and to have discussion were also undertaken. In addition to the above we also referred public documents such as:

- a) TN budget documents
- b) TN policy notes of various department(s)
- c) SFC reports and ATRs of previous SFC, TN

3. **Stakeholder consultations:** Discussion with school teachers was undertaken in more than 20 districts. Key areas covered are outlined below:

- Category of school / location of the school
- Strength (students and teachers)
- Infrastructure facilities (number of class rooms, availability of toilet, capacity of the toilet, etc.)
- Support functions (availability of housekeeping staff)
- Grants being received and their ability to meet the maintenance expenses
- Historical maintenance details and amount being spent
- Operational process in getting maintenance work done (local body or PWD)
- Any other specific issues

4. **Spending by local bodies on O&M for school maintenance**

- Historical spending: This includes analysis of historical spending by LBs for School O&M expenses. Also, to analyse the trend and reasons for increase or decrease YOY. Then subsequently arrive at the O&M spending on a per student basis. It may be noted that while spending towards utilities such as energy, water etc. (which are met by local bodies directly) are also to be considered under O&M, the analysis here has been limited to repairs, maintenance and upkeep of school premises. However, if the spending towards

- Norm based spending: If we go by the norms prescribed by CPWD for school building and infrastructure maintenance, then what would be the yearly maintenance cost was arrived at.
- Benchmark: The next step was to obtain the following details:
 - a. Comparison of spending by schools in different local bodies. Spending in Corporations was compared with village panchayats (considering limited data availability) to arrive at the gap.
 - b. Spending by a government aided school in Chennai for the purpose of benchmarking on a per student basis.
 - c. Spending for O&M based on allocations (after adjustments) for Ekalavya School (a special category residential school for tribal children) by Government of India. The cost was normalised on a per student basis
 - d. Spending for O&M based on allocations (after adjustments) in case of school development on PPP basis in Gujarat. The cost was normalised on a per student basis

We then compared the spending by schools run by LBs against the benchmarked numbers. This helped us to arrive at the gap/ need to increase the current spending levels to improve the service levels by upkeep of school infrastructure. Based on this exercise we arrived at the funding requirements for O&M for school in near future. In this process, we attempt to understand the financing gap that is needed to bring about parity between government schools in Tamil Nadu and also set higher aspirations based on select benchmarks.

III. Recommendations.

1. Need to have a comprehensive school O&M policy in Tamil Nadu: For schools, preventative maintenance is key to running functional buildings and facilities. Given how crucial maintenance is for the upkeep and operational functionality of assets, investing in a long-term maintenance programme could be the answer to ensuring school are always looking its best. Routine implementation means maintenance becomes one less thing to worry about.
 - a) With a maintenance programme, works can also be scheduled during school breaks or at the end of the year when students are absent from school or fewer in number.
 - b) A maintenance programme will help extend the life expectancy of school assets, freeing up capital for new buildings, or investing in greater teaching resources.

- c) Issues such as loose roof tiles or cracking concrete walls pose a danger to both students and staff and must be rectified before injuries result. There is a need to take proactive measures in having essential safety measures in place (eg. fire safety systems, clearing bushes on pathway, electrical points) as well as keep records of maintenance checks, safety measures (during monsoon time – specific check to avoid electrical related issues) and repair work which can be reviewed at will. A scheduled maintenance programme could help the schools to identify such problems well in advance before it becomes a costly repair.

The benefits of a long-term maintenance programme are manifested in happier, more focused students, better academic results, satisfied staff, an improved study and work environment and a budget less vulnerable to shocks.

2. Need to increase OM spending

- a) Need to have a higher allocation of funds in order to implement TN state policy for children, 2021
- b) Need to bring parity in OM spending between urban and rural areas

3. Reduce involvement of school teachers in O&M activities

- Induction of Estate and Facility Management Organisation(EFMO) who can oversee either a single school or a cluster of schools (subject to geographical boundary or size of the school – student strength)

4. Earmarking of funds exclusively for school's O&M from SFC grant to LBs may enhance the upkeep of school infrastructure

5. Need to make the package for Facility Management Services (for upkeep of school infrastructure) more attractive for competent players to take part in the bidding process

Key advantages of Estate and Facility Management Organisation:

- **Monitoring** the operation and cleanliness of toilets could be substantially eased out
- **Liasioning** with various external agencies such as PWD, TANGEDCO, Local bodies, private contractors, maintenance agencies, etc. could be effectively expedited
- **Security** of the students, staff and property by proper utilization of the services of Security Guards could be taken care of
- Electricity and water supply lines, fittings can **remain operational**for increased (nearly full time) time
- **Record** of repairs and follow up work to be diligently kept by EFMO.

Annexure-X
Minutes of the NIPFP Webinar on
Issues before the Tamil Nadu Sixth State Finance Commission
6th August 2021

A Half-day webinar on Issues before the Tamil Nadu 6th State Finance Commission was organized by the National Institute of Public Finance and Policy, New Delhi on 6th August 2021.

The webinar began with a welcome address by Thiru Prashant M. Wadnere, Member Secretary of Sixth SFC of Tamil Nadu. He highlighted that SFCs have regularly been constituted in Tamil Nadu before the commencement of the award period. The distribution of funds to local governments in the state is as per the devolution criteria defined by the SFCs. He stressed upon the chronic problem of unpaid bills of electricity, water, sewage, etc. He pointed out that one aspect that needs to be explored is how funds can be devolved to cantonment boards. This is one of the issues that the Commission has to address as per its Terms of reference (ToR).

The welcome address was followed by an Inaugural Address Thiru Mohan Pyare, Chairperson of the Sixth SFC. He highlighted the issues with the devolution of FC's grants to urban local bodies. About 50% of Tamil Nadu's population live in urban areas, however, the devolution of FC's grants to urban local bodies is pegged to the national estimates of the population living in urban and rural areas in India. Hence, there is a mismatch of funds being devolved to ULBs as per their requirements. He also pointed that the migration of skilled workers to urban areas also increased the fund requirement of the ULBs. He welcomed all the participants of the webinar and asked the experts as to how the 6th SFC should address issues in its ToR following the recommendations of the 15th FC.

Presentation by NIPFP: “Sixth Tamil Nadu State Finance Commission Issues and Approach.”

The Inaugural session was followed by a presentation by the NIPFP team. The Session was chaired by Dr. Pinaki Chakraborty, Director NIPFP while Dr. Manish Gupta made a presentation of the base paper “Sixth Tamil Nadu State Finance Commission: Issues and Approach” prepared by the NIPFP for the 6th SFC of Tamil Nadu.

The 73rd and 74th Constitutional amendment envisages local bodies, both rural and urban, to be institutions of self-government. However, in reality, the situation is somewhat different. Despite Constitutional recognition, the design and implementation of decentralization do not enable local bodies to function as institutions of self-government. State governments have not devolved functions, funds and functionaries to local governments. Even where the functions are notionally transferred to local bodies, the staff remains accountable to state governments, thereby adversely impacting the efficacy of carrying out the functions. The own revenue efforts of local governments have been poor and local bodies are dependent on higher levels of government for resources and play the role of agents implementing schemes of State and Union Governments.

Constitution provides for setting up of SFCs within one year from the commencement of Constitution Amendment Act 1992, & thereafter, at the expiry of every 5th year. Therefore, as per Constitutional provisions, setting up of 6th SFC became due in 2019-20 for all States. However, in reality only 7 states have so far constituted their 6th SFCs. These are Bihar, Haryana, Himachal Pradesh, Kerala, Punjab, Rajasthan and Tamil Nadu.

The failure to timely constitute SFCs could be due to a number of reasons namely, (i) SFCs have taken a lot of time to submit their reports, (ii) state governments have taken considerable time in tabling the action taken report (ATR) in the state legislatures, (iii) states have not constituted the SFCs in a timely manner, (iv) and/ or a combination of all of the reasons. Review of the latest available SFC reports of 25 states reveal that the average time taken by them to submit

their reports is around 32 months resulting in an average delay of about 16 months. The average time taken by state governments to table the ATR is around 11 months.

The paper reviews the reports of all the SFCs of Tamil Nadu and finds that the Tamil Nadu government has been constituting SFCs regularly. With the exception of the 4th SFC, the State government had timely tabled the Action Table Reports in the State Legislature. As regards the recommendations of the SFCs are concerned, the State government has accepted most of the recommendations, especially those relating to devolution of resources to local bodies. The study finds that there has been a gradual increase in per capita devolution since the recommendation of the first SFC. The per capita devolution has increased by more than 3.72 times (in real terms) from Rs. 136.76 in 1997-98 to Rs. 508.99 in 2020-21.

The study also examines the approach adopted by the SFCs in Tamil Nadu in carrying out their task and the principles adopted by each of them in allocating resources to the local governments both vertically and horizontally. The paper does a comparative analysis of the recommendation of SFCs and its devolution criteria of Tamil Nadu starting from the 1st SFC till the 5th SFC.

The study analyses the grants to local bodies from the 15th Finance Commission and highlighted the requirements that local bodies have to comply with to receive their respective share. Although the 15th Finance Commission has recommended a much higher quantum as local body grants but a large percentage of it is performance/ conditional/ tied grants. The share of untied local body grants recommended by the 15th Finance Commission is much lower than that recommended by the 13th and 14th Finance Commissions. In case of Tamil Nadu, the share of untied grants was 35.7 percent of aggregate local body grants meant for Tamil Nadu (excluding those for health). If one were to consider health grants as untied grants, the share of untied would increase to about 46.5 percent.

The local governments across the country are actively involved in coordinating the pandemic response of governments at the grass-root level with very limited resources and funds. They are

engaging with the frontline workers to handle the Covid-19 crisis and mitigate its impact. The study discusses the role of local governments in handling the pandemic, even when they weren't equipped with adequate resources.

Reflections on Kerala's Fiscal Decentralization- Thiru S. M. Vijayanand (Chairperson, 6th SFC Kerala)

Kerala devolves a considerable amount of their State's own tax revenue and has taken various measures to strengthen their local government. Dr. Vijayanand discussed these measures and initiatives in Kerala. He highlighted that the own-source revenues of local bodies in Kerala are quite robust because of the regular revision of floor rates for different taxes such as property tax.

SFC fund and 15th FC grants are integrated and devolved as one in Kerala. The state has a history of implementing 5-year plans and the devolution takes place on the basis of plans and not as per global tax sharing. Funds are devolved to local bodies under three main categories, General Purpose Fund, Maintenance grants and Development Fund. Most of the funds devolved to local bodies are tied (approximately 74%).

He suggested that the local bodies should be compensated for losses in own-source revenues since the implementation of GST. PPP frameworks have worked considerably well at the local government levels in Kerala. A few of the projects have matured and the results look promising.

Almost all the recommendations of the interim report of the 6th SFC have been accepted, and devolution based on population, area and backwardness to ensure an equitable distribution.

Issues and recommendations for the SFC

- Rates of taxes own source revenue are fixed by the SFC but they need to be revised frequently

- Audit Fund Department can be converted into an Audit Commission which is independent and can be held accountable
-

Approach to Urban Local Body Finances- Thiru O.P. Mathur (Senior Fellow, Institute of Social Sciences, Delhi)

Thiru O P Mathur highlighted the issue of urban neglect by the 15th FC. It has been projected that 55-56% of the total population in the state would be living in urban areas, however, the grants assigned to urban local bodies from the 15th FC are in proportion to the national population living in urban areas over total population. This is quite misleading as the national average is much lower than that of Tamil Nadu. Urban local bodies require more funds simply they are expanding and demand infrastructure and development in the cities and the peripheral regions. All this makes it very important to define a proper devolution scheme so that the horizontal and vertical distribution among local bodies is equitable. He also stressed on frequently revising property tax rates.

Integration of Sustainable Development Goals and Climate Change with SFCs recommendations. There is an increasing international pressure on implementing sustainable practices to reduce emissions and control climate change. He recommended the promotion of energy-efficient practices and taxes/cess at the state and the local levels.

15th Finance Commission's Approach to Local Bodies- Thiru Antony Cyriac (Deputy Director-General, Development Monitoring and Evaluation Office, NITI Aayog; Economic Advisor, Fifteenth Finance Commission)

Mr. Antony Cyriac in his presentation gave a brief idea about the rationale behind the 15th FCs recommendations. He highlighted the entry conditions to be met by local bodies in the states to avail the FC's grants. A few of those entry conditions are: web availability of accounts for the previous year and audited accounts for the year before previous, consistent improvement in the collection of property taxes in tandem with GSDP growth and notification of minimum floor rates of property taxes by the relevant the state government. Property tax has been given a lot of importance because it can strengthen local government's own sources of revenue and exploit it to its full potential.

He also pointed out that the share of ULBs will increase from 32.5 in 2020-21 to 35 in 2025-26 as per the 15th FC's recommendations. He cites that it is projected that India will be about 38% urbanized by 2025, so the increase in share of ULBs will incorporate increasing needs of urban infrastructure, urban-rural migration and development. Also, understanding the role of urbanization in economic growth, the 15th FC has recommended grants for the incubation of new cities.

The distribution of grants amongst the States is based on population and area in the proportion of 90:10, as it is one of the most progressive (need-based) formula for devolution of grants.

Acknowledging the role of local governments in handling the pandemic and health crisis across the country and FC has recommended the distribution of health grants to be channelized through local bodies. Moreover, it will strengthen primary health care centers which cater to a very large population and helps the states in achieving universal healthcare.

15th FC has advised against the homogenous treatment of the entire urban sector and has suggested different norms for grants for more populous and other cities, which are dissimilar in needs and aspirations. To ensure economic vibrancy, quality of life and quality of democracy, it is important to shift to a metropolitan governance paradigm and treat million-plus cities differently.

Discussion and Way Forward

The presentation by the NIPFP and invited speakers was followed by discussions from representatives of various departments of Government of Tamil Nadu. These are summarised as follows:

1. Additional Chief Secretary, Municipal Administration and Water Supply Department

Tamil Nadu is a highly urbanized state and devolution to urban local bodies should be commensurate with their needs. However, devolution of grants from 15th FC to urban local bodies will be inadequate to meet their requirements as they have adopted the rural-urban ratios at the national level and not at the state level, but Tamil Nadu has a high urban population than at the national level. Furthermore, the flow of

funds to rural areas through policies different policies (MGNREGA & Jal Jeevan Mission) is also very high, which neglects the need of urban areas for funds.

Additional Chief Secretary further recommended that SFC should use 2011 population census data for devolution of funds and also compensate urban local bodies for loss in grants.

2. Additional Chief Secretary, Planning, Development and Special Initiatives Department

Additional Chief Secretary pointed out that local governments are entrusted with many functionalities but are not delegated with adequate funds to meet their requirements. He recommended a few suggestions to strengthen local governments financially and administratively.

Recommendations

- Need to find new avenues of own-source revenues, market financing of funds by local governments through bonds, pooled bonds or other such instruments
- Local bodies should be passed on the benefits of appreciation in land value because of their infrastructure development activities
- Indexing property tax to GSDP to strengthen own source revenues
- Setting standard benchmarks for service delivery will enhance own source revenue
- Use of incentive funds to motivate local bodies to put in extra effort to increase their own tax revenues and non-tax revenues
- Operations and maintenance requirements should be measured at the grassroots levels so that grants for O&M can be based on need

3. Principal Secretary, Housing and Urban Development Department

Principal Secretary pointed the issues concerning urbanization and proposed that there is a need for higher urban planning and development. By 2031, 67% of the state would be urbanized and this would put pressure on urban housing and infrastructure. Hence the SFC should take note of this and devolved more funds to ULBs. The peripheral area around the urban areas also needs to be considered for the development of common infrastructure.

4. Director General of Rural Development and Panchayat Raj (Training), Government of Tamil Nadu

Additional Chief Secretary highlighted a few things in her presentation.

Issues:

- Redefine inter-se distribution between the three tiers of local bodies to make GPs more efficient in their devolution criteria
- Property-tax/House-tax are still being charged at the same rate of 1999, revising these rates will help local governments
- Empower the panchayats to freely address their problems with generating OTR
- Local governments should also be compensated for undertaking COVID-19 related expenditure during the pandemic

Recommendations:

- SFC grants and funds devolved to local bodies should not be tied to the same parameters as the 15th FC used. A huge segment of FCs grants to local bodies are tied and if on the same parameters SFC ties their funds then some local bodies will be left out
- Gender-responsive budgeting at the local levels
- Interaction with officers, presidents, panchayats and have as many field visits as possible to get acquainted with the ground reality

The comments and suggestions made by other participants are as follow:

- Local governments in Tamil Nadu are not delegated with adequate political and administrative powers to undertake and perform their duties
- Data transparency and robust data platforms should be promoted at the local levels. This would ensure public availability of all the budget documents relating to local bodies
- There are no designated funds for local government in case of a disaster or emergence of a pandemic, soft budgets or grants should be allocated to local bodies as a cushion for these local bodies
- More avenues and innovative ideas to improve own source revenue

- There is a need to plug leakages in generating own source revenue and non-tax revenues
- Revise the formula for assessment of property tax for residential and commercial areas ULBs
- There is an increasing need to reassess the solid waste management in the local bodies, with increasing needs for sanitation and waste management

Closing Session

The webinar ended with the closing remarks by the Chairperson of TN 6th SFC.

Annexure-XI

Details of Visit to District held by the Sixth State Finance Commission

Sl. No.	Date	District	Place	Local Bodies
1.	10.08.2021	Kancheepuram	Kundrathur Block Panchayat Thandalam Village Panchayat	Rural Local Bodies
2.	14.08.2021	Thiruvallur	Minjur Block Panchayat Devadhanam Village Panchayat	Rural Local Bodies
3.	28.08.2021	Kancheepuram and Thiruvallur	Thirumazhisai Town Panchayat Sriperumbudur Town Panchayat	Urban Local Bodies
4.	06.09.2021	Madurai	Sakkimangalam Village Panchayat – Nursery	Rural Local Bodies
5.	07.09.2021		Sedappatti Block Panchayat Chinnakattalai Village Panchayat	Rural Local Bodies
6.	08.09.2021		Solavanthan Town Panchayat Thirumangalam Municipality	Urban Local Bodies
7.	15.09.2021	Salem	Attur Municipality Tharamangalam Town Panchayat Salem Corporation	Urban Local Bodies
8.	16.09.2021		Chinnasoragai Village Panchayat Nangavalli Block Panchayat	Rural Local Bodies
9.	30.09.2021	Thiruvannamalai	Killpenathur Block Panchayat Somasvadi Village Panchayat	Rural Local Bodies
10.	01.02.2021		Jamunamarathur Block Panchayat Kovilur Village Panchayat	Rural Local Bodies
11.	02.10.2021		So.Kilnachipattu Village Panchayat	Rural Local Bodies

GIST OF FIELD VISITS

1. Thirumazhisai (Tiruvallur Dist) and Sriperumbudhur (Kancheepuram Dist) Town Panchayats

- ❖ The Following records has been verified by the Commission.
 1. DCB Statement
 2. Pending Audit Paras
 3. Cash Registers and Payment Registers
- ❖ Further, visited the STP (Sewerage Treatment Plant) site constructed under SWM. They explained the process and functioning of Sewage Treatment Plant.
- ❖ The collected Sewerage water from UGD (Under Ground Drainage) is treated into pure water for reuse.
- ❖ And also visited that Resource Recovery Park constructed under SWM scheme.
- ❖ Manure is prepared from degradable compost wastes.
- ❖ And also visited the Sriperumpudur Town Panchayat Road laid by CGF fund of 5th SFC.

2. SHOLAVANDAN TOWN PANCHAYAT (Madurai Dist)

- ❖ The Following record has been examined by the Commission.
 1. DCB Statement
 2. Pending Audit Paras
 3. Cash Registers and Payment Registers
- ❖ And visited the Shandy and New Bus stand construction. The assets were created from CGF fund of 5th SFC devolution.

3. THARAMANGALAM TOWN PANACHAYAT (Salem Dist)

- ❖ The following record has been examined by the Commission.
 1. DCB Statement
 2. Pending Audit Paras
 3. Cash Registers and Payment Registers
- ❖ And visited the market and Roads and Streets. Roads and Streets were maintained by the then Town Panchayat. They were very neat and clean.

4. TIRUMANGALAM MUNICIPALITY (Madurai Dist)

- ❖ The office records and accounts registers were examined by the Commission.
- ❖ And visited the market and Roads and Streets. Roads and Streets were maintained by the Municipality and were neat and clean.
- ❖ Tirumangalam Municipality is “**Bin free City**”.
- ❖ Visited the Water supply pumping station and FSTP unit.
- ❖ The Municipal Engineer/ Municipal Commissioner (i/c) had explained the functioning of FSTP and handling & disposal of garbage and production of manure from degradable compost.

5. SALEM CORPORATION (Salem Corp)

- ❖ The office records and accounts registers were examined by the Commission.
- ❖ Visited the Multipurpose hall construction at Hanging Garden, VOC Market, Multistoried market construction at old Bus stand and multistoried parking lot.

- ❖ The entire Corporation building is using solar power. “Solar Tree” established in front of the Office park for mini power charger to laptops and Cell phones and also for digital display of traffic instructions.

6. ATTUR MUNICIPALITY (Salem Corp)

- ❖ The office records and accounts registers and income details were verified by the Commission.
- ❖ Attur Municipality’s financial position is very poor.
- ❖ The Municipal Commissioner has explained following reasons for poor financial position of the Municipality.
 - Property tax not revised more than 10 years.
 - Large number of pensioners
 - Not having remunerative income
 - More liabilities from loans

Annexure XII

CONSULTATIONS

Discussions held with the following Officers and Elected Members.

Sl. No.	Name of the Department/ Boards / Corporations /HoDs.
1	The Additional Chief Secretary to Government, Finance Department
2	The Additional Chief Secretary to Government, Municipal Administration and Water Supply Department
3	The Principal Secretary to Government, Rural Development and Panchayat Raj Department
4	The Principal Secretary to Government, Housing and Urban Development Department
5	All District Collectors
6	The Managing Director, Tamil Nadu Housing Board (TNHB)
7	The Managing Director, Tamil Nadu Urban Habitat Development Board (TNUHDB).
8	The Managing Director, Tamil Nadu Water Supply and Drainage Board (TWAD)
9	The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB).
10	Principal Secretary/Member Secretary, Chennai Metropolitan Development Authority (CMDA)
11	Director, Town and Country Planning (DTCP)
12	The Chairman cum Managing Director, Tamil Nadu Energy Generation and Distribution Corporation Limited (TANGEDCO)
13	The Managing Director, Tamil Nadu Energy Development Agency (TEDA)
14	The Chairman cum Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL)

15	The Chairman cum Managing Director, Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO).
16	The Managing Director, Tamil Nadu Pollution Control Board (TNPCB)
17	The Principal Chief Conservator of Forest (PCCF)
18	The Principal Secretary/Commissioner, Greater Chennai Corporation (GCC)
19	The Director, Rural Development and Panchayat Raj (DRD)
20	The Director, Municipal Administration (DMA)
21	The Commissioner of Town Panchayats (CTP)
22	The Director General (H),Highways Department
23	The Director, Local Fund Audit Department (LFA)
24	The Director, Geology and Mining Department (G&M)
25.	The Commissioner, Adi Dravidar Welfare (ADW)
26.	The Director, Tribal Welfare (TW)
27.	The Principal Secretary/Commissioner, Commercial Taxes (CT)
28.	The Director of Public Libraries (DPL)
29.	The Commissioner, Hindu Religious Charitable Endowments Department(HR&CE)
30.	The Inspector General of Registration, Registration Department.
31.	All Commissioners of Municipal Corporation
32.	All Regional Directors of Municipal Administration
33.	Commissioners of Municipalities
34.	All Assistant Directors of Town Panchayats.
35.	Executive Officers of Town Panchayats
36.	Assistant Directors(Panchayat) of all Districts
37.	Elected Members of Rural Local Bodies.

COMPOSITION OF REVENUE EXPENDITURE OF TAMIL NADU (2014-15 TO 2019-20)

(Rs. in Crore)

Sl. No.	S.No.	Major Heads	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
		(I) A. General Services	41655.19	45511.88	51452.70	60450.69	72449.77	78137.38
		(a) Organs of State	1077.27	1014.61	1380.99	1252.38	1482.77	2166.06
1	1	2011 Parliament / State / Union Territory legislatures.	35.52	36.23	36.78	50.48	60.73	59.13
		Salary	31.99	33.47	33.57	39.51	53.26	54.42
		Non-Salary	3.53	2.76	3.21	10.97	7.47	4.72
2	2	2012 Preseident / Vice President / Governor/ Administrator of Union Territories.	8.46	8.30	8.91	12.48	11.54	15.24
		Salary	6.00	6.30	6.65	6.97	8.36	8.11
		Non-Salary	2.46	2.00	2.27	5.51	3.18	7.13
3	3	2013 Council of Ministers	5.13	4.01	9.95	5.18	7.73	5.76
		Salary	1.23	1.73	1.17	1.26	4.48	2.91
		Non-Salary	3.90	2.29	8.79	3.92	3.25	2.85
4	4	2014 Adminisration of Justice	752.84	793.60	893.76	1023.71	1210.77	1291.46
		Salary	683.38	725.96	770.18	881.90	1081.35	1166.21
		Non-Salary	69.46	67.65	123.58	141.81	129.42	125.25
5	5	2015 Elections	275.32	172.46	431.59	160.53	192.00	794.47
		Salary	75.33	30.18	102.77	35.74	44.21	243.88
		Non-Salary	199.99	142.28	328.82	124.79	147.79	550.59
		(b) Fiscal Services	929.64	936.73	972.54	1104.11	1237.27	1442.18
6	6	2020 Collection of taxes on income and expenditure	0.12	0.23	0.07	0.02	0.02	0.03
		Salary	0.12	0.23	0.07	0.02	0.00	0.03
		Non-Salary	0.00	0.00	0.00	0.00	0.02	0.00
7	7	2029 Land Revenue	208.19	206.35	186.79	210.74	239.57	250.76
		Salary	184.22	179.46	176.93	193.78	220.60	242.39
		Non-Salary	23.97	26.89	9.86	16.96	18.97	8.37
8	8	2030 Stamps & Registration	223.70	238.71	219.54	261.97	274.04	326.65
		Salary	136.19	139.32	146.03	149.59	173.25	212.71
		Non-Salary	87.51	99.39	73.51	112.38	100.79	113.94
9	9	2035 Collection of other taxes on property and capital transactions	6.73	6.56	6.30	7.50	8.42	9.90
		Salary	6.32	6.00	6.07	6.69	7.85	9.40
		Non-Salary	0.41	0.56	0.23	0.81	0.57	0.51

Sl. No.	S.No.	Major Heads		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
10	10	2039	State Excise	78.40	80.92	85.35	108.64	126.88	135.13
			Salary	29.64	32.14	32.63	37.17	44.81	50.93
			Non-Salary	48.77	48.77	52.72	71.47	82.07	84.21
11	11	2040	Taxes on Sales, trade etc	265.13	288.67	289.16	334.42	391.19	471.55
			Salary	230.22	237.56	255.64	288.62	326.53	364.62
			Non-Salary	34.92	51.11	33.52	45.80	64.66	106.93
12	12	2041	Taxes on Vehicles	127.04	98.46	166.66	159.94	174.81	223.95
			Salary	74.33	59.81	82.99	81.91	99.21	110.88
			Non-Salary	52.71	38.65	83.67	78.03	75.60	113.07
13	13	2045	Others taxes and duties on commodities and services	10.76	10.68	10.60	11.89	12.15	13.99
			Salary	8.54	9.35	10.01	9.97	11.38	12.29
			Non-Salary	2.23	1.33	0.59	1.92	0.77	1.70
14	14	2047	Other fiscal services	9.56	6.14	8.07	8.99	10.19	10.21
			Salary	7.18	5.26	7.25	8.10	9.29	9.40
			Non-Salary	2.38	0.88	0.82	0.89	0.90	0.81
			(c) Interest Payment and Servicing of Debt	14887.17	17742.43	20918.10	26733.09	29247.22	32490.06
15	15	2048	Appropriation for reduction or avoidane of debt.	337.43	351.42	384.87	721.56	490.21	509.88
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	337.43	351.42	384.87	721.56	490.21	509.88
16	16	2049	Interest payments	14549.74	17391.01	20533.24	26011.53	28757.01	31980.19
			Salary	0.00	0.00	0.00	0.00	0.00	-0.09
			Non-Salary	0.00	0.00	0.00	0.00	0.00	31980.28
			(d) Administrative Services	7033.85	7217.83	7811.15	8723.15	10201.63	11290.98
17	17	2051	Public Service Commission	71.85	63.68	68.64	77.26	82.24	101.18
			Salary	27.49	29.08	33.00	36.30	42.34	45.79
			Non-Salary	44.36	34.60	35.65	40.96	39.90	55.39
18	18	2052	Secretariat General Services.	232.19	182.21	240.29	265.96	298.72	291.15
			Salary	125.09	134.37	141.44	156.31	183.12	197.59
			Non-Salary	107.10	47.84	98.85	109.65	115.60	93.56
19	19	2053	District Administration	966.01	1009.21	1047.82	1131.95	1288.81	1521.21
			Salary	885.81	934.64	980.91	1040.51	1186.83	1396.16
			Non-Salary	80.20	74.57	66.91	91.44	101.98	125.05
20	20	2054	Treasury and Accounts Administration	218.95	243.52	275.38	302.96	368.77	347.15
			Salary	198.14	211.75	218.32	236.58	269.41	300.39
			Non-Salary	20.81	31.77	57.06	66.38	99.36	46.76
21	21	2055	Police	4532.12	4698.38	5166.84	5730.90	6733.76	7526.21

Sl. No.	S.No.	Major Heads	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
		Salary	3888.57	4034.97	4372.06	4974.87	5868.43	6430.13
		Non-Salary	643.55	663.41	794.78	756.03	865.33	1096.09
22	22	2056 Jails	203.16	227.78	229.73	244.52	307.36	339.82
		Salary	139.07	141.84	141.75	161.55	214.66	235.25
		Non-Salary	64.09	85.95	87.98	82.97	92.70	104.57
23	23	2058 Stationery and Printing	91.99	109.23	108.41	114.72	175.36	145.87
		Salary	54.09	55.50	63.56	68.99	79.49	86.00
		Non-Salary	37.90	53.73	44.85	45.73	95.87	59.88
24	24	2059 Public works	317.16	251.53	255.68	376.97	384.74	419.96
		Salary	158.32	170.60	173.93	190.24	195.98	212.40
		Non-Salary	158.84	80.94	81.74	186.73	188.76	207.56
25	25	2062 Vigilance	0.00	37.57	40.35	48.95	58.24	68.10
		Salary	0.00	32.32	34.49	41.68	50.31	58.97
		Non-Salary	0.00	5.24	5.86	7.27	7.93	9.13
25	26	2070 Other Administrative Services	400.41	394.71	378.01	428.96	503.63	530.34
		Salary	265.35	240.20	249.01	275.21	363.82	373.06
		Non-Salary	135.06	154.51	129.00	153.75	139.81	157.29
		(e) Pension & Misc. General Services	17727.26	18600.28	20369.92	22637.96	30280.88	30748.10
26	27	2071 Pension and other retirement benefits	17348.98	18246.34	19972.84	22359.87	29629.60	30201.77
		Salary	0.00	0.00	-82.74	-62.65	-73.13	-80.79
		Non-Salary	17348.98	18246.34	20055.58	22422.53	29702.72	30282.56
27	28	2075 Miscellaneous general services	378.28	353.95	397.08	278.09	651.28	546.33
		Salary	4.32	6.71	6.98	7.38	8.88	9.94
		Non-Salary	373.96	347.24	390.09	270.71	642.40	536.39
		II. B. Social Services	50349.06	54806.57	55297.26	59790.17	70201.93	73999.32
28	29	2202 General education	22880.23	23699.04	24765.85	27360.39	31582.08	36658.91
		Salary	20522.91	19371.33	20967.41	22449.23	26001.67	29866.01
		Non-Salary	2357.32	4327.71	3798.44	4911.16	5580.41	6792.91
29	30	2203 Technical Education	1034.30	998.09	947.84	998.40	986.29	1054.18
		Salary	408.22	411.99	436.88	292.40	322.40	580.41
		Non-Salary	626.08	586.11	510.97	706.00	663.89	473.77
30	31	2204 Sports and Youth Services	186.09	171.97	152.47	162.19	207.21	293.13
		Salary	21.86	23.29	25.13	24.79	21.94	30.83
		Non-Salary	164.23	148.67	127.34	137.40	185.27	262.30
31	32	2205 Art and Culture	143.55	146.96	167.38	185.78	207.95	232.77
		Salary	116.09	122.90	131.23	149.68	171.91	187.35
		Non-Salary	27.46	24.06	36.15	36.10	36.04	45.42
32	33	2210 Medical and Public Health	5307.02	5903.07	6160.91	7991.24	8783.79	8877.50
		Salary	3392.43	3750.16	4222.46	4379.62	5370.00	6091.02
		Non-Salary	1914.58	2152.91	1938.45	3611.62	3413.79	2786.48

Sl. No.	S.No.	Major Heads	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
33	34	2211 Family Welfare	1593.60	1862.01	1792.61	2037.71	2974.40	2634.09
		Salary	586.58	520.87	551.17	607.59	679.38	696.98
		Non-Salary	1007.02	1341.14	1241.44	1430.12	2295.02	1937.11
34	35	2215 Water Supply and Sanitation	520.00	544.23	1337.15	1562.34	1069.45	646.42
		Salary	8.91	9.79	10.00	11.10	10.26	10.40
		Non-Salary	511.08	534.43	1327.14	1551.24	1059.19	636.02
35	36	2216 Housing	1650.52	1776.77	1176.77	2491.86	3922.86	3161.48
		Salary	12.29	10.09	4.26	7.51	7.74	14.92
		Non-Salary	1638.23	1766.68	1172.50	2484.35	3915.12	3146.56
36	37	2217 Urban Development	1615.60	698.88	1142.74	939.71	1085.79	1647.13
		Salary	32.71	37.84	41.91	47.46	-46.84	56.03
		Non-Salary	1582.89	661.03	1100.83	892.25	1132.63	1591.11
37	38	2220 Information and Publicity	105.02	89.22	80.29	135.63	106.15	108.14
		Salary	31.14	34.06	39.42	42.66	48.90	56.25
		Non-Salary	73.87	55.16	40.87	92.97	57.25	51.89
38	39	2225 Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes	2620.93	3101.64	3586.85	3596.97	4343.28	4389.57
		Salary	725.28	760.64	873.80	973.18	1112.66	1194.65
		Non-Salary	1895.65	2341.00	2713.05	2623.79	3230.62	3194.92
39	40	2230 Labour and Employment	408.68	380.76	463.42	578.59	631.27	735.36
		Salary	221.59	234.07	252.38	243.53	306.57	309.79
		Non-Salary	187.09	146.69	211.04	335.06	324.70	425.56
40	41	2235 Social Security and Welfare	8702.85	9422.06	8020.39	7518.21	8036.55	8298.65
		Salary	157.78	177.00	74.83	225.35	225.36	236.31
		Non-Salary	8545.07	9245.06	7945.56	7292.86	7811.19	8062.34
41	42	2236 Nutrition	3080.79	2940.88	3039.86	3322.38	3754.19	4109.17
		Salary	1379.62	1415.29	1525.64	1709.72	2128.40	2277.79
		Non-Salary	1701.17	1525.59	1514.22	1612.66	1625.79	1831.38
42	43	2245 Releif on Account of Natural Calamities	375.06	2984.66	2363.98	536.16	2238.47	859.31
		Salary	0.00	0.00	-129.43	-14.22	-7.20	-24.44
		Non-Salary	375.06	2984.66	2493.41	550.38	2245.67	883.75
	44	2250 Other Social Services	55.04	15.32	22.79	286.31	166.91	180.48
		Salary	56.20	46.76	58.11	69.38	84.51	90.10
		Non-Salary	-1.17	-31.44	-35.32	216.93	82.40	90.37
43	45	2251 Secretariat - Social Services	69.80	71.03	75.97	86.30	105.29	113.03
		Salary	64.31	68.42	72.29	82.11	96.82	101.74
		Non-Salary	5.49	2.60	3.68	4.19	8.47	11.29
44		III. (C) Economic Services	26843.39	29943.01	33979.72	36162.37	39669.34	42609.76
	46	2401 Crop Husbandry	4389.66	5023.15	5344.64	6209.43	7801.19	8839.20

Sl. No.	S.No.	Major Heads	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
		Salary	544.09	459.09	585.57	612.32	663.91	778.69
		Non-Salary	3845.57	4564.06	4759.07	5597.11	7137.28	8060.50
45	47	2402 Soil and Water Conversion	113.38	96.88	105.81	122.09	145.76	100.03
		Salary	31.15	34.41	35.05	38.09	35.08	36.38
		Non-Salary	82.23	62.47	70.76	84.00	110.68	63.65
46	48	2403 Animal Husbandry	773.96	739.64	630.69	879.73	922.18	1054.46
		Salary	341.07	358.67	384.66	410.83	471.60	533.37
		Non-Salary	432.90	380.97	246.03	468.90	450.58	521.09
47	49	2404 Dairy Development	81.89	63.86	60.60	51.13	47.79	50.35
		Salary	24.62	26.24	29.54	24.98	33.37	36.39
		Non-Salary	57.27	37.63	31.06	26.15	14.42	13.95
	50	2405 Fisheries	310.10	301.27	310.49	451.16	428.97	418.45
		Salary	33.70	12.30	40.31	34.95	47.66	38.46
		Non-Salary	276.40	288.97	270.18	416.21	381.31	379.98
49	51	2406 Forestry and Wild Life	304.81	289.96	280.59	324.53	361.80	409.94
		Salary	218.07	225.00	220.11	246.04	274.83	309.48
		Non-Salary	86.74	64.96	60.48	78.49	86.97	100.46
50	52	2407 Plantations	0.04	0.05	0.01	0.00	0.00	0.00
		Salary	0.04	0.05	0.01	0.00	0.00	0.00
		Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00
51	53	2408 Food Storage and Warehousing	0.62	0.00	1.01	0.00	0.00	54.52
		Salary	0.00	0.00	0.00	0.00	0.00	0.00
		Non-Salary	0.62	0.00	1.01	0.00	0.00	54.52
52	54	2415 Agricultural Research and Education	528.36	635.51	703.46	792.91	737.27	1118.03
		Salary	5.52	3.85	5.75	6.45	7.68	8.01
		Non-Salary	522.84	631.66	697.71	786.46	729.59	1110.02
	55	2425 Co-Operation	519.32	540.38	2296.33	2568.82	1709.64	1673.25
		Salary	179.41	121.77	90.96	95.13	189.00	171.00
		Non-Salary	339.91	418.60	2205.36	2473.69	1520.64	1502.25
54	56	2435 Other Agricultural Programmes	127.41	133.87	148.00	152.97	206.92	296.38
		Salary	119.70	124.61	129.05	139.26	149.97	164.42
		Non-Salary	7.71	9.26	18.95	13.71	56.95	131.96
55	57	2501 Special Programmes for Rural Development	206.87	339.32	314.61	583.76	550.17	596.80
		Salary	39.46	42.61	43.86	31.90	51.49	55.65
		Non-Salary	167.41	296.70	270.75	551.86	498.68	541.15
56	58	2505 Rural Employment	4551.10	6145.90	4779.22	1447.75	2842.52	1981.62
		Salary	57.38	98.99	104.69	114.48	128.66	137.94
		Non-Salary	4493.72	6046.91	4674.53	1333.27	2713.86	1843.68
	59	2506 Land Reforms	0.00	0.00	0.00	0.00	0.00	0.00
		Salary	0.00	0.00	0.00	0.00	0.00	0.00
		Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00

Sl. No.	S.No.	Major Heads		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
58	60	2515	Other Rural Development Programmes	978.17	873.95	825.41	879.85	850.18	925.11
			Salary	328.25	326.89	366.39	407.63	456.76	499.11
			Non-Salary	649.93	547.06	459.03	472.22	393.42	426.00
59	61	2551	Hillareas	6.32	3.13	2.99	3.40	4.07	5.00
			Salary	2.40	2.25	2.67	2.93	3.59	4.12
			Non-Salary	3.92	0.89	0.32	0.47	0.48	0.88
	62	2701	Major and Medium Irrigation	1143.99	1176.19	1193.87	1347.20	1345.43	1585.45
			Salary	302.67	312.39	317.17	372.93	395.81	406.29
			Non-Salary	841.33	863.79	876.71	974.27	949.62	1179.17
	63	2702	Minor Irrigation	88.47	88.09	76.82	91.42	100.14	109.67
			Salary	35.27	35.29	36.64	34.75	47.37	56.65
			Non-Salary	53.20	52.80	40.18	56.67	52.77	53.03
	64	2705	Command Area Development	13.65	3.93	1.86	0.00	0.00	0.00
			Salary	12.75	3.65	-0.07	0.00	0.00	0.00
			Non-Salary	0.90	0.28	1.93	0.00	0.00	0.00
63	65	2711	Flood Control and Drainage	129.66	129.66	140.03	150.37	155.87	158.11
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	129.66	129.66	140.03	150.37	155.87	158.11
	66	2801	Power	3496.40	3906.64	6296.33	8426.02	7662.70	8728.44
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	3496.40	3906.64	6296.33	8426.02	7662.70	8728.44
	67	2810	New and Renewable Energy	17.46	13.78	5.00	1.49	12.15	5.02
			Salary	2.02	1.23	1.13	1.22	1.20	1.04
			Non-Salary	15.43	12.56	3.87	0.27	10.95	3.98
66	68	2851	Village and Small Industries	886.76	1002.02	1083.47	1148.43	1436.73	1278.70
			Salary	93.34	96.67	107.57	108.52	115.38	119.94
			Non-Salary	793.42	905.35	975.90	1039.91	1321.35	1158.76
67	69	2852	Industries	722.06	1223.43	1683.56	1672.64	2249.49	2763.30
			Salary	8.65	9.36	8.53	9.79	1.28	15.23
			Non-Salary	713.41	1214.07	1675.03	1662.85	2248.21	2748.07
68	70	2853	Non Ferrous Mining and Metallurgical Industries	13.16	12.40	12.89	15.52	16.23	19.06
			Salary	11.17	11.52	12.25	13.46	15.08	16.10
			Non-Salary	1.98	0.88	0.64	2.06	1.15	2.96
69	71	2875	Other Industries	0.00	0.00	0.00	0.00	0.00	0.00
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00
	72	2885	Other Outlays on Industries and Minerals	0.00	0.00	0.00	0.00	0.00	0.00
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
70			Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00

Sl. No.	S.No.	Major Heads		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
71	73	3001	Indian Railways Policy, Formulation, Direction Research and Other Misc. Organisation	0.00	0.00	0.00	0.00	0.00	0.00
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00
	74	3051	Ports & Light Houses	0.00	0.00	0.00	0.00	0.00	0.00
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00
	75	3052	Shipping	0.00	0.00	0.00	0.05	0.00	0.00
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.00	0.00	0.00	0.05	0.00	0.00
	76	3053	Civil Aviation	0.00	0.00	0.00	0.00	0.00	0.00
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00
	77	3054	Roads and Bridges	1449.39	935.57	866.85	1281.51	1040.14	1127.27
72			Salary	225.00	237.02	254.54	267.51	298.19	601.63
73			Non-Salary	1224.39	698.55	612.31	1014.00	741.95	525.65
74	78	3055	Road Transport	622.81	289.57	653.05	849.98	366.09	277.18
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	622.81	289.57	653.05	849.98	366.09	277.18
	79	3056	Inland Water Transport	0.96	0.95	1.11	1.04	1.34	1.23
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.96	0.95	1.11	1.04	1.34	1.23
	80	3075	Other Transport Services	0.30	1.40	1.00	1.01	1.20	1.35
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.30	1.40	1.00	1.01	1.20	1.35
75	81	3275	Other Communication Services	0.00	0.00	0.00	0.00	0.00	0.00
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00
76	82	3402	Space Research	0.00	0.00	0.00	0.00	0.00	0.00
			Salary	0.00	0.00	0.00	0.00	0.00	0.00
			Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00
77	83	3425	Other Scientific Reaserch	6.70	6.48	8.64	15.75	8.10	12.48
			Salary	-0.60	-0.36	0.00	-0.05	-3.23	-0.97
			Non-Salary	7.30	6.84	8.64	15.80	11.33	13.45
78	84	3435	Ecology and Environment	6.06	7.37	5.71	3.86	13.19	7.07
			Salary	2.67	2.26	2.41	2.14	2.25	2.67
			Non-Salary	3.38	5.11	3.29	1.72	10.94	4.40
79	85	3451	Secretariat - Economic Service	88.65	65.05	67.63	74.43	90.69	93.56

Sl. No.	S.No.	Major Heads	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
		Salary	54.87	57.75	59.96	68.40	78.42	83.32
		Non-Salary	33.78	7.29	7.67	6.03	12.27	10.24
80	86	3452 Tourism	24.36	23.58	23.06	24.81	26.94	32.88
		Salary	6.70	4.42	7.31	6.51	6.75	9.40
		Non-Salary	17.66	19.16	15.75	18.30	20.19	23.49
81	87	3453 Foreign Trade and Export Promotion	0.00	0.00	0.00	0.00	0.00	0.00
		Salary	0.00	0.00	0.00	0.00	0.00	0.00
		Non-Salary	0.00	0.00	0.00	0.00	0.00	0.00
	88	3454 Census Surveys and Statistics	104.30	88.94	64.63	87.37	100.88	88.37
		Salary	79.20	78.38	58.77	79.76	67.01	78.70
		Non-Salary	25.10	10.55	5.86	7.61	33.87	9.67
82	89	3456 Civil Supplies	5101.29	5425.47	5698.75	6223.40	8154.58	8516.55
		Salary	69.25	71.43	75.71	84.45	92.70	105.71
		Non-Salary	5032.04	5354.05	5623.04	6138.95	8061.88	8410.84
	90	3475 Other General Economic Services	34.97	355.64	291.63	278.54	278.99	280.92
		Salary	25.05	25.13	21.04	25.73	28.85	31.54
		Non-Salary	9.92	330.51	270.60	252.81	250.14	249.37
84		IV. D. Grants in aid and Contributions.	9980.36	10731.76	12465.58	11470.39	14879.55	15688.28
	91	3604 Compensation and Assignments to local bodies and Panchayat Raj Institutions	9980.36	10731.76	12465.59	11470.39	14879.55	15688.28
		of which						
		SFC devolution to PRIs	4273.84	4332.96	4728.73	3567.80	4209.77	4036.33
85		SFC devolution to ULBs	3030.57	2975.45	3368.42	3992.35	4980.43	4556.99
		13th FC grants to PRIs	584.09	0.00	0.00	0.00	0.00	0.00
		13th FC grants to ULBs	457.74	0.00	0.00	0.00	0.00	0.00
		14th FC grants to PRIs	0.00	1100.61	1484.31	758.06	1634.99	1787.49
		14th FC grants to ULBs	0.00	790.04	1416.82	436.07	980.42	1718.94
		Assigned revenue transfer to PRIs	866.04	713.01	666.46	2053.70	2178.28	2749.73
		Assigned revenue transfer to ULBs	766.28	819.37	800.71	662.27	867.65	836.85
		Others	1.80	0.32	0.14	0.14	28.01	1.94
		Total Revenue	128828.00	140993.23	153195.26	167873.62	197200.59	210434.73
		Expenditure (I+II+III+IV)						

Forecasts of Major Fiscal Indicators (2022-23 to 2026-27)

Items	2019-20 Actual	2020-21 (RE)	2021-22 (RBE)	Forecast					(Rs. in Crore)	
				2022-23	2023-24	2024-25	2025-26	2026-27	Total	
									(2022-23 to 2026-27)	
1	2	3	4	5	6	7	8	9		
Own Tax Revenue of which	107462.29	109968.97	126644.15	146043.03	163194.91	182536.88	204175.71	228384.51	924335.05	
Stamps & Registration Fees	10855.65	10780.96	13252.67	15240.57	16764.62	18608.73	20655.69	22927.82	94197.43	
State Excise	7205.97	7815.08	8769.82	9822.20	11000.87	12320.97	13799.49	15455.43	62398.97	
Tax on Sales, Trade etc. of which	44515.44	43784.24	53798.00	62405.68	69894.36	78281.68	87675.48	98196.54	396453.75	
Taxes on Vehicles	5674.64	4566.46	6581.75	7371.56	8256.14	9246.88	10356.51	11599.29	46830.38	
Non-Tax Revenues	12887.85	12682.79	14139.01	15552.91	17108.20	18990.10	21079.02	23397.71	96127.94	
Grants-in-aid from GOI	27783.37	35009.40	34564.42	38020.86	41822.95	46005.24	50605.77	55666.34	232121.16	
Share in Central Taxes	26392.41	23039.46	27148.31	30406.107	34054.84	38141.421	42718.391	47844.598	193165.36	
Total Revenue Receipts	174525.91	180700.62	202495.89	230022.91	256180.90	285673.65	318578.88	355293.16	1445749.52	
General Services of which	78137.38	80941.51	90136.97	101415.30	113364.34	126851.84	142182.57	159611.76	643425.80	
Interest payments	31980.19	36553.90	41603.02	48259.50	55981.02	64937.99	75328.07	87380.56	331887.14	
Pension and other retirement benefits	30201.77	27696.39	28250.60	32427.404	35539.891	38969.632	42747.903	46901.626	196586.46	
Miscellaneous general services	546.33	464.28	577.29	356.33	363.54	373.17	383.98	395.20	1872.21	
Social Services of which	73999.32	91870.48	94389.94	90151.98	91832.20	95550.33	99613.36	104030.62	481178.50	
General Education	36658.91	38445.06	37610.08	39042.141	41336.351	43832.076	46498.701	49350.04	220059.31	
Medical and Public Health	8877.50	11726.44	12330.07	11898.24	12430.41	13013.78	13634.95	14292.90	65270.28	
Urban Development	1647.13	1625.74	1862.81	1609.79	1556.85	1595.28	1634.81	1675.47	8072.20	
Economic Services of which	42609.76	55717.99	60381.09	57708.71	60400.65	65263.01	70748.12	76945.95	331066.44	
Crop Husbandry	8839.20	9541.05	10968.22	10208.52	10517.08	11278.34	12134.19	13098.24	57236.39	
Major and Medium Irrigation	1585.45	1421.33	1499.98	1508.81	1567.50	1629.67	1694.64	1762.54	8163.15	
Power	8728.44	16474.73	15386.41	13915.22	14121.96	15070.19	16137.25	17340.51	76585.12	
Industries	2763.30	2551.65	2235.15	2553.79	2977.68	3405.15	3896.27	4460.59	17293.48	
Grants-in-aid Contributions	15688.28	18164.72	16280.59	17585.35	19198.40	21052.75	23128.55	25428.12	106393.17	
Compensation and Assignments to LBs and PRIs	15688.28	18164.72	16280.59	17585.35	19198.40	21052.75	23128.55	25428.12	106393.17	
Total Revenue Expenditure	210434.73	246694.69	261188.57	266861.34	284795.59	308717.93	335672.61	366016.45	1562063.92	
Capital Receipts	72158.31	114215.55	124306.90	136737.59	150411.35	165452.48	181997.73	200197.51	834796.66	
Fiscal Deficit	-60178.64	-96889.97	-92529.43	-82975.81	-79378.90	-84147.26	-85126.39	-86509.47	-418137.83	
Capital Disbursement	47520.29	60221.88	67846.27	74630.90	82093.99	91945.27	102978.70	115336.14	466985.00	
Revenue Account Surplus / Deficit	-35908.81	-65994.06	-58692.68	-36838.43	-28614.69	-23044.28	-17093.72	-10723.29	-116314.40	
GSDP at Current Prices	1845853	1943399	2136351	2382031	2667875	2988020	3346582	3748172	15132680.69	

Forecasts of Major Fiscal Indicators to GSDP (2022-23 to 2026-27)

(Percent)

Items	2019-20 Actual	2020-21 (RE)	2021-22 (RBE)	Forecast				
				2022-23	2023-24	2024-25	2025-26	2026-27
1	2	3	4	5	6	7	8	9
Own Tax Revenue of which	5.82%	5.66%	5.93%	6.13%	6.12%	6.11%	6.10%	6.09%
Stamps & Registration Fees	0.59%	0.55%	0.62%	0.64%	0.63%	0.62%	0.62%	0.61%
State Excise	0.39%	0.40%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%
Tax on Sales, Trade etc. <i>of which</i>	2.41%	2.25%	2.52%	2.62%	2.62%	2.62%	2.62%	2.62%
Taxes on Vehicles	0.31%	0.23%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%
Non-Tax Revenues	0.70%	0.65%	0.66%	0.65%	0.64%	0.64%	0.63%	0.62%
Grants-in-aid from GOI	1.51%	1.80%	1.62%	1.60%	1.57%	1.54%	1.51%	1.49%
Share in Central Taxes	1.43%	1.19%	1.27%	1.28%	1.28%	1.28%	1.28%	1.28%
Total Revenue Receipts	9.46%	9.30%	9.48%	9.66%	9.60%	9.56%	9.52%	9.48%
General Services of which	4.23%	4.16%	4.22%	4.26%	4.25%	4.25%	4.25%	4.26%
Interest payments	1.73%	1.88%	1.95%	2.03%	2.10%	2.17%	2.25%	2.33%
Pension and other retirement benefits	1.64%	1.43%	1.32%	1.36%	1.33%	1.30%	1.28%	1.25%
Miscellaneous general services	0.03%	0.02%	0.03%	0.01%	0.01%	0.01%	0.01%	0.01%
Social Services of which	4.01%	4.73%	4.42%	3.78%	3.44%	3.20%	2.98%	2.78%
General Education	1.99%	1.98%	1.76%	1.64%	1.55%	1.47%	1.39%	1.32%
Medical and Public Health	0.48%	0.60%	0.58%	0.50%	0.47%	0.44%	0.41%	0.38%
Urban Development	0.09%	0.08%	0.09%	0.07%	0.06%	0.05%	0.05%	0.04%
Economic Services of which	2.31%	2.87%	2.83%	2.42%	2.26%	2.18%	2.11%	2.05%
Crop Husbandry	0.48%	0.49%	0.51%	0.43%	0.39%	0.38%	0.36%	0.35%
Major and Medium Irrigation	0.09%	0.07%	0.07%	0.06%	0.06%	0.05%	0.05%	0.05%
Power	0.47%	0.85%	0.72%	0.58%	0.53%	0.50%	0.48%	0.46%
Industries	0.15%	0.13%	0.10%	0.11%	0.11%	0.11%	0.12%	0.12%
Grants-in-aid Contributions	0.85%	0.93%	0.76%	0.74%	0.72%	0.70%	0.69%	0.68%
Compensation and Assignments to LBs and PRIs	0.85%	0.93%	0.76%	0.74%	0.72%	0.70%	0.69%	0.68%
Total Revenue Expenditure	11.40%	12.69%	12.23%	11.20%	10.67%	10.33%	10.03%	9.77%
Capital Receipts	3.91%	5.88%	5.82%	5.74%	5.64%	5.54%	5.44%	5.34%
Fiscal Deficit	-3.26%	-4.99%	-4.33%	-3.48%	-2.98%	-2.82%	-2.54%	-2.31%
Capital Disbursement	2.57%	3.10%	3.18%	3.13%	3.08%	3.08%	3.08%	3.08%
Revenue Account Surplus / Deficit	-1.95%	-3.40%	-2.75%	-1.55%	-1.07%	-0.77%	-0.51%	-0.29%
GSDP at Current Prices	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

SFC Devolution to Local Bodies (Rs. in Crore)									
Sl.No	Tiers	Head of Account	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 RBE
Rural Local bodies									
1	District Panchayats	3604-00-196-AA	346.64	376.95	285.42	330.51	316.64	298.11	308.20
2	Panchayat Unions	3604-00-197-AA	1386.55	1507.80	1320.09	1528.59	1464.36	1378.77	1425.41
3	Village Panchayats	3604-00-198-AA	2077.57	2342.55	1962.29	2272.22	2176.89	2049.52	2118.86
4	VPs - Infrastructure Gap Filling Fund(IGFF)	3604-00-198-AC	522.21	484.39	0.00	0.00	0.00	0.00	0.00
5	Clean Village Campaign	2515-00-800-AO	200.00	150.00	0.00	0.00	0.00	0.00	0.00
6	Capital Grant Fund (CGF)	3604-00-200-BP	0.00	0.00	1031.88	1180.38	1030.85	1064.69	1157.85
7	Pooled Fund for Deficit RLB	3604-00-200-BQ	0.00	0.00	515.94	590.19	565.42	532.34	578.92
8	Devolution Arrears to District Panchayats	3604-00-196-AC	0.00	0.00	0.00	6.28	6.28	0.00	0.00
9	Devolution Arrears to Panchayat Unions	3604-00-197-AB	0.00	0.00	0.00	25.10	25.10	0.00	0.00
10	Devolution Arrears to Village Panchayat	3604-00-198-AD	0.00	0.00	0.00	47.07	47.07	0.00	0.00
11	Total Rural Local Bodies		4532.96	4861.68	5115.62	5980.33	5632.61	5323.44	5589.24
Urban Local Bodies									
Municipal Corporations*									
12	SFC Devolution	3604-00-191-AA	1098.49	1231.44	1215.82	1408.11	1384.08	1254.10	1352.19
13	Infrastructure Gap Filling Fund(IGFF)	3604-00-191-AB	50.87	76.97	0.00	0.00	0.00	0.00	0.00
14	Operation and Maintenance Gap Filling Fund	3604-00-191-AC	45.52	36.52	75.99	88.00	86.27	80.58	87.64
15	Capital Grant Fund (CGF)	3604-00-191-AE	0.00	0.00	224.96	264.02	288.29	241.75	262.91
16	Devolution Arrears	3604-01-191-JG	0.00	0.00	0.00	79.02	79.02	0.00	0.00
17	Total		1194.87	1344.92	1516.77	1839.15	1837.66	1576.43	1702.74
Municipalities									
18	SFC Devolution	3604-00-192-AA	850.47	954.36	881.47	1020.88	1003.46	932.79	966.59
19	Infrastructure Gap Filling Fund(IGFF)	3604-00-192-AE	80	53.69	0.00	0.00	0.00	0.00	0.00
20	Operation and Maintenance Gap Filling Fund	3604-00-192-AF	24	23.45	55.09	63.80	68.57	58.42	63.54
21	Capital Grant Fund (CGF)	3604-00-192-AH	0.00	0.00	165.28	191.32	187.95	175.22	190.61
22	Devolution Arrears	3604-00-192-JJ	0.00	0.00	0.00	61.24	61.24	0.00	0.00
23	Total		953.98	1031.50	1101.84	1337.24	1321.21	1166.43	1220.73
Town panchayats									
24	SFC Devolution	3604-00-193-AA	803.26	889.55	942.26	1091.28	1072.66	999.26	1086.70
25	Infrastructure Gap Filling Fund(IGFF)	3604-00-193-AC	23.34	69.44	0.00	0.00	0.00	0.00	0.00
26	Operation and Maintenance Gap Filling Fund	3604-00-193-AD	0.00	33.00	58.89	68.21	67.04	62.45	67.92
27	Capital Grant Fund (CGF)	3604-00-193-AE	0.00	0.00	176.67	204.62	201.12	187.36	203.76
28	Devolution Arrears	3604-00-193-JH	0.00	0.00	0.00	57.29	57.29	0.00	0.00
29	Total		826.60	991.99	1177.83	1421.39	1398.12	1249.08	1358.37
30	Clean Village Campaign		105.00	100.00	0.00	0.00	0.00	0.00	0.00
31	Total Urban Local Bodies		3080.45	3468.42	3796.44	4597.78	4556.99	3991.94	4281.84
32	Grand Total		7613.41	8330.10	8912.06	10578.12	10189.60	9315.38	9871.08

*Municipal Corporations include data belongs to Greater Chennai Corporation.

State Finance Commission Devolution											
(Rs. In Lakh)											
Sl. No.	Items	First State Finance Commission					Second State Finance Commission				
		1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
	As worked out by Finance Department										
1	State's Own Tax Revenue	868564	962530	1091893	1228224	1300970	1434171	1594497	1935447	2332561	2777075
2	Less: Entertainment Tax (0045101AA01&05) (D.58)	11642	8819	8224	7092	156	7719	9931	0	0	0
	Less: Other deductions from SOTR										
3	Transferred to TNRD (305480797AC) (D.21)	2522	2522	2522	2522	2522	7295	5004	6117	6597	7267
4	Transferred to MV Tax Act (305480797AH) (D.21)						0	0	0	0	0
5	Less: Infrastructure Development Fund (D.10) (204000797AA)						0	16059	20231	23087	19503
6	Receipts under L.R. Surcharge Act (002900101AF & AG)						0	2411	3642	3948	4335
7	Less: Receipts under Surcharge Act -5% of 105% (004000102AA & AI)						0	47281	41861	61722	66088
8	Surcharge under Motor Vehicle Tax Act (004100102AB0007) (R.R.)						0	0	0	0	0
9	Collection charges (202900001etc.) D.41						0	0	0	536	618
10	Stamp Duty -Grants to RLBs (360400102AA0900) D.42						0	0	0	0	0
11	Stamp Duty-Transfer to Funds for Priority Schemes (360400102AB1005) D.42						0	0	0	0	0
12	Local Cess - Local Cess Surcharge (360400101AD0909) (D.42)						0	0	0	0	0
13	Local Cess - Local Cess Surcharge(360400101AE1001(D.42)						0	0	0	0	0
14	Stamp Duty - Contribution to TURIF (360400200BG&B11001) (D.34)						0	0	0	0	0
15	Stamp Duty - Grants to ULBs (360400200BH&BJ0909) (D.34)						0	0	0	0	0
16	Electricity Tax(0043)						0	0	0	0	0
	Total Deductions(Sl.No.2to16)	14164	11341	10746	9614	2678	15014	80686	71851	95890	97811
17	Net State's Own Tax Revenue	854400	951189	1081147	1218610	1298292	1419157	1513811	1863596	2236671	2679264
18	Actual entitlement based on net State's Own Tax Revenue (as derived by the Government) (8% from 1997-98 to 2006-07) (9% from 2007-08 to 08-09) (9.5% in 2009-10) (10% from 2010-11 to 2016-17)	68352	76095	86492	97489	103863	113533	121105	149088	178934	214341
	i. Rural Local Bodies (58 % from 2002-03)	37594	41852	47570	53619	57125	65849	70241	86471	103782	124318
	ii. Urban Local Bodies (42 % from 2002-03)	30758	34243	38921	43870	46739	47684	50864	62617	75152	90023
19	Actual grants transferred by the State Government	61257	79293	80519	86714	40760	133144	126967	176673	165066	205012
	i. Rural Local Bodies	35708	49902	44689	52066	18621	74238	67154	117286	99475	122476
	ii. Urban Local Bodies	25549	29391	35830	34648	22139	58906	59813	59387	65591	82536
20	Dues / Surplus transfer to Local Bodies										
	i. Rural Local Bodies	-1886	8050	-2881	-1553	-38504	8389	-3087	30815	-4307	-1842
	ii. Urban Local Bodies	-5209	-4852	-3091	-9222	-24600	11222	8949	-3230	-9561	-7487
21	Net due to Local Bodies for the award period of previous State Finance Commissions										
	i. Rural Local Bodies					-36774					-6805
	ii. Urban Local Bodies					-46974					-47081
22	Devolution Arrears paid to ULBs										
23	Net due to ULBs										

State Finance Commission Devolution											
(Rs. In Lakh)											
Sl. No.	Items	Third State Finance Commission					Fourth State Finance Commission				
		2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
	As worked out by Finance Department										
1	State's Own Tax Revenue	2961879	3368404	3654666	4778218	5951731	7125428	7371811	7865654	8047607	8594141
2	Less: Entertainment Tax (0045 101 AA 01&05) (D.58)	1298	1554	1160	1259	5364	8945	7070	8750	11776	4905
	Less: Other deductions from SOTR										
3	Transferred to TNRRDF (3054 80 797 AC) (D.21)	7993	7993	7993	15253	17998	17998	17998	17998	17998	17998
4	Transferred to MV Tax Act (3054 80 797 AH) (D.21)	0	0	0	0	0	0	0	0	0	0
5	Less: Infrastructure Development Fund (D.10) 2040 00 797 AA	0	0	0	3180	48	60	103	100	101	82
6	Receipts under L.R. Surcharge Act (0029 00 101 AF & AG)	48	80	40	0	0	0	0	0	0	0
7	Less: Receipts under Surcharge Act - 5% of 105% (0040 00 102 AA & AI)	0	0	0	0	0	0	0	0	0	0
8	Surcharge under Motor Vehicle Tax act (0041 00 102 AB 0007) (R.R.)	6353	2672	3497	3980	3770	3506	3246	3370	3272	4053
9	Collection charges (2029 00 001 etc.) D.41	634	545	626	1028	1116	1042	1193	1506	1359	1753
10	Stamp Duty-Grants to RLBs (3604 00 102 AA 09 00) D.42	15287	34014	17589	7742	35232	44087	62064	57342	35118	33280
11	Stamp Duty-Trnsfr. to Funds for Priority Schemes (3604 00 102 AB 10 05) D.42	7644	17007	11213	15484	17616	22044	31032	28671	35118	33323
12	Local Cess - Local Cess Surcharge (3604 00 101 AD 0909 (D.42)	2546	1930	397	0	0	0	0	0	0	0
13	Local Cess - Local Cess Surcharge (3604 00 101 AE 10 01 (D.42)	1273	965	182	0	0	0	0	0	0	0
14	Stamp Duty - Contribution to TURIF (3604 00 200 BG & BI 10 01) (D.34)	0	0	0	0	16714	32479	32621	38314	40968	40036
15	Stamp Duty-Grants to ULBs (3604 00 200 BH & BJ 09 09) (D.34)	0	0	0	0	40389	33572	32621	38314	40969	40036
16	Electricity Tax (0043)	0	35569	0	0	0	0	0	0	0	0
	Total Deductions(Sl.No.2 to 16)	43076	102329	42697	47926	138247	163733	187948	194365	186679	175466
17	Net State's Own Tax Revenue	2918803	3266075	3611969	4730292	5813484	6961695	7183863	7671289	7860928	8418675
18	Actual entitlement based on net State's Own Tax Revenue (as derived by the Government)(8% from 1997-98 to 2006-07) (9% from 2007-08 to 08-09) (9.5% in 2009-10) (10% from 2010-11 to 2016-17)	262692	293947	343137	473029	581348	696170	718386	767129	786093	841868
	i. Rural Local bodies (58% from 2002-03)	152362	170489	199019	274357	337182	403778	416664	444935	455934	488283
	ii. Urban Local bodies (42% from 2002-03)	110331	123458	144118	198672	244166	292391	301722	322194	330159	353584
19	Actual grants transferred by the State Government	273394	310637	331636	482226	576547	703712	692627	749044	730841	808010
	i. Rural Local Bodies	158359	171643	192655	278390	333247	406791	406432	442384	433296	471168
	ii. Urban Local Bodies	115035	138994	138981	203836	243300	296921	286195	306660	297545	336842
20	Dues/ Surplus transfer to Local Bodies										
	i. Rural Local Bodies	5997	1154	-6364	4033	-3935	3013	-10232	-2551	-22637.9	-17115
	ii. Urban Local Bodies	4704	15536	-5137	5164	-866	4530	-15527	-15534	-32614	-16742
21	Net due to Local Bodies for the award period of previous State Finance Commissions										
	i. Rural Local Bodies					-5920					-55443
	ii. Urban Local Bodies					-27679					-88866
22	Devolution Arrears paid to ULBs		14700			-12979					

State Finance Commission Devolution					
(Rs. In Lakh)					
Sl. No.	Items	Fifth State Finance Commission			
	As worked out by Finance Department	2017-18	2018-19	2019-20	2020-21
1	State's Own Tax Revenue	9373661	10553416	10746229	10615295
2	Cost of Collections (2030-STAMPS AND REGISTRATION)	26197	27403	32665	32722
3	Cost of Collections (2039 STATE EXCISE)	10864	12688	13513	11840
4	Cost of Collections (2040-TAXES ON SALES, TRADE ETC.)	33442	39119	47155	46384
5	Cost of Collections (2041-TAXES ON VEHICLES)	15994	17482	22395	22512
6	Tax Collection & Infrastructure - Surcharge on Sales Tax 0040-00-102-AA & AI	16224	13212	15723	8319
7	Surcharge under Motor Vehicle Tax Act 0041-00-102-AB	3763	2690	3818	2583
8	Stamp Duty (3604-00-102 AA-09-09) (D.42)	16863	13585	35115	20614
9	Stamp Duty (3604-00-797 AC 30-00) (D.42) Transfer of amount to Fund for Priority Schemes in Rural Areas	33726	27181	70230	41229
10	Stamp Duty-Contribution (3604 00 200 BG & BI 10 01)	33113	42882	40969	48094
11	Stamp Duty-Grants (3604 00 200 BH & BJ 09 09)	33113	42882	40968	48094
12	Total Deductions(Sl.No.2 to 11)	223300	239126	322551	282391
13	NET SOTR	9150361	10314290	10423678	10332904
14	SOTR for Devolution (10 % of NET SOTR)	915036	1031429	1042368	1033290
	Balance (B) for Devolution				
15	i) 56% for Rural Local Bodies	512420	577600	583726	578643
	ii) 44% for Urban Local Bodies	402616	453829	458642	454648
	CGF (20%)	102484	115520	116745	115729
16	PFFDRLB (10%)	51242	57760	58373	57864
	Deductions	153726	173280	175118	173593
17	Net Devolution for LBs (after state level deductions)	697253	785944	794284	787367
18	Net Devolution for RLBs	358694	404320	408608	405050
19	Incentive 5%	20131	22691	22932	22732
20	TNIUS (10Cr)	5	5	0	0
21	Net Devolution for ULBs	338558	381624	385676	382317
	Actual grants transferred by the State Government	660735	765158	741808	691256
22	i. Rural Local Bodies	356780	413131	395788	372641
	ii. Urban Local Bodies	303955	352027	346020	318615
	Dues/ Surplus transfer to Local Bodies				
23	i. Rural Local Bodies	-1914	8811	-12820	-32409
	ii. Urban Local Bodies	-34603	-29597	-39656	-63702
	Net due to Local Bodies for the award period of previous State Finance				
24	i. Rural Local Bodies				-38332
	ii. Urban Local Bodies				-167559
	Devolution Arrears paid				
25	i. Rural Local Bodies		7845	7845	
	ii. Urban Local Bodies		19756	19756	
26	Net due to RLBs				-22642
27	Net due to ULBs				-128047
Cumulative Net Due / Surplus from 1997-1998 to 2014-2015 (Acc)					
Cumulative Net Due / Surplus from 1997-1998 to 2020-2021 (Acc)					-294998
			RLBs:(Due)		-78085
			ULBs:(Due)		-216913

DATA TABLES

CHAPTER IV: ANNEXURE RURAL LOCAL BODIES' FINANCES

Table III -1	
Demographic Profile.	
Description	Number
District Panchayats	36
Panchayat Unions	388
Village Panchayats	12,525
Habitations	79,395
Average Habitations per Panchayat	6
Rural Geographical Area (in Sq.Km)	1,04,149.61
Average area per panchayat(in Sq.Km)	8.32
Rural Population (as per 2011 census)	4,04,86,223
Population Density per Sq.Km	389
Women Population (as per 2011 census)	2,01,73,040
Sex Ratio	993
SC Population (as per 2011 census)	99,69,580 (25%)
ST Population (as per 2011 census)	6,69,086 (7%)

Source: Directorate of Census operation of Tamilnadu and DRD

Table III - 2											
Details of Receipts and Expenditure Other than Schemes - All RLBs (₹ In Crore)											
Year	Tax	Non-Tax	SFC	CFC	Assigned Pooled	Other	Total	Salary	Others	Capital Expenditure	Total
2015-16	282.39	463.53	4332.96	1101.00	713.0	588.05	7480.94	726.77	1964.80	1866.34	4557.92
2016-17	294.11	385.27	4883.00	1484.00	666.45	551.80	8264.63	667.04	1703.07	1631.27	4001.38
2017-18	331.78	408.41	5124.00	758.00	510.88	509.23	7642.29	636.19	1577.78	1042.84	3256.82
2018-19	332.40	583.30	5776.00	1635.00	407.71	634.34	9368.75	756.19	2083.56	1300.51	4140.26
2019-20	321.37	516.75	4989.00	1787.00	1053.00	601.03	9268.15	1152.30	2151.44	2094.75	5398.49
Total	1562.04	2357.27	25104.96	6765.00	3351.04	2884.45	42024.76	3938.48	9480.66	7935.72	21354.86
% to Total	3.72%	5.61%	59.74%	16.10%	7.97%	6.86%	100.00%	18.44%	44.40%	37.16%	100.00%
Note: Excluding Central/State Grants Schemes Receipts and Expenditure											

Source: SFC Online Data, Finance Dept. and DRD

Table III – 3						
Rural Local Bodies- Tamil Nadu						
Key Financial Indicators on Per Capita Basis (2011 population) (in ₹)						
Sl. No.	Indicator	2015-16	2016-17	2017-18	2018-19	2019-20
A	Receipts					
A (A1+A2)	Total Receipts	1848	2041	1888	2314	2289
A1	Revenue Receipt	1703	1905	1762	2157	2141
A1.1	Own Tax	70	73	82	82	79
A1.2	Assigned / Pooled Assigned Revenue	176	164	126	101	260
A1.3	Non-Tax	115	95	101	144	128
A1.4	SFC devolution	1070	1206	1266	1427	1232
A1.5	CFC grants	272	367	187	404	441
A2	Others	145	136	126	157	149
B	Expenditure					
B	Total Expenditure	1126	988	804	1023	1333
B1	Salary	180	165	157	187	284
B2	Others	485	421	390	515	531
B3	Capital Expenditure	461	403	258	321	517
*excluding central and state government scheme grants and expenditure						

Source: SFC Online Data, Finance Dept. and DRD

Table III -5		
RLBs Revenue as percentage of GSDP (Rs.in Crore)		
Per Capita Indicators	2018-19	2019-20
Total Receipts	9368.75	9268.15
Revenue Receipt	1957.75	2492.15
SFC devolution	5776.00	4989.00
CFC grants	1635.00	1787.00
Total Expenditure	4140.26	5398.49
Salary	756.19	1152.30
Others	2083.56	2151.44
Capital Expenditure	1300.51	2094.75
GSDP at Current prices	1630209	1797227
Percentage of Total Receipts to GSDP	0.57%	0.52%
Percentage of Total Expenditure to GSDP	0.25%	0.30%
Percentage of SFC devolution to own receipts	61.65%	53.83%
Percentage of CFC grants to own receipts	17.45%	19.28%
Percentage of Capital Expenditure to GSDP	0.08%	0.12%

**Excluding central and state government scheme grants and expenditure*

Note: Tamil Nadu GSDP 2018-19 (R.E) & 2019-20 (R.E).Source: Policy Note of PDSI Dept. 2021-22

Table III – 6				
Details of posts sanctioned in Village Panchayats				
Sl. No.	Category	No. of Post Sanctioned	Staff in Position	No. of vacant posts (vacancy %)
1.	Panchayat Secretary (PS)	12,525	11,835	690 (5.5%)
2.	OHT Operator	40,419	36,103	4,316 (10.7%)
3.	ThooimaiPaniyalargal	26,404	20,778	5,626 (21.3%)
Total		79,348	68,716	10,632 (13.4%)

Source: SFC Online Data and DRD

Table III – 7			
Accounts Maintained by Village Panchayats			
Sl. No.	Account Name	Item	Mode of operation
1.	Account No I: Village Panchayat General Fund	1. Own Tax Revenue 2. Assigned/ Pooled Assigned Revenue 3. SFC Devolution and other Grants. 4. Non Tax revenue miscellaneous receipts interest and Deposits.	Jointly operated by the President and Vice-President. In exceptional cases where there is adversarial relationship between the President and the Vice-President the Village Panchayat may by a resolution authorize any member other than the Vice-President to operate the account along with the President provided that the prior approval of the Inspector of Village Panchayats (District Collector) is obtained.
2.	Account No II: Village Panchayats payments to TANGEDCO and / or TWAD Board Account	1. Central Finance Commission Grant. 2. Minimum SFC devolution. 3. Interest	Jointly operated by President and Vice President. It is operated only for the payment of electricity consumption charges to TNEB or the Water Charges payable to TWAD Board. Surplus amount, if any may be redistributed on the orders of the District Collector.
3.	Account No III: Village Panchayat Scheme Fund Account	Indira Awas Yojana (IAY), Rural Infrastructure Scheme (RIS), Rural Building Maintenance and Renovation Scheme (RBMRS), Interest and Other	Jointly operated by President and Vice President of Village Panchayats. However, Bank Manager will honour the cheque signed by the President and Vice-President only if it is presented along with the release orders in the form of proceeding of the BDO (V.Pts) for the payment against works under Village Panchayat scheme fund concerned.
4.	Account No IV: Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)	MGNREGS, Interest	Jointly operated by President and Vice President of Village Panchayats. However, Bank Manager will honour the cheque signed by the President and Vice-President only if it is presented along with the release orders in the form of proceeding of the BDO (V.Pts) for the payment of works under MGNREG scheme fund concerned.
5.	Account No V: Rural Housing Schemes (RHS)	Interest	Jointly operated by President and Vice President of Village Panchayats. However, Bank Manager will honour the cheque signed by the President and Vice-President only if it is presented along with the release orders in the form of proceeding of the BDO (V.Pts) for the payment of works under Rural Housing Scheme fund concerned.
6.	Account No VI: Chief Minister's Solar Powered Green House Scheme (CMSPGHS)	Interest	Jointly operated by President and Vice President of Village Panchayats. However, Bank Manager will honour the cheque signed by the President and Vice-President only if it is presented along with the release orders in the form of proceeding of the BDO (V.Pts) for the

			payment of works under CMSPGH scheme fund concerned.
7.	Account No.VII Village Panchayat Staff Salary Account	1. SFC Devolution and Other Grants 2. Interest.	Jointly operated by President and Vice President. It is operated only for the payment of Panchayat Staff Salaries through PFMS. Surplus amount, if any may be redistributed on the orders of the District Collector.
8.	Account No.VIII Solid Waste Management System	1. Solid Waste Management System- Staff Salary 2. Receipts Garbage Waste auction. 3. Interest	Jointly operated by President and Vice President. It is operated only for the payment of Panchayat Solid Wastage Management System Staff Salaries through PFMS. Surplus amount, if any may be redistributed on the orders of the District Collector.
9.	Account No.IX Central Finance Commission Grant	1. 14 th and 15 th CFC Grants 2. Interest and Deposits	Jointly operated by President and Vice President. However, Bank Manager will honour the PFMS signed by the President and Vice President only if it is presented along with the release orders in the form of proceeding of the BDO(V.Pts) for the payment of works under 14 th and 15 th Finance Commission Scheme fund concerned.
10.	Account No.X JalJeevan Mission Scheme	1. JalJeevan Mission Scheme Fund 2. Water Pipeline Deposit 3. Interest	Jointly operated by President and Vice President. However, Bank Manager will honour the PFMS signed by the President and Vice President only if it is presented along with the release orders in the form of proceeding of the BDO(V.Pts) for the payment of works under JalJeevan Mission Scheme Fund

Source: DRD& PR

Table III - 8					
Revenue Receipts and Expenditure of Village Panchayats					
Head	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Receipts Rs. in Crore	4470	4068	3574	4796	4834
Revenue Expenditure Rs. in Crore	5026	4467	4372	4644	4748
Average Revenue Receipts (per VP) Rs. in Lakh	35.7	32.5	28.5	38.3	38.6
Average Revenue Expenditure (per VP) Rs. in Lakh	40.2	35.7	35.0	37.1	38.0

Source: SFC Online Data and DRD

Table III - 9									
Major Own Tax Revenue of Village Panchayats (Rs.in Lakh)									
Sl. No	Year	House Tax		Profession Tax		Advertisement Tax		Total	
		Total	per V.P	Total	per V.P	Total	per V.P.	Total	per V.P.
1	2015-16	19724	1.6	8399	0.7	116.0	0.009	28239	2.3
2	2016-17	20264	1.6	9039	0.7	107.8	0.009	29410	2.4
3	2017-18	24097	1.9	8968	0.7	114.1	0.009	33178	2.7
4	2018-19	22396	1.8	10774	0.9	70.3	0.006	33240	2.7
5	2019-20	21150	1.7	10905	0.9	81.2	0.007	32137	2.6
Total		107631		48083		489		156204	2.6

Source: SFC Online Data and DRD

Table III - 10		
Components of Own Revenue of Village Panchayats		
Head	Avg. Annual growth over past 5 years	5 year average share of own revenues
House tax	1.90%	38.76%
Profession tax	7.44%	17.31%
Advertisement tax	-7.54%	0.18%
Building plan and layout approval charges	26.74%	18.89%
Water charges	8.59%	13.60%
Library Cess	2.50%	3.78%
Trade license fees	1.61%	2.28%
Other rents/ leases/ fees	1.85%	5.20%

Table III - 11						
Revenue Receipts of Village Panchayats(Rs. In Crore)						
Sl. No.	Account	2015-16	2016-17	2017-18	2018-19	2019-20
1	V.Pt.Acct.No.I	1702.14	1283.98	1111.68	1649.66	1643.26
2	V.Pt.Acct.No.II	808.53	1100.49	1111.31	1225.07	1195.57
3	V.Pt.Acct.No.III	811.97	905.49	594.45	283.49	239.81
4	V.Pt.Acct.No.IV	357.16	267.38	155.86	121.61	117.72
5	V.Pt.Acct.No.V	71.81	32.83	28.94	38.62	31.49

6	V.Pt.Acct.No.VI	522.86	163.99	71.63	18.03	12.77
7	V.Pt.Acct.No.VII	151.03	276.14	298.51	420.35	439.47
8	V.Pt.Acct.No.VIII	41.79	35.34	37.76	147.57	186.58
9	V.Pt.Acct.No.IX	2.32	2.54	163.86	891.65	953.39
10	V.Pt.Acct.No.X	0.00	0.00	0.00	0.00	13.92
Total		4469.61	4068.18	3574.00	4796.05	4833.97

Source: SFC Online Data and DRD&PR

Table III - 12						
Overall average Revenue Receipts per Village Panchayat						
(Rs.In Lakhs)						
Sl. No.	Account	2015-16	2016-17	2017-18	2018-19	2019-20
1	V.Pt.Acct.No.I	13.59	10.25	8.88	13.17	13.12
2	V.Pt.Acct.No.II	6.46	8.79	8.87	9.78	9.55
3	V.Pt.Acct.No.III	6.48	7.23	4.75	2.26	1.91
4	V.Pt.Acct.No.IV	2.85	2.13	1.24	0.97	0.94
5	V.Pt.Acct.No.V	0.57	0.26	0.23	0.31	0.25
6	V.Pt.Acct.No.VI	4.17	1.31	0.57	0.14	0.10
7	V.Pt.Acct.No.VII	1.21	2.20	2.38	3.36	3.51
8	V.Pt.Acct.No.VIII	0.33	0.28	0.30	1.18	1.49
9	V.Pt.Acct.No.IX	0.02	0.02	1.31	7.12	7.61
10	V.Pt.Acct.No.X	0.00	0.00	0.00	0.00	0.11
Total		35.69	32.48	28.53	38.29	38.59

Source: SFC Online Data and DRD&PR

Table III - 13						
Revenue Expenditure of Village Panchayats						
(Rs.in Crore)						
Sl.No	Account	2015-16	2016-17	2017-18	2018-19	2019-20
1	V.Pt.Acct.No.I	1803.58	1250.34	1069.64	1483.59	1565.74
2	V.Pt.Acct.No.II	1249.08	1487.28	1862.43	1581.92	1467.57
3	V.Pt.Acct.No.III	727.32	869.71	611.26	396.70	322.84
4	V.Pt.Acct.No.IV	422.30	324.88	198.66	133.43	123.74
5	V.Pt.Acct.No.V	73.38	35.55	37.34	51.23	37.92
6	V.Pt.Acct.No.VI	554.12	171.44	124.99	15.40	12.54
7	V.Pt.Acct.No.VII	158.60	283.97	310.63	423.14	464.86
8	V.Pt.Acct.No.VIII	35.59	41.88	52.65	144.89	185.97
9	V.Pt.Acct.No.IX	1.73	1.91	104.18	413.94	557.37
10	V.Pt.Acct.No.X	0.00	0.00	0.00	0.00	9.31
Total		5025.70	4466.97	4371.78	4644.26	4747.86

Source: SFC Online Data and DRD&PR

Table III - 14						
Average Revenue Expenditure per Village Panchayat (Rs. In Lakhs)						
Sl. No.	Account	2015-16	2016-17	2017-18	2018-19	2019-20
1	V.Pt.Acct.No.I	14.40	9.98	8.54	11.85	12.50
2	V.Pt.Acct.No.II	9.97	11.87	14.87	12.63	11.72
3	V.Pt.Acct.No.III	5.81	6.94	4.88	3.17	2.58
4	V.Pt.Acct.No.IV	3.37	2.59	1.59	1.07	0.99
5	V.Pt.Acct.No.V	0.59	0.28	0.30	0.41	0.30
6	V.Pt.Acct.No.VI	4.42	1.37	1.00	0.12	0.10
7	V.Pt.Acct.No.VII	1.27	2.27	2.48	3.38	3.71
8	V.Pt.Acct.No.VIII	0.28	0.33	0.42	1.16	1.48
9	V.Pt.Acct.No.IX	0.01	0.02	0.83	3.30	4.45
10	V.Pt.Acct.No.X	0.00	0.00	0.00	0.00	0.07
Total		40.13	35.66	34.90	37.08	37.91

Source: SFC Online Data and DRD&PR

Table III - 15				
Assessment of House Tax and Collection				
Basis	Assessment		Collection	
	No. of houses	%	₹ In Lakh	%
Capital Value	8128516	55.35	14488.98	55
Plinth area	6556273	44.65	11688.03	45
Total	14684789	100.00	26177.01	100

Source: SFC Online Data and DRD&PR

Table III – 16		
Sl.No.	Type of House	Tax to be levied bi-annually (in Rs.)
1	Huts	Minimum Rs.100/-
2	Tiled House	Minimum Rs.200/-
3	RCC House	Minimum Rs 300/- based on plinth area @ Rs 1 per sq. ft.

Source: SFC Online Data and DRD

Table III – 17			
Sl.No	Area	Industrial	Commercial
1	Upto 5000 sq.pt	Rs.1 per sq.ft. of plinth area	Rs.1 per sq.ft. of plinth area
2.	above 5000 sq.pt	Rs.2 per sq.ft. of plinth area	Rs.3 per sq.ft. of plinth area

Source: SFC Online Data and DRD

Table III-18					
Profession Tax Collection					
(Rs. In Crore)					
Year	2015-16	2016-17	2017-18	2018-19	2019-20
Profession Tax	84.0	90.4	89.7	107.7	109.1

Source: SFC Online Data and DRD

Table III - 19					
Advertisement Tax Collection (₹ In Crore)					
Year	2015-16	2016-17	2017-18	2018-19	2019-20
Advertisement Tax Collection	1.16	1.07	1.14	0.7	0.81

Source: SFC Online Data and DRD&PR

Table III – 20					
Average Non Tax Revenue per Village Panchayat (In Rupees)					
Source	2015-16	2016-17	2017-18	2018-19	2019-20
Building layout approval fee	57478.42	57782.15	63452.64	105221.41	119178.96
D&O Trade license fees	9695.06	8956.65	11539.58	10131.94	10314.50
Water charges	51089.34	54887.06	59633.14	66850.05	68705.22
2c tree patta	985.14	606.00	534.28	503.73	587.86
Encroachment fee	250.91	48.10	127.74	149.61	60.99
Rent	1407.82	1284.92	1249.98	1486.60	1412.84
Seizure and warrant fee	196.01	104.32	153.78	137.91	138.83
Fine and Penalty	426.59	462.18	597.38	495.45	1405.81
Market / Shop rent	3893.08	5147.16	5320.45	5570.93	6120.81
Rent from marriage / community hall	1049.52	1009.10	1277.33	1480.93	1601.19
Fishery rental	2571.55	1061.45	1453.96	1396.59	2093.92
Fee from useful trees	2931.28	2085.89	1563.89	1533.25	1342.86
Rent from shops	1516.51	1530.31	1657.89	2194.73	2171.43
Slaughters house	490.74	445.22	581.02	464.09	500.25
Lease from land	160.16	98.27	85.00	130.06	282.12
Ferries	126.23	101.02	116.34	90.86	92.44
Income from Choultries / Guest house	38.54	34.92	60.78	66.17	94.63
Income from cycle / car / auto stand	169.41	197.91	169.34	168.27	176.39
Fairs and festivals	714.78	212.49	407.88	292.62	288.83
Library cess	16060.95	16988.62	16502.11	16775.09	17648.37
Income from tools and plants	233.87	118.85	88.71	130.86	72.49
Income from solid waste	172.57	97.53	100.02	185.00	75.60
Funeral rite grants	1709.73	1318.80	1434.72	1502.78	1423.57
Interest	17406.42	8844.91	9641.31	9799.14	12431.82
Income from Bus stand	398.55	171.69	312.88	294.81	305.37
Audit para recovery	1516.10	920.98	1122.03	1814.25	1618.67
OFC charge	629.04	1709.33	1387.64	1792.36	867.90
Cable TV line	77.18	198.46	529.79	586.44	351.93
Cell phone tower charge	212.84	264.45	172.38	251.55	128.79
Wind mill	359.76	264.64	190.29	243.86	473.61
Toll fee	953.11	603.73	617.07	1160.43	704.00
State / Central Government awards	1824.50	1174.57	558.72	826.33	761.23
Two wheeler / cycle stand auction amount	763.95	470.50	949.88	677.27	751.60
Entrance fee	804.94	568.96	801.30	1807.51	1460.76
Others	37869.16	24624.15	22188.09	30893.34	28950.04
Total	216183.76	194395.29	206579.34	267106.22	284595.63

Source: SFC Online Data and DRD&PR

Table III - 21		
Assets of Village Panchayats		
Sl. No	Name of the assets	No of Buildings
1	Panchayat Union / Government schools which are in use	39677
2	Anganwadi Centres	39597
3	Public health centres	3036
4	Community halls	7433
5	Village Panchayat service centres	11086
6	SHG Buildings	12426
Total		113255

Source: DRD&PR

Table III - 22		
Year	No. of assets identified	No. of vacant and unused assets identified which are not in a usable condition.
2017-18	-	3607
2018-19	113255	3812
2019-20	113305	3822

Source: DRD&PR

Table III - 23				
Rates for Building Plan and Layout Approval				
Sl.No.	Category	Nature of construction / activity	Maximum rates	Minimum rates
1.	Building Plan approval	1. Building Area	Rs. 100 per Sq. metre or part thereof	Rs. 5 per Sq. metre or part thereof
		2. Construction of Well	Rs. 100	Rs. 25
		3. Compound Wall	Rs. 100 (lump sum)	Rs. 25 (lump sum)
		4. Inspection Fees	Rs. 50	Rs. 25
		5. Plan Copy for more than 3 copies	Rs. 10 per additional copy	Rs. 5 per additional copy
2.	Lay-out approval		Rs. 1000 per acre	Rs. 500 per acre

Source: DRD & PR Dept

Table III – 24						
Building layout approval fees Collection						
(in Crores)						
Year	2015-16	2016-17	2017-18	2018-19	2019-20	Total
Fees Collected	72	72	80	152	149	525

Source: SFC Online Data and DRD

Table III – 25						
Income and O&M Expenditure for Water Supply						
Year	INCOME through Water Supply Charges (Rs. In Crore)	O&M EXPENDITURE (Rs. In Crore)				% of Coverage of expenditure
		Amount Paid to TWAD Board	EB Charges (for water supply)	Maintenance Expenditure	Total Expenditure	
2015-16	64	104	47	494	645	9.9%
2016-17	69	138	31	325	494	14.0%
2017-18	75	130	33	312	475	15.8%
2018-19	84	225	50	450	725	11.6%
2019-20	86	224	51	450	725	11.9%
Total	378	821	212	2031	3064	12.3%

Source: SFC Online Data and DRD

Table III - 26					
Water Supply Sources in Rural Areas					
No. of Hand pumps	No. of Power pumps	No. of Mini Power pumps	No. of Over Head Tanks (OHTs)	No. of Ground Level Reservoir (GLRs)	No. of CWS S
170526	111593	119921	99256	14429	582

Source:DRD&PR

Table III - 27					
<i>Dangerous and Offensive (D&O) Trades License Fees (₹ In Crore)</i>					
Year	2015-16	2016-17	2017-18	2018-19	2019-20
Amount Collected	12.14	11.22	14.45	12.69	12.92

Source: SFC Online Data and DRD&PR

Table III - 28					
<i>Details of Bus Stand Fees Collection (₹ in Lakh)</i>					
Year	2015-16	2016-17	2017-18	2018-19	2019-20
Collection Amount	50	22	39	27	38

Source: SFC Online Data

Table III - 29					
<i>Library Cess Collected by Village Panchayats (Rs. In Crore)</i>					
Year	2015-16	2016-17	2017-18	2018-19	2019-20
Library cess	20	21	21	21	22

Source: SFC Online Data and DRD

Table III- 30					
<i>Pooled Assigned Revenue (Rs. In Crore)</i>					
Source	2015-16	2016-17	2017-18	2018-19	2019-20
Pooled Assigned Revenue	713	667	511	408	1054

Source: Finance Data and DRD

Table III -31	
<i>Pooled Assigned Revenue of Village Panchayats</i>	
Head	Basis
Pooled assigned revenue (Entertainment Tax and Surcharge on Stamp Duty)	33.33% based on population; 66.67% for schemes
Fishery Rental	50%
Social Forestry	75% of net, cap on wage expenditure at 35% of gross collection
Mines and Minerals (minor minerals)	75% with source VP, 25% to affected VPs, additional 30% for DMF

Table III- 32					
Collection of Entertainment Tax (Rs. In Crore)					
Year	2015-16	2016-17	2017-18	2018-19	2019-20
Entertainment Tax	4.7	4.8	4.8	4.7	4.9

Source: SFC Online Data and DRD

Table III- 33						
Surcharge on Stamp Duty Collected from rural areas and to RLBs by Registration Department (Rs. In Crore)						Total
Year	2015-16	2016-17	2017-18	2018-19	2019-20	
Transferred	708	607	507	730	674	3227

Source: Inspector General of Registration

Table III- 34						
Income through Fishery Rental (Rs.in crore)						
Year	2015-16	2016-17	2017-18	2018-19	2019-20	Total
Income	3.22	1.33	1.82	1.75	2.62	10.74

Source: SFC Online Data and DRD

Table III - 35			
Shares of Village Panchayats from 2015-16 to 2019-20 released by Forest department.(Rs. In Crore)			
Year	Net proceeds (65% of the Gross proceeds)	Forest Dept. (25 %)	Panchayat Share (75%)
2015-16	10.2	2.6	7.6
2016-17	7.6	1.9	5.7
2017-18	7.5	1.9	5.6
2018-19	7.7	1.9	5.9
2019-20	5.9	1.5	4.5

Source: DRD & Forest Data

Table III – 36						
Details of Lease Amount and Seigniorage fees Collected by Mines Dept and adjustment made to RLBs						
Year	Lease Amount (in Crore)			Seigniorage fees (in Crore)		
	Collection	Entitlement to Local Bodies	Adjustment made	Collection	Entitlement to Local Bodies	Adjustment made
2015-16	61	61	6	179	107	105
2016-17	23	23	23	216	130	125
2017-18	114	114	24	178	140	135
2018-19	79	79	44	208	182	157
2019-20	115	115	67	203	173	140
Total	392	392	164	984	732	662

Source: Geology and Mining dept.

Table IV – 37 SFC Devolution to RLBs (Rs. In Crore)						
Commissions	Year	Village Panchayats		Panchayat Unions	District Panchayats	Total
		SFC	IGFF/CGF			
Fifth SFC	2015-16	2077.57	522.19	1386.55	346.64	4332.95
	2016-17	2342.55	484.66	1507.80	376.94	4711.95
	2017-18	1962.29	1547.82	1320.09	285.42	5115.62
	2018-19	2272.22	1770.57	1528.59	330.51	5901.89
	2019-20	2176.89	1596.27	1464.45	316.64	5554.25
	2020-21	2121.97	1597.02	1427.48	308.63	5455.10

Source: Finance Dept. and DRD

Table III – 37A			
The average SFC Devolution and other grants per Village Panchayat (₹ In Lakh)			
Year	SFC Devolution (Excluding minimum lump sum grant of ₹5.00 Lakh / 7.00 Lakh)	Other grants	Total
2015-16	11.59	8.79	20.38
2016-17	13.70	11.85	25.55
2017-18	8.67	6.05	14.72
2018-19	11.14	13.05	24.20
2019-20	10.38	14.27	24.65

Source: SFC Online Data, Finance Dept. and DRD

Table III – 38		
Central Finance Commission Grant(<i>Rs. in crore</i>)		
Year	Details	Amount
2015-16	14 th CFC Grant	1101
2016-17		1484
2017-18		758
2018-19		1635
2019-20		1787
Total		6765
2020-21	15 th CFC Grant	3607
2021-22		2666

Source: SFC Online Data, Finance Dept and DRD&PR

Table III - 39								
Account wise total inflow of scheme funds to Village Panchayats and expenditure incurred (Rs. In crore)								
YEAR	VP - Account No.III (Scheme Fund)	VP - Account No.IV (MGNREGS)	VP –Acct.No.V (RHS)	VP – Acct. No.VI (CMSPGHS)	VP – Acct.No.VIII (SWM)	VP –Acct.No.IX (Central Government Scheme)	VP – Acct.No.X (JIM)	Total (Rs. In Crore)
Total Receipts (Revenue +Capital)								
2015-16	859.72	357.16	71.81	592.63	41.79	2.35	0.00	1925.45
2016-17	970.06	267.38	32.83	173.42	36.48	2.97	0.00	1483.14
2017-18	614.55	155.86	28.94	79.86	38.52	182.93	0.00	1100.66
2018-19	285.08	121.61	38.62	19.18	158.60	891.30	0.00	1514.39
2019-20	239.81	117.72	31.49	12.79	192.36	1030.29	11.10	1635.56
TOTAL	2969.22	1019.73	203.69	877.88	467.75	2109.84	11.10	7659.21
Total Expenditure (Revenue +Capital)								
2015-16	874.45	422.30	95.15	554.12	35.59	1.89	0.00	1983.52
2016-17	822.57	324.88	58.78	204.38	41.88	1.91	0.00	1454.41
2017-18	637.32	198.66	49.83	159.06	52.65	112.23	0.00	1209.75
2018-19	426.00	133.43	76.27	18.25	144.89	485.02	0.00	1283.86
2019-20	322.84	123.74	65.97	17.37	185.97	633.75	9.31	1358.95
TOTAL	3083.17	1203.02	346.01	953.18	460.99	1234.81	9.31	7290.49

Source: SFC Online Data and DRD&PR

Table III – 40			
<i>Account wise Total inflow of non-scheme funds to village panchayats and expenditure incurred (₹ In crore)</i>			
Year	VP - Account No.I General Fund	VP - Account No.II (TANGEDCO and TWAD)	VP –Acct. No.VII (Salary)
Total Receipts (Revenue + Capital)			
2015-16	1702.14	822.13	155.70
2016-17	1290.67	1108.28	285.17
2017-18	1111.68	1126.89	316.46
2018-19	1649.66	1252.41	449.77
2019-20	1643.26	1247.45	458.08
Total	7397.41	5557.15	1665.19
Total Expenditure (Revenue + Capital)			
2015-16	1831.20	1249.08	158.60
2016-17	1254.61	1487.28	283.97
2017-18	1447.65	1862.43	317.89
2018-19	1483.59	1581.92	423.14
2019-20	1565.74	1467.57	464.86
Total	7582.79	7648.28	1648.46

Source: SFC Online Data and DRD&PR

Table III - 41						
<i>The Aggregated Account- wise Expenditure of Village Panchayats (₹ in Crore)</i>						
Sl. No.	Account	2015-16	2016-17	2017-18	2018-19	2019-20
1	V.Pt.Acct.No.I	1831.20	1254.61	1447.65	1483.59	1565.74
2	V.Pt.Acct.No.II	1249.08	1487.28	1862.43	1581.92	1467.57
3	V.Pt.Acct.No.III	874.45	822.57	637.32	426.00	322.84
4	V.Pt.Acct.No.IV	422.30	324.88	198.66	133.43	123.74
5	V.Pt.Acct.No.V	95.15	58.78	49.83	76.27	65.97
6	V.Pt.Acct.No.VI	554.12	204.38	159.06	18.25	17.37
7	V.Pt.Acct.No.VII	158.60	283.97	317.89	423.14	464.86
8	V.Pt.Acct.No.VIII	35.59	41.88	52.65	144.89	185.97
9	V.Pt.Acct.No.IX	1.89	1.91	112.23	485.02	633.75
10	V.Pt.Acct.No.X	0.00	0.00	0.00	0.00	9.31
Total		5222.39	4480.26	4837.73	4772.51	4857.12

Source: SFC Online Data and DRD&PR

Table III - 42						
<i>The Average Expenditure per Village Panchayat (₹ In Lakh)</i>						
Sl. No.	Account	2015-16	2016-17	2017-18	2018-19	2019-20
1	V.Pt.Acct.No.I	14.62	10.02	11.56	11.85	12.50
2	V.Pt.Acct.No.II	9.97	11.87	14.87	12.63	11.72
3	V.Pt.Acct.No.III	6.98	6.57	5.09	3.40	2.58
4	V.Pt.Acct.No.IV	3.37	2.59	1.59	1.07	0.99
5	V.Pt.Acct.No.V	0.76	0.47	0.40	0.61	0.53
6	V.Pt.Acct.No.VI	4.42	1.63	1.27	0.15	0.14
7	V.Pt.Acct.No.VII	1.27	2.27	2.54	3.38	3.71
8	V.Pt.Acct.No.VIII	0.28	0.33	0.42	1.16	1.48
9	V.Pt.Acct.No.IX	0.02	0.02	0.90	3.87	5.06
10	V.Pt.Acct.No.X	0.00	0.00	0.00	0.00	0.07
Total		41.70	35.77	38.62	38.10	38.78

Source: SFC Online Data and DRD&PR

Table III - 43						
Compositions of average administrative expenditure per Village Panchayats						
(inRs.)						
Sl. No.	General Administration	2015-16	2016-17	2017-18	2018-19	2019-20
1	Pay and allowance	278824	270041	280422	304537	317313
2	Allowance for elected representatives	12954	6594	948	1022	9220
3	Stationeries	12759	18145	12512	13728	11597
4	Rent for buildings	1735	337	392	557	495
5	Insurance Amount paid for employees	4792	5468	7380	15538	6709
6	Bonus	3031	3121	2734	2766	2241
7	Pay arrear for employees	2369	944	1109	4784	2587
8	Telephone Charges	1959	1052	546	498	2510
9	Gramasabha meeting	3017	1875	3021	3856	2867
10	Advertisement expenditure	4900	1750	1914	3678	4049
11	Panchayat president honorarium	8975	2346	341	417	9221
12	Other Administrative expenditure	51912	32514	28516	43506	47776
Total		387227	344187	339835	394887	416585

Source: SFC Online Data and DRD&PR

Table III – 44					
Average Electricity Charges per Village Panchayat(In Rupees)					
Electricity Charges	2015-16	2016-17	2017-18	2018-19	2019-20
Street Lights (Acct. No. I)	53058	38667	32602	49786	51995
Water Pumps (Acct. No.I)	37845	24643	26062	39524	40296
Village Panchayat Buildings (Acct. No.I)	4397	2881	2672	3314	4062
CC Charges(Acct. No.II)	665521	718937	742516	691032	697824
Total	760821	785128	803852	783656	794177

Source: SFC Online Data and DRD

Table III – 45		
State	Energy Charges for LT - Village Panchayats (in ₹)	
	<i>Street Light</i>	<i>Water Supply</i>
Andhra Pradesh	7.00	
Gujarat	4.05	3.20
Karnataka	6.55	4.85
Kerala	4.30	5.70
Madhya Pradesh	5.20	
Maharashtra	6.35	3.85
Tamil Nadu	6.35	
Telangana	6.10	5.00
Uttar Pradesh	7.50	8.60
West Bengal	6.64	7.12

Source: TANGEDCO

Table III - 46					
Demand, Collection and Balance details of Current Consumption Charges					
(Rs. In Crore)					
RLB	Name of the Local Body	Outstanding as on 1.4.2019	Demand Raised from 04/2019 to 3/2020	Amount Received from 1.4.2019 to 03/2020	Outstanding as on 31.3.2020
	Village Panchayats	405	984	813	577

Source: SFC Online Data and DRD

Table III - 47						
<i>Average maintenance expenditure per Village Panchayat (In ₹)</i>						
Sl. No.	Head	2015-16	2016-17	2017-18	2018-19	2019-20
1	Maintenance of open wells / farm ponds	34740	19820	18283	25628	33054
2	Purchase of spare parts for hand pump / power pump and mini motors	359991	239338	230667	333807	325823
3	Purchase of spare parts for street lights	210904	136984	91114	133967	122024
4	Maintenance of Public toilets	8396	4510	3975	7273	6419
5	Maintenance of Street roads / bridges	85963	58938	19343	24925	29894
6	Remittance of Library cess	9541	10587	26453	9706	18089
7	Maintenance of Village Panchayat Buildings	13693	7046	4316	6962	7576
8	Maintenance of burial / burning ground	8755	3544	1818	2692	3452
9	Maintenance of tools and plants	10073	4491	4657	8685	11089
10	Maintenance of Panchayat properties	5504	3037	2088	3160	3852
11	Maintenance of drainage	24864	15068	12881	19285	22641
12	Purchase of sanitary materials	70520	46608	50849	67132	76626
13	Maintenance of play grounds	2013	965	602	1439	1195
14	Expenditure for sports competition	7577	1080	474	2586	708
15	Funeral rites grant	10154	8471	9411	9341	8798
16	Maintenance of Village Panchayat markets	1831	1353	885	1403	1357
17	Anganwadi buildings	1408	866	609	1311	1213
18	Noon meal centres	853	513	707	1086	970
19	Others	116587	77090	75892	116455	109774
Total		983368	640307	555023	776844	784555

Source: SFC Online Data and DRD&PR

Table III – 48 Length of Roads maintained by Village Panchayats		
Sl. No.	Type of Surfaces	Village Panchayats Roads
		(Length in Km)
1	Black topped	75,127
2	Cement Concrete	3,140
3	Double layer WBM	1,732
4	Single layer WBM	8,829
5	Gravel	4,633
6	Earthen	31,154
Total		1,24,615

Source: DRD&PR

Table III - 49						
Account wise Average Expenditure per VP (Rs in Lakh)						
Sl. No.	Head and key items	2015-16	2016-17	2017-18	2018-19	2019-20
1	Account No. II (TWAD and TANGEDCO)	7.73	8.57	8.77	8.95	9.06
2	Account No. III (IAY, RIS, RBMRS, Kudimaramadhu)	6.98	6.57	5.09	3.4	2.58
3	Account No. IV (MGNREGS)	45.51	38.94	47.82	42.08	41.59
4	Account No. V (Rural Housing Scheme)	0.76	0.47	0.40	0.61	0.53
5	Account No. VI (CM Solar Power Greenhouse Scheme)	4.42	1.63	1.27	0.15	0.14

Source: SFC Online Data and DRD&PR

Table III – 50				
Total Staff strength of Panchayat Unions				
Sl. No.	Category	Total Number of		
		Posts sanctioned	Staff in Position	Posts vacant
1	Panchayat Union employees	6783	4504	2279 (33.6%)
2	Government employees	17105	13364	3741 (21.9%)
Total		23888	17868	6020 (25.2%)

Source: SFC Online Data and DRD&PR

Table III – 51		
<i>Details of Roads Owned and Maintained by Panchayat Unions</i>		
Sl. No.	Type of Surface	Panchayat Union Roads (Length in Km)
1	Black topped	26,871
2	Cement Concrete	343
3	Double layer WBM	226
4	Single layer WBM	390
5	Gravel	163
6	Earthen	1,124
Total		29,117

Source: DRD&PR

Table III – 52			
<i>Classification of Accounts</i>			
Sl. No.	Account	Category	Items covered
1.	Account No. I	General fund	1) Assigned/Shared Revenue 2) Pooled Assigned Revenue 3) Non Tax Revenue 4) SFC grants 5) Other grants 6) Deposit and advances
2.	Account No. III	Education fund	1) Grant for salary of conductress 2) Deposits 3) Advances
3.	Account No. V	Nutritious Noon Meal Programme fund	1) Grants for Nutritious Noon Meal centres 2) Deposits 3) Advances
4.	Account No. IX	State Welfare Schemes	Grants for State Welfare Schemes
5.	Account No. X	NABARD	Village Panchayats and Panchayats Union Market Development Scheme and Others
6.	Central Welfare Schemes	Central Welfare Schemes	Grants for Central Welfare Schemes

Source: DRD&PR

Table III - 53						
<i>Total Receipts Consolidation (Excluding opening balance) (₹ In Crore)</i>						
Sl. No.	Accounts	2015-16	2016-17	2017-18	2018-19	2019-20
1	Account No. I	1564.11	1440.41	1302.99	2096.58	1833.85
2	Account No. III	5.59	7.80	5.30	9.17	12.98
3	Account No. V	273.59	261.28	265.01	287.16	297.88
4	Account No. IX	1679.50	909.30	1099.52	1142.65	1360.28
5	Account No. X	24.48	7.25	15.83	14.50	9.32
6	Central Schemes	608.43	718.91	1144.67	976.19	614.62
Total		4155.70	3344.96	3833.33	4526.24	4128.94

Source: SFC Online Data and DRD&PR

Table III - 54						
<i>Average Receipt per Panchayat Unions (₹ In Crore)</i>						
Sl. No.	Accounts	2015-16	2016-17	2017-18	2018-19	2019-20
1	Account No. I	4.06	3.74	3.38	5.45	4.73
2	Account No. III	0.01	0.02	0.01	0.02	0.03
3	Account No. V	0.71	0.68	0.69	0.75	0.77
4	Account No. IX	4.36	2.36	2.86	2.97	3.51
5	Account No. X	0.06	0.02	0.04	0.04	0.02
6	Central Schemes	1.58	1.87	2.97	2.54	1.58
Total		10.79	8.69	9.96	11.76	10.64

Source: SFC Online Data and DRD&PR

Table III - 55						
<i>Average Own Receipts per Panchayat Union (Untied)</i>						
<i>(Rs. In Lakh)</i>						
Sl. No.	Receipts	2015-16	2016-17	2017-18	2018-19	2019-20
1	Assigned Revenue	22.5	19.8	28.4	24.8	15.4
2	Non Tax Revenue	50.1	36.8	38.9	64.6	41.3
3	Deposits	29.3	22.8	18.0	19.4	20.9
4	Advances	34.2	28.7	20.2	27.7	30.8
Total own revenue		136.1	108.1	105.5	136.5	108.5
1	SFC devolution*	257.6	252.0	225.2	382.1	337.7
2	Other grants	14.2	14.6	8.2	16.4	26.8
Total Grants		271.8	266.6	233.4	398.6	364.5
Total Receipts		407.9	374.7	338.9	535.1	472.9

Source: SFC Online Data and DRD&PR

Table III – 56						
<i>Average expenditure per Panchayat Union – General fund (₹ In Lakh)</i>						
Sl. No.	Head	2015-16	2016-17	2017-18	2018-19	2019-20
1	Administrative Expenditure	92.11	95.37	93.56	104.15	195.82
2	Capital Expenditure	231.15	179.89	110.13	103.33	227.04
3	Maintenance Expenditure	59.86	68.64	36.66	43.91	78.54
4	Deposits, Loans & Advances	60.27	41.91	44.65	47.78	79.70
Total		443.40	385.81	285.01	299.18	581.11

Source: SFC Online Data and DRD&PR

Table III- 57						
Total Expenditure PUs under General Fund (Rs. in Cr.)						
Sl. No.	Head	2015-16	2016-17	2017-18	2018-19	2019-20
1	Administrative Expenditure	355	367	360	401	754
	Percentage	20.8%	24.7%	32.8%	34.8%	33.7%
2	Capital Expenditure	890	693	424	398	874
	Percentage	52.1%	46.6%	38.6%	34.5%	39.1%
3	Maintenance Expenditure	230	264	141	169	302
	Percentage	13.5%	17.8%	12.9%	14.7%	13.5%
4	Deposits, Loans & Advances	232	161	172	184	307
	Percentage	13.6%	10.9%	15.7%	16.0%	13.7%
Total		1707	1485	1097	1152	2238

Source: SFC Online Data and DRD&PR

Table III - 59						
<i>Average Administrative Expenditure per Panchayat Union (₹ In Lakh)</i>						
Sl. No.	Head	2015-16	2016-17	2017-18	2018-19	2019-20
1	Salaries	33.58	34.30	39.20	43.37	48.60
2	TA	1.65	1.56	1.59	1.77	1.84
3	Pension contribution	2.58	1.81	1.84	1.53	1.90
4	Stationeries	1.75	1.80	2.07	2.14	2.48
5	Telephone	0.57	0.58	0.50	0.44	0.42
6	Rent	0.12	0.10	0.08	0.08	0.11
7	Fairs and Exhibitions	0.40	0.28	0.38	0.60	1.66
8	Forms and Registers	0.79	0.78	0.81	0.98	1.41
9	Contingency	9.55	10.94	10.36	10.40	19.20
10	Electricity	2.06	2.12	2.02	1.99	2.09
11	Sitting Fee	0.49	0.24	0.01	0.02	0.05
12	Fixed TA	0.31	0.17	0.03	0.05	0.09
13	Fuel	1.66	1.64	1.99	2.11	2.13
14	Others	36.60	39.05	32.69	38.68	112.34
Total		92.11	95.37	93.57	104.16	194.32

Source: SFC Online Data and DRD&PR

Table III - 60						
<i>Average maintenance Expenditure per Panchayats Union (₹ in Lakh)</i>						
Sl. No.	Head	2015-16	2016-17	2017-18	2018-19	2019-20
1	Roads	24.11	18.69	12.38	14.52	17.95
2	Buildings	10.56	26.29	5.79	7.84	14.46
3	MI Tanks	0.46	0.35	0.31	0.62	6.11
4	Vehicles	1.16	0.97	1.01	1.01	1.08
5	Minor Bridges	3.07	1.33	0.71	0.64	0.79
6	Drinking Water	8.32	6.64	8.02	6.79	14.74
7	Others	12.17	14.38	8.44	12.49	22.80
Total		59.85	68.65	36.66	43.91	77.935

Source: SFC Online Data and DRD&PR

Table III-61						
<i>Average capital expenditure per Panchayat Union (₹ In Lakh)</i>						
Sl. No.	Head	2015-16	2016-17	2017-18	2018-19	2019-20
1	Buildings	31.57	24.48	13.88	14.25	20.45
2	Roads	86.38	70.49	20.85	19.67	47.41
3	Bridges/Dams	13.95	13.32	4.77	4.92	8.00
4	Drinking Water	50.65	34.95	50.36	40.57	81.56
6	Others	48.60	36.66	20.28	23.92	67.86
Total		231.15	179.90	110.14	103.33	225.28

Source: SFC Online Data and DRD&PR

Table III - 62						
<i>Total Expenditure Consolidation (Excluding Closing Balance) (₹ In Crore)</i>						
Sl. No.	Accounts	2015-16	2016-17	2017-18	2018-19	2019-20
1	Account No. I	1726.25	1505.45	1115.34	1175.63	2276.09
2	Account No. III	5.55	5.60	4.56	7.13	4.78
3	Account No. V	331.40	273.46	284.59	301.33	275.95
4	Account No. IX	1757.20	998.03	1125.43	1204.71	1254.46
5	Account No. X	9.83	4.59	18.12	14.29	19.49
6	Central Schemes	603.73	695.81	1209.03	898.21	557.85
Total		4433.97	3482.95	3757.06	3601.29	4388.62

Source: SFC Online Data and DRD&PR

Table III – 63						
<i>Average Total expenditure per Panchayat Union (₹ In Lakh)</i>						
Sl. No.	Accounts	2015-16	2016-17	2017-18	2018-19	2019-20
1	Account No. I	448.38	391.03	289.70	305.36	586.62
2	Account No. III	1.44	1.45	1.18	1.85	1.23
3	Account No. V	86.08	71.03	73.92	78.27	71.12
4	Account No. IX	456.42	259.23	292.32	312.91	323.31
5	Account No. X	2.55	1.19	4.71	3.71	5.02
6	Central Schemes	156.81	180.73	314.03	233.30	143.78
Total		1151.68	904.66	975.86	935.40	1131.08

Source: SFC Online Data and DRD&PR

Table III - 64		
Expenditure and Receipts of Panchayat Unions (Rs. Crore)		
Year	Details	Total
2015-16	Receipts	4156
	Expenditure	4434
	Surplus / Deficit	-278
2016-17	Receipts	3345
	Expenditure	3483
	Surplus / Deficit	-138
2017-18	Receipts	3833
	Expenditure	3757
	Surplus / Deficit	76
2018-19	Receipts	4526
	Expenditure	3601
	Surplus / Deficit	925
2019-20	Receipts	4129
	Expenditure	4389
	Surplus / Deficit	-260

Source: SFC Online Data and DRD&PR

Table III - 65								
Receipts and Expenditure of Panchayat Unions (₹ in Crore)								
Year	Details	Account					Central Schemes	Total
		Number I	Number III	Number V	Number IX	Number X		
2015-16	Receipts	1564.11	5.59	273.59	1679.5	24.48	608.43	4155.70
	Expenditure	1726.25	5.55	331.4	1757.2	9.83	603.73	4433.97
	Surplus / Deficit	-162.14	0.04	-57.81	-77.7	14.65	4.7	-278.26
2016-17	Receipts	1440.41	7.8	261.28	909.3	7.25	718.91	3344.96
	Expenditure	1505.45	5.6	273.46	998.03	4.59	695.81	3482.95
	Surplus / Deficit	-65.04	2.2	-12.18	-88.73	2.66	23.1	-137.99
2017-18	Receipts	1302.99	5.3	265.01	1099.52	15.83	1144.67	3833.33
	Expenditure	1115.34	4.56	284.59	1125.43	18.12	1209.03	3757.06
	Surplus / Deficit	187.65	0.74	-19.58	-25.91	-2.29	-64.36	76.25
2018-19	Receipts	2096.58	9.17	287.16	1142.65	14.5	976.19	4526.24
	Expenditure	1175.63	7.13	301.33	1204.71	14.29	898.21	3601.29
	Surplus / Deficit	920.95	2.04	-14.17	-62.06	0.21	77.98	924.95
2019-20	Receipts	1833.85	12.98	297.88	1360.28	9.32	614.62	4128.94
	Expenditure	2276.09	4.78	275.95	1254.46	19.49	557.85	4388.62
	Surplus / Deficit	-442.24	8.2	21.93	105.82	-10.17	56.77	-259.69

Source: SFC Online Data and DRD&PR

Table III - 66			
Fund flow to the District Panchayats (₹ In Crore)			
Year	(SFC and CGF) devolution	Others	Total
2015-16	258.41	4.21	262.62
2016-17	253.90	4.39	258.29
2017-18	156.95	47.68	204.63
2018-19	329.29	55.41	384.69
2019-20	290.29	32.42	322.72
Total	1288.84	144.10	1432.95

Source: SFC Online Data and DRD&PR

Table III - 68					
Expenditure of the District Panchayats(<i>₹ In Crore</i>)					
Year	Total Expenditure	Administrative Expenditure			Expenditure on Works
		<i>Pay & Allowances</i>	<i>Others</i>	<i>Total</i>	
2015-16	213.27	6.52	2.67	9.19	204.08
2016-17	229.82	6.26	1.54	7.80	222.02
2017-18	129.37	7.23	2.20	9.43	119.94
2018-19	209.74	8.65	2.50	11.15	198.59
2019-20	322.42	9.22	7.41	16.63	305.79
Total	1104.62	37.88	16.32	54.20	1050.42

Source: SFC Online Data and DRD&PR

DATA TABLES

CHAPTER IV: ANNEXURE URBAN LOCAL BODIES' FINANCES

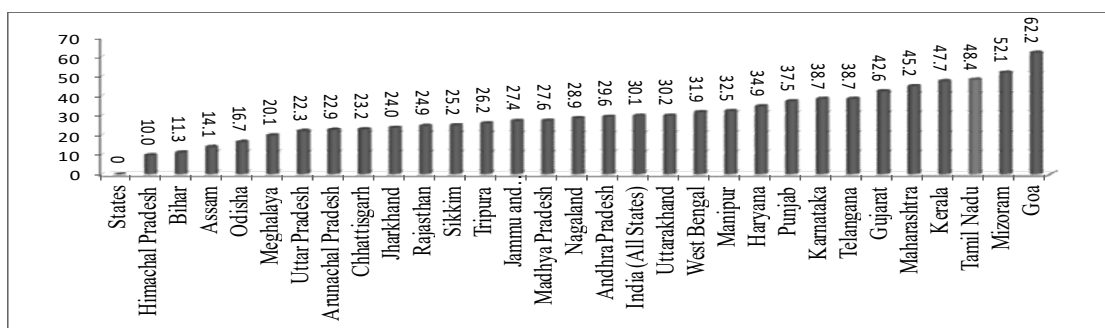
Table IV – 1					
<i>Urban Local Bodies – Demography (during 5th SFC Period)</i>					
Categories	No.*	Area		Urban Population (in lakhs)	
		In Sq. km.	%	As per 2011 census	%
Greater Chennai Corporation	1	426.0	4.0	67.3	21.3
Municipal Corporations	14	1464.8	13.8	88.8	28.2
Municipalities	121	2329.5	22.0	78.2	24.8
Town Panchayats	528	6388.2	60.2	80.9	25.7
Total	664	10608.6	100.0	315.2	100.0

Source: Policy notes 2017-18 & 2019-20 of MAWS Dept.

Table IV – 2					
<i>Urban Local Bodies – Demography (Current)</i>					
Categories	No.	Area		**Projected Urban Population (in lakhs)	
		In Sq. km.	%	2021	%
Greater Chennai Corporation	1	426.0	4.0	82.9	22.4
Municipal Corporations	20	1501.9	14.2	104.5	28.1
Municipalities	138	2779.5	26.2	100.7	27.1
Town Panchayats	490	5901.2	55.6	83.3	22.4
Total	664	10608.6	100.0	371.5	100.0

Source :Projected by 6th SSFC based on "Population projections for India and States 2011- 2036 by Census of India.

Chart IV-2: State-wise Urbanisation in 2011 (In Percent)



Source: Census of India, 2011

Table IV – 3			
Grade-wise number of Municipalities			
Sl. No.	Category	Annual income (₹ in Crore)	Number of Municipalities
1	Special Grade	Above 15.00	15
2	Selection Grade	9.00 - 15.00	28
3	First Grade	6.00 - 9.00	34
4	Second Grade	Below 6.00	44
Total			121

Source: SFC Online Data and DMA

Table IV-4		
Grade	Annual Income	No. of Town Panchayats
Special Grade	Exceeding ₹ 200 lakh	64
Selection Grade	Exceeding ₹100 lakh & upto ₹ 200 lakh	202
Grade - I	Exceeding ₹50 lakh & upto ₹ 100 lakh	200
Grade - II	Below ₹ 50 lakh	62
Total		528

Source: SFC Online Data and CTP

Table IV – 5										
Aggregate Financial Position of All ULBs										
Sl. No	Item	Value (₹ in Crore)					Growth Rate (over previous year) in %			
		2015-16	2016-17	2017-18	2018-19	2019-20	2016-17	2017-18	2018-19	2019-20
1	Revenue Receipts	8849	9704	9465	12234	12133	9.7	-2.5	29.2	-0.8
2	Revenue Expenditure	6986	7468	8359	10103	10685	6.9	11.9	20.9	5.8
3	Revenue Surplus/ Deficit	1863	2235	1105	2130	1449	20.0	-50.5	92.7	-32.0
4	Capital Receipts	5878	6779	7102	9114	7533	15.3	4.8	28.3	-17.4
5	Capital Expenditure	5811	5613	5939	6076	7223	-3.4	5.8	2.3	18.9
6	Total Receipts	14727	16482	16568	21348	19666	11.9	-0.5	28.9	-7.9
7	Total Expenditure	12797	13081	14299	16179	17908	2.2	9.3	13.2	10.7

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 6						
Total Revenues and Expenditures in all Urban Local Bodies for Select States in 2017-18						
States	Total Revenue		Expenditures		Balance	
	₹ in Crore	as % of GSDP	₹ in Crore	as % of GSDP	₹ in Crore	as % of GSDP
Odisha	1759.1	0.40	1391.8	0.32	367.3	0.08
Kerala	3625.2	0.52	2450.8	0.35	1174.4	0.17
Andhra Pradesh	3886.7	0.49	3884.7	0.49	2.0	0.00
Telangana	4502.1	0.60	4465.3	0.60	36.8	0.00
Rajasthan	5397.2	0.65	4289.0	0.52	1108.2	0.13
Uttar Pradesh	12238.2	0.86	10699.5	0.76	1538.7	0.11
Madhya Pradesh	12324.5	1.70	8933.1	1.23	3391.4	0.47
West Bengal	12415.0	1.27	8442.9	0.87	3972.1	0.41
Karnataka	14855.1	1.11	9115.8	0.68	5739.3	0.43
Tamil Nadu	14892.7	1.02	12955.8	0.88	1936.9	0.13
Gujarat	20818.1	1.57	13299.0	1.00	7519.1	0.57
Maharashtra	48484.6	2.06	43410.0	1.85	5074.6	0.22
India (All States)	171697.3	1.05	132552.5	0.81	39144.8	0.24

Source: 15th CFC Report

Table IV –7A						
Tier-wise Financial Position of ULBs						
Greater Chennai Corporation (₹ in Crore)						
Sl. No.	Item	2015-16	2016-17	2017-18	2018-19	2019-20
1	Revenue Receipts	2095.79	2118.46	2180.36	2823.13	2618.93
2	Revenue Expenditure	1535.27	1802.30	1899.57	2239.29	2188.64
3	Surplus / Deficit	560.52	316.16	280.79	583.84	430.29
4	Capital Fund	1744.92	1876.92	2396.92	1379.71	1608.24
5	Capital Expenditure	1774.41	1788.59	1959.87	1434.83	1496.77
6	Total Receipts	3840.71	3995.38	4577.28	4202.84	4227.17
7	Total Expenditure	3309.68	3590.89	3859.44	3674.12	3685.41

Source: SFC Online Data and GCC

Table IV – 7B						
Tier-wise Financial Position of ULBs Contd.						
Other Municipal Corporations (₹ in Crore)						
Sl. No.	Item	2015-16	2016-17	2017-18	2018-19	2019-20
1	Revenue Receipts	2801.45	3193.16	3009.86	3870.95	3786.06
2	Revenue Expenditure	1896.08	1893.55	2102.78	2697.86	2982.41
3	Surplus / Deficit	905.37	1299.61	907.08	1173.09	803.65
4	Capital Fund	1154.83	1699.98	1842.11	2223.49	2070.43
5	Capital Expenditure	1151.72	1122.21	1212.98	1377.46	1519.77
6	Total Receipts	3956.28	4893.14	4851.97	6094.44	5856.49
7	Total Expenditure	3047.80	3015.76	3315.76	4075.32	4502.18

Source: SFC Online Data and DMA

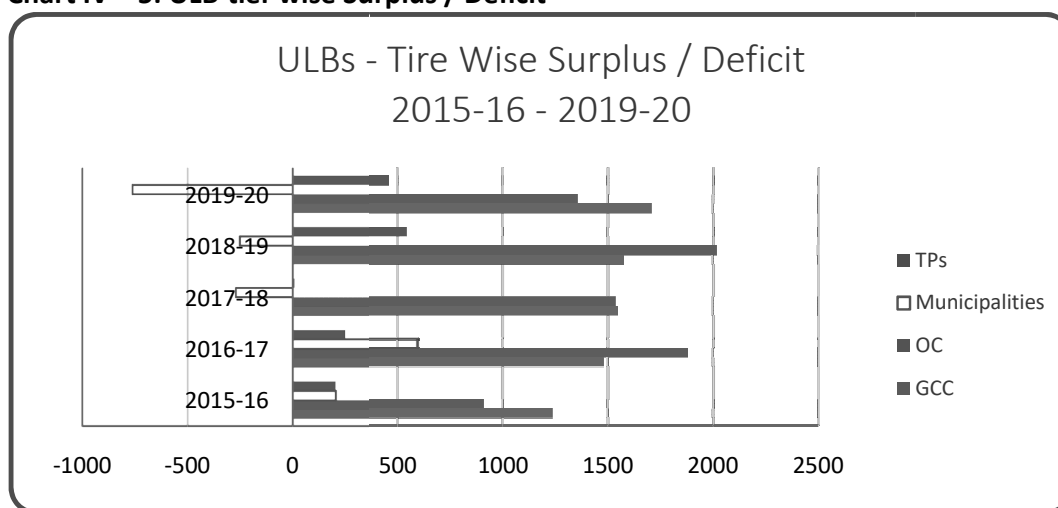
Table IV – 7C						
Tier wise Financial Position of ULBs Contd.						
Municipalities (₹ in Crore)						
Sl. No.	Item	2015-16	2016-17	2017-18	2018-19	2019-20
1	Revenue Receipts	2154.25	2357.84	2268.51	2790.13	2914.49
2	Revenue Expenditure	1960.63	1987.14	2358.36	2957.18	3157.22
3	Surplus / Deficit	193.62	370.70	-89.85	-167.05	-242.73
4	Capital Fund	1827.24	1912.24	1660.51	2035.84	2317.49
5	Capital Expenditure	1816.24	1686.31	1841.16	2120.97	2836.83
6	Total Receipts	3981.49	4270.08	3929.02	4825.97	5231.98
7	Total Expenditure	3776.87	3673.45	4199.52	5078.15	5994.05

Source: SFC Online Data and DMA

Table IV – 7D						
Tier wise Financial Position of ULBs Contd.						
Town Panchayats (₹ in Crore)						
Sl. No.	Item	2015-16	2016-17	2017-18	2018-19	2019-20
1	Revenue Receipts	1797.36	2034.16	2006.40	2749.34	2813.92
2	Revenue Expenditure	1594.14	1785.31	1998.66	2208.67	2356.63
3	Surplus / Deficit	203.22	248.85	7.74	540.67	457.29
4	Capital Fund	1150.95	1289.53	1202.87	3475.10	1536.35
5	Capital Expenditure	1068.53	1015.94	925.19	1142.87	1369.43
6	Total Receipts	2948.31	3323.69	3209.27	6224.44	4350.27
7	Total Expenditure	2662.67	2801.25	2923.85	3351.54	3726.06

Source: SFC Online Data and CTP

Chart IV – 5: ULB-tier wise Surplus / Deficit



Source: SFC Online Data, GCC, DMA and CTP

Table IV – 8											
Revenue Receipts of all ULBs											
Sl. No	Item	Value (₹ in Crore)					Item Share (%)				
		2015-16	2016-17	2017-18	2018-19	2019-20	2015-16	2016-17	2017-18	2018-19	2019-20
1	Total Tax	2050	2309	2469	2965	2944	23.2	23.8	26.1	24.2	24.3
2	Total Non-Tax	1696	1517	1804	2440	2253	19.2	15.6	19.1	19.9	18.6
3	Assigned Revenue	697	635	451	578	714	7.9	6.5	4.8	4.7	5.9
4	Total Own Revenue	4444	4461	4725	5983	5912	50.2	46.0	49.9	48.9	48.7
5	SFC Devolution	3157	3127	3608	4513	4298	35.7	32.2	38.1	36.9	35.4
6	CFC Grant	864	1301	574	989	1026	9.8	13.4	6.1	8.1	8.5
7	Others	384	814	559	747	896	4.3	8.4	5.9	6.1	7.4
8	Total Grants	4405	5242	4741	6250	6221	49.8	54.0	50.1	51.1	51.3
9	Total Revenue Receipts	8849	9704	9466	12234	12133	100	100	100	100	100

Source: SFC Online Data, Finance Dept.andconcerned HODs

Table IV – 9A											
Greater Chennai Corporation											
Sl. No	Item	Value (₹ in Crore)					Item Share (%)				
		2015-16	2016-17	2017-18	2018-19	2019-20	2015-16	2016-17	2017-18	2018-19	2019-20
1	Total Tax	848.18	1013.48	1088.70	1390.13	1303.03	40.5	47.8	49.9	49.2	49.8
2	Total Non-Tax	441.60	276.68	402.68	481.02	294.62	21.1	13.1	18.5	17.0	11.3
3	Assigned Revenue	225.85	187.78	42.66	49.11	179.76	10.8	8.9	2.0	1.7	6.9
4	Total Own Revenue	1515.63	1477.94	1534.04	1920.26	1777.41	72.3	69.8	70.4	68.0	67.9
5	SFC Devolution	378.54	363.69	503.96	721.11	641.42	18.1	17.2	23.1	25.5	24.5
6	CFC Grant	123.97	210.92	93.93	112.98	124.99	5.9	10.0	4.3	4.0	4.8
7	Others	77.65	65.91	48.43	68.78	75.11	3.7	3.1	2.2	2.4	2.9
8	Total Grants	580.16	640.52	646.32	902.87	841.52	27.7	30.2	29.6	32.0	32.1
9	Total Revenue Receipts	2095.79	2118.46	2180.36	2823.13	2618.93	100	100	100	100	100

Source: SFC Online Data, Finance Dept. and GCC

Table IV – 9B											
<i>Municipal Corporations (Other than GCC)</i>											
Sl. No	Item	Value (₹ in Crore)					Item Share (%)				
		2015-16	2016-17	2017-18	2018-19	2019-20	2015-16	2016-17	2017-18	2018-19	2019-20
1	Total Tax	570.93	617.43	672.47	694.32	757.26	20.4	19.3	22.3	17.9	20.0
2	Total Non-Tax	739.32	671.20	767.84	1085.99	1006.41	26.4	21.0	25.5	28.1	26.6
3	Assigned Revenue	165.67	143.43	112.71	142.97	145.55	5.9	4.5	3.7	3.7	3.8
4	Total Own Revenue	1475.92	1432.06	1553.02	1923.28	1909.23	52.7	44.8	51.6	49.7	50.4
5	SFC Devolution	907.70	831.73	870.80	1094.69	998.96	32.4	26.0	28.9	28.3	26.4
6	CFC Grant	266.41	333.87	183.52	320.72	210.79	9.5	10.5	6.1	8.3	5.6
7	Others	151.42	595.50	402.52	532.26	667.08	5.4	18.6	13.4	13.8	17.6
8	Total Grants	1325.53	1761.10	1456.84	1947.67	1876.83	47.3	55.2	48.4	50.3	49.6
9	Total Revenue Receipts	2801.45	3193.16	3009.86	3870.95	3786.06	100	100	100	100	100

Source: SFC Online Data, Finance Dept. and DMA

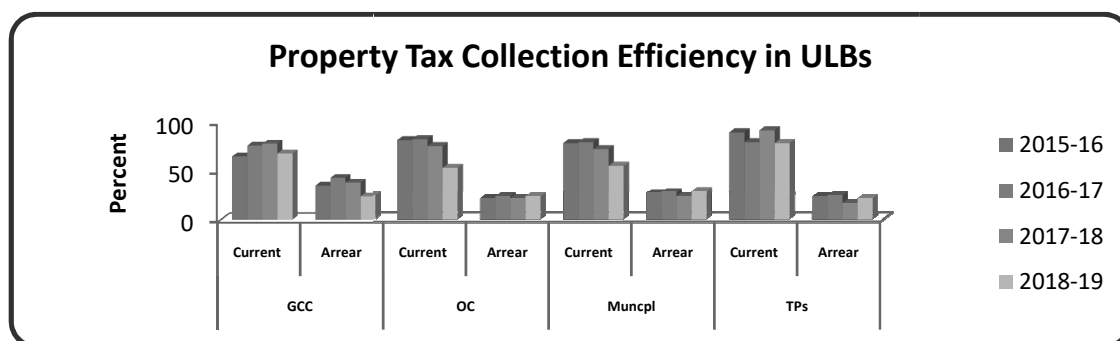
Table IV – 9C											
<i>Municipalities</i>											
Sl. No	Item	Value (₹ in Crore)					Item Share (%)				
		2015-16	2016-17	2017-18	2018-19	2019-20	2015-16	2016-17	2017-18	2018-19	2019-20
1	Total Tax	417.92	444.22	484.59	603.73	607.76	19.4	18.8	21.4	21.6	20.9
2	Total Non-Tax	330.46	363.70	406.91	578.42	651.70	15.3	15.4	17.9	20.7	22.4
3	Assigned Revenue	192.29	152.18	161.90	211.65	237.49	8.9	6.5	7.1	7.6	8.1
4	Total Own Revenue	940.67	960.1	1053.4	1393.8	1496.95	43.7	40.7	46.4	50.0	51.4
5	SFC Devolution	968.67	958.53	1101.84	1276.00	1259.98	45.0	40.7	48.6	45.7	43.2
6	CFC Grant	244.91	439.21	113.27	120.33	157.56	11.4	18.6	5.0	4.3	5.4
7	Total Grants	1213.58	1397.74	1215.11	1396.33	1417.54	56.3	59.3	53.6	50.0	48.6
8	Total Revenue Receipts	2154.25	2357.84	2268.51	2790.13	2914.49	100	100	100	100	100

Source: SFC Online Data, Finance Dept. and DMA

Table IV – 9D											
Town Panchayats											
Sl. No	Item	Value (₹ in Crore)					Item Share (%)				
		2015-16	2016-17	2017-18	2018-19	2019-20	2015-16	2016-17	2017-18	2018-19	2019-20
1	Total Tax	213.43	234.07	223.54	276.82	275.92	11.9	11.5	11.1	10.1	9.8
2	Total Non-Tax	185.03	205.47	226.63	294.64	300.97	10.3	10.1	11.3	10.7	10.7
3	Assigned Revenue	113.60	151.38	134.00	174.75	151.55	6.3	7.4	6.7	6.4	5.4
4	Total Own Revenue	512.06	590.92	584.17	746.21	728.44	28.5	29.0	29.1	27.1	25.9
5	SFC Devolution	901.69	973.41	1130.84	1421.47	1398.11	50.2	47.9	56.4	51.7	49.7
6	CFC Grant	229.11	317.24	183.27	435.19	532.87	12.7	15.6	9.1	15.8	18.9
7	Others	154.50	152.59	108.12	146.47	154.50	8.6	7.5	5.4	5.3	5.5
8	Total Grants	1285.30	1443.24	1422.23	2003.13	2085.48	71.5	71.0	70.9	72.9	74.1
9	Total Revenue Receipts	1797.36	2034.16	2006.4	2749.34	2813.92	100	100	100	100	100

Source: SFC Online Data, Finance Dept. and CTP

Chart IV – 9: ULB Tier-wise Collection Efficiency of ULBs in Tamil Nadu



Legend: GCC: Greater Chennai Corporation, OC: Other Corporations, Muncpl: Municipalities, TPs: Town Panchayats.

Source: SFC Online Data, GCC, DMA and CTP

Table IV - 10						
Major Own Source of Revenue of ULBs						
Sl. No.	Item	2015-16	2016-17	2017-18	2018-19	2019-20
Own Tax						
1	Property tax	1425	1617	1692	2141	2131
2	Vacant Land Tax	106	109	114	127	127
3	Profession Tax	484	540	632	664	643
4	Advertisement Tax	12	12	2.8	1.4	9.7
5	Other Tax	25	30	28	33	34
Total Tax Revenue		2050	2309	2469	2965	2944
Non -Tax Revenue						
6	D&O Licence Fee	38	52	48	49	54
7	Building licence Fee	135	164	173	215	213
8	Bus Stand Fee	20	26	22	24	25
9	Water Supply	266	293	342	417	541
10	Rent & Lease	258	282	342	477	459
11	Others	980	700	878	1258	962
Total Non-Tax		1696	1517	1804	2440	2254
Assigned Revenue						
12	Surcharge on Stamp Duty	572	490	310	412	524
13	Others	125	144	141	167	191
Total Assigned Revenue		697	635	451	579	714
Total Non-Tax Including Assigned revenue		2394	2152	2255	3019	2968
Total Own Revenue		4444	4461	4725	5984	5912
Summary						
Item Percentage		2015-16	2016-17	2017-18	2018-19	2019-20
Property Tax to Own Revenue		32.1%	36.2%	35.8%	35.8%	36.0%
Total Own Tax to Own Revenue		46.1%	51.8%	52.3%	49.6%	49.8%
Total Non-Tax to Own Revenue		53.9%	48.2%	47.7%	50.5%	50.2%

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 11					
Composition of Own Revenue and Tax Revenue to Total Revenue*					
Ratios	2015-16	2016-17	2017-18	2018-19	2019-20
Property Tax/Total Tax	69.5%	70.0%	68.5%	72.2%	72.4%
Vacant Land Tax/ Total Tax	5.1%	4.7%	4.6%	4.3%	4.3%
Professional Tax/ Total Tax	23.6%	23.4%	25.6%	22.4%	21.8%
Advertisement Tax/Total Tax	0.6%	0.5%	0.1%	0.0%	0.3%
Other Tax/Total Tax	1.2%	1.3%	1.1%	1.1%	1.1%
Water Supply/ Non-Tax	20.1%	24.5%	22.4%	18.4%	26.6%
Sewerage Charges/ Non-Tax	1.8%	2.3%	2.2%	2.5%	3.2%
Other Non-Tax/Non-Tax	78.2%	73.2%	75.4%	79.2%	70.2%
Total Tax/Total Own Revenue	54.7%	60.4%	57.8%	54.9%	56.6%
Non-Tax/Total Own Revenue	45.3%	39.6%	42.2%	45.1%	43.4%

Source: SFC Online Data, GCC, DMA and CTP

Table IV - 12						
Collection Efficiency of Property Tax for ULBs						
Property Tax – Demand, Collection and Balance						
Description	Collection	2015-16	2016-17	2017-18	2018-19	2019-20
Greater Chennai Corporation						
Demand (₹ in Crore)	Current	556	589	604	715	404
	Arrear	548	565	553	598	572
	Total	1104	1154	1158	1313	976
Collection (₹ in Crore)	Current	364	450	470	486	289
	Arrear	192	246	210	143	165
	Advance	31	0	40	351	474
	Total	587	695	720	980	928
Balance (₹ in Crore)	Current	192	139	134	229	115
	Arrear	357	320	343	455	406
	Total	549	459	477	684	521
Collection Efficiency in %	Current	65	76	78	68	72
	Arrear	35	43	38	24	29
No. of Assessments		1168143	1195723	1204247	1232882	1278035
Percentage of Growth			2.36	0.71	2.38	3.66
Municipal Corporations (other than GCC)						
Demand (₹ in Crore)	Current	455	490	564	824	585
	Arrear	340	381	394	470	511
	Total	795	871	958	1294	1095
Collection Efficiency in %	Current	367	399	423	439	449
	Arrear	72	87	81	109	143
	Total	439	487	504	548	592
Balance (₹ in Crore)	Current	88	91	141	385	136
	Arrear	268	294	313	361	368
	Total	356	384	454	745	503
Collection Efficiency in %	Current	81	82	75	53	77
	Arrear	21	23	21	23	28
No. of Assessments		2088566	2142269	2188516	2224818	2269806
Percentage of Growth			2.57	2.16	1.66	2.02
Municipalities						
Demand (₹ in Crore)	Current	297	318	384	635	396
	Arrears	183	202	244	291	320
	Total	480	521	628	927	715
Collection (₹ in Crore)	Current	230	251	278	349	310
	Arrears	50	57	56	89	118
	Total	280	308	334	432	428
Balance (₹ in Crore)	Current	67	68	107	286	86
	Arrears	133	145	188	208	201
	Total	200	213	294	494	287
Collection Efficiency in %	Current	78	79	72	55	78
	Arrears	27	28	23	29	37
No. of Assessments		2181128	2255925	2362999	2385311	2491968
% of Growth			3.43	4.75	0.94	4.47
Town Panchayats						
Demand (₹ in Crore)	Current	120	143	135	214	173
	Arrear	51	54	77	57	92
	Total	171	197	211	272	265
Collection (₹ in Crore)	Current	107	114	122	168	146
	Arrear	12	13	12	12	37
	Total	119	127	134	180	183
Balance (₹ in Crore)	Current	14	30	13	47	27
	Arrear	39	41	64	45	58
	Total	53	70	77	92	85
Collection Efficiency in %	Current	89	79	91	78	84
	Arrear	23	24	16	21	41
No. of Assessments		2545001	2602074	2656228	2713615	2742716
Percentage of Growth			2.24	2.08	2.16	1.07

Source: SFC Online Data, GCC, DMA and CTP

Table IV - 13												
Per capita and Per Property Demand and Collection of Property Tax												
Description	Greater Chennai Corporations			Other Corporations			Municipalities			Town Panchayats		
	2015-16	2019-20	CAGR	2015-16	2019-20	CAGR	2015-16	2019-20	CAGR	2015-16	2019-20	CAGR
Per Capita Property Tax Demand (Rs.)	1641.16	1450.3	-2%	895.42	1233.34	7%	613.45	913.79	8%	211.45	327.79	9%
Per Capita Property Tax Collection (Rs.)	871.8	1379.74	10%	494.67	666.55	6%	358.1	546.64	9%	146.48	226.27	9%
Per Property Tax Demand (Rs.)	9450.98	7633.75	-4%	3807.49	4825.65	5%	2200.51	2869.02	5%	672.14	966.85	8%
Per Property Tax Collection (Rs.)	5020.45	7262.32	8%	2103.45	2607.98	4%	1284.56	1716.27	6%	465.62	667.4	7%

Table IV - 14								
State wise Own Tax and Non-Tax Revenues for all ULBs in 2017-18								
State	% of Total Revenue to GSDP		% of Own Revenue to GSDP		% of Tax Revenue to GSDP		% of Property Tax to GSDP	
	2014-15	2017-18	2014-15	2017-18	2014-15	2017-18	2014-15	2017-18
Odisha	0.452	0.423	0.050	0.043	0.026	0.020	0.018	0.016
Andhra Pradesh	0.599	0.483	0.312	0.303	0.190	0.171	0.136	0.118
Kerala ***	0.472	0.516	0.123	0.120	0.082	0.075	0.042	0.042
Telangana	0.751	0.599	0.476	0.394	0.256	0.214	0.254	0.213
Rajasthan	0.607	0.642	0.221	0.209	0.108	0.096	0.017	0.022
Uttar Pradesh	0.898	0.890	0.132	0.122	0.075	0.067	0.068	0.059
Tamil Nadu	1.021	1.044	0.327	0.311	0.178	0.172	0.129	0.128
Karnataka	1.367	1.133	0.347	0.303	0.237	0.223	0.220	0.206
West Bengal	1.194	1.216	0.271	0.242	0.132	0.125	0.123	0.118
Gujarat***	1.515	1.585	0.508	0.748	0.266	0.524	0.129	0.404
Madhya Pradesh***	1.576	1.685	0.685	0.720	0.528	0.544	0.103	0.148
Maharashtra	2.386	1.942	1.969	1.269	1.122	0.644	0.391	0.335
India (All States as % of GDP)	1.049	1.004	0.509	0.429	0.296	0.251	0.133	0.149
*No Municipal Corporation in the state, ** No Municipal Council in the state, ***No Nagar Panchayat in the state Source: Data provided by States and ICRIER analysis.								
Source: State of Municipal Finances in India -A Study Prepared for the Fifteenth Finance Commission								

Table IV - 15						
Percentage of Property Tax to ULB Revenue						
State	Property Tax as a % of Total Revenue of ULBs		Property Tax as a % of Own Revenue of ULBs		Property Tax as a % of Revenue expenditure in ULBs	
	2014-15	2017-18	2014-15	2017-18	2014-15	2017-18
Rajasthan	2.80	3.50	7.80	10.70	8.90	13.00
Odisha	4.00	3.80	36.40	37.40	7.30	7.70
Uttar Pradesh	7.60	6.60	51.60	48.50	14.50	11.70
Kerala ***	8.80	8.10	33.90	35.10	17.50	16.40
West Bengal	10.30	9.70	45.60	48.80	30.30	34.00
Tamil Nadu	12.60	12.30	39.40	41.10	22.80	23.30
Maharashtra	16.40	17.20	19.80	26.40	28.70	28.70
Karnataka	16.10	18.20	63.40	68.10	45.80	55.70
Andhra Pradesh	22.60	24.30	43.50	38.70	47.50	44.10
Gujarat***	8.50	25.50	25.30	54.10	24.90	77.80
Telangana	33.90	35.60	53.40	54.10	61.40	67.70
India (All States)	12.70	14.90	26.10	34.80	27.10	32.70
*No Municipal Corporation in the state, ** No Municipal Council in the state, ***No Nagar Panchayat in the state						
Source: State of Municipal Finances in India - A Study Prepared for the Fifteenth Finance Commission						

Chart IV – 10: State wise Per Capita Property Tax Revenue in Rupees for all ULBs in 2017-18

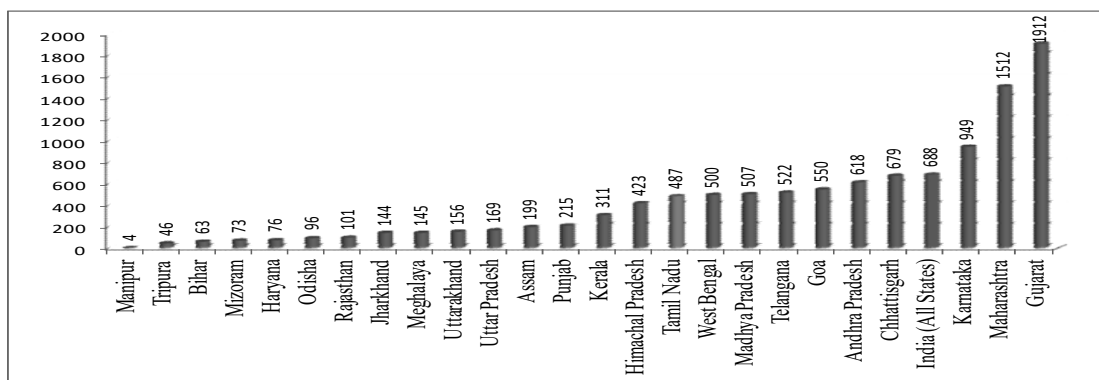
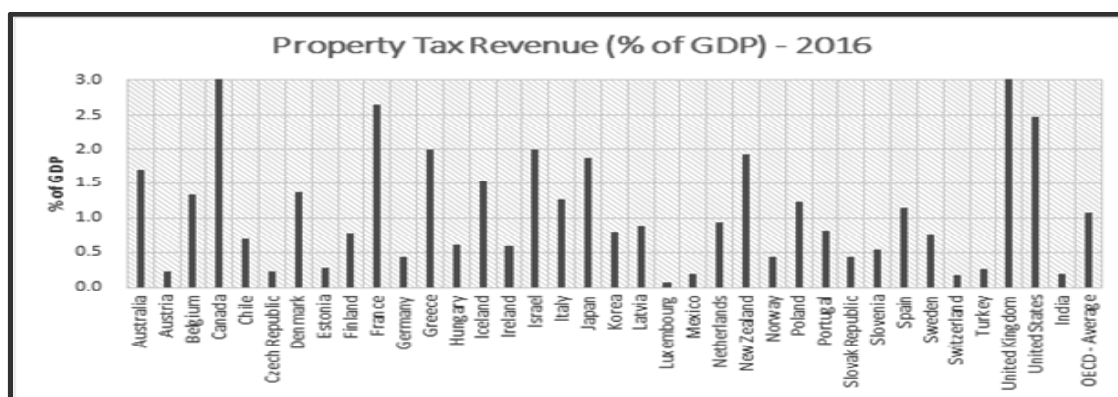


Chart IV – 12: Property Tax Revenues relative to GDP in India and OECD Countries in 2016



Source: Isher et al., (2019).

Table No IV – 16						
Property Tax Revenues for all ULBs in Tamil Nadu (2011-12 to 2017-18)Rs. in crore						
Year	Property Tax Revenues (PT)				GSDP	PT as % of GSDP
	All ULBs	Municipal Corporations	Municipalities	Town Panchayats		
2011-12	971.7	606.5	261.5	103.7	751486	0.129%
2012-13	1138.8	735.4	287.5	115.9	854825	0.133%
2013-14	1253.7	826.4	301.9	125.4	968530	0.129%
2014-15	1382.6	938.8	312.8	131.0	1072678	0.129%
2015-16	1450.6	967.3	341.8	141.5	1176500	0.123%
2016-17	1627.7	1105.0	369.1	153.6	1302639	0.125%
2017-18	1827.5	1222.2	444.2	161.1	1465051	0.125%
Avg. Growth	11.16	12.51	9.36	7.65	11.78	-

Source: 15th CFC Report

Table IV – 17								
Number of Property Tax Assessments (2015-16 to 2019-20)								
Year	Chennai Corporations		Other Corporations		Municipalities		Town Panchayats	
	No. of Assessments	GR (%)	No. of Assessments	GR (%)	No. of Assessments	GR (%)	No. of Assessments	GR (%)
2015-16	1168143	-	2088566	-	2181128	-	2545001	-
2016-17	1195723	2.36%	2145569	2.73%	2255925	3.43%	2602074	2.24%
2017-18	1204247	0.71%	2188516	2.00%	2362999	4.75%	2656228	2.08%
2018-19	1232882	2.38%	2224818	1.66%	2385311	0.94%	2713615	2.16%
2019-20	1278035	3.66%	2269806	2.02%	2491968	4.47%	2742716	1.07%

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 18								
Number of Assessments and Total Demand by Type of Property.								
Category	Number of Assessments(As on March 2020)				Annual Tax Demand(₹ in Crore)			
	<i>GCC</i>	<i>Other Corporations</i>	<i>Municipalities</i>	<i>TPs</i>	<i>GCC</i>	<i>Other Corporations</i>	<i>Municipalities</i>	<i>TPs</i>
Residential	1073554 (84%)	2172998 (90%)	2125300 (87%)	2500567 (91%)	229.46 (30%)	3542.77 (58%)	264.66 (59%)	155.84 (90%)
Commercial	89155 (7%)	205418 (9%)	282149 (12%)	231008 (8%)	305.00 (40%)	1164.76 (19%)	132.46 (29%)	13.85 (8%)
Industrial	109355 (9%)	28371 (1%)	15998 (1%)	10820 (1%)	63.90 (8%)	1412.29 (23%)	32.42 (7%)	2.60 (1%)
Others *	5971 (0%)	1704 (0%)	4223 (0%)	321 (0%)	156.39 (21%)	9.04 (0%)	21.63 (5%)	0.87 (1%)
Total	1278035 (100%)	2408491 (100%)	2427670 (100%)	2804857 (100%)	754.74 (100%)	6128.86 (100%)	451.17 (100%)	173.16 (100%)

Source: SFC Online Data, GCC, DMA and CTP

Table No IV-19		
Method of Property Assessment in Indian States		
Methodology	No. of States	State Names
Annual Rental Value method	12	1. Andhra Pradesh
		2. Assam (Guwahati)
		3. Bihar
		4. Chhattisgarh
		5. Goa
		6. Haryana
		7. Jharkhand
		8. Madhya Pradesh
		9. Meghalaya
		10. Tamil Nadu
		11. Uttar Pradesh
		12. Uttarakhand
Flat Rate	1	1. Punjab
Provide multiple options for valuation methodology	4	1. Maharashtra (Capital Value or Annual Rental Value)
		2. Rajasthan (Unit Area based method or by any other method)
		3. Telangana (Capital Value or Annual Rental Value or any such method as prescribed)
		4. West Bengal (Annual Rental Value or Capital Value where Annual Rental Value cannot be estimated)
State Acts where valuation Methodology is unclear or not mentioned	2	1. Arunachal Pradesh (not mentioned)
		2. Manipur (unclear)

Source: A Tool kit for property Tax reform Vol-I by MoHUA, GOI

Table IV – 20				
Pre and Post Demand of Property Tax & Percentage of Increase (₹ in Crore)				
ULBs	2017-18 Property Tax Demand Before Revision	2018-19 Property Tax Demand After Revision	Increase in Demand	% of increase
Corporations (except Chennai) and Municipalities	947	1568	621	64
GCC	336	652	316	94
Total	1283	2220	937	73

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 21								
Property Tax Rate Revisions in ULBs of Tamil Nadu (in Rs)								
Type of Building	As per 1998 GO MS 64, MAWS dt. 24.04.1998 & Roc No.69517/97/ R1 dt:1.07.1998		As per 2008 GO MS no 110 MAWS 23.06.200 8Revision - Not more than(in percent)	Rates as per the revision		As per 2018 GO MS.No.7 6 MAWS dt: 26.07.20 18 Revision -Not more than(in percent)	Rates as per the revision	
	<i>Min.</i>	<i>Max.</i>		<i>Min.</i>	<i>Max.</i>		<i>Min.</i>	<i>Max.</i>
Residential Building	0.15	2	25	0.19	2.5	50	0.28	3.75
Institutions & Offices	0.25	3	25	0.31	3.75	50	0.47	5.63
Commercial	0.5	5	150	1.25	12.5	100	2.5	25
Industrial	0.4	4	100	0.8	8	100	1.6	16

Source: SFC Online Data, GCC, DMA and CTP

Table No IV – 22						
Property Tax Demand(in crore)as % of GSDP						
Year	Greater Chennai Corporation	Other Corporations	Municipalities	Town Panchayats	Total Demand	% to GSDP
2015-16	555.84	454.91	297.34	120.36	1428.45	0.121%
2016-17	589.20	489.63	318.54	143.24	1540.61	0.118%
2017-18	604.17	564.01	384.40	134.53	1687.11	0.115%
2018-19	714.75	823.99	635.26	214.37	2388.37	0.147%
2019-20	404.09	584.46	395.50	173.16	1557.21	0.084%

Source: SFC Online Data, GCC, DMA and CTP

Table IV - 23			
Property Tax Target @ 0.25 % of GSDP & Actual Collection			
Year	Total	Expected PT @0.25 % of GSDP	Difference (Expected – Total)
2015-16	1428.45	2941.25	1512.80
2016-17	1540.61	3256.60	1715.99
2017-18	1687.11	3662.63	1975.52
2018-19	2388.37	4075.52	1687.15
2019-20	1557.21	4614.63	3057.42

Source: SFC Online Data, GCC, DMA and CTP

Table IV - 24										
Property Tax Rates from 1998 (In Rs)										
Usage of Building	As per 1998 GO MS 64, MAWS dt. 24.04.1998 & Roc No.69517/97/R1 dt:1.07.1998		As per 2008 GO MS no 110 MAWS 23.06.2008		Revision -Not more than (in %)	As per 2018 GO MS.No.76 MAWS dt:26.07.2018		Revision -Not more than (in %)	Value in line with the cost of inflation in 2021-22	
	<i>Min.</i>	<i>Max.</i>	<i>Min.</i>	<i>Max.</i>		<i>Min.</i>	<i>Max.</i>		<i>Min.</i>	<i>Max.</i>
Residential Building	0.15	2.00	0.19	2.50	25	0.28	3.75	50	0.60	8.00
Institutions & offices	0.25	3.00	0.31	3.75	25	0.47	5.63	50	1.00	12.00
Commercial	0.50	5.00	1.25	12.50	150	2.50	25.00	100	2.00	20.00
Industrial	0.40	4.00	0.80	8.00	100	1.60	16.00	100	1.60	16.00

Source: MAWS Dept. Govt of TN.

Table IV - 25						
Vacant Land Details						
Vacant Land with reference to its location	A Grade		B Grade		C Grade	
	Min (in Paise)	Max (in Paise)	Min (in Paise)	Max (in Paise)	Min (in Paise)	Max (in Paise)
Streets in residential area	20	40	15	30	10	20
Main roads and bus route other than those which lead to arterial road	30	50	20	40	15	30
Arterial roads, main roads and bus route roads which lead to arterial road	40	60	30	50	20	40

Source: MAWS Dept. Govt of TN.

Table IV -26						
Vacant Land Tax Revenues						
ULBs	2015-16	2016-17	2017-18	2018-19	2019-20	CAGR
Aggregates in ₹ Crore						
Chennai Corporation	24	25	28	28	25	1.21%
Municipal Corporations	31	29	30	37	39	4.43%
Municipalities	24	25	27	32	33	7.00%
Town Panchayats	26	30	28	29	29	1.92%
Total ULBs	105	109	114	127	127	3.74%
Per capita figures in ₹						
Chennai Corporation	35	37	42	42	37	1.21%
Municipal Corporations	35	32	34	42	44	4.43%
Municipalities	30	32	35	41	42	7.00%
Town Panchayats	33	38	34	36	36	1.92%
Total ULBs	33	35	36	40	40	3.74%

Source: SFC Online Data, GCC, DMA and CTP

Table IV -27	
Slabs for Profession Tax	
Monthly Salary	Professional Tax Amount Payable in Tamil Nadu
Salary up to ₹ 3500	--
Salary between ₹ 3501 to ₹ 5000	₹ 16.50 per month
Salary between ₹ 5001 to ₹7500	₹ 30 per month
Salary between ₹ 7501 to ₹10000	₹ 85 per month
Salary between ₹ 10,001 to ₹ 12,500	₹ 126.50 per month
For salary above ₹ 12,500	₹ 182.50 per month

Source: MAWS Dept. Govt of TN.

Table IV -28						
Details of Revenue from Profession Tax- Aggregates in ₹ Crore						
ULBs	2015-16	2016-17	2017-18	2018-19	2019-20	CAGR
Chennai Corporation	238	291	338	381	349	7.97%
Other Corporations	93	97	133	105	112	3.77%
Municipalities	102	99	108	116	125	4.05%
Town Panchayats	51	52	53	61	57	2.37%
Total	484	540	632	663	643	18%

Source: SFC Online Data, GCC, DMA and CTP

Table IV -29						
Details of Per capita Profession Tax						
Per capita figures in ₹						
Chennai Corporation	353	433	503	566	518	7.97%
Other Corporations	104	109	150	119	126	3.77%
Municipalities	131	127	138	148	160	4.05%
Town Panchayats	63	65	65	75	70	2.37%
Total	153	171	200	210	204	5.84%

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 30A						
Profession Tax – Demand, Collection and Balance Statement (₹ in Crore)						
Greater Chennai Corporation						
Metric		2015-16	2016-17	2017-18	2018-19	2019-20
Demand	Current	295.19	313.69	361.96	406.46	517.65
	Arrear	214.53	148.23	154.77	155.15	144.41
	Total	509.72	461.92	516.73	561.61	662.06
Collection	Current	207.28	249.07	293.79	346.53	307.94
	Arrear	30.47	42.41	44.69	34.52	40.98
	Total	237.75	291.48	338.48	381.05	348.92
Balance	Current	87.91	64.62	68.17	59.93	209.71
	Arrear	184.06	105.82	110.08	120.63	103.43
	Total	271.97	170.44	178.25	180.56	313.14
Collection Efficiency	Current	70.22%	79.40%	81.17%	85.26%	59.49%
	Arrear	14.20%	28.60%	28.88%	22.25%	28.38%
No. of Assessments		116219	124139	121838	125461	148473
Percentage of Growth		-	6.8%	-1.9%	3.0%	18.3%

Source: SFC Online Data and GCC

Table IV – 30B						
Profession Tax – Demand, Collection and Balance Statement (₹ in Crore)						
Other Corporations						
Metric		2015-16	2016-17	2017-18	2018-19	2019-20
Demand	Current	84.43	86.85	123.03	94.21	102.27
	Arrear	62.68	71.26	114.07	84.98	92.28
	Total	147.11	158.11	237.10	179.19	194.55
Collection	Current	77.41	79.15	101.63	81.19	84.64
	Arrear	15.53	18.11	31.36	24.29	27.21
	Total	92.94	97.26	132.99	105.48	111.85
Balance	Current	7.02	7.70	21.40	13.02	17.63
	Arrear	47.15	53.15	82.71	60.69	65.07
	Total	54.17	60.85	104.11	73.71	82.70
Collection Efficiency	Current	91.69%	91.13%	82.61%	86.18%	82.76%
	Arrear	24.78%	25.41%	27.49%	28.58%	29.49%
No. of Assessments		220147	193416	217044	224215	233339
Percentage of Growth		-	-12.14%	12.22%	3.30%	4.07%

Source: SFC Online Data and DMA

Table IV – 30C						
Profession Tax – Demand, Collection and Balance Statement (₹ in Crore)						
Municipalities						
Metric		2015-16	2016-17	2017-18	2018-19	2019-20
Demand	Current	95.32	129.89	113.26	141.67	120.74
	Arrear	63.98	61.79	74.51	84.20	93.02
	Total	159.30	191.68	187.77	225.87	213.76
Collection	Current	82.49	86.04	90.79	97.17	97.91
	Arrear	20.13	13.15	17.20	19.11	27.23
	Total	102.62	99.19	107.99	116.28	125.14
Balance	Current	12.83	43.85	22.47	44.50	22.83
	Arrear	43.85	48.64	57.31	65.09	65.79
	Total	56.68	92.49	79.78	109.59	88.62
Collection Efficiency	Current	86.54%	66.24%	80.16%	68.59%	81.09%
	Arrear	31.46%	21.28%	23.08%	22.70%	29.27%
No. of Assessments		445581	453670	495481	490631	491194
Percentage of Growth		-	1.82%	9.22%	-0.98%	0.11%

Source: SFC Online Data and DMA

Table IV – 30D						
Profession Tax – Demand, Collection and Balance Statement (₹ in Crore)						
Town Panchayats						
Metric		2015-16	2016-17	2017-18	2018-19	2019-20
Demand	Current	52.30	51.83	53.13	57.65	58.09
	Arrear	9.64	3.60	8.14	8.59	5.49
	Total	61.94	55.43	61.27	66.24	63.58
Collection	Current	48.34	50.66	51.85	56.37	53.70
	Arrear	2.52	1.85	1.17	4.45	3.47
	Total	50.86	52.51	53.02	60.82	57.17
Balance	Current	3.96	1.17	1.28	1.28	4.39
	Arrear	7.12	1.75	6.97	4.14	2.02
	Total	11.08	2.92	8.25	5.42	6.41
Collection Efficiency	Current	92.43%	97.74%	97.59%	97.78%	92.44%
	Arrear	26.14%	51.39%	14.37%	51.80%	63.21%
No. of Assessments		277018	272855	287605	293550	285346
Percentage of Growth		-	-1.50	5.41	2.07	-2.79

Source: SFC Online Data and CTP

Table IV – 31						
Advertisement Tax Collection in ULBs						
Description	2015-16	2016-17	2017-18	2018-19	2019-20	CAGR
Aggregates in ₹ Crore						
Chennai Corporation	0.11	1.34	1.85	0.50	0.62	41.32%
Other Corporations	1.23	0.35	0.24	0.60	8.90	48.56%
Municipalities	0.15	0.12	0.52	0.19	0.11	-6.01%
Town Panchayats	10.18	10.42	0.15	0.10	0.07	-63.06%
Total ULBs	11.67	12.23	2.76	1.39	9.70	-3.63%
Per capita figures in ₹						
Chennai Corporation	0.16	1.99	2.75	0.74	0.92	41.32%
Other Corporations	1.38	0.39	0.27	0.68	10.02	48.56%
Municipalities	0.19	0.15	0.66	0.24	0.14	-6.01%
Town Panchayats	12.58	12.88	0.19	0.12	0.09	-63.06%
Total ULBs	3.70	3.88	0.88	0.44	3.08	-3.63%

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 32						
Break up of Non-Tax Revenues (₹ in Crore)						
All ULBs						
Sl. No.	Description	2015-16	2016-17	2017-18	2018-19	2019-20
1	D&O Licence Fee	37	52	48	49	54
2	Building licence Fee	135	164	173	215	213
3	Bus Stand Fee	20	25	22	24	24
4	Water Supply	266	293	342	417	541
5	Rent & Lease	258	282	342	476	459
6	Parking Fee / Toll Collection	12	12	13	14	16
7	Development Charges	105	68	54	264	117
8	Fairs and Festivals	3	3	3	2	2
9	OFC Charges	8	10	18	16	18
10	Others	851	606	789	961	808
11	Total Non-Tax revenue	1695	1515	1804	2438	2252

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 32A: Break up of Non-Tax Revenues (₹ in Crore) – GCC

Table IV – 32A						
Break up of Non-Tax Revenues (₹ in Crore)						
GreaterChennai Corporation						
Sl. No.	Description	2015-16	2016-17	2017-18	2018-19	2019-20
1	D&O Licence Fee	12.28	25.89	17.01	16.0	16.85
2	Building licence Fee	31.22	41.72	52.46	44.26	48.02
3	Bus Stand Fee ***	0	0	0	0	0
4	Water Supply @@@	0.00	0.00	0.00	0.00	0.00
5	Rent & Lease	35.72	44.67	71.16	89.78	118.42
6	Parking Fee / Toll Collection	0.61	0.43	0.28	0.31	0.45
7	Development Charges	73.40	40.00	15.00	28.42	0.00 *
8	Fairs and Festivals	0	0	0	0	0
9	OFC Charges	4.60	4.85	7.11	5.26	5.62
10	Others	283.77	119.12	239.66	296.84	105.26
11	Total Non-Tax Revenue	441.60	276.68	402.68	481.03	294.62

Source: SFC Online Data and GCC

Table IV – 32B						
Break up of Non-Tax Revenues (₹ in Crore)						
Other Corporations						
Sl. No.	Description	2015-16	2016-17	2017-18	2018-19	2019-20
1	D&O Licence Fee	13.30	13.61	17.16	18.50	20.30
2	Building licence Fee	30.41	43.24	34.64	62.50	53.95
3	Bus Stand Fee	4.55	5.36	4.05	4.72	3.88
4	Water Supply	100.12	114.44	113.84	123.88	129.38
5	Rent & Lease	107.73	103.62	129.70	136.44	124.57
6	Parking Fee / Toll Collection	3.66	3.05	2.40	4.79	5.16
7	Development Charges	12.98	12.87	16.48	131.12	49.44
8	Fairs and Festivals	0.44	0.30	0.17	0.01	0.27
9	OFC Charges	2.64	3.38	8.14	9.23	10.71
10	Others	463.48	373.32	441.25	594.79	608.76
11	Total Non-Tax revenue	739.31	671.20	767.84	1085.99	1006.42

Source: SFC Online Data and DMA

Table IV – 32C: Break up of Non-Tax Revenues (₹ in Crore) – Municipalities

Table IV –32C						
Break up of Non-Tax Revenues (₹ in Crore)						
Municipalities						
Sl. No.	Description	2015-16	2016-17	2017-18	2018-19	2019-20
1	D&O Licence Fee	9.04	9.52	10.19	10.97	12.90
2	Building licence Fee	23.26	22.62	23.09	35.88	41.52
3	Bus Stand Fee	11.98	16.43	14.04	14.36	15.08
4	Water Supply	103.55	114.82	158.15	183.46	274.11
5	Rent & Lease	110.56	128.92	136.70	244.85	210.39
6	Parking Fee / Toll Collection	5.86	6.64	7.94	6.69	8.05
7	Development Charges	4.57	2.67	2.36	25.15	18.36
8	Fairs and Festivals	1.50	1.39	1.65	1.06	0.16
9	OFC Charges	0.90	1.84	2.45	0.86	1.76
10	Others	59.24	58.85	50.34	55.14	69.07
11	Total Non-Tax revenue	330.46	363.70	406.91	578.42	651.40

Source: SFC Online Data and DMA

Table IV –32D						
Break up of Non-Tax Revenues (₹ in Crore)						
Town Panchayats						
Sl. No.	Description	2015-16	2016-17	2017-18	2018-19	2019-20
1	D&O Licence Fee	2.97	3.18	3.35	3.80	3.85
2	Building Licence Fee	50.55	56.8	63.05	72.34	69.78
3	Bus Stand Fee	3.37	3.68	3.92	5.08	5.49
4	Water Supply	62.45	63.89	69.89	109.99	137.62
5	Rent & Lease	3.77	4.78	4.17	5.55	5.43
6	Parking Fee / Toll Collection	2.01	1.95	2.23	1.98	2.23
7	Development Charges	15.85	15.13	19.93	79.84	48.91
8	Fairs and Festivals	1.20	1.20	1.38	1.42	1.63
9	OFC Charges	0.10	0.41	0.43	0.45	0.51
10	Others	44.76	54.45	58.27	14.20	25.53
11	Total Non-Tax revenue	185.03	205.47	226.63	294.65	300.97

Source: SFC Online Data and CTP

Table IV –33						
Water Supply User Charges						
ULB	2015-16	2016-17	2017-18	2018-19	2019-20	CAGR
Aggregates in ₹ Crore						
Chennai Corporation	Not Applicable *					
Other Corporations	163	174	205	194	220	6.16%
Municipalities	114	133	129	144	241	16.14%
Town Panchayats	62	64	70	110	137	17.12%
Total ULBs	340	371	404	449	600	12.00%
Per capita figures in ₹						
Chennai Corporation	Not Applicable *					
Other Corporations	184	196	231	219	248	6.16%
Municipalities	146	171	164	184	309	16.14%
Town Panchayats	77	79	86	136	170	17.12%
Total ULBs	110	120	131	145	194	12.00%

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 34A					
<i>Water Supply Expenditure Status(₹ in Crore)</i>					
<i>Municipal Corporations other than Chennai</i>					
Details	2015-16	2016-17	2017-18	2018-19	2019-20
Total Income	395.11	424.71	469.01	569.71	607.86
O&M Expenditure (Except Chennai)	50.27	56.57	65.27	60.96	100.55
Salaries to Water Supply Staff	65.53	76.62	70.09	98.61	115.01
Power charges	144.95	139.72	131.28	152.83	152.30
Payment to TWAD	99.66	81.71	70.67	105.98	109.52
Maintenance	30.93	40.34	60.62	51.79	46.00
Water Supply through Private Lorries	14.07	13.63	14.07	15.17	8.63
Repairs and Maintenance for Motor Vehicles	8.81	8.93	9.31	6.75	5.07
Others	21.67	27.87	33.37	73.3	95.06
TotalExpenditure	435.89	445.39	454.68	565.39	632.14
Percentage of Expenditure on Income	110.32%	104.87%	96.95%	99.24%	103.99%

Source: SFC Online Data and DMA

Table IV – 34B					
<i>Water Supply Expenditure Status (₹ in Crore)</i>					
<i>Municipalities</i>					
Details	2015-16	2016-17	2017-18	2018-19	2019-20
Total Income	352.02	443.08	428.15	566.42	548.27
O & M Expenditure	55.60	85.62	89.20	95.39	101.50
Salaries to Water Supply Staff	85.24	125.68	103.57	125.13	136.02
Power charges	73.44	78.24	83.91	143.12	135.39
Payment to TWAD	29.27	73.15	151.34	217.72	256.63
Maintenance	98.10	62.97	61.40	60.86	75.22
Water Supply through Private Lorries	21.29	21.09	16.66	14.56	14.87
Maintenance for Motor Vehicles	44.06	30.59	17.98	25.83	30.45
Others	42.44	32.22	32.64	28.72	45.68
Total Expenditure	449.44	509.56	556.70	711.33	795.76
Percentage of Expenditure on Income	127.67%	115.00%	130.02%	125.58%	145.14%

Source: SFC Online Data and DMA

Table IV – 34C					
<i>Water Supply Expenditure Status (₹ in Crore)</i>					
<i>Town panchayats</i>					
Details	2015-16	2016-17	2017-18	2018-19	2019-20
Total Income	248.39	278.68	275.64	409.94	489.13
O&M Expenditure	315.96	247.75	350.48	350.10	373.99
Salaries to Water Supply Staff	279.51	283.27	317.99	357.91	383.19
Power charges	400.67	427.36	419.58	454.85	497.44
Payment to TWAD	286.95	356.87	528.46	761.44	559.72
Maintenance	260.39	215.82	235.76	253.01	281.25
Water Supply through Private Lorries	1.74	1.04	8.92	6.77	0.55
Maintenance for Motor Vehicles	6.74	15.81	9.38	14.23	20.17
Others	1.23	1.31	1.80	3.04	3.65
Total Expenditure	1553.19	1549.24	1872.37	2201.34	2119.95
Percentage of Expenditure on Income	625.30%	555.92%	679.28%	536.99%	433.41%

Source: SFC Online Data and CTP

Table IV – 35						
<i>Sewerage User Charges</i>						
ULB	2015-16	2016-17	2017-18	2018-19	2019-20	CAGR
Aggregates in ₹ Crore						
Other Corporations	21	24	25	36	44	15.96%
Municipalities	8	10	15	23	27	26.13%
Town Panchayats	0.30	0.26	0.36	0.93	0.62	15.78%
Total ULBs	30	35	40	60	72	19.23%
Per capita figures ₹						
Chennai Corporation	23.70	27.37	27.98	40.48	49.70	15.96%
Other Corporations	10.88	13.33	18.95	29.28	34.73	26.13%
Municipalities	0.37	0.32	0.44	1.15	0.76	15.78%
Town Panchayats	9.47	11.10	12.70	18.97	22.82	19.23%
Total ULBs	23.70	27.37	27.98	40.48	49.70	15.96%

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 36						
<i>Details of Fees Collected through Building Licensing Activities (₹ in Crore)</i>						
Sl. No.	ULBs	2015-16	2016-17	2017-18	2018-19	2019-20
1	Chennai Corporation	31	42	52	44	48
2	Other Corporations (14)	30	43	34	62	54
3	Municipalities (121)	23	22	23	36	41
4	Town Panchayats (528)	50	57	63	72	70
5	Total	135	164	173	215	214

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 37			
<i>Bus Stand Fees</i>			
Sl. No.	Category of Bus Stand	Existing Rate of Fees (₹)	Revised Rate of Fees (₹)
1	Class A	4.00	15.00
2	Class B	3.00	12.00
3	Class C	2.00	8.00
4	Class D	1.50	5.00

Source: MAWS Dept. Govt of TN.

Table IV – 38			
Head of Account 0045 00 101 AA 01 Tax paid in Cash		Head of Account 0045 00 101 AB Other Receipts	
Shareable	Non-Shareable	Shareable	Non- Shareable
Section 4(A) (1)Tax on payments for admission to Cinematographic exhibition. (2)Section 4(H) Tax on dubbed film	Section 4(B) (1)Tax on Horse Race.	Section 4(F) (1)Tax on amusements	Section 4(E) (1)Tax on Cable TV. (2)Section 4(G) Tax on Recreation Parlour

Source: DMA and CTP

Table IV – 38A					
<i>Entertainment Tax transferred to ULBs (₹ In Crore)</i>					
Year	Greater Chennai Corporation	Municipal Corporation (Other than Chennai)	Municipalities	Town Panchayats	Total
2015-16	3.84	14.53	0.90	0.31	50.16
2016-17	28.90	22.58	2.01	1.14	167.30
2017-18	26.58	10.85	12.60	0.35	84.50
2018-19	24.83	17.16	23.02	0.16	80.65
2019-20	42.64	18.26	20.28	0.70	151.45
Total	126.79	83.38	58.81	2.65	534.06

Source: Inspector General of Registration, Chennai

Table IV –39					
<i>The amount collected as Surcharge Adjusted (₹ in Crore)</i>					
Year	Greater Chennai Corporation	Municipal Corporation (Other than Chennai)	Municipalities	Town Panchayats	Total
2015-16	293	168	191	51	705
2016-17	2712	147	150	78	647
2017-18	322	172	149	52	695
2018-19	331	205	188	77	801
2019-20	366	168	217	73	824
Total	1584	860	897	331	3672

Source: Inspector General of Registration, Chennai

Table IV –40				
Stamp Duty Surcharge Transferred to ULBs (₹ in Crore)				
Year	Municipal Corporation (including GCC)	Municipalities	Town Panchayats	Total
2015-16	462	190	155	807
2016-17	418	150	115	683
2017-18	494	181	123	798
2018-19	536	291	177	1004
2019-20	567	217	154	938
Total	2476	1029	725	4231

Source: Inspector General of Registration, Chennai

Table IV – 41											
Major Source of ULBs Revenue											
Sl. No.	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		₹ in Crore	%	₹ in Crore	%	₹ in Crore	%	₹ in Crore	%	₹ in Crore	%
1	SFC Devolution	2867	65%	2933	56%	3055	64%	3653	58%	3494	56%
2	IGFF	194	4%	116	2%	401	8%	674	11%	596	10%
3	OMGFF	96	2%	78	1%	152	3%	186	3%	209	3%
4	CFC Grants	864	20%	1301	25%	574	12%	989	16%	1026	16%
5	Other Grants	384	9%	814	16%	559	12%	747	12%	896	14%
6	Total	4405	100%	5242	100%	4741	100%	6250	100%	6221	100%

Source: SFC Online Data, GCC, DMA and CTP

Table IV - 42											
Aggregate Table of ULBs Revenue Expenditure (₹ in Crore)											
Sl. No	Head of Expenditure	2015-16	% of Total (#18)	2016-17	% of Total (#18)	2017-18	% of Total (#18)	2018-19	% of Total (#18)	2019-20	% of Total (#18)
Salary and Terminal Benefits											
1	Salaries	2218	31.75%	2491	33.36%	3098	37.06%	3439	34.04%	3667	34.32%
2	Terminal Benefits	623	8.93%	626	8.38%	724	8.67%	915	9.05%	903	8.46%
3	Total (Salary and Terminal Benefits)	2841	40.67%	3117	41.74%	3822	45.72%	4354	43.1%	4570	42.77%
Operation and Maintenance											
4	General Administration	1430	20.47%	1370	18.34%	1401	16.76%	1860	18.41%	2045	19.14%
5	Water Supply	708	10.13%	710	9.52%	792	9.48%	1037	10.26%	1054	9.87%
6	Public Health	225	3.23%	231	3.1%	278	3.33%	341	3.38%	401	3.76%
7	Conservancy	565	8.09%	599	8.03%	740	8.85%	785	7.78%	863	8.08%
8	Roads	265	3.8%	404	5.42%	201	2.41%	369	3.66%	325	3.05%
9	Storm Water Drains	76	1.09%	70	0.94%	62	0.75%	60	0.59%	89	0.84%
10	Street Lights	416	5.96%	434	5.81%	423	5.07%	498	4.93%	480	4.5%
11	Sewerage	24	0.35%	17	0.22%	26	0.31%	61	0.61%	50	0.47%
12	Library Cess	83	1.19%	64	0.86%	93	1.11%	126	1.25%	164	1.54%
13	Discretionary Service & others	29	0.42%	30	0.41%	31	0.38%	43	0.43%	64	0.6%
14	School Buildings	62	0.89%	67	0.89%	78	0.93%	78	0.78%	85	0.8%
15	Others	135	1.93%	153	2.05%	169	2.02%	217	2.15%	189	1.77%
16	Total	4014	57.46%	4152	55.59%	4296	51.4%	5477	54.22%	5813	54.41%

	(Operation and Maintenance)										
17	Debt servicing – Interest	130	1.86%	199	2.67%	240	2.88%	271	2.69%	301	2.82%
18	Total Revenue Expenditure	6986	100%	7468	100%	8359	100%	10103	100%	10685	100%

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 43A											
Revenue Receipts and Expenditure (₹ in crore)											
Greater Chennai Corporation											
A. Receipts											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
1	Taxes	848.18		1013.48		1088.70		1390.13		1303.03	
2	Non Taxes	441.60		276.68		402.68		481.02		294.62	
3	SFC Devolution	378.54		363.69		503.96		721.11		641.42	
4	Assigned Revenue	225.84		187.78		42.66		49.10		179.76	
5	Total A	1894.16		1814.63		2038.00		2641.36		2418.83	
B. Expenditure											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.
B1. Salaries and Terminal Benefits											
6	Salaries	577.07	37.59	613.56	34.04	683.96	36.01	769.83	34.38	797.11	36.42
7	Terminal Benefits	245.72	16.01	268.78	14.91	300.70	15.83	387.11	17.29	382.10	17.46
8	Total B1	822.79	53.59	882.34	48.96	984.66	51.84	1156.94	51.67	1179.21	53.88
B2. Operation and Maintenance											
9	General Administration	138.80	9.04	133.27	7.39	134.88	7.10	155.65	6.95	160.11	7.32
10	Water Supply	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Public Health	3.47	0.23	9.30	0.52	6.97	0.37	4.37	0.20	8.98	0.41
12	Conservancy	298.17	19.42	307.26	17.05	354.57	18.67	367.73	16.42	408.81	18.68
13	Roads	54.20	3.53	201.69	11.19	84.79	4.46	154.05	6.88	13.37	0.61
14	Storm Water Drains	36.72	2.39	36.64	2.03	22.93	1.21	22.16	0.99	47.94	2.19
15	Street Lights	71.74	4.67	66.45	3.69	80.69	4.25	59.15	2.64	35.98	1.64
16	Sewerage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Library Cess	21.08	1.37	11.15	0.62	26.24	1.38	69.28	3.09	73.94	3.38
18	Discretionary Service and Others	14.80	0.96	16.30	0.90	18.13	0.95	24.16	1.08	40.37	1.84
19	School Buildings	19.36	1.26	19.30	1.07	28.50	1.50	31.24	1.40	28.44	1.30
20	Others	9.16	0.60	12.32	0.68	21.23	1.12	30.51	1.36	24.13	1.10
21	Total B2	667.50	43.09	813.68	45.15	778.93	41.01	918.30	41.01	842.07	38.47
22	Debt servicing – Interest	50.98	3.32	106.28	5.90	135.98	7.16	164.05	7.33	167.36	7.65
23	Total Revenue Expenditure	1535.27	100.00	1802.30	100.00	1899.57	100.00	2239.29	100.00	2188.64	100.00

Source: SFC Online Data and GCC

Table IV – 43B											
Revenue Receipts and Expenditure (₹ in crore)											
Municipal Corporations (other than Chennai)											
A. Receipts											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
1	Taxes	570.93		617.43		672.47		694.32		757.26	
2	Non Taxes	739.32		671.20		767.84		1085.99		1006.41	
3	SFC Devolution	907.70		831.73		871.21		1094.69		998.96	
4	Assigned Revenue	165.67		143.43		112.71		142.97		145.55	
5	Total A	2383.61		2263.80		2424.23		3017.96		2908.20	
B. Expenditure											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.
B1. Salaries and Terminal Benefits											
6	Salaries	561.34	29.61	577.06	30.48	640.83	30.48	815.43	30.23	896.23	30.05
7	Terminal Benefits	196.05	10.34	183.06	9.67	205.59	9.78	267.66	9.92	268.27	9.00
8	Total B1	757.39	39.95	760.12	40.14	846.42	40.25	1083.09	40.15	1164.50	39.05
B2. Operation and Maintenance											
9	General Administration	373.03	19.67	398.06	21.02	396.13	18.84	676.17	25.06	782.07	26.22
10	Water Supply	304.52	16.06	284.36	15.02	320.71	15.25	352.33	13.06	359.85	12.07
11	Public Health	71.54	3.77	57.45	3.03	74.97	3.57	61.92	2.30	88.75	2.98
12	Conservancy	91.78	4.84	106.96	5.65	154.44	7.34	127.94	4.74	170.11	5.70
13	Roads	15.37	0.81	11.28	0.60	9.22	0.44	13.27	0.49	59.45	1.99
14	Storm Water Drains	10.65	0.56	10.47	0.55	7.92	0.38	6.15	0.23	7.68	0.26
15	Street Lights	108.65	5.73	105.19	5.56	102.36	4.87	130.40	4.83	118.85	3.99
16	Sewerage	14.17	0.75	7.45	0.39	10.18	0.48	21.47	0.80	16.67	0.56
17	Library Cess	18.84	0.99	14.91	0.79	19.07	0.91	19.15	0.71	23.06	0.77
18	Discretionary Service and Others	0.58	0.03	0.93	0.05	1.60	0.08	2.46	0.09	8.43	0.28
19	School Buildings	30.79	1.62	31.08	1.64	33.74	1.60	29.44	1.09	39.52	1.33
20	Others	52.29	2.76	40.08	2.12	50.67	2.41	96.29	3.57	69.21	2.32
21	Total B2	1092.21	57.60	1068.22	56.41	1181.01	56.16	1536.99	56.97	1743.65	58.46
22	Debt servicing – Interest	46.48	2.45	65.21	3.44	75.35	3.58	77.78	2.88	74.26	2.49
23	Total Revenue Expenditure	1896.08	100	1893.55	100	2102.78	100	2697.86	100	2982.41	100

Source: SFC Online Data and DMA

Table IV – 43C											
Revenue Receipts and Expenditure (₹ in crore)											
Municipalities											
A. Receipts											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
1	Taxes	417.92		444.22		484.59		603.73		607.76	
2	Non Taxes	330.46		363.70		406.91		578.42		651.70	
3	SFC Devolution	968.67		958.53		1101.84		1276.00		1259.98	
4	Assigned Revenue	192.29		152.18		161.90		211.65		237.49	
5	Total A	1909.34		2191.62		2155.24		2669.80		2756.93	
B. Expenditure											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.
B1. Salaries and Terminal Benefits											
6	Salaries	732.64	37.37	842.50	42.40	1129.70	47.90	1290.03	43.62	1303.18	41.28
7	Terminal Benefits	134.15	6.84	125.01	6.29	149.18	6.33	165.72	5.60	178.78	5.66
8	Total B1	866.79	44.21	967.51	48.69	1278.88	54.23	1455.75	49.23	1481.96	46.94
B2. Operation and Maintenance											
9	General Administration	472.99	24.12	366.10	18.42	403.80	17.12	499.62	16.90	559.37	17.72
10	Water Supply	128.60	6.56	145.64	7.33	156.15	6.62	319.29	10.80	325.65	10.31
11	Public Health	67.43	3.44	76.31	3.84	93.26	3.95	119.74	4.05	165.34	5.24
12	Conservancy	71.18	3.63	81.44	4.10	94.84	4.02	121.32	4.10	111.40	3.53
13	Roads	110.87	5.65	79.19	3.99	59.22	2.51	125.55	4.25	129.72	4.11
14	Storm Water Drains	15.97	0.81	13.73	0.69	18.44	0.78	12.35	0.42	16.87	0.53
15	Street Lights	95.59	4.88	95.54	4.81	86.27	3.66	138.82	4.69	143.99	4.56
16	Sewerage	8.50	0.43	8.01	0.40	14.24	0.60	22.95	0.78	24.89	0.79
17	Library Cess	25.48	1.30	19.79	1.00	28.56	1.21	21.13	0.71	43.36	1.37
18	Discretionary Service and Others	7.16	0.37	12.53	0.63	8.33	0.35	12.69	0.43	12.60	0.40
19	School Buildings	11.71	0.60	16.41	0.83	15.55	0.66	17.82	0.60	17.69	0.56
20	Others	45.54	2.32	77.05	3.88	71.64	3.04	60.51	2.05	64.81	2.05
21	Total B2	1061.02	54.12	991.74	49.91	1050.30	44.53	1471.79	49.77	1615.69	51.17
22	Debt servicing – Interest	32.82	1.67	27.89	1.40	29.18	1.24	29.64	1.00	59.57	1.89
23	Total Revenue Expenditure	1960.62	100	1987.15	100	2358.37	100	2957.18	100	3157.22	100

Source: SFC Online Data and DMA

Table IV – 43D											
Revenue Receipts and Expenditure (₹ in crore)											
Town Panchayats											
A. Receipts											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
1	Taxes	213.43		234.07		223.54		276.82		275.92	
2	Non Taxes	185.03		205.47		226.63		294.64		300.97	
3	SFC Devolution	901.69		973.41		1130.84		1421.47		1398.11	
4	Assigned Revenue	113.60		151.38		134.00		174.75		151.55	
5	Total A	1413.75		1564.33		1715.01		2167.68		2126.25	
B. Expenditure											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.
B1. Salaries and Terminal Benefits											
6	Salaries	346.73	11.82	458.02	14.03	643.43	17.64	563.84	14.06	670.26	16.89
7	Terminal Benefits	47.66	1.62	49.08	1.50	68.89	1.89	94.29	2.35	74.41	1.88
8	Total B1	394.39	13.45	507.10	15.54	712.32	19.53	658.13	16.41	744.67	18.77
B2. Operation and Maintenance											
9	General Administration	445.53	15.19	472.24	14.47	466.62	12.80	528.30	13.17	543.64	13.70
10	Water Supply	274.85	9.37	280.66	8.60	315.45	8.65	365.30	9.11	368.93	9.30
11	Public Health	83.24	2.84	88.44	2.71	102.85	2.82	155.25	3.87	138.37	3.49
12	Conservancy	104.16	3.55	103.76	3.18	135.93	3.73	168.67	4.20	172.79	4.36
13	Roads	85.08	2.90	112.50	3.45	48.33	1.33	76.69	1.91	122.95	3.10
14	Storm Water Drains	12.70	0.43	9.64	0.30	13.37	0.37	19.30	0.48	17.17	0.43
15	Street Lights	140.33	4.78	167.10	5.12	154.19	4.23	169.35	4.22	181.69	4.58
16	Sewerage	1.61	0.05	1.26	0.04	1.29	0.04	16.96	0.42	8.72	0.22
17	Library Cess	17.41	0.59	18.65	0.57	19.26	0.53	16.81	0.42	24.00	0.60
18	Discretionary Service and Others	7.02	0.24	0.65	0.02	3.32	0.09	4.07	0.10	3.09	0.08
19	School Buildings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	Others	27.82	0.95	23.31	0.71	25.73	0.71	29.84	0.74	30.61	0.77
21	Total B2	1199.75	40.91	1278.21	39.16	1286.34	35.27	1550.54	38.66	1611.96	40.63
22	Total Revenue Expenditure	1594.14	100.00	1785.30	100.00	1998.66	100.00	2208.67	100.00	2356.63	100.00

Source: SFC Online Data and CTP

Table IV - 44											
Aggregate Capital Expenditure of ULBs (₹ in Crore)											
#	Expenditure	2015-16	% on Total Exp.	2016-17	% on Total Exp.	2017-18	% on Total Exp.	2018-19	% on Total Exp.	2019-20	% on Total Exp.
1	Water Supply	568.	9.77	713	12.71	704	11.87	777	12.78	805	11.15
2	Sewerage	64	1.10	96	1.71	79	1.33	194	3.19	142	1.97
3	Roads	2974	51.18	2454	43.72	1842	31.02	2407	39.62	3362	46.54
4	Storm Water Drains	418	7.20	431	7.68	945	15.91	558	9.18	270	3.74
5	Street Lights	285	4.91	414	7.38	156	2.63	331	5.45	289	4.00
6	Public Health and Sanitation	244	4.21	210	3.75	195	3.28	278	4.57	307	4.25
7	Conservancy	98	1.70	100	1.78	105	1.78	94	1.55	183	2.54
8	Culverts	243	4.19	168	3.00	103	1.74	108	1.79	126	1.75
9	Debt repayment – Principal	107	1.84	211	3.76	907	15.28	267	4.40	449	6.23
10	Others	807	13.90	814	14.51	901	15.18	1061	17.46	1287	17.83
11	Total	5810	100	5613	100	5939	100	6076	100	7223	100

Source: SFC Online Data, GCC, DMA and CTP

Table IV – 45A											
Capital Income and Expenditure (₹ in Crore)											
Greater Chennai Corporation											
A. Income											
#	Income	2015-16		2016-17		2017-18		2018-19		2019-20	
1	Grants-in-aid from State Govt.	691.08		583.32		389.65		574.31		908.43	
2	Grants from Central Govt.	163.16		213.97		119.62		139.74		447.02	
3	Loan Account	159.78		1312.09		1087.25		215.59		3.51	
4	Own Fund	730.90		271.77		296.17		450.07		249.28	
5	Total	1744.92		2381.15		1892.69		1379.71		1608.24	
B. Expenditure											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.
6	Water Supply	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
7	Sewerage	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
8	Roads	1110.79	62.60	987.46	55.21	230.60	11.77	413.34	28.81	634.60	42.40
9	Storm Water Drains	164.23	9.26	231.77	12.96	729.65	37.23	417.78	29.12	110.44	7.38
10	Street Lights	107.75	6.07	190.59	10.66	9.30	0.47	86.31	6.02	16.28	1.09
11	Public Health and Sanitation	29.88	1.68	13.51	0.76	13.68	0.70	24.88	1.73	23.84	1.59
12	Conservancy	14.75	0.83	4.01	0.22	0.89	0.05	5.67	0.40	8.63	0.58
13	Culverts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Debt repayment – Principal	26.94	1.52	54.86	3.07	764.38	39.00	127.17	8.86	246.29	16.45
15	Others	320.07	18.04	306.39	17.13	211.37	10.78	359.68	25.07	456.69	30.51
16	Total	1774.41	100.00	1788.59	100.00	1959.87	100.00	1434.83	100.00	1496.77	100.00

Source: SFC Online Data and GCC

Table IV – 45B											
Capital Income and Expenditure (₹ in Crore)											
Municipal Corporations (Other than Chennai)											
A. Income											
#	Income	2015-16		2016-17		2017-18		2018-19		2019-20	
1	Grants from State Govt.	427.72		495.33		393.78		633.07		503.49	
2	Grants from Central Govt.	182.56		550.66		688.15		1149.83		1010.04	
3	Loan	300.17		323.33		321.54		37.21		94.64	
4	Contribution from Municipal Funds	244.38		330.66		438.64		403.38		462.26	
5	Total	1154.83		1699.98		1842.11		2223.49		2070.43	
B. Expenditure											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.
6	Water Supply	204.76	17.78	198.50	17.69	259.19	21.37	294.64	21.39	215.93	14.21
7	Sewerage	11.57	1.00	15.48	1.38	18.20	1.50	22.41	1.63	24.21	1.59
8	Roads	429.98	37.33	381.67	34.01	320.97	26.46	350.76	25.46	355.99	23.42
9	Storm Water Drains	122.09	10.60	95.79	8.54	94.25	7.77	71.76	5.21	76.19	5.01
10	Street Lights	37.85	3.29	55.74	4.97	40.77	3.36	109.99	7.98	140.25	9.23
11	Public Health & Sanitation	16.48	1.43	20.69	1.84	28.45	2.35	31.89	2.32	52.87	3.48
12	Conservancy	10.84	0.94	11.08	0.99	14.97	1.23	15.75	1.14	31.00	2.04
13	Culverts	93.46	8.11	48.74	4.34	23.78	1.96	19.89	1.44	77.15	5.08
14	Debt repayment – Principal	35.83	3.11	61.12	5.45	61.08	5.04	72.72	5.28	64.26	4.23
15	Others	188.86	16.40	233.40	20.80	351.32	28.96	387.65	28.14	481.92	31.71
16	Total	1151.72	100.00	1122.21	100.00	1212.98	100.00	1377.46	100.00	1519.77	100.00

Source: SFC Online Data and DMA

Table IV – 45C											
Capital Income and Expenditure (₹ in Crore)											
Municipalities											
A. Income											
#	Income	2015-16		2016-17		2017-18		2018-19		2019-20	
1	Grants from State Govt.	764.84		654.28		593.90		765.78		870.21	
2	Grants from Central Govt.	626.51		763.97		766.37		579.95		577.50	
3	Loan	220.11		332.07		140.36		512.59		604.33	
4	Contribution from Municipal Funds	215.78		161.92		159.88		177.52		265.45	
5	Total	1827.24		1912.24		1660.51		2035.84		2317.49	
B. Expenditure											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.
6	Water Supply	193.95	10.68	369.82	21.93	250.96	13.63	278.60	13.14	345.12	12.17
7	Sewerage	50.14	2.76	79.48	4.71	58.05	3.15	144.63	6.82	104.98	3.70
8	Roads	954.64	52.56	598.94	35.52	1010.33	54.87	1129.51	53.25	1677.92	59.15
9	Storm Water Drains	81.20	4.47	75.12	4.45	56.56	3.07	51.63	2.43	60.95	2.15
10	Street Lights	73.02	4.02	72.54	4.30	37.19	2.02	64.27	3.03	51.81	1.83
11	Public Health & Sanitation	121.15	6.67	94.10	5.58	68.89	3.74	123.78	5.84	121.01	4.27
12	Conservancy	47.38	2.61	49.05	2.91	59.56	3.23	33.88	1.60	104.20	3.67
13	Culverts	115.95	6.38	93.85	5.57	66.99	3.64	70.68	3.33	33.45	1.18
14	Debt repayment – Principal	35.47	1.95	87.51	5.19	74.53	4.05	58.82	2.77	128.57	4.53
15	Others	143.34	7.89	165.90	9.84	158.10	8.59	165.17	7.79	208.82	7.36
16	Total	1816.24	100.00	1686.31	100.00	1841.16	100.00	2120.97	100.00	2836.83	100.00

Source: SFC Online Data and DMA

Table IV – 45D											
Capital Income and Expenditure (₹ in Crore)											
Town Panchayats											
A. Income											
#	Income	2015-16		2016-17		2017-18		2018-19		2019-20	
1	Grants in aid from State Govt.	542.04		522.47		492.92		778.51		619.16	
2	Grants from Central Govt.	330.78		523.92		521.36		552.53		700.58	
3	Loan	11.76		10.08		21.06		19.65		10.78	
4	Own Fund	266.37		233.06		167.53		196.21		205.83	
	Total	1150.95		1289.53		1202.87		1546.90		1536.35	
B. Expenditure											
#	Item	2015-16		2016-17		2017-18		2018-19		2019-20	
		Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.	Exp.	% on Tot Exp.
6	Water supply	169.30	15.84	145.11	14.28	194.59	21.03	203.52	17.81	244.47	17.85
7	Sewerage	2.30	0.22	1.30	0.13	2.45	0.26	26.79	2.34	13.27	0.97
8	Roads	478.86	44.81	486.11	47.85	280.30	30.30	513.58	44.94	693.21	50.62
9	Storm Water Drains	50.58	4.73	28.17	2.77	64.74	7.00	16.89	1.48	22.43	1.64
10	Street Lights	66.94	6.26	95.65	9.41	68.79	7.44	70.52	6.17	80.52	5.88
11	Public Health and Sanitation	76.99	7.21	82.00	8.07	84.00	9.08	97.31	8.51	109.19	7.97
12	Conservancy	25.58	2.39	35.83	3.53	30.08	3.25	39.13	3.42	39.82	2.91
13	Culverts	33.97	3.18	25.54	2.51	12.34	1.33	18.08	1.58	15.75	1.15
14	Debt Repayment – Principal	8.74	0.82	7.56	0.74	7.30	0.79	8.82	0.77	10.53	0.77
15	Others	155.27	14.53	108.67	10.70	180.60	19.52	148.23	12.97	140.24	10.24
16	Total	1068.53	100	1015.94	100	925.19	100	1142.87	100	1369.43	100

Source: SFC Online Data and CTP

Table IV - 46							
<i>Loans Obtained by the ULBs under Various Schemes (₹in Crore)</i>							
Sl. No.	Scheme	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1	IUDP	12.13	10.23	18.97	19.07	7.08	0.02
2	JNNURM (UIG)	-	0.02	0.23	0.21	0.18	0.47
3	UIDSSMT	40.08	33.52	18.24	24.87	28.05	15.70
4	GoTN	6.99	509.35	0.98	6.72	1.57	5.26
5	TNUDF	115.88	154.46	152.08	106.24	139.02	152.90
6	JICA	138.79	19.09	10.75	4.22	4.55	4.56
7	KfW	-	14.81	29.37	6.00	9.99	6.41
8	ADB	-	-	-	-	10.00	84.50
9	WB	-	190.00	270.00	200.86	-	110.00
10	TNUIFSL	80.07	101.95	17.15	80.81	46.25	47.25
11	TUFIDCO	329.36	449.08	171.39	68.06	50.15	192.43
12	HUDCO	22.22	16.98	19.57	15.26	14.87	5.02
13	BSUP	-	-	-	-	-	-
14	IHSDP	4.33	0.19	4.67	7.40	5.78	6.89
15	OTHERS	158.26	382.53	887.59	10.49	4.29	83.80
16	Total	908.11	1882.21	1600.99	550.21	321.78	715.21

Source: SFC Online Data, GCC, DMA and CTP

Annexure-III (A)

District Panchayats - Consolidated Financial Statement (Rs. in Crore)

Description	Actuals					Projections				
Source/year	2015-16	2016-17	2017-18	2018-19	2019-20	2022-23	2023-24	2024-25	2025-26	2026-27
Receipts										
SFC Devolution	258.41	253.9	156.95	329.29	290.29	352.53	391.31	434.35	482.13	535.17
Others	4.21	4.39	47.68	55.41	32.42	33.37	35.03	36.78	38.62	40.56
CFC Grants	0	0	0	0	0	138.05	139.55	147.85	144.2	144.2
Total Receipts	262.62	258.29	204.63	384.70	322.71	523.95	565.89	618.99	664.96	719.92
Expenditure										
Salary	6.52	6.26	7.23	8.65	9.22	10.08	11.09	12.20	13.42	14.76
others	2.67	1.54	2.2	2.5	7.41	3.78	3.97	4.17	4.37	4.59
Capital	204.08	222.02	199.94	198.59	305.79	326.22	368.62	416.55	470.70	531.89
Total Expenditure	213.27	229.82	209.37	209.74	322.42	340.08	383.68	432.91	488.49	551.24
Surplus/Deficit	49.35	28.47	-4.74	174.96	0.29	183.87	182.21	186.08	176.47	168.68

Annexure-III (A)

Block Panchayats - Consolidated Financial Statement (Rs. in Crore)

Description	Actuals					Projections				
Source/year	2015-16	2016-17	2017-18	2018-19	2019-20	2022-23	2023-24	2024-25	2025-26	2026-27
Receipts										
SFC Devolution	991.84	970.32	867.02	1471.09	1310.35	1534.65	1703.46	1890.84	2098.84	2329.71
Other Grants	54.67	56.06	31.57	63.14	103.87	91.65	104.48	119.11	135.78	154.79
Non-Tax	192.77	141.80	149.65	248.71	160.28	206.80	217.14	228.00	239.40	251.37
CFC Grants	0.00	0.00	0.00	0.00	0.00	414.15	418.65	443.55	432.60	432.60
Total Receipts	1239.28	1168.17	1048.24	1782.94	1574.50	2247.25	2443.73	2681.50	2906.61	3168.47
Expenditure										
Expenditure	354.64	367.18	360.22	400.99	753.9	662.20	768.16	891.06	1033.63	1199.01
Capital Expenditure	889.93	692.58	424	397.83	874.12	953.87	1096.95	1261.49	1450.71	1668.32
Maintenance Expenditure	230.47	264.27	141.16	169.06	302.39	281.38	309.52	340.47	374.51	411.96
Others	232.05	161.35	171.91	183.97	306.85	251.57	266.67	282.67	299.63	317.61
Total Expenditure	1707.09	1485.38	1097.29	1151.85	2237.26	2149.02	2441.29	2775.69	3158.49	3596.90
Surplus/Deficit	-467.81	-317.21	-49.05	631.09	-662.76	98.23	2.45	-94.19	-251.87	-428.44

Annexure-III (A)										
Village Panchayats - Consolidated Financial Statement (Rs. in Crore)										
Description	Actuals					Projections				
Source/year	2015-16	2016-17	2017-18	2018-19	2019-20	2022-23	2023-24	2024-25	2025-26	2026-27
Account I Receipts										
Tax Revenue	282.39	294.11	331.78	332.40	321.37	361.65	379.74	398.72	418.66	439.59
SFC Grants	1451.32	1716.30	1085.54	1395.47	1300.14	1778.11	1973.70	2190.81	2431.80	2699.30
Minimum lumpsum SFC Grant	876.75	876.75	876.75	876.75	876.75	876.75	876.75	876.75	876.75	876.75
CFC	1101.00	1484.00	758.00	1635.00	1787.00	2208.80	2232.80	2365.60	2307.20	2307.20
Other Grants (excluding CFC)	522.19	484.66	1547.82	1770.57	1596.27	1619.69	1797.85	1995.62	2215.14	2458.80
Non Tax Revenue	270.77	243.48	258.74	334.55	356.46	348.73	369.65	391.83	415.34	440.26
Miscellaneous Revenue	339.41	349.09	314.44	397.71	367.74	375.33	382.83	390.49	398.30	406.26
Interest	118.67	141.65	98.09	150.71	159.83	149.12	158.27	170.86	180.11	191.87
Total Receipts	4843.83	5448.39	5173.07	6742.45	6605.73	7718.18	8171.59	8780.69	9243.30	9820.04
Expenditure										
General Administration	485.00	431.09	425.64	494.60	521.77	627.73	690.50	759.55	835.51	919.06
Electricity	119.36	82.90	76.82	116.01	120.68	143.54	157.89	173.68	191.05	210.16
Street Light Electricity Charge	834.17	900.55	930.61	865.48	874.25	1225.92	1348.52	1483.37	1631.70	1794.87
TWAD	103.96	137.78	130.26	225.45	224.20	228.66	251.53	276.68	304.35	334.78
Maintenance expenditure	1231.67	801.98	695.17	973.00	982.66	1316.27	1474.22	1651.13	1849.26	2071.17
Capital Expenditure	772.33	716.67	498.90	704.09	914.84	1097.11	1261.67	1450.92	1668.56	1918.85
Others	22.55	22.55	23.80	21.29	21.29	22.29	22.29	22.29	22.29	22.29
Total Expenditure	3569.03	3093.52	2781.19	3399.91	3659.68	4661.52	5206.63	5817.63	6502.73	7271.19
Surplus/Deficit	1274.80	2354.87	2391.88	3342.54	2946.04	3056.65	2964.97	2963.06	2740.57	2548.85

Annexure-IV (A)											
Greater Chennai Corporation-Consolidated Financial Statement											
(Rs. in Crore)											
Description		Actuals					Projections				
	Source / Year	2015-16	2016-17	2017-18	2018-19	2019-20	2022-23	2023-24	2024-25	2025-26	2026-27
Revenue Receipts	Tax	848.18	1013.48	1088.70	1390.13	1303.03	1306.62	1371.95	1440.54	1512.57	1588.20
	Non-Tax	441.60	276.68	402.68	481.02	294.62	379.32	379.32	379.32	379.32	379.32
	Assigned	225.85	187.78	42.66	49.11	179.76	137.03	137.03	137.03	137.03	137.03
	SFC	378.54	363.69	503.96	721.11	641.42	877.23	973.72	1080.83	1199.72	1331.69
	Total Revenue Receipts	1894.17	1841.63	2038.00	2641.37	2418.83	2700.19	2862.02	3037.73	3228.64	3436.24
Revenue Expenditure	Salaries	577.07	613.56	683.96	769.83	797.11	916.14	1007.75	1108.52	1219.38	1341.31
	General Administration and Maintenance	667.50	813.68	778.93	918.30	842.07	1070.25	1177.28	1295.00	1424.51	1566.96
	Total Revenue Expenditure	1244.57	1427.24	1462.89	1688.13	1639.18	1986.39	2185.03	2403.53	2643.88	2908.27
	Surplus / Deficit	649.60	414.39	575.11	953.24	779.65	713.81	676.99	634.20	584.76	527.97
Capital Receipts	Grants from State	691.08	583.32	389.65	574.31	908.43	629.36	629.36	629.36	629.36	629.36
	Grants from Centre	163.16	213.97	119.62	139.74	447.02	284.00	299.00	317.00	323.00	323.00
	Total Capital Receipts	1014.02	2109.38	1596.52	929.64	1358.96	913.36	928.36	946.36	952.36	952.36
Capital Expenditure	Schemes	1747.47	1733.73	1195.49	1307.66	1250.48	1772.60	1896.68	2029.44	2171.51	2323.51
	Total Capital Expenditure	1774.41	1788.59	1959.87	1434.83	1496.77	1772.60	1896.68	2029.44	2171.51	2323.51
	Surplus / Deficit	-760.39	320.79	-363.35	-505.19	-137.81	-859.24	-968.32	-1083.09	-1219.15	-1371.15
	Over all Surplus / Deficit	-110.79	735.18	211.76	448.05	641.84	-145.43	-291.33	-448.89	-634.38	-843.18

Annexure-IV (A)											
Corporations other than GCC - Consolidated Financial Statement											
(Rs. in Crore)											
Description		Actuals					Projections				
	Source / Year	2015-16	2016-17	2017-18	2018-19	2019-20	2022-23	2023-24	2024-25	2025-26	2026-27
Revenue Receipts	Tax	570.93	617.43	672.47	694.32	757.26	703.03	717.09	731.43	746.06	760.98
	Non-Tax	739.32	671.20	767.84	1085.99	1006.41	854.15	854.15	854.15	854.15	854.15
	Assigned	165.67	143.43	112.71	142.97	145.55	142.07	142.07	142.07	142.07	142.07
	SFC	907.70	831.73	870.80	1094.69	998.96	1366.21	1516.49	1683.31	1868.47	2074.00
	Total Revenue Receipts	2383.62	2263.79	2423.82	3017.97	2908.18	3065.46	3229.80	3410.96	3610.75	3831.20
Revenue Expenditure	Salaries	561.34	577.06	640.83	815.43	896.23	929.27	1022.20	1124.42	1236.86	1360.55
	General Administration and Maintenance	1092.21	1068.22	1181.01	1536.99	1743.65	1762.80	1939.08	2132.99	2346.28	2580.91
	Total Revenue Expenditure	1653.55	1645.28	1821.84	2352.42	2639.88	2692.07	2961.28	3257.41	3583.15	3941.46
	Surplus / Deficit	730.07	618.51	601.98	665.55	268.30	373.39	268.52	153.55	27.60	-110.26
Capital Receipts	Grants from State	427.72	495.33	393.78	633.07	503.49	490.68	490.68	490.68	490.68	490.68
	Grants from Centre	182.56	550.66	688.15	1149.83	1010.04	521.00	552.20	584.40	596.40	596.40
	Total Capital Receipts	910.45	1369.32	1403.47	1820.11	1608.17	1011.68	1042.88	1075.08	1087.08	1087.08
Capital Expenditure	Schemes	1115.89	1061.09	1151.90	1304.74	1455.51	1491.89	1596.32	1708.06	1827.63	1955.56
	Total Capital Expenditure	1151.72	1122.21	1212.98	1377.46	1519.77	1491.89	1596.32	1708.06	1827.63	1955.56
	Surplus / Deficit	-241.27	247.11	190.49	442.65	88.40	-480.21	-553.44	-632.99	-740.55	-868.48
Over all Surplus / Deficit		488.80	865.62	792.47	1108.20	356.70	-106.83	-284.92	-479.44	-712.95	-978.75

Annexure-IV (A)											
Municipalities - Consolidated Financial Statement											
(Rs. in Crore)											
Description		Actuals					Projections				
	Source / Year	2015-16	2016-17	2017-18	2018-19	2019-20	2022-23	2023-24	2024-25	2025-26	2026-27
Revenue Receipts	Tax	417.92	444.22	484.59	603.73	607.76	644.52	696.09	751.77	811.91	876.87
	Non-Tax	330.46	363.70	406.91	578.42	651.70	709.09	815.45	937.77	1078.44	1240.20
	Assigned	192.29	152.18	161.90	211.65	237.49	191.10	191.10	191.10	191.10	191.10
	SFC	968.67	958.53	1101.84	1276.00	1259.98	1723.19	1912.74	2123.14	2356.68	2615.92
	Total Revenue Receipts	1909.34	1918.63	2155.24	2669.80	2756.93	3267.90	3615.38	4003.79	4438.14	4924.09
Revenue Expenditure	Salaries	732.64	842.50	1129.70	1290.03	1303.18	1410.34	1551.38	1706.51	1877.16	2064.88
	General Administration and Maintenance	1061.02	991.74	1050.30	1471.79	1615.69	1647.92	1812.71	1993.99	2193.38	2412.72
	Total Revenue Expenditure	1793.66	1834.24	2180.00	2761.82	2918.87	3058.26	3364.09	3700.50	4070.55	4477.60
	Surplus / Deficit	115.68	84.39	-24.76	-92.02	-161.94	209.64	251.29	303.29	367.59	446.49
Capital Receipts	Grants from State	764.84	654.28	593.90	765.78	870.21	797.47	821.40	846.04	871.42	897.56
	Grants from Centre	626.51	763.97	766.37	579.95	577.50	268.25	283.62	300.44	306.24	306.24
	Total Capital Receipts	1611.46	1750.32	1500.63	1858.32	2052.04	1065.72	1105.02	1146.48	1177.66	1203.80
Capital Expenditure	Schemes	1780.77	1598.80	1766.63	2062.15	2708.26	2429.65	2599.73	2781.71	2976.43	3184.78
	Total Capital Expenditure	1816.24	1686.31	1841.16	2120.97	2836.83	2610.29	2802.04	3008.30	3230.21	3469.01
	Surplus / Deficit	-204.78	64.01	-340.53	-262.65	-784.79	-1544.56	-1697.02	-1861.82	-2052.54	-2265.20
	Over all Surplus / Deficit	-89.10	148.40	-365.29	-354.67	-946.73	-1334.92	-1445.73	-1558.53	-1684.95	-1818.71

Annexure-IV (A)											
Town Panchayats - Consolidated Financial Statement											
(Rs. in Crore)											
Description		Actuals					Projections				
	Source / Year	2015-16	2016-17	2017-18	2018-19	2019-20	2022-23	2023-24	2024-25	2025-26	2026-27
Revenue Receipts	Tax	213.43	234.07	223.54	276.82	275.92	283.34	297.50	312.38	328.00	344.40
	Non-Tax	185.03	205.47	226.63	294.64	300.97	322.83	355.11	390.63	429.69	472.66
	Assigned	113.60	151.38	134.00	174.75	151.55	145.06	145.06	145.06	145.06	145.06
	SFC	901.69	973.41	1130.84	1421.47	1398.11	1912.10	2122.43	2355.90	2615.05	2902.70
	Total Revenue Receipts	1413.75	1564.33	1715.01	2167.68	2126.55	2663.32	2920.10	3203.96	3517.79	3864.81
Revenue Expenditure	Salaries	346.73	458.02	643.43	563.84	670.26	714.02	785.43	863.97	950.36	1045.40
	General Administration and Maintenance	1199.75	1278.21	1286.34	1550.54	1611.96	1649.99	1748.99	1853.92	1965.16	2083.07
	Total Revenue Expenditure	1546.48	1736.23	1929.77	2114.38	2282.22	2364.01	2534.41	2717.89	2915.52	3128.47
	Surplus / Deficit	-132.73	-171.90	-214.76	53.30	-155.67	299.31	385.69	486.06	602.26	736.34
Capital Receipts	Grants from State	542.04	522.47	492.92	778.51	619.16	645.82	665.20	685.15	705.71	726.88
	Grants from Centre	330.78	523.92	521.36	552.53	700.58	286.75	303.18	321.16	327.36	327.36
	Total Capital Receipts	884.58	1056.47	1035.34	1350.69	1330.52	932.57	968.38	1006.31	1033.07	1054.24
Capital Expenditure	Schemes	1059.79	1008.38	917.89	1134.05	1358.90	1268.53	1331.95	1398.55	1468.48	1541.90
	Total Capital Expenditure	1068.53	1015.94	925.19	1142.87	1369.43	1268.53	1331.95	1398.55	1468.48	1541.90
	Surplus / Deficit	-183.95	40.53	110.15	207.82	-38.91	-335.95	-363.58	-392.24	-435.41	-487.66
	Over all Surplus / Deficit	-316.68	-131.37	-104.61	261.12	-194.58	-36.64	22.12	93.83	166.85	248.68

Table V- 1			
Overall Income –Expenditure abstract of TWAD Board for 2019-20 (₹ In Crore)			
EXPENDITURE	2019-20	INCOME	2019-20
GENERAL AND CONSTRUCTION		GENERAL AND CONSTRUCTION	
Cost of Personnel	127.51	Centage	182.47
Pension and Commutation	320.35	Recovery of Establishment Expenditure	5.23
Terminal Benefits Leave Salary & Gratuity	91.71	Pension & Gratuity contribution(Other than centage)	9.89
Employees Welfare Schemes Payments	1.60	Employees Welfare Schemes Receipts	0.79
Administrative Expenses (Schedule 2.1)	6.54	Miscellaneous Receipts	5.77
Audit Fees	1.09	New Health Insurance Scheme Contribution	3.50
New Health Insurance Scheme Payments	4.33	Profit on disposal of Assets	0.04
Loss on disposal of Assets		Interest Received (Schedule 1.1)	41.13
R&M of Buildings, Vehicles Rigs & Plant and Machinery & Computer and others	9.55	Hire Charges	8.32
Laboratory Maintenance Expenses	0.18	Water Testing Income	2.21
Field Testing Kits	0.01	Field Testing Kits	0.83
Material Quality Control Laboratory Expenditure	0.55	Material Quality Control Laboratory Income	2.91
Depreciation	1.18	Publication Subscription	0.01
Sub Total	564.63	Sub Total	263.07
OPERATION AND MAINTENANCE		OPERATION AND MAINTENANCE	
Maintenance of Board owned WSS (Sch. 1.2.1)	12.38	Water Charges Board owned WSS (Sch. 1.2.1)	67.83
Maintenance of CWSS (Schedule 1.2.2)	828.04	Water charges Maint of CWSS (Schedule 1.2.2)	544.07
Maintenance of Hogenakkal Project WSS(Sch. 1.2.3)	84.28	Water charges Hogenakkal Project WSS(Sch. 1.2.3)	36.79
Depreciation on Board Scheme	0.04	Grants from Devolution fund for Gap	113.02
		Fuel Charges Received	0.06
Sub Total	924.74	Sub Total	761.77
		Excess of Expenditure over Income	464.54
Total	1,489.37	Total	1,489.37
Balance b/d (from Balance Sheet for 2018-19)	2,183.89	Income relating to previous year	
Excess expenditure over income for the year	464.54	a) Grant for O &M (15-16 & 16-17) RLB, (16-17)CMA&DTP	224.24
Payment related to previous year		b)Grant from MNP for Hogeneakkal WSS O&M cost	109.39
		c) Water Charges Collection Board Owned WSS	0.83
		d) NTADCL-Grant for Variable cost in WC	2.61
		e) Others	0.73
Apportionment of Gift	0.55	Apportionment of Gift	0.55
		Excess of Expenditure over income transferred to Balance Sheet	2,310.63
Total	2,648.98	Total	2,648.98

Table V-2					
Income & Expenditure Statement of CMWSSB 2015-16 to 2019-20 (<i>₹ In Crore</i>)					
Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Actual	Actual	Actual	RE
Income					
Sale of Water & Sewer Charges	285.00	322	304	364	474
Water Tax and Sewerage Tax	163	166	176	187	192
Other Income	55	95	85	56	52
TOTAL (A)	504	584	566	608	719
Expenditure					
Operating and Maintenance Expenditure	144	149	168	234	279
Power	181	176.	185	237	241
Purchase of Desalwater	185	181	175	196	178
Payment & Provision to Employee	197	201	199	264	282
Office & Administrative Expenses	9	9	10	11	13
Water Lorry Expenses	26	55	75	87	112
Drought Expenditure/Flood Relief Expenditure	54	20	28	11	76
Total Operating Expenses (i)	799	792	841	1040	1182
Debt Service Charges (ii)	82	77	73	12	96
Depreciation & Provisions (iii)	171	155	133	200	200
Prior Period Adjustment (iv)	-10	-15	-6		
Total (B) =(i)+(ii)+(iii)+(iv)	1042	1009	1042	1252	1478
Revenue Deficit (C) =(A)-(B)	-538	-425	-476	-644	-759
Add: Grants and Subsidies (D)	387	305	310	257	372
Net Revenue Deficit (E)=(C)+(D)	-150	-120	-165	-386	-387

Annexure VII-1										
Criteria and Weightages for Rural & Urban share of SFC Devolution										
Sl. No.	Criteria	Weightage %	Estimated Share in SFC Grant *	Rural		Urban		Total	Rs. In Crores	
				Data on criteria	Ratio	Data on criteria	Ratio		Rural Share in SFC Grant	Urban Share in SFC Grant
1	Projected Population 2021 (in lakhs)	50	7081.73	392.540	0.514	371.480	0.486	764.020	3638.47	3443.26
2	O&M Needs 2022-23 to 2026-27	10	1416.35	17093.133	0.432	22435.185	0.568	39528.317	612.47	803.88
3	Capital Needs 2022-23 to 2026-27	10	1416.35	68372.530	0.373	115052.230	0.627	183424.760	527.95	888.40
4	Debt Outstanding as on 31.3.2020	5	708.17	0.000	0.000	7494.678	1.000	7494.678	0.00	708.17
5	inverse per capita House/Property Tax	10	1416.35	722.700	0.926	9004.750	0.074	9727.450	1311.12	105.23
6	Inverse Assigned Revenue	5	708.17	3351.500	0.479	3076.280	0.521	6427.780	338.93	369.25
7	Inverse CFC allocation ratio (15th CFC)	10	1416.35	14059.000	0.338	7187.000	0.662	21246.000	479.11	937.23
	Grand Total	100	14163.45						6908.04	7255.41
									0.487737	0.512263
									49%	51%

Note : *Estimation Based on Finance Department Forecast of SOTR for 2022-23.

ANNEXURE -VII-2

SFC Devolution Share - Criterion Ratio For ULBs													
Sl.No	ULB Status	Number of ULBs	Area in sq.km.	% Area.	Projected 2021 population (in Lakhs)	% to Total Population	Projected 2021 Slum Population (in Lakhs)	% of Slum Population	Weightage				
									Area 20%	Total Population 60%	Slum Population 20%	Total	Rounded weightage as per criteria
1	Greater Chennai Corporation	1	426.00	4.02	82.97	22.34	11.47	16.13	0.80	13.40	3.32	17.53	18*
2	Corporations	20	1501.93	14.16	104.49	28.12	21.06	29.62	2.83	16.87	6.09	25.80	26
3	Municipalities	138	2779.48	26.20	100.72	27.11	23.54	33.10	5.24	16.27	6.81	28.32	28
4	Town Panchayats	490	5901.15	55.63	83.30	22.43	13.04	18.34	11.13	13.46	3.77	28.36	28
	Total	649	10608.56	100.00	371.48	100.00	71.11	97.19	20.00	60.000	20.00	100.0	100

Note : * The Sixth SFC in its recommendation has further modified the above share based on various considerations

Annexure VII-1										
Criteria and Weightages for Rural & Urban share of SFC Devolution										
Rs. In Crores										
Sl. No.	Criteria	Weightage %	Estimated Share in SFC Grant *	Rural		Urban		Total	Rural Share in SFC Grant	Urban Share in SFC Grant
				Data on criteria	Ratio	Data on criteria	Ratio			
1	Projected Population 2021 (in lakhs)	50	7081.73	392.540	0.514	371.480	0.486	764.020	3638.47	3443.26
2	O&M Needs 2022-23 to 2026-27	10	1416.35	17093.133	0.432	22435.185	0.568	39528.317	612.47	803.88
3	Capital Needs2022-23 to 2026-27	10	1416.35	68372.530	0.373	115052.230	0.627	183424.760	527.95	888.40
4	Debt Outstanding as on 31.3.2020	5	708.17	0.000	0.000	7494.678	1.000	7494.678	0.00	708.17
5	inverse per capita House/Property Tax	10	1416.35	722.700	0.926	9004.750	0.074	9727.450	1311.12	105.23
6	Inverse Assigned Revenue	5	708.17	3351.500	0.479	3076.280	0.521	6427.780	338.93	369.25
7	Inverse CFC allocation ratio (15th CFC)	10	1416.35	14059.000	0.338	7187.000	0.662	21246.000	479.11	937.23
	Grand Total	100	14163.45						6908.04	7255.41
									0.487737	0.512263
									49%	51%

Note : *Estimation Based on Finance Department Forecast of SOTR for 2022-23.

ANNEXURE -VII-2

SFC Devolution Share - Criterion Ratio For ULBs													
Sl.No	ULB Status	Number of ULBs	Area in sq.km.	% Area.	Projected 2021 population (in Lakhs)	% to Total Population	Projected 2021 Slum Population (in Lakhs)	% of Slum Population	Weightage				
									Area 20%	Total Population 60%	Slum Population 20%	Total	Rounded weightage as per criteria
1	Greater Chennai Corporation	1	426.00	4.02	82.97	22.34	11.47	16.13	0.80	13.40	3.32	17.53	18*
2	Corporations	20	1501.93	14.16	104.49	28.12	21.06	29.62	2.83	16.87	6.09	25.80	26
3	Municipalities	138	2779.48	26.20	100.72	27.11	23.54	33.10	5.24	16.27	6.81	28.32	28
4	Town Panchayats	490	5901.15	55.63	83.30	22.43	13.04	18.34	11.13	13.46	3.77	28.36	28
	Total	649	10608.56	100.00	371.48	100.00	71.11	97.19	20.00	60.000	20.00	100.0	100

Note : * The Sixth SFC in its recommendation has further modified the above share based on various considerations