



## **Annual Report on the Functioning of Panchayats in Tamil Nadu for the year 2009-10**

As provided under Section 166A of the Tamil Nadu Panchayats Act, 1994, the Annual Report on the functioning of Panchayats in the State of Tamil Nadu, for the year 2009-10 is placed on the table of the Legislative Assembly.

**Department of Rural Development & Panchayat Raj  
Government of Tamil Nadu**



**M. K. STALIN,**  
Deputy Chief Minister



Secretariat,  
Chennai - 600009.

## FOREWORD

It is a matter of pride that all the three High Level Committees for recommending the devolution of greater powers and functions to rural and urban Local Bodies were constituted only during Kalaignar's tenure as Hon'ble Chief Minister of Tamil Nadu. The first High Level Committee was constituted in 1996 under the Chairmanship of Thiru.L.C.Jain, the second in 1997 under the Chairmanship of Thiru.Ko.Si.Mani, the then Hon'ble Minister for Rural Development and Local Administration and the third in 2007 under my Chairmanship. The Government have accepted a majority of the recommendations of these Committees and issued orders for devolving more powers and functions to rural and urban Local Bodies.

The salutary practice of laying the 'Annual Report on the functioning of Panchayats in Tamil Nadu' before the Legislative Assembly has been introduced by inserting a new section 166-A in to the Tamil Nadu Panchayats Act, 1994 in June, 2008. The first such Report for the years 2006-07 and 2007-08 was placed before the Assembly in February, 2009. The second such Report for the year 2008-09 was placed before the Assembly during June, 2009. It gives me great pleasure to place this Report for the year 2009-10 before the Legislative Assembly.

(M. K. STALIN)



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## PREFACE

The various initiatives taken by the Government of Tamil Nadu in the last four years have strengthened the administrative and financial capabilities of the Panchayat Raj Institutions enabling them to function as effective units of Local Self-Government. In order to document and highlight these initiatives, an amendment was carried out to the Tamil Nadu Panchayats Act, 1994 requiring the placement of an 'Annual Report on the functioning of Panchayats in Tamil Nadu' before the State Legislative Assembly. The first such Report for the years 2006-07 and 2007-08 was placed before the Assembly during its session held in February, 2009 and the second such Report for the year 2008-09 was placed in June, 2009

We are happy to place the Third Annual Report on the functioning of Panchayats in Tamil Nadu covering the year 2009-10 before the Legislative Assembly. It is a document of record of the various amendments to the Act and Rules, important Government Orders passed, details of administrative and financial devolutions made to the Panchayat Raj Institutions, etc. during the year 2009-10.

(K. ASHOK VARDHAN SHETTY)



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# 1. INTRODUCTION



# 1. INTRODUCTION

*“Village Panchayats and the Panchayat Unions constitute the bed rock of Indian democracy and unless we strengthen the Village Panchayats and the Panchayat Unions, our democracy cannot become strong and vibrant. We have to take the knowledge of the world to our people in the rural areas. There is no other way of strengthening our nation.”*

*- Perarignar Anna*

The 73<sup>rd</sup> Amendment to the Constitution of India brought about certain important changes to the Panchayat Raj system which are listed below:

- a) Introduction of a three tier system - at the Village, Intermediate (Block) and District levels. (There are 12,620 Village Panchayats, 385 Panchayat Unions (co-terminous with Blocks) and 29 District Panchayats in Tamil Nadu)
- b) Mandatory conduct of Local Body elections every five years and conduct of elections before the expiry of the duration of the Local Body or before the expiry of a period of 6 months from the date of its dissolution.
- c) Introduction of reservation of seats (i.e. ward members) and offices (i.e. Chairpersons/Presidents) for Scheduled Castes/Scheduled Tribes in proportion to their population in every Local Body with provision for rotation of the reserved seats and offices.
- d) Introduction of reservation of one third of total number of seats and offices for women with provision for rotation.
- e) Constitution of a State Election Commission as an independent body to conduct elections to both rural and urban Local Bodies regularly.
- f) Establishment of quinquennial State Finance Commission to recommend devolution of resources from the State Government to the rural and urban Local Bodies.
- g) Constitution of a District Planning Committee to consolidate the plans prepared by the rural and urban Local Bodies in the district with a view to prepare a comprehensive development plan for the district.
- h) Introduction of the concept of "Grama Sabha" comprising all registered voters in a Village Panchayat.

Pursuant to this, the Tamil Nadu Panchayats Act, 1994 was enacted and it came into force with effect from 22.04.1994. However, only after the change of Government in May 1996, the first ordinary elections were held to all the rural and urban Local Bodies in October 1996. The second ordinary elections to the Local Bodies were conducted during October 2001. The third ordinary elections to the Local Bodies were conducted in October 2006.

As per the original section 165 of the Tamil Nadu Panchayats Act, 1994, the District Panchayat had to prepare an Annual Report giving a true and full account of their activities during the previous year and forward to the Government and the Government should lay on the Table of the Legislative Assembly all such reports together with their comments thereon.

The District Panchayats in Tamil Nadu have only an advisory and planning role as per the Tamil Nadu Panchayats Act, 1994. The core functions of actual implementation and execution of schemes are done by the Panchayat Unions and Village Panchayats. Therefore, the reports of the District Panchayats placed on the Table of the Tamil Nadu Legislative Assembly were partial pertaining only to one of the three tiers of Panchayat Raj Institutions. These reports also did not contain details of the functioning of Panchayat Raj Institutions, elections held, funds released etc. which alone give a comprehensive view of the functioning of Panchayat Raj Institutions. The Tamil Nadu Legislative Assembly, being the highest law making authority should be provided with a macro view of the working of the Panchayat Raj Institutions in the State as a whole and a complete picture in a broader canvas rather than a micro picture of the working of each District Panchayat.

It was therefore decided that a comprehensive Annual Report on the state of the Panchayats in Tamil Nadu as a whole shall be placed on the Table of the Legislative Assembly, instead of laying individual reports of each District Panchayat. Accordingly, amendment was brought to the Tamil Nadu Panchayats Act, 1994, in Act No.34 of 2008, by omitting Sub-Section 2 of Section 165 and inserting a new Section 166-A, thereby, dispensing the laying of the Annual Report of District Panchayats and instead laying an Annual Report on the functioning of the Panchayats in the State on the table of the Legislative Assembly.

Accordingly, the first report on the functioning of the Panchayats in the State during the year 2006-07 and 2007-08 was placed on the table of the House during February, 2009. The Second such report was placed on the table of the House during June, 2009. This is the Third report on the functioning of the Panchayats in the State and pertains to the year 2009-10.

## **2. ELECTIONS TO THE PANCHAYATS**



## 2. ELECTIONS TO THE PANCHAYATS

### 2.1 State Election Commission

The conduct of elections to the Local Bodies vests with the Tamil Nadu State Election Commission, consisting of a Tamil Nadu State Election Commissioner appointed by the Governor under Article 243 K of the Constitution.

### 2.2 Casual Elections

#### 2.2.1 Direct Casual Elections

The Tamil Nadu State Election Commission conducts the Casual elections at a periodical interval of six months. Tamil Nadu State Election Commission has conducted one Casual Election during 2009-10 as detailed in **Table-2.1** below:

**Table-2.1**  
**Number of seats and offices for which Casual elections**  
**were held in 2009-10**

Year & Month of election	Vacancy upto	Village Panchayat Ward Member	Village Panchayat President	Panchayat Union Ward Member	District Panchayat Ward Member	Total
Oct.'09	30.06.09	440	48	15	3	506

## 2.2.2 Indirect Casual Elections

The Indirect elections to fill up the casual vacancies arising from time to time are conducted every month. Number of Offices filled in the year 2009-10 is given in **Table-2.2** below:

**Table-2.2**  
**Number of offices for which Casual elections**  
**were held in 2009-10**

Sl. No.	Category	No. of Offices filled in 2009-10
1.	District Panchayat Chairman	1
2.	District Panchayat Vice-Chairman	1
3.	Panchayat Union Chairman	2
4.	Panchayat Union Vice-Chairman	3
5.	Village Panchayat Vice-President	173

## 2.3 District Planning Committee Elections

The second Ordinary Elections to elect the members of the District Planning Committee were already held on 30.4.2007. The details of the casual elections held during 2009-10 for the District Planning Committees is given in **Table-2.3** below:

**Table-2.3**  
**Casual Elections for District Planning Committees in 2009-10**

Name of the District	Date of Election	Segment	No. of vacancies filled in 2009-10
Vellore	08.09.2009	Rural	1
Thiruvapur	30.12.2009	Urban	1
Thiruvapur	31.03.2010	Rural	1

### **3. LOCAL DEMOCRACY - DEVOLUTION OF POWERS**



## **3. LOCAL DEMOCRACY - DEVOLUTION OF POWERS**

### **3.1 High Level Committees**

The Government of Tamil Nadu is committed to ensuring that the Panchayat Raj Institutions function as effective institutions of Local Self-Government. In 1996, soon after the first ordinary elections to the three tiers of Panchayats, the Government constituted the First High Level Committee under the Chairmanship of Thiru. L.C.Jain, the then full-time Member of the State Planning Commission to give recommendations on the entrustment of powers and functions to the three tiers of Panchayats. The Committee submitted its report to the Government in April, 1997. Again, the Government constituted the Second High Level Committee under the Chairmanship of Thiru. Ko.Si.Mani, the then Hon'ble Minister for Rural Development and Local Administration and this High Level Committee submitted its report on 11.1.1999. Most of the recommendations of the first two High Level Committees were acted upon by the Government and orders issued thereupon.

The Third High Level Committee was formed under the Chairmanship of Hon'ble Deputy Chief Minister Thiru. M.K. Stalin to devolve more powers and functions to the Local Bodies. The Committee presented its report to the Hon'ble Chief Minister of Tamil Nadu on 10.12.2007 with a total of 99 recommendations categorized under 39 subjects.

The Government have already issued necessary orders and instructions by accepting majority of the recommendations of the Third High Level Committee.

### **3.2 Devolution of Powers and functions to Panchayat Raj Institutions**

Some of the recommendations of the Third High Level Committee which are already acted upon by the Government are listed below:

- Grama Sabha to act as a forum of Social Audit for all the schemes implemented by various Departments.
- Approval of the list of all individual beneficiary schemes to be done by Grama Sabha.
- Conversion of multi-member wards into single member wards in all the Village Panchayats as is there in the case of the Panchayat Unions and District Panchayats.

- Stability of tenure of rural and urban Local Body representatives by making the moving and passing of No Confidence Motions more stringent.
- Designating November 1<sup>st</sup> of every year as the 'Local Bodies Day'.
- Giving Panchayat Raj Institutions greater operational independence by enhancing administrative sanction powers of Village Panchayats, Panchayat Unions and District Panchayats for works taken out of their General Funds.
- Rationalisation of Village Panchayat Accounts.
- Issue of Identity Cards to the Heads of three tiers of Panchayat and for the Members of Panchayat Unions and District Panchayats.
- Making BDOs (Village Panchayats) as separate Pay Drawing Officers.
- Provision of Telephone facility to all Village Panchayats.
- Provision of Wireless to Panchayat Unions.
- Vehicles for Panchayat Raj Institutions and key functionaries of Rural Development Department.
- Revival of Namakku Naame Thittam.
- Formulation of Panchayat Union School Renovation Programme.
- Setting up of Libraries and Sports Centres in all Panchayats under AGAMT.
- Designating Village Panchayats as 'Village Level Committee' for selecting the beneficiaries and implementing the schemes of various departments at Village level.

## **4. ACT AMENDMENTS**



## **4. ACT AMENDMENTS**

### **4.1 Amendments to Tamil Nadu Panchayats Act, 1994**

As many as 4 Act amendments were passed by the State Legislative Assembly during 2009-10. The Notifications issued in this regard are given in the Annexure.

#### **4.1.1 Maintenance of Tanks and Ponds**

Traditionally, the Village Ponds have been maintained by the Village Panchayats. The Minor Irrigation (MI) tanks are being maintained by the Panchayat Unions, though, there is no statutory provision enforcing the same. The renovation and maintenance of Village Ponds and Tanks is being taken up under various Centrally Sponsored and State Funded Schemes. It is an anomaly that the statutory duty of repair and maintenance of both ponds and tanks was vested with the Village Panchayats alone as per Section 110 (g) of the Tamil Nadu Panchayats Act, 1994.

Hence, in order to remove this anomaly and to statutorily vest the duty of maintenance of ponds alone with the Village Panchayats and empower Panchayat Unions with the maintenance of tanks, Section 110 (g) and Section 112 (aa) of the Tamil Nadu Panchayats Act, 1994 have been amended vide Tamil Nadu Act No. 28 of 2009.

#### **4.1.2 Disqualification of false Caste Certificate Holders**

The National Commission for Schedule Castes and Scheduled Tribes, in its Seventh Report, has recommended that "In case of elective offices such as Parliament / Legislative Assembly / Municipal Corporation / Panchayat, the false caste certificate holder should be immediately sacked from the post/chair and must be debarred from contesting election for at least 6 years, besides the punishment provided under law". On the basis of this, the Government of India have requested the State Governments to take suitable action on the above said recommendation.

In order to give effect to the said recommendation of the National Commission for Schedule Castes and Schedule Tribes, a new sub-Section (2-A) have been inserted in Section 37 of Tamil Nadu Panchayats Act, 1994 – vide Tamil Nadu Act No. 14 of 2009.

#### **4.1.3 Conversion of Multi Member Wards to Single Member Wards**

The system of Multi Member Wards is in existence only in Village Panchayats and not in any other rural or urban Local Body. It has posed difficulties at the time of voting and also during the counting process. There has also been lack of clear responsibility amongst the members in the existing scenario of there being Multi Member wards in the Village Panchayats. The Third High Level Committee headed by the Hon'ble Deputy Chief Minister has recommended for conversion of Multi Member Village Panchayat Wards into Single Member Wards. On the basis of this recommendation, Section 12 of Tamil Nadu Panchayats Act, 1994, has been amended by abolishing the Multi Member Ward System in Village Panchayats and replacing it with Single Member Wards - vide Tamil Nadu Act No. 20 of 2009. The above system of single member wards in Village Panchayats will be brought into effect in 2011 Local Body elections.

#### **4.1.4 Dispensing with Levy of Local Cess and Local Cess Surcharge**

The Government have announced during the Budget Speech 2009-2010 that the existing system of land revenue collection would be simplified and farmers shall not be burdened with any other levy such as Local Cess and Local Cess Surcharge. Consequent upon the above decision of the Government, levy of Local Cess and Local Cess Surcharge needed to be dispensed with. To implement this, Sections 167, 168, 169, 176, 186 (b) and 188 (d) of Tamil Nadu Panchayats Act, 1994 were amended vide Tamil Nadu Act No. 12 of 2009, and the levy of Local Cess and Local Cess Surcharge was dispensed with.

## **5. RULE AMENDMENTS**



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### **5.1 Extension of time limit for receiving Postal Ballot Papers**

Under Rule 52 of Tamil Nadu Panchayats (Election) Rules, 1995, the Postal ballots could earlier be received only upto 5.00 p.m. on the day before the Poll. However, the Government have amended the sub-Rule (2) of Rule 52 of the above Rule and now specified in the Notification issued - vide G.O.(Ms). No.1. Rural Department and Panchayat Raj (PR.I) Department, dated 02.01.2009, that the Postal Ballot papers can be received upto 8.00 a.m. on the day of counting of votes.

### **5.2 Empowering the District Collectors to levy and collect Advertisement Tax**

As per the earlier provisions of the Tamil Nadu Panchayats Act, 1994, and the Tamil Nadu Panchayats (Licensing of Hoardings and Levy and Collection of Advertisement Tax) Rules, 1999, the Executive authority of the Village Panchayat concerned (the Village Panchayat President) was empowered to grant license for erecting hoardings in the rural areas and to levy and collect tax on advertisements on such hoardings, whereas, the District Collector is the licensing authority in the urban area. Further, the Village Panchayats were not able to strongly enforce and monitor the erection of hoardings as per the provisions of the Act.

In order to bring parity with Urban Act and to strengthen the licensing procedure and improve the monitoring of erection of hoardings in rural areas, the Government have suitably amended Sections 172-A, 172-B and sub-Sections (2), (3) and (5) of Section 220 of Tamil Nadu Panchayats Act, 1994 by empowering the District Collector to grant license for hoarding and levy of Advertisement tax. Consequent upon the above amendment to the Act, the Government have issued the Tamil Nadu Panchayats (Licensing of Hoardings and Levy and Collection of Advertisement Tax) Rules, 2009 in supersession of the earlier rules - vide Notification issued in G.O. (Ms.) No.41, Rural Department and Panchayat Raj (PR.I) Department, dated 18.05.2009.



## **6. IMPORTANT GOVERNMENT ORDERS ISSUED IN 2009-10**



## 6. IMPORTANT GOVERNMENT ORDERS ISSUED IN 2009-10

Important Government Orders pertaining to the functioning of Panchayat Raj Institutions issued during 2009-10 are described as under:

### 6.1 Reconstitution of District Purchase Committee and revised norms for purchase of Water Supply materials

In G.O. Ms. No.144, Rural Development and Panchayat Raj (SGS.III) Department, dated 22.12.2009, the Government have issued orders reconstituting the already existing District Purchase Committee for the fixation of rate contract of materials for Water Supply Works, as follows:

District Collector	-	Chairman
Project Director, DRDA	-	Vice Chairman
Assistant Director (Panchayats)	-	Member Secretary
Executive Engineer (RD)	-	Member
Executive Engineer (RWS), TWAD	-	Member
Accounts Officer, DRDA	-	Member

In the same G.O., the Government have issued orders that instead of calling for Rate Contracts for various categories of Water Supply related works, tenders should be called for by this Purchase Committee only for the fixation of Rate contract 'for the Supply and Delivery of Standard Deep Well (India Mark II) Hand Pump sets and Specials.' For rest of the water supply materials, the PWD/TWAD Board approved schedule of Rates which are already available should be adopted by the rural Local Bodies. It is, however, clarified that works should be undertaken by following the existing tender procedure / DGS & D rates.

### 6.2 Rural Infrastructure Scheme

Since the National Rural Employment Guarantee Scheme has been extended to all the districts from 01.04.2008 onwards, the Central Government have discontinued the Sampoorna Grameen Rozgar Yojana (SGRY). Consequent to this, there was no proper scheme to create basic infrastructure facilities like Cement Concrete Roads and Buildings. Further, it had become essential to make the assets created under National Rural employment Guarantee Scheme durable by stabilizing them. Taking into consideration the representations received in this regard, a new Scheme called

'Rural Infrastructure Scheme' was introduced during 2008-09. Rs.380 crores have been released to the rural Local Bodies in the year 2009-10. Funds under this Scheme were allocated at the rate of Rs.200 crores for Village Panchayats, Rs.120 crores for Panchayat Unions and Rs.60 crores for District Panchayats. Detailed guidelines for the implementation of the Scheme were issued by the Government vide G.O. Ms. No.111, Rural Development & Panchayat Raj Department, dated 27.06.2008. Under the Scheme, 38,628 works were taken up during 2009-10.

### 6.3 Panchayat Union School Renovation Programme

The programme of Panchayat Union School Renovation introduced in 2007-08 envisages repair and improvement of all Panchayat Union Elementary Schools and Middle Schools in the State in a phased manner. There are around 22,000 Panchayat Union Primary Schools and 4,500 Panchayat Union Middle Schools which are being maintained by Block Panchayats. Due to lack of proper maintenance, most of these School buildings have become dilapidated. Hence, the repair and renovation of such long neglected School buildings in AGAMT Village Panchayats were taken up in this Scheme. The repair works include replacement of old and damaged tiled or asbestos roofs with new tiled roofs; replacement of damaged weathering course in RCC-roofed buildings with new ones; attending to cracks in roofs, walls and flooring; replacement of broken doors and windows; and whitewashing and colour-washing of the buildings giving a complete facelift to the Panchayat Union School buildings. The details are given below in **Table 6.1**.

**Table -6.1**  
**Year wise allocation for Panchayat Union**  
**School Renovation Programme**

Sl. No	Year	No. of School Buildings in AGAMT Panchayats	Allocation (in crores)
1	2006-07 & 2007-08	9,547	104.2
2	2008-09	4,430	69.30
3	2009-10	4,124	67.56

During the year 2008-09, 495 Panchayat Union Elementary and Middle Schools located in Town Panchayats and Third Grade Municipalities have been taken up for renovation at an estimated cost of Rs.14.31 crores and all works have been completed. During 2009-10, 450 Panchayat Union and Middle Schools located in Town Panchayats and Third Grade Municipalities have been taken at an estimated cost of Rs.10.60 crores.

During the year 2010-11, around 5,000 Panchayat Union Elementary and Middle School buildings in 2010-11 AGAMT Village Panchayats and in Town Panchayats and Third Grade Municipalities will be taken up for repairs and improvements at an outlay of approximately Rs. 85 crores.

#### **6.4 Backward Region Grants Fund (BRGF)**

The erstwhile Rashtriya Sam Vikas Yojana (RSVY) has been transferred from Union Planning Commission to The Ministry of Panchayat Raj, Government of India with effect from 2006-07. The Ministry of Panchayat Raj have modified the Scheme of RSVY into Backward Regions Grant Fund (BRGF). The main focus of the Scheme is to strengthen and provide professional support to the Local Bodies to improve their performance and delivery of critical functions assigned to them besides redressing regional imbalances in development. This Scheme is being implemented in six districts in Taminadu viz., Cuddalore, Vilupuram, Tiruvannamalai, Nagapattinam, Dindigul and Sivagangai.

The BRGF Scheme consists of two funding windows viz., the 'Capacity Building Fund' and 'Development Grant'. The Government, as per G.O.Ms.No.161, RD & PR (CGS-1) Department, dated 13.10.2008 have released a sum of Rs.16.31 crores to The Government of India as Central assistance for Capacity Building of Local Bodies under BRGF. The Government of India have allocated Development Grants under BRGF to the six BRGF districts for the year 2009-10 as detailed in **Table-6.2**.

**Table-6.2**  
**Funds Allocated under BRGF for 2009-10**

Sl. No.	Name of the District	Amount (Rs.in crores)
1.	Cuddalore	17.76
2.	Villupuram	21.73
3.	Tiruvannamalai	19.27
4.	Dindigul	18.70
5.	Nagapattinam	15.06
6.	Sivagangai	15.52
	<b>Total</b>	<b>108.04</b>

#### **6.5 Upgradation of Panchayat / Panchayat Union Roads in 2008-09 in AGAMT Villages under NABARD RIDF:**

The Government have, vide G.O. Ms. No.150, Rural Development and Panchayat Raj (SGS.I) Department, dated: 31.12.2009 accorded sanction for Rs.200.09 crores to upgrade 1,495.57 KMs. of roads, which are in bad condition, leading directly or indirectly to AGAMT Villages, have been taken up during 2008-09. Link roads which are important for industries, tourism and marketing places with loan assistance from NABARD under Rural Infrastructure Development Fund XV, have also been taken up.

#### **6.6 Wireless for Panchayat Unions**

All the Districts have already been provided with Wireless equipment during 2007-09 itself. The newly formed Tiruppur District has also been provided with wireless equipments during 2009-10 at an estimated cost of Rs.6.92 lakhs-vide G.O. (Ms.) No.25, Rural Development and Panchayat Raj (SGS.IV) Department, dated 23.03.2010.

## **6.7 Establishment**

### **6.7.1 Sanction of Time Scale to the post of Makkal Nala Paniyalarkal**

The Makkal Nala Paniyalarkal working in the Village Panchayats were getting a consolidated pay of Rs. 950 and a conveyance allowance of Rs.50/- per month. Based on the recommendations of the Sixth Pay Commission, the Government, vide G.O.Ms.No.234, Finance (Pay Cell) Department, dated 01.06.2009, have brought the salary of the Makkal Nala Paniyalarkal to the special time scale of pay of Rs.2,500-5,000 and a grade pay of Rs.500 per month with effect from 01.06.2009.

### **6.7.2 Upgradation of posts of Panchayat Assistants Grade-II as Panchayat Assistants**

Prior to 2006-07, Panchayat Assistants were categorized into two categories viz. (i) Full-time Panchayat Assistants (also called Panchayat Assistants Grade-I) and (ii) Part-time Panchayat Clerks (also called as Panchayat Assistants Grade-II). The Panchayat Assistants Grade II were about 11,000 in number out of the total 12,618 Panchayat Assistants. Till 1.9.2006, both these two categories of Panchayats Assistants were getting consolidated pay. With effect from 1.9.2006, the pay of the full-time Panchayat Assistants was fixed in the time scale Rs.1,300-20-1,500-25-2,000, and the pay of the part-time Panchayat Clerks was fixed in the time scale Rs.625-10-725-20-925. The Government revised the scale of Pay of Panchayat Assistants Grade –I to the Pay band of Rs.2,500- 5,000 plus Grade Pay of Rs.500/- with effect from 1.6.2009 vide G.O.(Ms.) No. 234 Finance (PC) Dept. dated 1.6.2009,. However, the pay of Panchayat Assistants Grade II was revised to the pay band of Rs. 1,300-3000 with a Grade pay of Rs 300. Since the nature of work of Panchayat Assistants Grade I and Grade II was the same, the Government ordered the upgradation of all the posts of Panchayat Assistants Grade II on par with Panchayat Assistants Grade I and brought them also to the revised scale of pay of Rs.2,500-5,000 with Grade Pay of Rs.500/-, vide G.O.(Ms.) No.91, Rural Development & Panchayat Raj (E5) Dept., dated 12.08.2009.

### **6.7.3 Restructuring of District Rural Development Agencies**

The restructuring of the District Rural Development Agencies (DRDAs) was long overdue for various reasons. First, the staffing pattern of DRDAs reflected the needs of yesteryear schemes, which were no longer in vogue. Secondly, the APO level posts that were diverted during bifurcation of Districts in the past few years had resulted in a highly non-uniform staffing pattern in the DRDAs which necessitated the restructuring. Thirdly, there was also a highly non-uniform staffing pattern across districts in respect of subordinate posts resulting in administrative difficulties with the old DRDA pattern. Fourthly, there was a mismatch of deputationists in the DRDAs and a perennial difficulty in getting officers on deputation from other Departments. Fifthly, there was also a steep increase in the outlay of State-funded RD schemes after the introduction of Schemes such as Anaithu Grama Anna Marumalarchi Thittam (AGAMT), Rural Infrastructure Scheme (RIS), MLA Constituency Development Scheme (MLACDS), Samathuvapuram etc. which necessitated the creation of posts of additional supervisory officers of Rural Development and Panchayat Raj Department. Sixthly, there were cuts in DRDA Administration Scheme grants by Government of India due to the deputationist posts lying vacant for long spans of time and consequently the DRDAs not being able to adequately spend the salary component of the DRDA Administration Scheme Grants that they were supposed to as per the allocation.

Hence, the State Government, vide G.O.Ms.No.53, Rural Development and Panchayat Raj (CGS-II) Department, dated 19.06.2009, issued orders restructuring DRDAs in accordance with Government of India guidelines issued under DRDA Administration Scheme. The posts of APO (R), APO (EAS), APO (DWCRA), APO (Industries), APO (Animal Husbandry), APO (Cooperation) and APO (Monitoring) were abolished and among other posts created, the posts of APO (Wage employment), APO (Infrastructure), APO (Self employment), APO (Housing and Sanitation) were created. At present, there are 36 posts of APO (Wage employment), 60 posts of APO (Infrastructure), 31 posts of APO (Self employment), and 31 posts of APO (Housing and Sanitation) in DRDAs.

#### 6.7.4 Staffing under NREGS

National Rural Employment Guarantee Scheme (NREGS) was introduced in Phase-I in six districts of Tamil Nadu viz. Cuddalore, Villupuram, Tiruvannamalai, Nagapattinam, Dindigul and Sivaganga with effect from 02.02.2006. The Scheme was extended to four more districts of Thanjavur, Tiruvarur, Karur and Tirunelveli in Phase-II with effect from 01.04.2007 and has been extended to the remaining 20 Districts of the State with effect from 01.04.2008. In order to facilitate proper implementation of the Scheme, the Government have sanctioned several technical and supporting staff. During the year 2009-10, Government have created 572 additional posts of Computer Assistants, vide G.O.(Ms.) No.84,Rural Deveolpment and Panchayat Raj (CGS-I) Department, dated 04.08.2009, in order to ensure MIS entries. Government have also created 32 posts of Assistant Engineers for the newly formed NREGS sub divisions. The details of post-wise sanction are shown in **Table-6.3** below:

**Table-6.3**  
**Posts sanctioned to supervise NREGS works in Districts**

Sl. No.	Category of Post	No.of Posts
<b>A. Administration Wing</b>		
1	Superintendents in the level of Block Development Officer	31
2	Deputy Block Development Officers	385
3	Assistants	416
4	Computer Assistants	1,373
5	Drivers	32
6	Office Assistants	32
<b>B. Technical Wing</b>		
1	Assistant Executive Engineers (RD)	32
2	Assistant Engineers (RD)	244
3	Overseers	673
4	Junior Draughting Officers	32
<b>Total</b>		<b>3,250</b>

### 6.7.5 Recruitment of Assistant Engineers (RD)

In order to further strengthen the Technical Wing of the Rural Development and Panchayat Raj Department and consequentially strengthen the Panchayat Raj Institutions, the Government requested the Tamil Nadu Public Service Commission (TNPSC) to recruit 223 posts of Assistant Engineers (RD). Consequently, the TNPSC conducted recruitment examination for Assistant Engineers(RD) for the year 2006-07 and the list of 223 Engineers was received during 2008-09. For the year 2007-08, the TNPSC was requested to recruit 264 Assistant Engineers(RD) and 245 have joined as Assistant Engineers(RD) in the Department. For the years 2008-09 and 2009-10, the TNPSC has been requested to recruit 71 and 106 (totally 177) Assistant Engineers(RD) respectively.

## 6.8 Awards

### 6.8.1 Award for Tamil Nadu for empowering Panchayat Raj Institutions

The Ministry of Panchayat Raj, Government of India have been ranking the States based on the steps taken by them to strengthen the Panchayat Raj System. Tamil Nadu has been consistently ranked amongst the top five States in this grading process due to its pro- active steps taken to strengthen the Panchayat Raj system. The State achieved **fourth rank** during 2006-07 as per Government of India ranking in the Panchayat Raj Devolution system. It achieved **first rank** during 2007-08, **third rank** during 2008-09 and **second rank** during 2009-10. The Ministry of Panchayat Raj, Government of India released an amount of Rs.82.64 lakhs to Tamil Nadu for the year 2006-07 as the Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) Fund. Likewise, Rs.1 crore was released to Tamil Nadu for 2007-08, and Rs.1.5 crores for 2008-09 as well as for 2009-10.

The Government have provided computers alongwith printers for all the Chairpersons of 29 District Panchayats and Chairpersons of 385 Panchayat Unions out of Panchayat Empowerment and Accountability Incentive Scheme funds for 2006-07 and 2007-08. Further all the 29 District Panchayats and 385 Panchayat Union offices have been sanctioned Power-Inverters using the PEAIS funds for 2008-09.

### 6.8.2 Uthamar Gandhi Village Panchayat Award

Uthamar Gandhi Village Panchayat Award was instituted vide G.O.Ms No. 111, RD & PR (C2) Department dated 5.9.2006. This award is being given each year from 2006-07 onwards for those Village Panchayats which have undertaken outstanding works, special initiatives and innovative efforts during the preceding 5 years. The chosen Panchayats are given a certificate, shield and a cash prize of Rs.5 lakhs each while their Presidents are given a certificate and a medal. Awards can also be given posthumously. For 2006-07 and 2007-08, 15 Village Panchayats each were conferred with Uthamar Gandhi Village Panchayat Awards by the Hon'ble Chief Minister of Tamil Nadu on 10.10.2007 and 19.12.2008 respectively. For 2008-09, orders have been issued selecting 15 Village Panchayats for Uthamar Gandhi Village Panchayat Award for the year 2008-09.

The details of Uthamar Gandhi Village Panchayat Award-winning Panchayats for the year 2008-09 are given in **Table -6.4.**

**Table -6.4.**  
**Uthamar Gandhi Village Panchayat**  
**Award Winning Panchayats for 2008-09**

SI. No.	Name of the Village Panchayat
1.	Kottavaradampatty, Salem.
2.	Thirupanichettikulam, Thoothukudi.
3.	Vachchakaranpatty, Virudhunagar.
4.	Reddipatty, Namakkal.
5.	Pechiparai, Kanniyakumari.
6.	Bommanaickanpalayam, Erode.
7.	Orathur, Cuddalore.
8.	Kunnathur, Coimbatore.
9.	S. Kuppam, Viluppuram.
10.	Bearhatty, The Nilgiris.
11.	Mela Perumalai, Thiruvarur.
12.	Athiyur, Perambalur.
13.	Ariyanendal, Ramanathapuram.
14.	Kalikkampatti, Dindigul.
15.	Poonappalli, Krishnagiri.

### **6.8.3 Corporate Social Responsibility Award**

Government instituted an Award to honour the Industrial, Service and Business Organisations that are actively involved in various social and economic upliftment activities as part of their Corporate Social Responsibility, from the year 2007-08 onwards vide G.O. Ms. No.117, Rural Development (SS.2) Department, dated 2.7.2007. The Award consists of Rs. 5 lakhs cash each and a Certificate. This Award will be given to 5 such commercial and industrial establishments every year.

The Government have issued orders selecting 5 organisations for the Corporate Social Responsibility Award for the year 2007-08 and 4 organisations for the year 2008-09. The Awards were given by the Hon'ble Deputy Chief Minister on 19.10.2009. Five organisations have been selected for the year 2009-10. The details of Corporate Social Responsibility Award-winning organisations for the years 2007-08, 2008-09 and 2009-10 are given in **Table -6.5**.

**Table-6.5**  
**Corporate Social Responsibility Award winning Organisations**

Sl. No.	2007-08	2008-09	2009-10
1.	Tamil Nadu Newsprint and Papers Limited, Karur District.	Chennai Petroleum Corporation Ltd., Chennai.	Neyveli Lignite Corporation Ltd., Neyveli, Cuddalore District.
2.	Oil and Natural Gas Corporation Ltd., Karaikal, Pondichery.	Steel Authority of India Ltd., Salem.	Hyundai Motor India Ltd., Sriperumbudur, Kancheepuram District.
3.	Srinivasan Services Trust, Chennai.	Orchid Chemicals & Pharmaceuticals Ltd., Chennai.	Bannari Amman Sugars Ltd., Sathyamangalam, Erode District.
4.	Saint-Gobain Glass India Ltd., Sriperumbudur, Kancheepuram District.	Sri Ramalinga Mills Ltd., Aruppukottai, Virudhunagar District.	TITAN Industries Ltd., Hosur, Krishnagiri District.
5.	Sakthi Masala Private Ltd., Erode District.		C.R.I Pumps Private Ltd., Saravanampatti, Coimbatore District.

#### 6.8.4 Nirmal Gram Puraskars

To give a fillip to the Total Sanitation Campaign, the Government of India launched an incentive scheme in June, 2003 in the form of an award for total sanitation coverage, maintenance of clean environment and open defecation-free Village Panchayats, Blocks and Districts called 'Nirmal Gram Puraskar'. The Village Panchayats are given a cash incentive ranging from Rs.0.5 lakhs to Rs. 5 lakhs depending upon the population of the Village Panchayats concerned. The year-wise break-up of 'Nirmal Gram Puraskar Awards' won by the Village Panchayats and Block Panchayats is furnished in **Table 6.6** below.

**Table-6.6.**

**Year-wise break-up of Nirmal Gram Puraskar Awards  
won by Tamil Nadu**

Year	No. of Village Panchayats	No. of Block Panchayats
2004-05	12	1
2005-06	119	-
2006-07	296	-
2007-08	1,474	5
2008-09	196	-

#### 6.9 Action taken against the Village Panchayat Presidents under Section 205 of the Tamil Nadu Panchayats Act, 1994

In Tamil Nadu, Village Panchayat President is not only the elected head but also the Executive Authority of the Village Panchayat. He has been given powers to operate the funds of Village Panchayat and issue cheques. He is not only responsible for carrying out civic functions of the Panchayats, but also for implementing various schemes, notably Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). However, some Village Panchayat Presidents abuse the enormous administrative and financial powers vested in them by misappropriating funds, preparing false NMRs, preparing false vouchers for bogus purchases and works and by not conducting meetings of the Village Panchayats for extended periods of time and so on. A good number of cases, pertain to the implementation of MGNREGS. Under these circumstances, the District Collector, in his capacity as Inspector of Panchayats, is empowered to remove the erring Panchayat President under Section 205 of Tamil Nadu Panchayats Act, 1994.

During the year 2009-10, 45 Village Panchayat Presidents were removed from the office of President under Section 205 of the Tamil Nadu Panchayats Act, 1994, by the Inspectors of Panchayats concerned. The details are given below in **Table-6.7**.

**Table-6.7**

**List of Village Panchayat Presidents removed under Section 205 of the Tamil Nadu Panchayats Act, 1994 from April, 2009 - March, 2010**

Sl. No	District	Panchayat Union	Village Panchayat
1	Kancheepuram	Chithamur	Vanniyanallur
2	Kancheepuram	Tirukalukundram	Manamai
3	Kancheepuram	Chithamur	Choonambedu
4	Kancheepuram	St. Thomas Mount	Kottivakkam
5	Thiruvallur	Tiruvallur	Nathamedu
6	Thiruvallur	Minjur	Kottaikuppam
7	Thiruvallur	Tiruvallur	Perumarpet
8	Thiruvallur	Minjur	Naithavoyal
9	Thiruvallur	Minjur	Velur
10	Thiruvallur	Kadambathur	Senjee
11	Cuddalore	Melbhuvanagiri	Kilavadinatham
12	Cuddalore	Cuddalore	Naduverapatti
13	Cuddalore	Nallur	Eraiur
14	Cuddalore	Panruti	Silambinathampettai
15	Cuddalore	Kurinjpadi	Vanathirayapuram
16	Cuddalore	Annagramam	Thattampalayam
17	Cuddalore	Kattumanarkoil	Veeranallur
18	Villupuram	Kanai	Kanjanur
19	Villupuram	Kolijanur	Elangadu
20	Thiruvannamalai	Chetpet	Nambedhu
21	Salem	Yercaurd	Yercaurd
22	Namakkal	Rasipuram	Kakkaveri
23	Namakkal	Tiruchengodu	Chikkanaickenpalayam

24	Dharmapuri	Dharmapuri	Lakkiampatti
25	Krihnagiri	Kaveripattinam	Keelkuppam
26	Erode	Ammapettai	Boothapadi
27	Erode	Gopichettipalayam	Kottupullamapalayam
28	Vellore	Arcot	Nandiyalam
29	Vellore	Thimiri	Mosur
30	Vellore	Perambut	Vadakarai
31	Vellore	Gudiyatham	Sengundram
32	Thanjavur	Kumbakonam	Kallur
33	Thanjavur	Medukkur	Olayakunnam
34	Thanjavur	Tiruppanandal	Mullankudi
35	Thanjavur	Maddukur	Athivetti
36	Tiruchirapalli	Lalgudi	Thalakudi
37	Tiruchirapalli	Thottiam	Arasalur
38	Karur	Thanthoni	Pallapalayam
39	Ariyalur	Sendurai	Palayakudi
40	Dindigul	Battalagundu	Viralipatti
41	Sivagangai	Kalayarkoil	Mudikkarai
42	Sivagangai	Sivagangai	Arasanur
43	Ramanathapuram	Kadaladi	Periyakulam
44	Thoothukudi	Udankudi	Wangaimozhi
45	Thoothukudi	Kovilpatti	Pandavarmangalam

Out of the 45 Village Panchayat Presidents who have been removed from office by the Inspector of Panchayats, one President is still continuing in his post by virtue of the stay order granted by the Hon'ble High Court. 44 Village Panchayat Presidents have filed Revision Petitions before the Government under Section 205(12) of the Tamil Nadu Panchayats Act, 1994.

The stages in the disposal of the above Revision Petitions with the Government are given below:

i. Final orders issued by the Government	-	23
ii. Remitted back to the Inspector of Panchayats for de-nova proceedings	-	12
iii. Revision Petition withdrawn by the Petitioner	-	1
iv. Writ Petitions filed before the Hon'ble High Court	-	3
v. Revision Petitions under scrutiny	-	5
<b>Total</b>	-	<u><b>44</b></u>



## **7. FINANCES OF THE PANCHAYATS**



## **7. FINANCES OF THE PANCHAYATS**

### **7.1 State Finance Commission**

Article 243(I) and 243(Y) of the Constitution of India incorporated by the 73<sup>rd</sup> and 74<sup>th</sup> Amendment Acts provides for the constitution of a State Finance Commission in order to examine and recommend measures to augment the resources of the Local Bodies and financial devolution to the Local Bodies by the State Government. Four State Finance Commissions have been constituted so far in Tamil Nadu. The Fourth State Finance Commission was constituted on 01.12.2009, for the award period of 2012 to 2017.

### **7.2 Constitution of Fourth State Finance Commission**

The Government vide G.O.Ms.No.549, Finance (Finance Commission-IV) Department, dated 01.12.2009, have constituted Fourth State Finance Commission for the award period of 2012 - 13 to 2016 – 17 to 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. The Commission has the mandate to 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 Government 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 said local bodies;

(iii) the grants-in-aid to the said local bodies from the Consolidated Fund of the State.

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

In reviewing the financial position of the local bodies, the Commission has been asked to assess the financial position of the local bodies as on 31st March, 2010. The Commission has been asked to make its report available by 31st May, 2011 covering the period of five years commencing on 1st April, 2012.

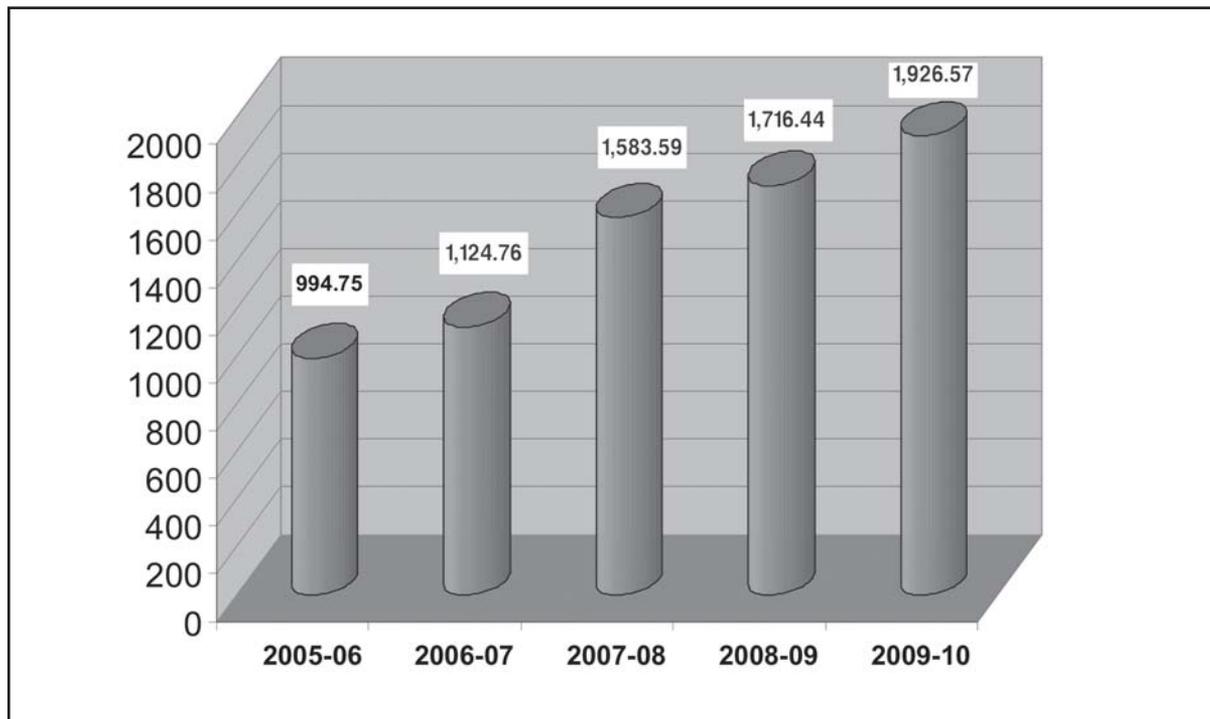
### 7.3 State Finance Commission Grant 2009-10

During the year 2009-10, the Government released an amount of Rs.1,158.86 crores to the Village Panchayats, Rs.614.17 crores to the Panchayat Unions and Rs.153.54 crores to the District Panchayats, totaling a release of Rs.1,926.57 crores.

**Chart-7.1**

#### **Release of State Finance Commission Grants to rural Local Bodies**

(Rs. in Crores)

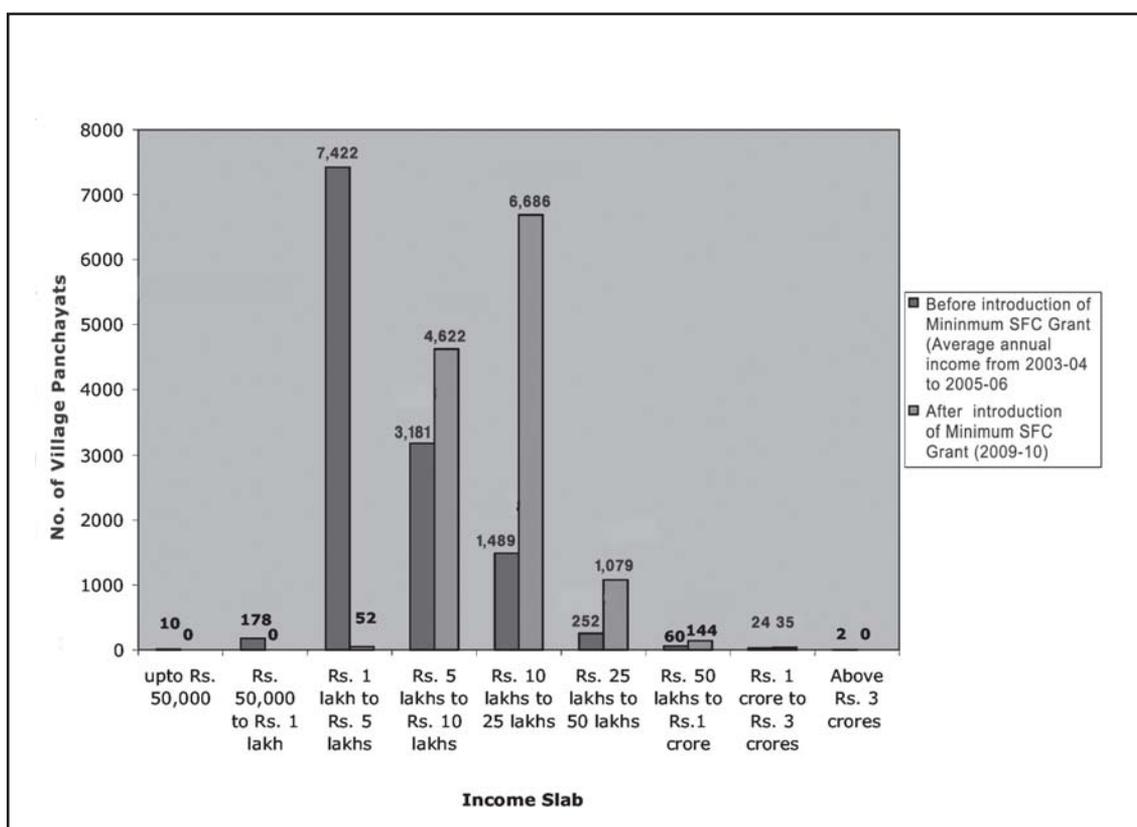


### 7.3.1 Minimum State Finance Commission Grant for Village Panchayats and Panchayats Unions

The Government have issued orders vide G.O.Ms.No.57, Rural Development and Panchayat Raj (PR.I) Department, dated 10.07.2009 sanctioning Rs.3 Lakhs as minimum grant for each Village Panchayat as a measure of equalization for the year 2009-10, as was done in the year 2008-09. Similarly, a minimum grant of Rs.30 lakhs per annum to each Panchayat Union has been released for the year 2009-10, as a measure of equalization. The balance amount was released based on population.

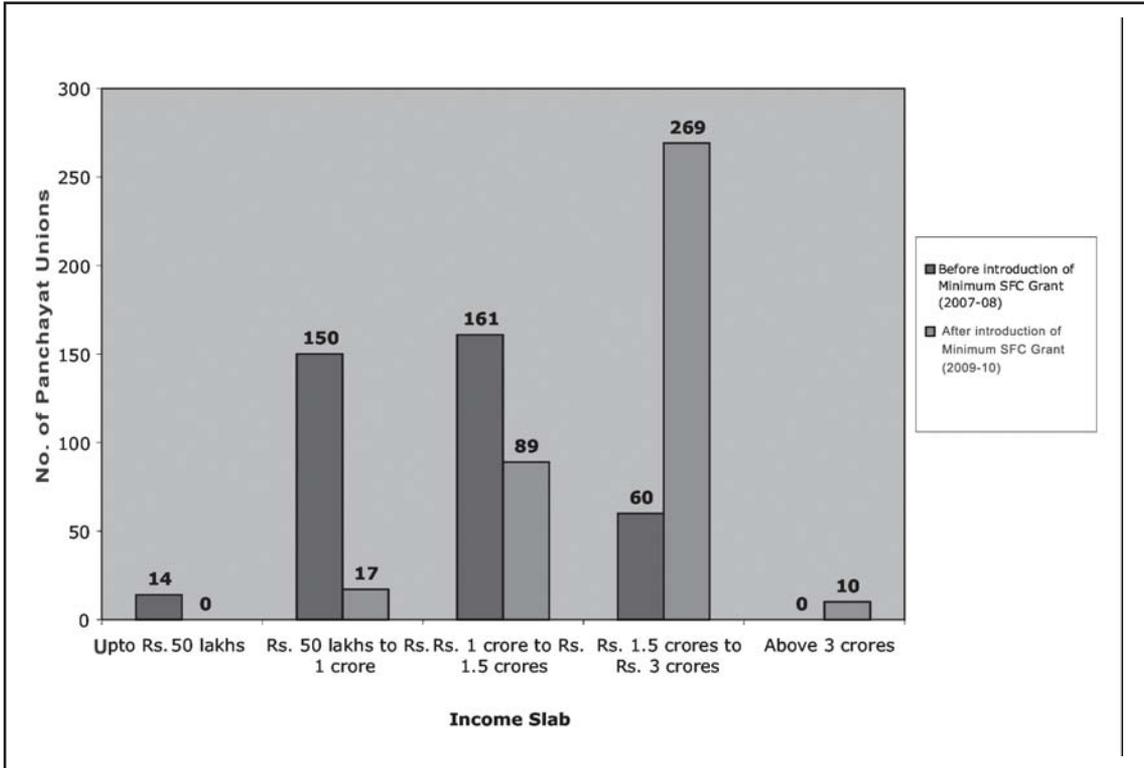
**Chart-7.2**

#### Classification of Village Panchayats by Income Before and After the Introduction of Minimum SFC Grant of Rs. 3 Lakhs



**Chart-7.3**

**Classification of Panchayat Unions by Income**  
**Before and After the introduction of Minimum SFC Grant of Rs. 30 Lakhs**



**7.4 Central Finance Commission Grant**

On the basis of the recommendations of the Twelfth Finance Commission (TFC), the Government of India allotted a sum of Rs. 870 crores for the period from 2005-06 to 2009-10.

During the year 2009-10, an amount of Rs.87 crores has been released as first instalment vide G.O.Ms.No.54, Rural Development and Panchayat Raj (PR.I) Department, dated 01.07.2009 and an amount of Rs. 87 crores has been released as second instalment vide G.O.Ms.No.118, Rural Development and Panchayat Raj (PR.I) Department, dated 20.10.2009 to the Village Panchayats.

Further, the Government, in G.O.Ms. No.195, Highways (HF1) Department, dated 01.08.2008 have sanctioned Rs.103.60 crores under Twelfth Finance Commission Grant for improvement of Panchayat and Panchayat Union roads during the year 2008-09. Likewise, for the year 2009-10 also, the Government have sanctioned a sum of Rs. Rs.103.60 crores for improvement of Panchayat and Panchayat Union roads.

## 7.5 Assigned Revenues

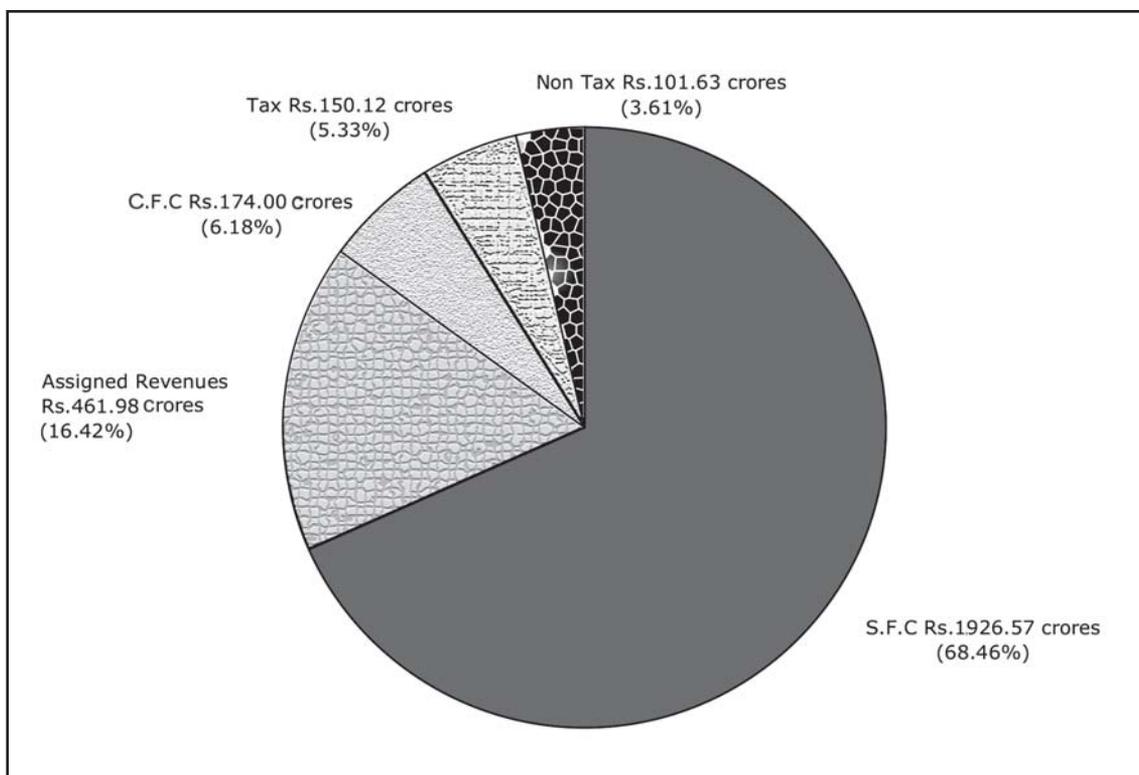
The Assigned Revenues to the rural Local Bodies include Surcharge on Stamp Duty, Entertainment Tax, Lease amounts and Seigniorage fees on Mines and Minerals and proceeds from Social Forestry auctions. The Surcharge on Stamp Duty is collected by Registration Department and Entertainment Tax by Commercial Tax Department.

### 7.5.1 Pooling of Assigned Revenue at State level

During the year 2009-10, an amount of Rs.359.49 crores was sanctioned under Pooled Assigned Revenue in G.O. Ms.No.70, Rural Development and Panchayat Raj (PR.I) Department, dated 23.07.2009. Rs.179.745 crores was released to the Village Panchayats, Panchayat Unions and District Panchayats as part of the grant in the ratio of 60 : 32 : 8. An amount of Rs. 179.745 crores was earmarked for Priority Scheme Component. This fund was earmarked to be utilized for executing works to create basic infrastructure in rural areas and detailed guidelines were formulated for utilization of these funds.

**Chart 7.4**

#### **Total Income of All the Three Tiers of Panchayats (2009-10)**



### **7.5.2 Compensation towards loss for exemption of Entertainment Tax for Tamil films with Tamil title.**

Government have sanctioned Rs.3 crores to rural Local Bodies each year from 2007-08 to 2009-10 as compensation towards the loss for the exemption of Entertainment Tax for Tamil films with Tamil title vide G.O. (Ms.) No:31, Rural Development and Panchayat Raj (PRII) Department, Dated. 31.03.2009, G.O.(Ms.) No:86, Rural Development and Panchayat Raj (PRII) Department, Dated:05.08.2009 and G.O.(Ms.) No:31, Rural Development and Panchayat Raj (PRII) Department, Dated:31.03.2010. Rs.9 crores have been received so far, which will be apportioned among rural Local Bodies.

## **8. CAPACITY BUILDING**



## **8. CAPACITY BUILDING**

### **8.1 Role of SIRD and RIRDs in Capacity Building**

Training programmes are conducted by the State Institute of Rural Development, Maraimalaingar Nagar and the five Regional Institutes of Rural Development to the elected representatives of the rural Local Bodies and Officers and Staff of the Rural Development and Panchayat Raj Department on various aspects. While the SIRD is functioning at Maraimalai Nagar as the apex training institute, the five Regional Institutes of Rural Development are functioning at S.V.Nagaram, Krishnagiri, Pattukottai, T.Kallupatti and Bhavanisagar are catering to the training needs of the districts earmarked to them.

### **8.2 State Institute of Rural Development (SIRD) - Training performance during 2009-10**

In the year 2009-10, 1,043 batches of training were conducted covering 51,943 participants which include the elected representatives of rural Local Bodies, Joint Directors, Assistant Directors, Assistant Project Officers, Assistant Executive Engineers, Project Economists, Block Development Officers, Ministerial staff, members of Self Help Groups, N.G.Os and Panchayat Assistants.

### **8.3 Regional Institutes of Rural Development (RIRDs)**

#### **8.3.1 Training performance of RIRDs in 2009-10**

During the year 2009-10, RIRDs have conducted the Regular Training Programmes for Extension Officer (Panchayats), Other Extension Officers, Deputy Block Development Officers, Assistants, Rural Welfare Officers, Junior Assistants, Typists, Cashiers, Panchayat Assistants, Road Inspectors and Overseers and computer training for the Deputy Block Development Officers, Extension Officers, Assistants, Junior Assistants, Rural Welfare Officers, Typists and Cashiers. Refresher courses for Deputy Block Development Officers, Engineers & Overseers were also held. In all, the five RIRDs have conducted 367 programmes covering 7,033 participants during 2009-10.

Simultaneously, RGSY Training Programmes were conducted to 6,538 elected representatives of Panchayat Raj Institutions in 183 batches during 2009-10.

### **8.3.2 Infrastructure Development of RIRDs**

If the RIRDs are to impart quality training, their infrastructure has to be improved. Therefore, the Government sanctioned an amount of Rs.1 crore for construction of hostel buildings, modern dining halls and kitchens in five RIRDs under Part II scheme 2008-09, vide G.O.(D) No.722, RD & PR (PR.3) Department, dated 30.09.2008.

The Government have sanctioned Rs.25 lakhs to five RIRDs, at the rate of Rs. 5 lakhs each for replacement of training and hostel accessories under Part II scheme 2008-09 vide G.O. Ms. No.80, RD & PR (PR.3) Department, dated 22.05.2008. The RIRDs have now utilized the above amount and the Utilization Certificates have been sent to the Government.

### **8.4 Training Corpus Fund 2009-10**

The Government have issued orders vide G.O.(D) No.460, Rural Development & Panchayat Raj (PR.3) Department, Dated, 21.07.2009 allocating an amount of Rs.1 crore for imparting training programmes to the elected representatives of the rural Local Bodies and undertaking exposure visits within and outside State in order to acquire first-hand knowledge about the good practices elsewhere.

### **8.5 Exposure Visits**

During the year 2009-10 also, exposure visits were conducted for the elected representatives of rural Local Bodies in 22 batches consisting of 5 days package to Madurai (11 batches) and Coimbatore (11 batches) Districts.

The Madurai visit covers Madurai, Kodaikanal and Rameswaram. The Village Panchayat Presidents visit Tamil Nadu Agriculture University, Othakadai, Chekkanoorani Precision Farming, Tamil Nadu Horticulture College, Periyakulam and Dhan Foundation, Madurai. The Coimbatore visit covers Odanthurai Village Panchayat Tamil Nadu Agriculture University, Solid Waste Management and Siruthuzhi in Coimbatore District and Horticulture Research Centre in Nilgiris District.

A total number of 1,143 Village Panchayat Presidents participated in the Exposure Visits in 22 batches (8 batches for women and 14 batches for men).

## 8.6 Publications

The Government have, among the publications, brought out valuable publications for the benefit of Panchayat Raj Institutions and Officials:

- 1) Compendium of Amendment to Acts and Rules and Government Orders, Guidelines & Instructions issued by the Government on Rural Development and Panchayat Raj for the year 2009.
- 2) Annual Report on the Functioning of Panchayats in Tamil Nadu for the year 2008-09.

## 8.7 Rural Development & Panchayat Raj Website

The Rural Development & Panchayat Raj Department Website was completely overhauled and redesigned with rich source of information in such a way that it is useful both for the Officials of the Department and for the Public. The website [www.tnrd.gov.in](http://www.tnrd.gov.in) was launched by the Hon'ble Chief Minister on 23.5.2008.

It has been designed to serve as a genuine knowledge management tool with a wealth of information arranged in a user-friendly format. The important highlights of the contents of the website are as follows: -

- All important Government Orders, Guidelines, Documents, etc. relating to Centrally sponsored Schemes, State funded Schemes and Externally aided Programmes.
- Constitutional Provisions, Act and Rules relating to Panchayat Raj.
- Maps of Blocks, Taluks, Panchayat Villages and Technical Sub-Divisions.
- Policy Notes of the Department and the Hon'ble Minister's Speeches since 2006-07.
- Important Data-bases and all important Reports and Studies.
- Contact numbers of all Offices from the State level down to Village Panchayat level.
- Photo Gallery showcasing the photographs of various Schemes.
- Google Search facility within the website.

On the whole, the website provides a rich source of information about the Department and its functioning. It will also serve as an important management tool and also provide guidance for the Staff of the Department.



## 9. CONCLUSION



## 9. CONCLUSION

During 2009-10, several new initiatives have been undertaken to strengthen the functioning of Panchayat Raj Institutions. The steps towards strengthening and streamlining the Panchayat Raj functioning include additional funds under SFC grants (12.2% over and above the previous year) to rural Local Bodies, bringing about Act amendment to enable conversion of Multi member Wards to Single member Wards and empowering District Collectors to levy and collect Advertisement Tax for the benefit of rural Local Bodies.

The continuous provision of funds under Rural Infrastructure Scheme, Panchayat Union School Renovation Programme, NABARD-RIDF funding and other similar schemes has enabled rural Local Bodies to take further steps to fill in the gaps in infrastructure.

The steps such as sanction of Time Scale to the post of Makkal Nala Panialars, upgradation of posts of Panchayat Assistants Grade II as Panchayat Assistants, restructuring of DRDAs, further recruitment of Assistant Engineers (RD) and continuous filling up of vacant posts will enable a better and more effective functioning of the Panchayat Raj Institutions in the years to come.



## 10. ANNEXURE



1. **Tamil Nadu Panchayats (Amendment) Act 2009 - Amendment to Sections 110(g) & 112(aa) of Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) vesting the maintenance of ponds with Village Panchayats and tanks with Panchayat Unions.**
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**TAMIL NADU  
GOVERNMENT GAZETTE  
EXTRAORDINARY NOTIFICATION NO.207  
CHENNAI, FRIDAY, AUGUST 7, 2009  
ACT No. 28 OF 2009**

An Act further to amend the Tamil Nadu Panchayats Act, 1994.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixtieth Year of the Republic of India as follows: -

1. (1) This Act may be called the Tamil Nadu Panchayats (Amendment) Act, 2009. Short title and commencement.

(2) It shall come into force at once.

Tamil Nadu Act 21 of 1994. 2. In section 110 of the Tamil Nadu Panchayats Act, 1994 (hereinafter referred to as the principal Act), in clause (g), the expression "or tank" shall be omitted. Amendment of section 110.

3. In section 112 of the principal Act, for clause (aa), the following clause shall be substituted, namely: - Amendment of section 112.

"(aa) the excavation, repair and maintenance of tanks and the construction of water works for the supply of water for drinking, washing and bathing purposes;".

(By order of the Governor)

**S. DEENADHAYALAN**  
SECRETARY TO GOVERNMENT, LAW DEPARTMENT

2. Tamil Nadu Panchayats (Second Amendment) Act, 2009 - Amendment to section 37 of Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994)

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TAMIL NADU  
GOVERNMENT GAZETTE  
EXTRAORDINARY NOTIFICATION NO.205  
CHENNAI , THURSDAY, AUGUST 6, 2009

ACT No. 14 OF 2009

**An Act further to amend the Tamil Nadu Panchayats Act, 1994.**

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixtieth Year of the Republic of India as follows: -

1. (1) This Act may be called the Tamil Nadu Panchayats (Second Amendment) Act, 2009. Short tile and commencement.

(2) It shall come into force on such date as the State Government, may, by notification, appoint.

Tamil Nadu Act 21 of 1994. Amendment of section 37.

2. In section 37 of the Tamil Nadu Panchayats Act, 1994 after sub-section (2), the following sub-section shall be inserted, namely: -

"(2-A) A person disqualified for being a member under clause (e) of sub-section (3) of section 38 shall be disqualified for election as a member for a period of six years from the date of such disqualification."

(By order of the Governor)

**S. DEENADHAYALAN**  
SECRETARY TO GOVERNMENT, LAW DEPARTMENT

**3. Act – Tamil Nadu Panchayats (Second Amendment) Act, 2009 (Tamil Nadu Act 14 of 2009) – Date of coming into force – Notification – Issued.**

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Rural Development & Panchayat Raj (PR.I) Department

G.O. (Ms) No.96

Dated : 29.8.2009

**ORDER:**

The appended Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 29<sup>th</sup> August, 2009.

(By order of the Governor)

**K. ASHOK VARDHAN SHETTY**

**APPENDIX.  
NOTIFICATION.**

In exercise of the powers conferred by sub-section (2) of section 1 of the Tamil Nadu Panchayats (Second Amendment) Act, 2009 (Tamil Nadu Act 14 of 2009), the Governor of Tamil Nadu hereby appoints the 1<sup>st</sup> day of September 2009 as the date on which the said Act shall come into force.

**K. ASHOK VARDHAN SHETTY**

4. **Tamil Nadu Panchayats (Third Amendment) Act, 2009 - Amendment to section 12 of Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994)**

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**TAMIL NADU  
GOVERNMENT GAZETTE  
EXTRAORDINARY NOTIFICATION NO.207  
CHENNAI, FRIDAY, AUGUST 7, 2009  
ACT No. 20 OF 2009**

An Act further to amend the Tamil Nadu Panchayats Act, 1994.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixtieth Year of the Republic of India as follows: -

1. (1) This Act may be called the Tamil Nadu Panchayats (Third Amendment) Act, 2009.

Short title and commencement.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

Tamil Nadu Act 21 of 1994.

2. For section 12 of the Tamil Nadu Panchayats Act, 1994 (hereinafter referred to as the principal Act), the following section shall be substituted, namely: -

Substitution of section 12.

"12. Division of Panchayat Village into wards.- (1) For the purpose of election of members to a Village Panchayat, the Inspector may, after consulting the Village Panchayat, by notification, divide the Panchayat Village into wards in accordance with such scale as may be prescribed.

(2) Only one member shall be elected from each ward."

3. Notwithstanding anything contained in the principal Act, as amended by this Act or the rules made thereunder, the members of the wards in the Village Panchayats who are holding office as such immediately before the date of the commencement of this Act shall continue to hold office till the expiry of their term of office and every casual vacancy in the office of such members shall be filled up in accordance with the provisions of the principal Act and the rules made thereunder.

Elected members of village Panchayats to continue as members and casual vacancies to be filled up.

(By order of the Governor)

**S. DEENADHAYALAN**  
SECRETARY TO GOVERNMENT, LAW DEPARTMENT

5. **Act – Tamil Nadu Panchayats (Third Amendment) Act, 2009 (Tamil Nadu Act 20 of 2009) – Date of coming into force – Notification – Issued.**

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Rural Development & Panchayat Raj (PR.I) Department

G.O. (Ms) No.97

Dated : 29.8.2009

**ORDER:**

The appended Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 29<sup>th</sup> August, 2009.

**K. ASHOK VARDHAN SHETTY**  
PRINCIPAL SECRETARY TO GOVERNMENT

**APPENDIX.**  
**NOTIFICATION.**

In exercise of the powers conferred by sub-section (2) of section 1 of the Tamil Nadu Panchayats (Third Amendment) Act, 2009 (Tamil Nadu Act 20 of 2009), the Governor of Tamil Nadu hereby appoints the 1<sup>st</sup> day of September 2009 as the date on which the said Act shall come into force.

**K. ASHOK VARDHAN SHETTY**  
PRINCIPAL SECRETARY TO GOVERNMENT

6. Tamil Nadu Panchayats (Fourth Amendment) Act, 2009 - Amendment to Sections 167, 168, 169, 176, 186 of Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994)

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TAMIL NADU  
GOVERNMENT GAZETTE  
EXTRAORDINARY NOTIFICATION NO.205  
CHENNAI, THURSDAY, AUGUST 6, 2009  
ACT No. 12 OF 2009

**An Act further to amend the Tamil Nadu Panchayats Act, 1994.**

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixtieth Year of the Republic of India as follows: -

1. (1) This Act may be called the Tamil Nadu Panchayats (Fourth Amendment) Act, 2009. Short title and commencement.

(2) It shall come into force on such date as the State Government, may, by notification, appoint.

Tamil Nadu Act 21 of 1994.

2. Sections 167 and 168 of the Tamil Nadu Panchayats Act, 1994 (hereinafter referred to as the principal Act) shall be omitted. Omission of sections 167 and 168

3. In section 169 of the principal Act,-

(1) in the marginal heading, the expression "local cess, local cess surcharge and" shall be omitted; Amendment of section 169.

(2) in clause (a), the expression "local cess under section 167, local cess surcharge under section 168 and" shall be omitted;

(3) in clause (b), the expression "local cess, local cess surcharge and" shall be omitted;

(4) in clause (c), the expression "local cess, local cess surcharge and" shall be omitted;

4. In section 176 of the principal Act, for the expression "surcharge or tax specified in section 168 or 171 shall be granted by the village panchayat or the panchayat union council", the expression "'surcharge or tax specified in section 171 shall be granted by the village panchayat" shall be substituted. Amendment of section 176.

5. In section 186 of the principal Act, in clause (b), the expression "local cess, local cess surcharge" shall be omitted; Amendment of section 186.

6. In section 188 of the principal Act, in sub-section (1) in clause (d), the expression "local cess, local cess surcharge" shall be omitted; Amendment of section 188.

(By order of the Governor)

**S.DEENADHAYALAN**  
SECRETARY TO GOVERNMENT, LAW DEPARTMENT

**7. Act - Tamil Nadu Panchayats (Fourth Amendment) Act, 2009 (Tamil Nadu Act 12 of 2009) - Date of coming into force - Notification - Issued.**

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Rural Development and Panchayat Raj (PR.I) Department

G.O. (Ms) No.112

Dated : 29.9.2009

**ORDER :**

The appended Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 29<sup>th</sup> September, 2009.

(By order of the Governor)

**K. ASHOK VARDHAN SHETTY**  
PRINCIPAL SECRETARY TO GOVERNMENT

**APPENDIX.**

**NOTIFICATION.**

In exercise of the powers conferred by sub-section (2) of Section 1 of the Tamil Nadu Panchayats (Fourth Amendment) Act, 2009 (Tamil Nadu Act 12 of 2009), the Governor of Tamil Nadu hereby appoints the 6<sup>th</sup> August 2009 as the date on which the said Act shall come into force.

**K. ASHOK VARDHAN SHETTY**  
PRINCIPAL SECRETARY TO GOVERNMENT

**8. Rules – Tamil Nadu Panchayats (Elections) Rules, 1995 – Sub-rule (2) of rule 52 of Tamil Nadu Panchayats (Elections) Rules, 1995 – Notification – Issued.**

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Rural Development and Panchayat Raj (PR.I) Department

G.O. (Ms) No.1

Dated : 2.1.2009

Read :

From the Secretary, Tamil Nadu State Election Commission, Chennai-26  
D.O.Letter No.11115/2006/PE.1, dt.22.4.2008.

**ORDER:**

The appended Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 2<sup>nd</sup> January 2009.

(By order of the Governor)

**K.ASHOK VARDHAN SHETTY**  
PRINCIPAL SECRETARY TO GOVERNMENT

**APPENDIX**

**NOTIFICATION**

In exercise of the powers conferred by section 242 of the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994), the Governor of Tamil Nadu hereby makes the following amendment to the Tamil Nadu Panchayats (Elections) Rules, 1995:-

**AMENDMENT**

In the said Rules, in rule 52, in sub-rule (2), in the last sentence, for the expression, "before 5.00 P.M. on the day before the poll.", the expression "before 8.00 A.M. on the day of counting of votes." shall be substituted.

**K.ASHOK VARDHAN SHETTY**  
PRINCIPAL SECRETARY TO GOVERNMENT

**9. Rules – Tamil Nadu Panchayats (Licensing of Hoardings and Levy and Collection of Advertisement Tax) Rules, 2009 – Framed – Notification - Published.**

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Rural Development & Panchayat Raj (PR.I) Department

G.O. (Ms) No. 41

Dated : 18.5.2009

Read :

From the Commissioner of Rural Development and Panchayat Raj,  
Chennai-15, Letter Rc.No.38828/2008/PRI.I-4, dt.24.2.2009.

**ORDER:**

The appended Notification will be published in the Tamil Nadu Government Gazette Extra-ordinary, dated the 18.5 2009.

(By order of the Governor)

**K. ASHOK VARDHAN SHETTY**  
PRINCIPAL SECRETARY TO GOVERNMENT

## APPENDIX.

### NOTIFICATION.

In exercise of the powers conferred by section 172-A and section 172-B, 220 and section 242 of the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) and in supersession of the Tamil Nadu Panchayats (Licensing of Hoardings and Levy and Collection of Advertisement Tax) Rules, 1999, the Governor of Tamil Nadu hereby makes the following rules:-

### RULES.

#### 1. Short title and Application.-

- (1) These rules may be called the Tamil Nadu Panchayats (Licensing of Hoardings and Levy and Collection of Advertisement Tax) Rules, 2009.
- (2) These rules shall apply to all the Village Panchayats constituted under the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994).

#### 2. Definitions.- In these rules, unless the context otherwise requires,-

- (a) "**Act**" means the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994);
- (b) "**advertisement**" means any information exhibited on any screen or board, or poster or wall or building or tree or boulder or any other object either private or public or on any hoarding erected on any private or public land or building or on any frame work or other support wholly or in part over any private or public land or building visible to public wholly or partly and will exclude advertisements made in newspapers, broadcast made over radio or telecast in television;
- (c) "**District Collector**" means the Collector of the District concerned;
- (d) "**Form**" means the Forms appended to these rules;
- (e) "**Government**" means the Government of Tamil Nadu;
- (f) "**hoarding**" means any screen or board at any private or public place used or intended to be used for exhibiting advertisement including the frameworks or other support erected wholly or in part upon or over any land, building, wall or structure or tree visible to public wholly or partly;
- (g) "**land**" includes building, wall, structure and tree;
- (h) "**licence**" means the licence granted under rule 3;
- (i) words and expressions used but not defined in these rules shall have the meanings respectively assigned to them in the Act. In the absence of such meaning, the Tamil Nadu General Clauses Act, 1891 (Tamil Nadu Act I of 1891) shall apply for the interpretation of these Rules.

### 3. Issue of provisional permission and licence

- (1) Any person including a State or Central Government Department intending to erect a hoarding shall apply to the District Collector in Form I for obtaining a provisional permission.
- (2) Every application for a licence under sub-rule (1) shall be accompanied by –
  - (a) the licence fee as specified in rule 13;
  - (b) a plan of the hoarding to be erected indicating the height and other dimensions and the material proposed to be used as approved by a qualified Engineer;
  - (c) a no objection certificate from the owner of the land where the hoarding is to be erected in a private land or a no objection certificate from the competent officer of the State or Central Government Department concerned, if the hoarding is to be erected on the land of State or Central Government or a no objection certificate from the Executive Authority concerned if the hoarding is to be erected on lands of a Village Panchayat;
  - (d) a certificate from a Police Officer not below the rank of Inspector of Police of the jurisdiction of the area in which it is proposed to erect hoardings, that the proposed hoarding would not be a diversion or an obstruction to free and safe movement of traffic, pedestrians and vehicles; and
  - (e) a topo sketch indicating the proposed location of the hoarding.
- (3) The District Collector shall on receipt of such application under sub-rule (1), scrutinize the same and inspect or cause to be inspected by an Officer not below the rank of Commissioner of Panchayat Union, the place where the hoarding is proposed to be erected.
- (4) After such scrutiny and inspection, if the District Collector is satisfied that the hoarding proposed to be erected conforms with the particulars specified in the application form and other documents furnished by the applicant, fulfill the requirements of sub-rule (2), the District Collector may grant a provisional permission in Form-II with such conditions as may be necessary for erection of a hoarding in that place which shall be valid for thirty days from the date of grant thereof.

Provided that on representation from the applicant, the period of thirty days may be extended by the District Collector for another period of thirty days.
- (5) Within thirty days from the date of receipt of such provisional permission or within such extended period under the proviso to sub-rule (4), the applicant shall erect the hoarding in accordance with the conditions, if any, specified in

the provisional permission and shall apply in Form-III for a licence along with a certificate of structural stability issued by a qualified Engineer.

- (6) On satisfying that the hoarding has been erected in accordance with the condition specified in the provisional permission granted under sub-rule (4), the District Collector may grant a licence in Form-IV with such condition as may be necessary or refuse the same after recording the reason therefor.

4. **Period of validity of licence.-** The licence granted under rule 3 shall be valid up to the 31<sup>st</sup> day of March of the third year.

5. **Renewal of licence.-** Every licence granted under rule 3 may be renewed for three years. The application for renewal of a licence shall be made to the District Collector in Form V sixty days before the date of expiry of the licence and the provisions of rules applicable to the grant of licence shall apply to the renewal of the licence. The District Collector shall dispose of such renewal application within sixty days from the date of its receipt and in any case not later than the expiry of the validity of the licence either to grant the renewal of licence or to refuse the same after recording the reasons therefor.

6. **Maximum size of hoarding.-** (1) The maximum size of a hoarding to be erected shall be,-

<b>Road Width</b>	<b>Maximum size</b>
(a) above 100 feet	.. 24 feet X 12 feet (horizontal position)
(b) between 50 and 100 feet	.. 15 feet X 10 feet (horizontal position)
(c) less than 50 feet	.. 12 feet X 6 feet (either horizontal or vertical position)

(2) The maximum height of hoarding including the height from the ground level of hoarding shall not exceed thirty feet. The hoarding erected in one particular road must be of uniform size as practicable as possible.

(3) No hoarding shall be permitted on both sides of the roads with a footpath of less than ten feet width. In roads with, no separate footpath, a minimum of ten feet width shall be available between the road margin and the hoarding for use of pedestrians.

(4) The hoarding shall be erected only parallel to the footpath or road, and not across the footpath or road margin.

(5) The hoarding irrespective of the size shall be erected on steel frames.

(6) There shall be a gap of not less than five feet width between one hoarding and another. The gap between hoardings in a road may be of uniform length.

7. **Rent to be collected for erection of hoarding on Government or Panchayat land.-** (1) The Government shall by order fix the minimum and maximum rates of annual rent to be collected from the licensees for the erection of hoarding in State Government

lands. The District Collector will notify in the District Gazette, the rates applicable in respect of Government lands in the Rural Local Bodies in the Districts within such minimum and maximum rates fixed by the Government, collect the annual rent and credit into Government account.

(2) The Panchayat concerned shall fix the annual rent for erection of the hoardings on the lands of the Rural Local Bodies. The Executive Authority concerned shall collect the annual rent and credit into the General Fund of the respective rural Local Body.

**8. Cancellation of licence or refusal for renewal of licence.-** (1) Where the District Collector, either suo motu or on public representation or otherwise, has reason to believe that a licensee has violated or failed to comply with the conditions of the licence or any provisions of the Act or these rules, he shall call upon the licensee by notice in writing, addressed by registered post to the address given in his licence, stating grounds, to show cause within such period not less than fifteen days from the date of receipt of such notice as to why the licence should not be cancelled and also shall give the licensee an opportunity of being heard.

(2) If the District Collector is not satisfied with the reply received from the licensee, or if no reply is received from the licensee within the time limit specified in sub-rule (1), he may cancel the licence or refuse to renew the licence.

**9. Removal of unauthorized, obscene or objectionable hoardings.-** (1) On cancellation of licence or refusal to renew the licence under sub-rule (2) of rule 8, the owner or user or advertiser of such hoarding shall remove it within seven days from the date of receipt of the order of cancellation or refusal of licence, failing which, the District Collector shall cause to remove such hoarding and recover the cost of such removal from the owner or user or advertiser of such hoarding.

(2) The District Collector may either suo motu or on any representation or otherwise, shall direct any owner or user or advertiser to remove the advertisement within seven days from the date of receipt of such direction, if the contents of such advertisement is considered to be obscene or objectionable. If the owner or user or advertiser does not remove such advertisement within the said period, the District Collector shall remove the advertisement and recover the costs from the owner or user or advertiser.

**10. Notification of area prohibited for erection of hoardings.-** (1) The District Collector may notify in the District Gazette, any area within the Village Panchayat as a "prohibited area" for erection of any hoarding.

(2) If there is a hoarding, which already exists in such notified prohibited area, the licensee shall be liable to remove such hoarding within fifteen days of the date of such notification. If the licensee does not remove such hoarding within the said period, the District Collector shall cause to remove it and recover the costs for such removal from the licensee concerned. No individual notice is required before such removal.

**11. Restriction on grant of licence.** - Licence shall not be granted for erection of hoarding in the following places, namely:-

- (i) in front of educational institutions, popular places of worship and hospitals with inpatient treatment facility;
- (ii) in the corners of road or street junctions, upto a distance of 100 metres on either sides of the junction;
- (iii) in front of places of historical or aesthetic importance; and
- (iv) in the prohibited area notified under sub-rule (1) of rule 10.

**12. Appeal.-** An appeal to the State Government or an officer notified in this behalf may be made against the order refusing to grant or to renew licence under rule 3 or rule 5 or cancellation of the licence under rule 8 or removal of hoarding under rule 21 in Form VI within thirty days from the date of receipt of order refusing to grant a licence or renew a licence or cancellation of a licence. The appeal shall be accompanied by a fee of Rs.500/- (Rupees Five hundred only) paid in the form of Bank demand draft payable to the Secretary to Government, Rural Development and Panchayat Raj Department, Secretariat, Chennai-9 and the statement of the grounds of appeal. Such appeal shall be disposed of within a period of sixty days from the date of receipt of such appeal.

**13. Licence fee.-** The fee for grant of licence and for renewal of licence shall be Rs. 1000/- (Rupees one thousand only).

**14. Rate of advertisement tax.-** The half yearly advertisement tax on advertisements exhibited on hoardings shall be levied as per the Table below: -

**THE TABLE**

**(1) If the Village Panchayat lies within 30 kilo metres radius from any Municipal Corporation**

Location and nature (1)	Rates of tax per square metre per half year(Rupees) (2)
1. Hoardings in arterial road with bus route- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	150 200 300
2. Hoardings in main road with bus route- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	100 150 200
3. Hoardings in other road or street- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	90 125 150

(2) If the Village Panchayat lies within 10 kilo metres radius from a Municipality

Location and nature (1)	Rates of tax per square metre per half year(Rupees) (2)
1. Hoardings in arterial road with bus route- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	75 90 100
2. Hoardings in main road with bus route- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	60 70 80
3. Hoardings in other road or street- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	50 60 70

(3) Other Village Panchayats

Location and nature (1)	Rates of tax per square metre per half year(Rupees) (2)
1. Hoardings in arterial road with bus route- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	60 80 90
2. Hoardings in main road with bus route- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	40 60 70
3. Hoardings in other road or street- (a) without lighting (b) with ordinary lighting (c) with neon or mercury lighting	20 30 60

**15. Rate of tax for advertisement other than on hoarding.-** (1) The District Collector shall fix the half-yearly advertisement tax on advertisements exhibited other than on hoardings, subject to the maxima and minima specified below: -

Sl. No.	Location and nature (1)	Minimum (1)	Maximum (2)
		(Rs. per square metre)	
1.	If the Village Panchayat lies within 30 kilo metres radius from any Municipal Corporation	30	500
2.	If the Village Panchayat lies within 10 kilo metres radius from a Municipality	20	500
3.	or other Village Panchayats	10	500

(2) While fixing the rate of advertisement tax, the District Collector shall take into consideration the location and type of the advertisement and may fix different rates of tax for different places and different types of advertisement.

**16. Issue of assessment order on advertisement tax.-** The District Collector shall issue an assessment order for payment of half yearly advertisement tax in Form VII along with the licence for erection of a hoarding.

**17. Payment of advertisement tax.-** The advertisement tax shall be levied and collected every half year beginning from 1st April to 30<sup>th</sup> September and from 1<sup>st</sup> October to 31<sup>st</sup> March. The advertisement tax shall be paid within thirty days from the beginning of the half year or within thirty days from the date of issue of assessment order, as the case may be.

**18. Mode of payment.-** Licence fee, renewal fee and advertisement tax to be paid under these rules shall be paid in the form of bank draft payable to "District Collector Advertisement Tax Account". The District Collector shall maintain a separate Account in the district quarters in the name of "District Collector Advertisement Tax Account" for the receipt of licence fee and advertisement tax.

**19. Liability of the user of the hoarding for payment of advertisement tax.-** The owner, user or advertiser shall be liable to pay the tax within the period specified in Rule 17 failing which such hoarding shall be liable for removal by the District Collector after giving a notice in writing to the owner or user or advertiser.

**20. Maintenance of registers.-** A register as in Form VIII shall be maintained by the District Collector for every Village Panchayat in the District in regard to grant of licences for erection of hoarding and collection of rent and advertisement tax on hoarding.

**21. Periodical inspection of hoarding.-** The District Collector or any officer authorized by him in this behalf shall make periodical inspection of the hoardings erected. During such inspection, if it is noticed that any hoardings is not in accordance with the provisions of the Act or these Rules or the conditions of licence, the District Collector shall take immediate action for removal of such hoarding after giving notice in writing to the owner or user or advertiser of such hoarding.

**22. Remittance of licence fee and advertisement tax to the Village Panchayats.**- The District Collector shall arrange to remit the licence fee collected on erection of hoardings and advertisement tax collected on the advertisements made, to the General Fund of the Village Panchayat in which the hoarding is erected or advertisement is exhibited, once in a year between April and June of the succeeding year and shall maintain a register in Form VIII for collection of licence fee.

**APPENDIX.**

FORM – I

[See sub-rule (1) of rule 3]

**APPLICATION FOR PROVISIONAL PERMISSION TO ERECT A HOARDING**

1.	Name and address of the Applicant / Company / Government Department.
2.	Exact location with land mark identification and direction of facing frontage of the hoarding.
3.	Place of erection of hoarding (if on building, address of the building)
4.	Name of the owner of the land / building on which the hoardings is to be erected.
5.	Size of the hoarding proposed to be erected (Length, breadth and width to be mentioned)
6.	Nature of the materials to be used.
7.	Indicate whether the following documents have been enclosed with the application: - (1) Details of payment of licence fees. (2) Plan of the hoarding indicating width, height, etc., duly approved by the qualified Engineer. (3) No Objection Certificate from the land owner. (4) Certificate from the Police Officer not below the rank of Inspector of Police of the jurisdiction of the area in which it is proposed to erect hoardings, that the proposed hoarding would not be a diversion or an obstruction to free and safe movement of traffic, pedestrians and vehicles. (5) A topo sketch indicating the proposed location of the hoarding.

Place:  
Date :

Signature of the Collector

**ACKNOWLEDGEMENT**

Received the application for provisional permission for erection of hoarding at \_\_\_\_\_ from  
Thiru / Thirumathi. \_\_\_\_\_.

Place : \_\_\_\_\_ District Collector.  
Date : \_\_\_\_\_

**FORM – II**

[See sub-rule (4) of rule 3]

**PROVISIONAL PERMISSION FOR ERECTION OF A HOARDING.**

No. \_\_\_\_\_ Dated \_\_\_\_\_

Reference : Application No. \_\_\_\_\_ , dated \_\_\_\_\_ Provisional permission is granted to \_\_\_\_\_ for the erection of hoarding of size \_\_\_\_\_ at \_\_\_\_\_ on the land belonging to \_\_\_\_\_ subject to following conditions: -

**CONDITIONS.**

- (1) This provisional permission is valid for thirty days from the date of issue.
- (2) The applicant after erection of the hoarding as per this permission shall apply in Form III for licence.
- (3) .....
- (4) .....

District Collector.

**FORM – III**

[See sub-rule (5) of rule 3]

**APPLICATION FOR LICENCE TO THE HOARDING ERECTED.**

1. Name of the Applicant.
2. Number and date of provisional permission (along with the copy thereof).
3. Location of hoarding, number and other details.
4. Name of the land owner / Competent Authority, if on Government lands.
5. Size of the hoarding erected.
6. Whether Licence fees has been paid.
7. Whether the annual rent paid for land belonging to Government or Panchayat Union or Village Panchayat, if so, the date of payment and other details.
8. Whether the following documents have been enclosed with the application :-
  - (1) Structural stability certificate from a qualified Engineer.
  - (2) Copy of the provisional order issued in Form II.

Place :  
Date :

Signature of the Applicant.

**ACKNOWLEDGEMENT**

Received the application for licence to hoarding erect at

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from Thiru / Thirumathi. \_\_\_\_\_.

Place :  
Date :

District Collector.

**FORM – IV**

[See sub-rule (6) of rule 3]

**LICENCE FOR ERECTION OF THE HOARDING.**

No. ....

Dated .....

Reference : Application number and date of Form III.

Licence is granted to (Name and address of the licensee) for erection of hoarding of size \_\_\_\_\_ at \_\_\_\_\_ on the land belonging to \_\_\_\_\_ subject to the following conditions:-

**CONDITIONS.**

- (1) This licence is not transferable.
- (2) The licensee should on no account change the ownership of the hoarding without prior permission of the District Collector.

This Licence is valid for the period from \_\_\_\_\_ to 31st March of third year.

Place :

District Collector

Seal :

**FORM – V**  
[ See rule 5 ]  
**APPLICATION FOR RENEWAL OF LICENCE.**

1. Name and address of the licensee of the existing hoarding.
2. Place of erection of hoarding.
3. Exact location with landmarks identification of the hoarding.
4. Permitted size of the existing hoarding.
5. Details of existing licence issued in Form IV.
6. Number and date of the tax assessment order issued in Form VII.
7. Details of rent and tax paid.

Place :

Signature of the Applicant.

Date :

**ACKNOWLEDGEMENT**

Received the application for provisional permission for erection of hoarding  
at \_\_\_\_\_ from Thiru / Thirumathi.  
\_\_\_\_\_.

Place :

District Collector.

Date :

**FORM – VI**

[ See rule 12 ]

**APPEAL AGAINST THE ORDERS OF THE DISTRICT COLLECTOR REFUSING TO GRANT OR RENEW LICENCE OR CANCELLING THE LICENCE FOR ERECTION OF HOARDING.**

From

Date : \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To

The Secretary to Government,  
Rural Development and Panchayat Raj Department,  
Secretariat, Chennai – 9.

Reference : Orders of the Collector No. \_\_\_\_\_ dated \_\_\_\_\_ .

Sir,

I hereby appeal against the order of the District Collector, \_\_\_\_\_ District, dated \_\_\_\_\_ refusing to grant or renew a licence applied by me or cancellation of the licence (Copy enclosed).

I enclose herewith a copy of Demand Draft No. \_\_\_\_\_, dated \_\_\_\_\_ for Rs. 500/- (Rupees Five hundred only) towards the fee for filing appeal.

Under the following grounds only I am filing an appeal to the Government for reconsideration (Details of the Grounds):-

- (1)
- (2)
- (3)
- (4)

Signature of the applicant.

**FORM – VII**  
[ See rule 16]

No. ....

Dated .....

**ASSESSMENT ORDER FOR THE PAYMENT OF HALF YEARLY ADVERTISEMENT TAX**

This order is for payment of advertisement tax for the advertisement exhibited on hoardings / sign board / Neon Board / Balloon / Arches / half-arches / walls / buildings at \_\_\_\_\_ in \_\_\_\_\_ Village Panchayat of size \_\_\_\_\_ for Rs. \_\_\_\_\_ /- (Rupees \_\_\_\_\_ only) payable half yearly. The mode of payment of the tax shall be by Demand Draft in favour of the 'District Collector Advertisement Tax Account'. Non-payment of advertisement tax shall attract removal of the advertisement by the District Collector.

District Collector.

**FORM – VIII**

[ See rule 20 and 22]

**REGISTER FOR COLLECTION OF LICENCE FEE AND ADVERTISEMENT TAX AND  
REMITTANCE MADE TO VILLAGE PANCHAYAT**

1.	Name of the licensee.	
2.	Location of hoarding / advertisement other than hoarding	
3.	Name of the land owner or Competent Authority if on Government land.Name and address of the building owner(If it is on private building).	
4.	Licence number and date and licence fee paid in the case of hoarding.	
5.	Assessment number and date.	
6.	Size.	

Year	Licence fee	Advertisement Tax		Amount remitted to Village Panchayat General Fund
		I Half	II Half	
		(in Rupees)		

District Collector

