

GOVERNMENT OF TAMIL NADU

Abstract

Fund – Tamil Nadu Town and Country Planning and Development Fund Constitution under Tamil Nadu Town and Country Planning Act 1971 – Orders – Issued.

Rural Development and Local Administration Department

G.O.Ms.No.2486

Dated 22nd December 1976

Order:

Section 64 of the Tamil Nadu Town and Country Planning Act 1971 provides for the constitution of Tamil Nadu Town and Country Planning Development Fund for the purpose of furthering the Town and Country Planning functions under the Act by allocating moneys from the consolidated fund of the state from time to time. Under sub section (4) of section 64, the fund shall be vested in an administered and audited by such authority and in such manner as may be prescribed.

2. The Government accordingly constitute the Tamil Nadu Town and Country Planning and Development Fund as provided in section 64(1) of the Tamil Nadu Town and Country Planning Act 1971 by setting apart the amount at present provided in the Budget Estimate towards loans to Municipalities and Corporations for Town Planning Schemes towards the initial constitution of the fund. The administration of the above fund shall be vested in a committee of the State Town and Country Planning Board and the day to day administration of the Fund will be vested with the Director of Town and Country Planning Government also appoint the examiner of Local Fund Accounts as the auditor of the Fund.

3. The rules relating to the vesting, auditing, etc., of the Fund are appended to this order. The appended notification will be published in the Tamil Nadu Government Gazette.

4. This order issues with the concurrence of Finance Department vide its U.O.No.184240/RD&LA/76 dated 14.12.1976.

(By Order of the Governor)

T.V. Antony,
Secretary to Government.

/True Copy/

NOTIFICATION

In exercise of the powers conferred by sub-section (1) of section 122 read with sub section (4) of section 64 of the Tamil Nadu Town and Country Planning Act 1971 (Tamil Nadu Act 35 of 1972), the Governor of Tamil Nadu hereby makes the following rules:-

1. **Short Title:-** These rules may be called the Tamil Nadu Town and Country Planning and Development Fund Rules 1976.
2. **Definition:-** In these rules, unless the context otherwise required,
 - (i) **“auditor”** means the Examiner of Local Fund Accounts or his assistants.
 - (ii) **“committee”** means, the committee appointed for purposes of administering the fund;
 - (iii) **“fund”** means the Tamil Nadu Town and Country Planning and Development Fund constituted under section 64 (1) of the Tamil Nadu Town and Country Planning Act 1971 (Tamil Nadu Act 35 of 1972).
3. **Administration of the Fund:-** The fund shall be vested in and administered by a Committee or the Tamil Nadu Town and Country Planning Board Consisting of:-
 1. Secretary, Rural Development and Local Administration who shall be the Chairman.
 2. Secretary, Finance or his nominee;
 3. Secretary, Housing or his nominee;
 4. Inspector of Municipalities;
 5. Director of Town and Country Planning and
 6. Joint Director of Town and Country Planning who shall be the Member Secretary.

The day to day administration of the Fund shall be entrusted to the Director of Town and Country Planning.

4. **Audit:-**
 1. The fund shall be audited once a year by the Examiner of Local Fund Accounts who shall be the auditor of the accounts of the Fund.
 2. The Member Secretary of the committee shall submit all accounts to the Auditor within one and half months of the close of the year to which the accounts relate.
 3. The audit may,

- a) by issuing summons, in writing, require production of any books, deed, contract, account, voucher, receipts or other documents the perusal or examination of which they consider necessary.
- b) By summons, in writing require any person having the custody or control or any such document or accountable for it to appear in person before them;
- c) require any person so appearing to make and sign a declaration with respect of such document or to answer any question or to prepare and furnish any statement relating thereto.

4. The auditor shall

- a) report to the committee any material impropriety or irregularity which they may observe in the expenditure or the recoveries of moneys, if any, due to the fund's accounts.
- b) advise the committee on the lines and forms in which the various accounts of the funds shall be maintained so as to avoid any impropriety or irregularity including other measures as may be considered necessary.
- c) furnish the committee such information as it may require concerning the progress of their audit;
- d) report to the committee any loss or waste of moneys caused by neglect or misconduct with the names of persons, directly or indirectly responsible for such loss or waste;
- e) submit to the committee the final statement of the audit and a duplicate copy thereof to the Government within a period of three months from end of the financial year or within such other period as the Government may notify.

5. The Member Secretary shall place the audit report with his replies, thereto, before the Board and submit it to the Government through the Auditor together with a copy of his replies and the resolution of the Board approving them within two months from the date of receipt of the audit report.

6. **Utilisation of the Fund:** Moneys from this fund may be advanced by the Government as grants or loans on such terms and conditions as the Government may determine to the planning authorities for the performance of their functions under this act, which may include;

- a) Preparation of development plans;
- b) Execution of the development plans in full in part and
- c) Any purpose incidental to the preparation or execution of development plans.

7. **Registers to be maintained:** The Member Secretary shall maintain the following registers for purposes of maintaining accounts.

1. Cash Book
2. Cheque Book
3. Pass Book
4. Register showing the amount received from Government towards revolving fund

5. Register of loans paid;
6. Register of grant
7. Recovery Register for Loans paid
8. Ledger for classification of receipts and charges
9. Annual account
10. Stock Register and
11. Tools and Plans register.

T.V. ANTONY,
Secretary to Government

/True Copy/

GOVERNMENT OF TAMIL NADU

Abstract

Funds – Tamil Nadu Town and Country Planning and Development Fund Rules 1976 – Amendments – Issued.

Housing and Urban Development Department

G.O.Ms.No.35

Dated 08.01.1980.

Read:

1. G.O.Ms.No.2486 Rural Development and Local Administration Department dated 22.12.1976.
2. G.O.Ms.No.546, Housing and Urban Development Department Dated 21.3.1979.
3. From the Director of Town and Country Planning letter No.12361/79.01 Dated 12.9.1979.

Order:

In the G.O. first read above, orders were issued constituting a committee of the Tamil Nadu Town and Country Planning Board for administrating the State Town and Country Planning and Development Fund. The Committee consists of the Secretary to Government, Rural Development and Local Administration Department as Chairman, the Secretaries to Government, Finance and Housing Departments, the Inspector of Municipalities and the Director of Town and Country Planning as Members, the Joint Director of Town and Country Planning being the Member Secretary of the Committee.

2. In the G.O. second read above, the Government constituted a Sub Committee of the State Town and Country Planning Board with the following officers for monitoring

the implementation of the Tamil Nadu Integrated Urban Development Programme Schemes:-

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|------|---|---|------------------|
| i) | Commissioner and Secretary to Government,
Housing and Urban Development Department | - | Chairman |
| ii) | Commissioner and Secretary to Government,
Rural Development and Local Administration
Department | - | Member |
| iii) | Commissioner and Secretary to Government,
Finance Department or his nominee | - | Member |
| iv) | Director of Town and Country Planning, Chennai | - | Member Secretary |

The Inspector of Municipalities and the Director of Rural Development were to be co-opted as Members. The Sub committee will be entrusted with the selection of schemes, funding pattern etc. The sub committee will also be incharge of progress and expenditure and order release of funds as and when necessary.

3. In the second meeting of the sub committee of the State Town and Country Planning Board held on 19.9.1979, it was considered that as the Members of the Committee of the Tamil Nadu Town and Country Planning Board mentioned in para 1 and the sub committee of the state Town and Country Planning Board mentioned in para 2 are the same, both the committees may be merged, and that the amalgamated committee may be entrusted with the administration of the State Town and Country Planning and Development fund. It was also suggested that the funds sanctioned under Tamil Nadu Integrated Urban Development Programme may be placed in the Tamil Nadu State Town and Country Planning and Development fund. The Government have also been considering the question of delegation of financial powers to the committee for administering the Tamil Nadu Town and Country Planning and Development Fund and monitoring the scheme sanctioned by it, fixing the interest, chargeable for loans advanced to Local Planning Authorities from the fund, etc.

4. The Government have examined the matter carefully and now direct that the Committee of the Tamil Nadu Town and Country Planning Board and the Sub Committee of the State Town and Country Planning Board constituted in the G.O.s first and second read above, be merged into a single committee, called the committee of the Tamil Nadu Town and Country Planning Board with the following composition:

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|----|--|----------|
| 1. | Commissioner and Secretary to Government
Housing and Urban Development Department | Chairman |
| 2. | Secretary to Government, Finance Department
Or his nominee | Member |
| 3. | Secretary to Government | |

Rural Development and Local Administration Department or his nominee	Member
4. Inspector of Municipalities, Madras	Member
5. Director of Rural Development	Member
6. Director of Town and Country Planning, Madras	Member Secretary

5. The following notification will be published in the Tamil Nadu Government Gazette.

NOTIFICATION

In exercise of the powers conferred by the proviso of Article 309 of the Constitution of India, the Government of Tamil Nadu hereby makes the following amendments to the rules published with the Rural Development and Local Administration Department Notification No.S.R.O.4-18/77 of 1977 dated the 22nd December 1976 at pages 25-27 in Part III, Section 1(a) of the Tamil Nadu Government Gazette dated 27th January 1977.

AMENDMENT

In the said rules, for rule 3, the following rule shall be submitted namely:-

3.Administration of the Fund: The Fund shall be vested in and administered by a committee of the Tamil Nadu Town and Country Planning Board consisting of :-

1. Secretary to Government Housing and Urban Development Department	Chairman
2. Secretary to Government, Finance Department or his nominee	Member
3. Secretary to Government, Rural Development and Local Administration Department or his nominee	Member
4. Inspector of Municipalities, Madras	Member
5. Director of Rural Development, Madras	Member
6. Director of Town and Country Planning	Member Secretary

- i) The day-to-day administration of the fund shall be entrusted to the Director of Town and Country Planning.
- ii) The Committee shall meet as often as necessary and, in any case, not less than once a quarter. In cases of urgency approval of the Members may be taken in circulation.

- iii) The Committee will be entrusted with the selection of Urban Development Schemes , funding pattern, etc. It will monitor implementation of the schemes and order release of funds as and when necessary.
- iv) The Committee may delegate any of its powers to the Member Secretary.
- v) The Committee is delegated with the financial powers to sanction funds to Local Planning Authorities and Local Bodies upto a ceiling of Rs.25.00 lakhs per scheme on capital expenditure and Rs.5.00 lakhs on other items. The committee shall approach the Government for sanction of proposals, beyond this limit.
- vi) The interest chargeable on loans advanced to Local Planning Authorities will be at the rates fixed by the Government from time to time in this regard.

6. This order issues with the concurrence of the Finance Department vide its U.O.Note No.3940/FS/P/79 dated 13.11.79.

(By Order of the Governor)

**P. Kandasamy,
Commissioner and Secretary to Government.**

/True Copy/

HOUSING AND URBAN DEVELOPMENT DEPARTMENT
Amendment to Tamil Nadu Town and Country Planning and Development Fund Rules.

(G.O.Ms.No.1288, Housing and Urban Development, 18th August 1983)

No.SRO A-220/83 – In exercise of the powers conferred by sub-section (1) of section 122 read with sub-section (4) of section 64 of the Tamil Nadu Town and Country Planning Act, 1971 (Tamil Nadu Act 35 of 1972), for Governor of Tamil Nadu hereby makes the following amendment to the Tamil Nadu Town and Country Planning and Development Fund Rules, 1976, 1976.

AMENDMENT

In the said Rules, in rule 3, item (6) shall be renumbered as item (7) and after item (7) so renumbered, the following item shall be inserted, namely:-

“(6) The Director of Town Panchayats – Member”.

**O.RAMACHANDRA RAO,
Commissioner and Secretary to Government**

/true copy/

Copy of:

HOUSING AND URBAN DEVELOPMENT DEPARTMENT

Amendment to Tamil Nadu Town and Country Planning and Development Fund Rules.

(G.O.Ms.No.272 Housing and Urban Development, 18th March 1985)

No.SRO A-55/85 – In exercise of the powers conferred by sub-section (1) of section 122 read with sub-section (4) of section 64 of the Tamil Nadu Town and Country Planning Act, 1971 (Tamil Nadu Act 34 of 1972), for Governor of Tamil Nadu hereby makes the following amendment to the Tamil Nadu Town and Country Planning and Development Fund Rules, 1976.

AMENDMENT

In the said rules, for rule 3, the following rule shall be substituted, namely:-

3. Administration of the Fund.- (1) The fund shall be vested in and administered by a committee of the Tamil Nadu Town and Country Planning Board consisting of the following officials:-

1. Secretary to Government, Housing and Urban Development Department – Chairman.
2. Secretary to Government, Finance Department or his nominee – Member
3. Secretary to Government, Planning and Development Department or his nominee – Member.
4. Secretary to Government, Rural Development Department or his nominee – Member
5. Secretary to Government, Municipal Administration and Water Supply Department or his nominee – Member
6. The Director of Municipal Administration, Madras – Member
7. The Director of Town Panchayat, Madras – Member
8. The Chief Engineer, Public Works Department, Madras – Member.
9. The Chief Engineer, Tamil Nadu Housing Board, Madras – Member.
10. The Director of Town and Country Planning, Madras – Member-Secretary.

The day-to-day administration of the fund shall be entrusted to the Director of Town and Country Planning.

(ii) The Committee shall meet as often as necessary and any case, not less than once a quarter. In case of urgent approval of the members may be taken in circulation.

(iii) The Committee shall be entrusted with the selection of Urban Development Schemes, funding pattern etc. It will monitor implementation of the schemes and order release of funds as and when necessary.

(iv) The Committee may delegate any of its powers to the Member-Secretary.

(v) The Committee is delegated with the financial powers to sanction funds to Local Planning Authorities and local bodies to a ceiling of Rs.25 lakhs per scheme on capital expenditure and Rs.5 lakhs on other items. The committee shall approach the Government for sanction of proposals, beyond this limit.

(vi) The interest chargeable on loans advanced to Local Planning Authorities shall be at the rates fixed by the Government from time to time in this regard.

sd/- M.RAGHUPATHY,
Commissioner and Secretary to Government
/true copy/

Further amendment

G.O.Ms.No.891, H&UD department dt. 1.9.89.

Amendment

In the said rules, for item (v) of rule 3 the following item shall be substituted namely:-

“(v) The committee is delegated with the financial powers to sanction funds to LPAs and local bodies upto a ceiling of Rs.30.00 lakhs per scheme on capital expenditure

and Rs.7.00 lakh on other items. The committee shall approach the Government for sanction of proposals, beyond this limit.

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GOVERNMENT OF TAMIL NADU

Abstract

Urban Development - Town and Country Planning Development Fund constituted under section 64 of the Town and Country Planning Act 1971 - Moneys allocated to Fund from time to time - conversion from loan to grant - orders - issued.

Housing and Urban Development Department

G.O.Ms.No.630

Dated 2nd July 1990

Read:

1. From the Director of Town and Country Planning letter No.22887/84/UP4 dated 22.2.87, 2.6.87, 14.8.87 and 18.1.88.

Read also:

2. G.O.Ms.No.2486 Rural Development and Local Administration Department dated 22.12.76.
3. G.O.Ms.No.272 Housing and Urban Development Department dated 18.3.85.
4. G.O.Ms.No.891 Housing and Urban Development Department dated 1.9.89.

Order:

Section 64 of Town and Country Planning Act 1971 provides for constitution of a State Town and Country Planning and Development Fund for the purpose of furthering the Town and Country Planning functions and for allocation of money to the fund by the State Government from the consolidated funds of the state, from time to time. Accordingly, the Government constituted a Tamil Nadu Town and Country Planning Development fund in G.O. second read above and also framed rules thereunder. The Committee of State Town and Country Planning Board constituted by the Government in G.O. third read above has been vested with the powers to administer the above fund. The above Committee is vested with the authority to sanction schemes to the limit of Rs.30.00 lakhs. The day-to-day administration of the fund is vested with the Director of Town and Country Planning and funds are operated by the Director through a P.D. Account opened in the name of the Director in State Bank of India, Thousand light Branch.

2. The fund is being operated till date by transfer of budgetary support in the form of loans to the Town and Country Planning Development fund for implementation of centrally sponsored Integrated Development of Small and Medium Towns and a parallel

scheme called State Integrated Urban Development Project. While the cost of the centrally sponsored scheme is met by the State and Central Governments by way of loan on a matching basis (50:50) the State Integrated Urban Development Project schemes are funded exclusively in the form of loan by the State Government. At present, each of the towns selected to implement the Centrally Sponsored Integrated Development of Small and Medium Towns is eligible for a maximum loan assistance of Rs.120 lakhs on a matching basis. The funding pattern in the State Integrated Urban Development project provides for a maximum loan assistance of Rs.30.00 lakhs per town/project or projects.

3. Since the inception of the Town and Country Planning Fund upto 31.3.90 a sum of Rs.33.31 crores under Integrated Development of Small and Medium Towns comprising of State and Central Government share and Rs.16.51 crores under State Integrated Urban Development Project provided for a budgetary support, totaling Rs.49.82 crores have been transferred to the Town and Country Planning Development Fund for implementation of Centrally sponsored Integrated Development of Small and Medium Towns and State Integrated Urban Development Project Schemes.

4. The Centrally sponsored Integrated Development of Small and Medium Towns at present carries an interest of 9.75% with 5 years moratorium on the repayment of principal only, and a repayment period of 20 years. The State Integrated Urban Development Project schemes are also operated in a similar pattern by the rate of interest charged is 14% in the case of Corporations, Special Grade, Selection Grade and First Grade Municipalities and 12% in the case of second and third grade Municipalities and Town Panchayats. By and large, schemes hitherto, taken up under both Integrated Development of Small and Medium Towns and Integrated Urban Development of Projects are remunerative in nature. This is to ensure that funds transferred to the Town and Country Planning Development Fund does not dry up too soon in taking up schemes, which are unproductive from the remunerative point of view.

5. The Director of Town and Country Planning has suggested that if all the funds that have been sanctioned by the Government to the Town and Country Planning Development Fund during 5th, 6th and 7th plan period are treated as grant and repayment of loans and integrated by the Local bodies recycled for funding urban development schemes, rotation of the amount for funding urban development scheme, rotation of the amount would be adequate not only to maintain the present level of funding for the urban development but also the Government need not be approached for any further allocation of funds beyond the 7th plan period. The Committee of Town and Country Planning Board at its meeting held on 2.1.87 has already unanimously resolved to request the Government to issue necessary orders tearing the budgetary support made to the fund as grant and also permitting the fund to retained the interest and principle received from local bodies on loans sanctioned to the implementation of these schemes in the fund itself for recycling purpose.

6. The matter of treating the funds transferred to the Town and Country Planning Development Fund from that of loan to that of grant was under examination in the Government for some time. After analysing all aspects of the matter and considering the

successful implementation of the scheme by and large and the beneficial influence in meeting the resource position of the local bodies concerned, which have taken up the schemes, the Government have now decided to treat the funds transferred to the Town and Country Planning Development fund from the loan to that of grant. Accordingly, Government pass the following Orders:-

- i) The state of Town and Country Planning Development Fund shall function as a revolving fund for furtherance of urban development in the state.
- ii) The revolving fund shall be utilised for translating the proposals of Development plans prepared in accordance with the provisions of State Town and Country Planning Act into specific action programmes.
- iii) In extending the financial assistance from the Revolving fund of the Town and Country Planning Development fund, priority may be given to small and medium towns viz. Towns which are mostly Town Panchayats, second and Third grade Municipalities as Towns of higher order than the one mentioned above have now facilities to access the Municipal Urban Development Fund window created under the Tamil Nadu Urban Development Project fund window bank aided programme as well as the Tamil Nadu Urban Infrastructure and Finance Corporation set up by the Government in G.O.Ms.No.854 Municipal Administration and Water Supply Department Dated 18.11.89 and G.O.Ms.No.143 Municipal Administration and Water Supply Department dated 12.2.90.
- iv) Projects to be funded from the Revolving fund shall comprise of a package of both essential infrastructure schemes and remunerative enterprises, which taken together shall be viable enough to sustain the debt service requirements. In this regard, the Committee of the Town and Country Planning Board is authorised to decide the loan grant mix as well as the rate of lending depending upon the financial status of the local body and its capacity to service the debt burden.
- v) All loans outstanding to State Government under the state Integrated Urban Development project as on 31.3.90 and 50% of the loan outstanding to the State Government under Integrated Development of Small and Medium Towns as on 31.3.90 shall stand converted as a grant to the state Town and Country Planning Development Fund., This will be approximately Rs.33 crores.
- vi) Budgetary support in future shall be only on Integrated Development of Small and Medium Towns a centrally sponsored scheme, state providing 50% matching share.

- vii) The funds shall be properly managed so that grant/loan mix is so arranged that an increasing profile of activity is possible and financial situation of small towns shall be monitored effectively so that they come pay promptly.
4. The conversion of loan as grants sanctioned in para 6 (v) above to Tamil Nadu Town and Country Planning Development Fund shall be debited to a new sub head of account : JF Tamil Nadu Town and Country Planning Development Fund 09. Grants in Aid to be opened under 2217 Urban Development 80 General 800 other expenditure schemes in the Eight Five Year Plan II State Plan 2217 80 800 JF 0906.

The above conversion as grants shall not be paid in cash but adjusted by giving contra credit to the following head of account as under:

Integrated Urban development programme loan amount (Rs.16.51 crores).

6217 Loans for Loan Development 01. State Capital Development 800. Other loans-schemes in the Eighth Five Year Plan II. State Plan JD Transfer to Town and Country Planning Development fund (DPC 6217 - 01 - 800 - JD 000 F ® and

Integrated Development of small and medium towns loans amount (Rs.16.65 crores).

The loans amount relating to Integrated Development of Small and Medium Towns shall be credited to;

6217 Loans for Urban Development 03 Integrated Development of Small and Medium Towns 191 loans to local bodies corporations etc. schemes in the Eighth Five Year Plan Development Programme for small and medium towns under the control of secretary to Government. Housing and Urban Development 01. Loans to Town and Country Planning Board (DPC 6217 03 191 SA 010J)

5. As the expenditure sanctioned in para 6 above constitutes an item of "New Service" and the approval of the State Legislature will be obtained in due course. Hence the Director of Town and Country Planning is requested to send necessary "Note for supplementary estimate" for inclusion in the First Supplementary estimate for 1990-91 at the Appropriate Stage.
6. This order issues with the concurrence of Finance Department vide its U.O.No.3554/FS/P/90 dated 29.6.90.

(By Order of the Governor)

C. Chellappan
Secretary to Government

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