



ABSTRACT

Tamil Nadu Rural Transformation Project – Budget Proposal for 2020-21 – Release of funds of Rs.163,35,44,000/- for implementation of Project for the year 2020-21 – Orders - Issued.

Rural Development and Panchayat Raj (CGS-3) Department

G.O. (Ms) No.99

Dated: 14.05.2020

சார்வரி, வைகாசி 01  
திருவள்ளூர் ஆண்டு 2051

Read:

From the Chief Executive Officer, Tamil Nadu Rural Transformation Project  
Letter Roc.No: 76/TNRTP/2018 Date: 4.05.2020.

ORDER:-

The Chief Executive Officer, Tamil Nadu Rural Transformation Project in her letter read above has stated that the Tamil Nadu Rural Transformation Project is implemented with an objective of promoting rural enterprises, access to finance for business plans and facilitating skills and job opportunities. The project is being implemented in 3994 villages of 120 non Pudhu Vaazhvu Project blocks in 26 districts of the State at an estimate of Rs.918 crores (142.85 M US \$). The World Bank is providing a loan assistance of 100 M US \$ (70%) and the Government of Tamil Nadu bears 42.85 M US \$ (30%). The project is build on the existing investments made by previous projects and create an enabling environment to enhance incomes for targeted beneficiaries identified through this project, focusing on building enterprises in farm and nonfarm spheres, facilitate financial services to different stakeholders, enhance skills of beneficiaries through skills trainings and assist in job opportunities.

2. She has also stated that the component wise costing of the Project is as follows;

S.No	Component	Project Cost
		(Rs. in Crores)
1	Rural Enterprise and Ecosystem Development	291.20
2	Enterprise Business Plan Financing	251.30
3	Skill and Job opportunities	188.30
4	Project Management Cost	187.40
Total		918.20

The Grant received and Expenditure as on 31.03.2020 is as follows:

Year	Budget Estimate / Grant Received	Expenditures Incurred
	(Rs. in Crores)	
2017-2018 (From July'17)	2.35*	0.83
2018-2019	56.58	3.66
2019-2020 (upto Mar'20)	-	23.79
<b>Total</b>	<b>58.93</b>	<b>28.28</b>

\*Grant received for TNRTP Core Team

Details	(Rs. in Crores)
Grant received from Government for TNRTP	58.93
Less: Expenditure as on 31.03.2020	28.28
Balance fund available as on 31.03.2020	30.65

The available balance fund of Rs.30 Crore is the committed expenditure for Participatory Growth Plan (PGP) exercises in the project area of 3994 village panchayats. A sum of Rs.163,35,44,000/- have already been provided in BE 2020-21 in Demand No.42, Rural Development and Panchayat Raj Department. Some of the activities proposed in the action plan in the budget provision of FY 2020-21 are now modified to give priority for livelihood / enterprise promotion in the rural areas as they have been drastically affected by COVID-19 pandemic. The previously proposed such activities will be carried out in the next financial year of 2021-22.

3. She has further stated that the component wise expenditure proposed to be incurred during the financial year 2020-21 from 01.04.2020 to 31.03.2021 is as follows.

S.No	Component	Budget Estimate for 2020-21 (Amount in Rs.)
1	Rural Enterprise Ecosystem Development	76,52,54,000
2	Enterprise Business Plan Financing	12,55,80,000
3	Skills and Job Opportunities	25,57,40,000
4	Project Management Cost	48,69,70,000
	<b>Total</b>	<b>163,35,44,000</b>

(i) **Rural Enterprise Ecosystem Development (Rs.76.52 Crores):**

"To create an enabling environment for promotion and strengthening of new and existing enterprises, and to generate sustainable employment".

District Diagnostic Studies were completed in all districts. This includes in-depth evaluation of the district for identifying the opportunities and challenges in the specific sectors, sub-sectors and commodities for next level of analytics through value chain approach.

The establishment of One Stop Facility (OSF) is a unique initiative of Tamil Nadu Rural Transformation Project (TNRTP) to catalyse enterprise promotion in rural areas. OSF is a small business facilitation centre, established at the block level, through which the rural entrepreneurs and enterprises can get access to a range of business development support services.

The objective of Participatory Growth Plan (PGP) is to develop inclusive investment plans for communities for Enterprise Promotion and for development of rural communities.

For this purpose a mobile app with templates containing details of village resources in the spheres such as Agriculture, Animal Husbandry, Horticulture, Fisheries, Cottage Industries, Traditional Artisan Industries and Tourism etc., has been created under this Project.

Participatory Growth Plan (PGP) exercise has been initiated in all the Project districts - identification of Master Community Professionals (CPs), Preparation of Participatory Growth Plan manual, training of Master Community Professionals and Participatory Growth Plan (PGP) team members etc. Participatory Growth Plan Pilot has been completed in all the districts and it will be taken up in all the 3994 village panchayat now.

**The working capital support as start-up funds will be released to 3994 village panchayats including farm and non-farm activities, One time capital grant to 360 collective enterprises and Capitalization of existing FPOs/CLFs in project blocks for the project implementation in the eventuality of addressing post COVID-19 pandemic breakout.**

**(ii) Enterprise Business Plan Financing (Rs.12.56 Crores):**

"To create access to finance for individual enterprises and group enterprises from formal financial institutions."

One Consultancy agency was engaged for preparation of Matching Grant Programme operational guidelines, conducting orientation programme to Project staff at state and district level and Stakeholders workshops, etc.

Technical Support Agency (TSA) will be hired as Transaction Manager for the MGP, and will be responsible for process management and related coordination between Borrower-PFI and TNRTP. Meetings are to be conducted between Bankers and Entrepreneurs and Project and line departments.

As a response to COVID-19 impact project will support specific enterprises involved in production of hygiene materials, safety gears like masks, gloves, sanitizers, hand wash etc and encourage promotion of activities related to menstrual hygiene and personal health. Also, project will support production units and vending of nutrition supplements and immunity enriching products like health mix, millet products, kabasura kudineer, Nilavembu Kudineer, fruits, vegetables and greens.

The Matching Grant Fund will be given to Individual Entrepreneurs and Enterprise Groups.

**(iii) Skills and Job Opportunities (Rs.25.57 Crores):**

"To create sustainable wage and self-employment opportunities, promote relevant skills for higher value agriculture and allied activities; and enable entrepreneurship through market responsive skills and entrepreneurship development."

The start-up grant will be released to address the crisis arising due to COVID-19 breakout particularly for youth and migrant returnees who have lost their jobs and therefore to help them initiate new business activities.

**(iv) Project Management (Rs.48.70 Crores):**

The Project management activities for the current year establishment include Administration cost, Office refurbishment, Procurement of equipments, Operational expenses etc.

The internet connectivity provisions will be released to project staff for maintenance of social distancing and to encourage work from home wherever possible. Further medical & life insurance coverage will be provided as safety net from project side to all the project staff due to COVID-19 pandemic and other medical emergencies.

4. The Chief Executive Officer, Tamil Nadu Rural Transformation Project has therefore requested the Government to sanction and release a sum of Rs. 163,35,44,000/- (Rupees One Hundred and Sixty Three Crores Thirty Five Lakhs and Forty Four Thousand only) for the year 2020-21 for implementing the afore said project and also requested the Government to authorise the Director of Rural Development and Panchayat Raj to draw the sanctioned amount of Rs. 163,35,44,000/- and to disburse it to the Chief Executive Officer, Tamil Nadu Rural Transformation Project by means of cheque.

5. The Government after careful examination of the proposal of Chief Executive Officer, Tamil Nadu Rural Transformation Project have decided to accept and hereby orders to release a sum of Rs. 163,35,44,000/- (Rupees One Hundred and Sixty Three Crores Thirty Five Lakhs and Forty Four Thousand only) for the year 2020-21 for

implementing the afore said project, subject to condition that the expenditure shall be incurred as per the detailed guidelines which will be issued for the "COVID-19 Special Stimulus Package"

6. The amount sanctioned in para 5 above shall be debited to the following Head of account.

Head of Account	Amount (in Rs.)
"2235 Social Security and Welfare – 02 Social Welfare – 103 Women Welfare Schemes – Externally Aided Projects – PE World Bank aided Tamil Nadu Rural Transformation Project (TNPVP Phase II) – 309 – Grants-in-Aid-03 Grants for Specific Schemes. (DPC 2235 – 02 – 103 – PE – 30903)".	Rs.112,71,46,000/-
"2235 Social Security and Welfare – 02. Social Welfare – 789. Special Component Plan for Scheduled Castes – Externally Aided Projects – PC World Bank aided Tamil Nadu Rural Transformation Project (TNPVP Phase II) under Special Component plan – 309 Grants-in-Aid – 03- Grants for specific schemes. (DPC 2235-02-789-PC-30903)".	Rs.49,00,63,000/-
"2235 Social Security and Welfare – 02. Social Welfare – 796 – Tribal Area Sub Plan – Externally Aided Projects – PC World Bank aided Tamil Nadu Rural Transformation Project (TNPVP Phase II) under Tribal Area Sub Plan – 309 Grants-in-Aid – 03- Grants for specific schemes. (DPC 2235-02-796-PC-30903)".	Rs.1,63,35,000/-

7. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in para 5 above by means of cheque to the Chief Executive Officer, Tamil Nadu Rural Transformation Project.

8. The Chief Executive Officer, Tamil Nadu Rural Transformation Project is requested to send the utilization certificate to the Accountant General, Government and Director of Rural Development and Panchayat Raj as per orders in force.

9. This order issues with the concurrence of Finance Department vide its U.O. No.1549/FS/P-2020, dated 8.05.2020.

**(BY ORDER OF THE GOVERNOR)**

**HANS RAJ VERMA  
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

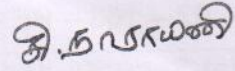
To  
The Chief Executive Officer,  
Tamil Nadu Rural Transformation Project, Chennai – 34.

The Director of Rural Development and Panchayat Raj, Chennai – 15.  
The Accountant General (A&E/ Audit), Chennai-18/35.  
The Pay and Account Officer (South), Chennai – 35.

Copy to:

The Finance (W&M./EAP/RD) Department, Chennai-9.  
The Senior P.A to Hon'ble Minister, (MA & RD), Chennai-9.  
The Rural Development and Panchayat Raj (B&C) Department, Chennai – 9.  
The Principal Private Secretary to Additional Chief Secretary to Government,  
Rural Development and Panchayat Raj Department, Chennai – 9.

**//Forwarded By Order//**



**(S.NARAYANI)**

**UNDER SECRETARY TO GOVERNMENT**

P.B