



**GOVERNMENT OF KERALA**

**Abstract**

Local Self Government Department - Combined Judgment of Hon'ble High Court of Kerala dated 16/10/2019 in WP(C) 21365/2018 filed by Sri. Manoj Kumar.T, WP(C) 40452/2018 filed by Senapathy Grama Panchayat, & WP(C) 16587/2019 filed by Sri. Infant Thomas - Complied with - Orders issued.

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**DEPARTMENT**

**G.O.(Rt)No.201/2021/LSGD** Dated,Thiruvananthapuram, 25/01/2021

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Read 1 GO (Rt) No. 990/2019/LSGD dated 15.05.2019

2 Judgment of Hon'ble High Court dated 16/10/2019 in WP(C) 21365/2018 filed by Sri. Manoj Kumar.T, WP(C) 40452/2018 filed by Senapathy Grama Panchayat, & WP(C) 16587/2019 filed by Sri. Infant Thomas

3 Letter no.14/SRG/2019 dated 04.11.2020 from the Convenor, State Resource Group

4 Report No.9424/2019-J1(DP) from the Director of Panchayat, dated 20.11.2020

5 Circular DA1/439/2018/LSGD, dated 02.05.2018

**ORDER**

The petitioners in WP(C) No. 40452/2018, WP(C) No. 21365/2018 & WP(C) 16587/2019 filed petitions, aggrieved by various Government Orders issued in connection with Spill Over projects, by which projects were classified and thus alleged to be denying the benefit of spill-over for majority of projects. The Hon'ble High Court in its judgment read above, directed the Secretary of the Government to immediately hear the petitioners therein and then take a decision as to whether any exemption can be granted to the petitioners, on proper applications made by them, to relax the rigour of Government order read as 1<sup>st</sup> paper above, with respect to specific projects of 2017-18.

2. An application based on the above judgement was submitted by the petitioner in WP(C) 16587/19, Sri. Infant Thomas, on 29.10.2019, which was received in Government on 23.11.2019. The other petitioners had submitted their representation only at the time of hearing. The petitioner in

WP(C) 16587/19, Sri. Infant Thomas has not turned up for hearing even after giving him the opportunity for hearing thrice. The other petitioners, Sri. Manoj Kumar, President, Idukki District Panchayath and President/ Secretary of Senapathy Grama Panchayath, were heard on 25.08.2020 through Video Conference.

3. Government, vide order read as 1<sup>st</sup> paper, had given direction to the LSGI's to modify the annual plan of the LSGI's that had already been prepared in December in conformity to the budget out lay and also to incorporate the spill over commitment of the previous year. The petitioners have pointed out that the utilization of the amount from the plan fund allotted for the year 2018-2019 for the works of the year 2017-18 is illegal and arbitrary and it will affect the newly sanctioned works of the year 2018-2019.

4. The petitioners pointed out that, as most of the roads and bridges in Idukki district were heavily damaged during the floods, the raw materials could not be transported to the work site and thus slowing down various projects in the Annual Plan in Idukki District. It was further stated that Lok Sabha Election and treasury ban also negatively affected the progress of the work. At this juncture, State Government cut off much needed funding necessary for the rebuilding of lost infrastructure by the denial of spillover funds, leading to the loss of fund from allotment. It was hence requested the Government to grant the denied funding for the effective alleviation of economic loss incurred by the district administration. It was further stated that, though Government had given funds for repairing roads and bridges in flood affected area through Rebuild Kerala Initiative and CMDRF, the above funds are not given for repairing roads and bridges included by the District Panchayath in the petition.

5. Senapathy Grama Panchayath have pointed out that, only 25 projects submitted were approved by the DPC and the approval was given only on 24.03.2018 for the financial year 2017-18 and hence no further action could be taken. The projects, most of those being connected with the development of roads and drinking water, was not included as spill over projects and Panchayath does not have enough source of fund for implementation of these projects. Thus Panchayath suffered a loss of Rs.54,29,500/, as a result of this inaction and lack of repair of public utilities. Panchayat further said that due to the reduction in the annual plan amount Panchayat finds hard even for the running of the day to day expenditure of the Panchayat administrative machinery. Hence the President and the Secretary of the Senapathy Grama Panchayath have requested Government to grant the Panchayath the amount that was lost on account of spill over.

6. Assistant Director, Panchayat has reported that, though Senapathy Grama Panchayat has claimed that they lost ₹.54,29,500/- by not including the

projects in the annual plan 2017-18 as spill over, the Panchayat received an amount of Rs. 28,80,000 as Shuchitwa Mission fund and hence an amount of Rs 25,49,500 is only lost to the Panchayat. He further stated that as per circular read 4<sup>th</sup>, 25 projects of the Senapathy Grama Panchayat belongs to group (ii) category, and could not claim additional amount for these projects. He also stated that only Panchayath is to be blamed for getting the approval of the DPC for annual plan 2017-2018 only on fag end of the financial year. The Executive Engineer, Idukki LSGD also pointed out that Senapathy Grama Panchayat neither tendered nor executed agreement for those 25 works during 2017-2018 and as such those works were not carried over to the next financial year.

7. As per the Plan formulation guidelines issued on 29.03.2017, all Local Bodies had to get their 2017-18 Annual Plan approved by District Planning Committees concerned, after conducting the mandatory procedures like Grama Sabhas, Development Seminars etc, before 07.05.2017. Later the date was extended up to 31.05.2017 and subsequently to 15.06.2017. Senapathi Grama Panchayat got their 2017-18 Annual plan approval on 24.03.2018, and Idukki District Panchayat on 15.06.2017. When compared to previous years, LSGIs got their annual plan approved very much early in 2017-18, allowing LSGIs more than 9 months for plan implementation. Despite of floods, the percentage of annual plan expenditure of 2017-2018 of Idukki district was 82.72% compared to 83.04% of the previous year. The budget allocation of LSGIs include Central Finance Commission Grant, which is also devolved to the Local level and it is a Local Government entitlement and not a part of Centrally Sponsored Scheme. From 2015-16 financial year onwards plan expenditures were drawn from the consolidated fund through submission of bills, thus making non-utilized funds lapse on 31<sup>st</sup> march of every financial year.

8. As directed by the Hon'ble High Court, the matter has been examined with reference to the facts above and documents furnished by the Panchayath Director and State Resource Group, as per papers read as 4<sup>th</sup> and 5<sup>th</sup> papers respectively. LSGIs were given adequate time period for the implementation of the projects, compared to previous years. Both Idukki District Panchayat and Senapathy Grama Panchayat couldn't complete the implementation of projects in 2018-19, as their project expenditures were well behind the district average, hinting to the inefficiency in planning and execution of the said Local bodies. They could have completed the projects which have completed the stage of agreement before 2018 March 31, by the Circular mentioned above, but couldn't do it as they haven't completely spend budget share allocated to them. Hence the prayer of the petitioners is hereby declined. The judgement read above is complied with accordingly.

(By order of the Governor)  
**PATSY STEPHEN**  
**JOINT SECRETARY**

To:

The President / Secretary, Senapathy Grama Panchayat

Sri. Manoj Kumar N.T., Nombrayil House, Thommankuthu PO,  
Mannookkadu, Idukki

Sri. Infant Thomas, Mattel House, Machiplavu, Adimaly, Idukki - 685561

The Advocate General, Ernakulam (with C/L)

The Director of Panchayat, Thiruvananthapuram

The Secretary, Idukki District Panchayat

The Principal Accountant General (Audit) Kerala, Thiruvananthapuram

The Accountant General (A&E) Kerala, Thiruvananthapuram

The Executive Director, IKM, Thiruvananthapuram

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Section Officer