



## ABSTRACT

Tamil Nadu Rural Transformation Project (TNRTP) – COVID-19 pandemic crisis – Sanction and release of Additional Fund of Rs.200 Crore for Covid-19 Assistance Package (CAP) - Detailed Guidelines for Implementation of Covid-19 Assistance Package (CAP) in the State/District/Block and Village Panchayat level - Orders Issued.

### Rural Development and Panchayat Raj (CGS-3) Department

G.O. (Ms) No.102

Dated: 29.05.2020

சார்வரி, வைகாசி 16  
திருவள்ளூர் ஆண்டு 2051

Read:

1. G.O.Ms.No.99, Rural Development and Panchayat Raj (CGS-3) Department, dated 14.05.2020.
2. From the Chief Executive Officer, Tamil Nadu Rural Transformation Project Letter Roc.No. 76/TNRTP/2018, dated 12.05.2020 and 19.05.2020.

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### ORDER:-

In the G.O. first read above, the Government issued orders for sanction and release of a sum of Rs.163,35,44,000/- (Rupees One Hundred and Sixty Three Crore Thirty Five Lakh and Forty Four Thousand only) for the year 2020-21 to give priority for Livelihood / Enterprise promotion in the rural areas as they have been drastically affected by COVID-19 pandemic, 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".

2. In the letter second read above, the Chief Executive Officer, Tamil Nadu Rural Transformation Project 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 PVP blocks in 30 districts of the State at an

estimate of Rs.918.20 Crore (142.85 M US \$). The World Bank is providing a loan assistance of 100 M US \$ (70%) and the GoTN bears 42.85 M US \$ (30%). The Project component wise costing of the Project is as follows;

S.No	Component	Project Cost
		(Rs. in Crore)
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
<b>Total</b>		<b>918.20</b>

The Chief Executive Officer, Tamil Nadu Rural Transformation Project has furnished the Grant received and Expenditure as on 31.03.2020 which is as follows :-

Year	Budget Estimate / Grant Received	Expenditures Incurred
	(Rs. in Crore)	
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 Crore)
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

3. She has also stated that the available balance fund of Rs.30.65 Crore is the Committed expenditure for Participatory Growth Plan(PGP) exercises in the project area of 3994 Village Panchayats. The objective of Growth Plan(PGP) exercise is to develop inclusive investment plans at village, block and district level for enterprise promotion and for the development of rural communities in discussion with the local people and focused groups. The Covid-19 pandemic is a global health crisis which has been declared as pandemic by World Health Organization and treated as notified disaster by Government of India. It has affected the livelihoods of the common people to a great extent imprinting a scar in the rural community. Due to Covid-19,

the people have to confine themselves in their residence and their livelihoods both in farm and non-farm sectors have been severely affected. The farming community could not sell their produces due to restrictions in transportation and they face severe losses. Similarly, individual entrepreneurs and group enterprises also could not operate their business which resulted in loss of rural livelihood and economy.

4. She has further stated that in this precarious Covid-19 pandemic context, it has been planned to modify the strategies of the programme for the current financial year 2020-21 to cover and support more number of individual beneficiaries and groups whose livelihood/enterprises were drastically affected. In order to prevent them from falling into poverty/debt trap and to revive their livelihood/entrepreneurship activities, the Tamil Nadu Rural Transformation Project has prepared a COVID Assistance Package (CAP) to stimulate the economic activity in rural areas. This will certainly help to improve and thrive the rural economy there by yielding sustainable results.

5. She has further stated that the Annual Action Plan for Financial Year 2020-21 was initially prepared to the estimation of Rs.163.35 Crore and it is now revised to the estimation of Rs.363.35 Crore to cover more number of beneficiaries and to tide over this sudden COVID-19 crisis. This COVID Assistance Package (CAP) shall include support to Individual Enterprises, Producer Groups (PGs), Enterprise Groups (EGs), Farmer Producer Organisations (FPOs), Youth and Reverse Migrants, Differently Abled and Vulnerable sectors of the community to ensure sustainable livelihoods in the rural areas which has been halted due to COVID-19. This stimulus package shall give special focus for those individual / group enterprises involved in the production of mask, gloves, sanitizer and nutrition supplement.

6. The proposed component wise budget estimation 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	248,95,70,000
2	Enterprise Business Plan Financing	10,13,80,000
3	Skills and Job Opportunities	56,43,00,000
4	Project Management Cost	47,82,94,000
<b>Total</b>		<b>363,35,44,000</b>

The brief description of each component is furnished below:-

**(i) Rural Enterprise Ecosystem Development (Rs.248.95 Crore):**

"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 to catalyse enterprise promotion in rural areas. One Stop Facility (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.

Some of the main activities in Participatory Growth Plan exercise has been completed in all the Project districts - identification of Master Community Professionals (CPs), Preparation of Participatory Growth Plan (PGP) manual, training of Master Community Professionals and Participatory Growth Plan team members etc. A pilot Village Panchayat was chosen in all the project districts and PGP exercise has been done in the pilot village. Subsequently Participatory Growth Plan will be taken up covering all 3994 Village Panchayats.

The one time capital grant will be released to existing 1598 Producer Groups (PGs) to reach out 31960 beneficiaries and 240 Enterprise Groups (EGs) covering 1200 beneficiaries. To capitalize existing 75 Farmer Producer Organisations (FPOs)/ Producer Company in Project blocks covering 37500 beneficiaries to address the crisis arising due to COVID-19 breakout.

Individual Assistance will be released to Differently abled & Vulnerable group through Village Poverty Reduction Committees (VPRCs) as soft loan covering 31952 beneficiaries in the eventuality of addressing COVID-19 pandemic breakout.

Individual micro enterprises in rural areas have been affected severely leading to loss of rural economy and cease of cash flow. In response to this, Tamil Nadu Rural Transformation Project has re-strategized its approach to support, revive and stimulate the rural enterprises. Therefore work capital support fund has to be released to 31952 existing rural enterprises run by Self Help Group households. This would help them to meet their short term losses and revive their business activities.

**(ii) Enterprise Business Plan Financing (Rs. 10.14 Crore):**

"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 (MGP) 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 Matching Grant Programme (MGP), and will be responsible for process management and related coordination between Borrower-PFI and Tamil Nadu Rural Transformation Project.

Necessary awareness meeting on business plan financing and Matching Grant Programme (MGP) will be conducted between Bankers and Entrepreneurs and Project and line departments. The Matching grant fund will be given to Individual Entrepreneurs and Enterprise Groups.

In the context of Covid-19 pandemic, priority will be given to those 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.

**(iii) Skills and Job Opportunities (Rs.56.43 Crore):**

"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 loan will be released to 5010 beneficiaries to address the crisis arising due to COVID-19 breakout particularly for youth and migrant returnees who have lost their jobs to help them initiate new business activities to ensure a sustainable livelihood.

**(iv) Project Management (Rs.47.83 Crore):**

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

Further, medical & health insurance coverage will be provided as safety net from project side to all the project staff.

7. The Chief Executive Officer, Tamil Nadu Rural Transformation Project has stated that out of Rs.163,35,44,000/- for the Financial Year 2020-21 sanctioned in the G.O. first read above, Rs.100 Crore has been earmarked for Covid Assistance Package (CAP) and the balance Rs.63.35 Crore will be spent on regular project activities.

8. The Chief Executive Officer, Tamil Nadu Rural Transformation Project has now prepared a "Guidelines for Covid Assistance Package (CAP)" and action plan for Rs.300 Crore along with format for effective implementation at the State/ District/ Block and Village Panchayat level and requested the Government for issue of Orders. She has also requested the Government to issue necessary orders to permit to utilize the amount of Rs.100 Crore out of Rs.163.35 Crore sanctioned and released already in G.O. first read above. She has further requested the Government to sanction and release the additional fund requirement of Rs.200 Crore (Rupees Two Hundred Crore only) for the year 2020-21 so as to revive the rural economy which has suffered a great setback due to this pandemic and to cover more number of beneficiaries under this COVID-19 Assistance Package and also requested to authorize the Director of Rural Development and Panchayat Raj to draw the sanctioned additional amount of Rs.200 Crore and to disburse it to the Chief Executive Officer, Tamil Nadu Rural Transformation Project by means of cheque or ECS.

9. The Government after careful examination of the proposal of Chief Executive Officer, Tamil Nadu Rural Transformation Project have decided to accept and hereby orders as follows :-

- (i) to accord necessary permission to the CEO, TNRTP to utilize the amount of Rs.100 Crore (Rupees One Hundred crore only) out of Rs.163,35,44,000/- (Rupees One Hundred and Sixty Three Crore Thirty Five Lakh and Forty Four Thousand only) sanctioned and released in G.O.(Ms) No.99, RD&PR(CGS.3) Department, dated 14.05.2020 for Covid Assistance Package (CAP) and the balance of Rs.63,35,44,000/- (Rupees Sixty Three Crore Thirty Five Lakh and Forty Four Thousand only) shall be spent on regular TNRTP activities.
- (ii) to accord necessary sanction and release of additional fund requirement of Rs. 200 Crore (Rupees Two Hundred Crore only) for the financial year 2020-21 for Covid Assistance Package (CAP),
- (iii) to accord necessary permission to the detailed Guidelines for implementation of COVID Assistance Package (CAP) along with format and action plan for effective implementation at the State / District/ Block and Village Panchayat level.

10. The amount sanctioned in para 9 (ii) 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's Welfare – Externally Aided Projects – PE World Bank aided Tamil Nadu Rural Transformation Project (TNPVP Phase II) – 309 – Grants-in-Aid-03 Grants for Specific Schemes (IFHRMS DPC 2235 – 02 – 103 – PE – 30903)". (Old DPC 2235 – 02 – 103 – PE – 0939).	Rs.138,00,00,000/-
"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 (IFHRMS DPC 2235-02-789-PC-30903)". (Old DPC 2235-02-789-PC-0931).	Rs.60,00,00,000/-
"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 (IFHRMS DPC 2235-02-796-PC-30903)". (Old DPC 2235-02-796-PC-0936).	Rs.2,00,00,000/-

11. Necessary additional fund of Rs.200,00,00,000/- will be provided in RE/FMA 2020-2021. However this expenditure shall be brought to the notice of Legislature by Specific Inclusion in the Supplementary Estimates 2020-2021. Pending provision of such funds the Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in paragraph '9 (ii)' above. He is also directed to include this item of expenditure while sending the budget proposal for RE/FMA 2020-2021 and also send necessary draft explanatory note for inclusion of this expenditure in the Supplementary Estimate 2020-2021 to Government in Finance (BG.I/RD&LE) Department at the appropriate time without fail.

12. The Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in para 9 (ii) above by means of cheque to the Chief Executive Officer, Tamil Nadu Rural Transformation Project. The detailed guidelines as approved by the Government for implementation of COVID Assistance Package (CAP) is appended as annexure to this order.

13. 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.

14. This order issues with the concurrence of Finance Department vide its U.O. No.18097/Fin(RD)/2020, dated 29.05.2020 and ASL No.0093 (Ninety three).

(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.I/EAP/RD/BG.I/BG.II) Department, Chennai-9.  
The Senior P.A to Hon'ble Minister, (MA & RD, Impn.Spl.Prog.), 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//

D. Mathur  
SECTION OFFICER