



ABSTRACT

Water and Sanitation Pooled Fund –Mobilization of Rs.83.19 crores by issue of Tax Free Pooled Finance Development Bonds under PFDF Scheme – Release of Rs.4.83 crores to Water and Sanitation Pooled Fund towards Credit Rating Enhancement Fund - Orders – Issued.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MA2) DEPARTMENT

G.O.(Ms).No.97

**Dated: 27.05.2010
Read**

1. G.O. (Ms) No. 45, Municipal Administration and Water Supply (MA2) Department, dated 5.3.2010.
2. From the Member Secretary, WSPF, Lr. No. WSPF/PFDF Bond – II/2009/10, dated 15.4.2010.

ORDER:

In the letter second read above, the Member Secretary, WSPF has stated that in the GO (Ms.)No. 45, Municipal Administration and Water Supply Department, dated 5.3.2010, the Government have approved mobilization of Rs.83.19 crores (including the unsubscribed portion of the first tranche of Rs.38.30 crores) by issue of Tax Free Pooled Finance Development Bonds under PFDF scheme formulated by Ministry of Urban Development, Government of India (GoI) for Water Supply and Sanitation Schemes in seven ULBs in Tamil Nadu as detailed below:

(Rs in Crores)

Sno	Name of the ULB	Project Cost	Total proposed amount under PFDF	Amount mobilized under first tranche	Amount proposed to be mobilized under 2 nd tranche
Under Ground Drainage Scheme					
1.	Virudhunagar Municipality	23.25	8.98	1.04	7.94
2.	Ambattur Municipality	30.91	16.58	0	16.58
3.	Pallavaram Municipality	47.21	23.71	2.41	21.30
4.	Kancheepuram Municipality	12.48	3.97	0	3.97
5.	Ramanathapuram Municipality	30.00	13.66	0.97	12.69

6.	Namakkal Municipality	18.84	6.15	0.62	5.53
Water Supply Scheme					
7	Salem Corporation	24.84	16.84	1.66	15.18
	Grand Total	187.53	89.89	6.70	83.19

2. The Member Secretary, Water and Sanitation Pooled Fund has also stated that in the GO (Ms.)No. 45, Municipal Administration and Water Supply Department, dated 5.3.2010, Government have also agreed to contribute Rs.4.83 crores towards Credit Rating Enhancement Fund (CREF) for the above issue.

3. The Member Secretary, Water and Sanitation Pooled Fund has further stated that the Government of India in its meeting held on 18.12.2009, has approved the Gov share of CREF of Rs.4.49 crores vide their office memorandum no.K-14011/57/2007-UDII (Vol.III) dated 31.12.2009. The committee has also decided to recommend the proposal to Central Board of Direct Taxes (CBDT) for issue of tax free status for the proposed issue.

4. The Member Secretary, WSPF has stated that the bonds are proposed to be mobilized during first quarter of 2010-11, subject to the approval of Government of India for tax free status. Hence, the Member Secretary, WSPF has requested the Government to issue orders for release of Rs.4.83 crores to Water and Sanitation Pooled Fund towards CREF.

5. The Government after careful examination, accept the request of the member Secretary, WSPF at para 4 above and sanction and release a sum of Rs. 4.83 crores (Rupees Four crores and eighty three lakhs only) to Water and Sanitation Pooled Funds towards CREF.

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

2217. Urban development - 05. Other Urban Development Schemes - 800. Other Expenditure - II State Plan - JN. Contribution to Water and Sanitation Pooled Fund for Projects under Pooled Finance Development Fund Scheme - 09. Grants-in-Aid - 01. Grants for current Expenditure". (DPC code No. 2217-05-800-JN-0910).

7 The Director of Municipal Administration is authorized to draw the amount sanctioned in para 5 above by means of an account payee cheque in favour of " Water and Sanitation Pooled Fund" and send it to the Managing Director and Chief Executive Officer, Tamil Nadu Urban Infrastructure Financial Services Limited to credit the same to the above Fund account.


8. This order issues with the concurrence of the Finance Department vide its U.O.No. 24612 /MAWS /2010, dated 18.5.2010.

(BY ORDER OF THE GOVERNOR)

NIRANJAN MARDI,
PRINCIPAL SECRETARY TO GOVERNMENT.

To
The Member Secretary, WSPF, Tamil Nadu Urban Infrastructure Financial Services Limited, Chennai-17.
The Director of Municipal Administration, Chennai-9.
The Pay and Accounts Officer, (EAST), Chennai-5.
The Accountant General, Chennai-18.
The Accountant General (Audit), Chennai-18.
The Resident Audit Officer, Chennai-9.
copy to:
The Finance (MAWS W&M) Department, Chennai-9.
The MAWS (OP2/Budget) Department, Chennai-9.
The P.S. to Pri. Secretary to Government, Municipal Administration and Water Supply Department, Chennai - 9.

/ Forwarded by Order/


SECTION OFFICER
