



ABSTRACT

Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) Incentive Scheme to the Local Bodies – Maintenance of separate account by TUFIDCO for Incentive Fund as one of the component of Tamil Nadu Urban Infrastructure Development and Renewal Fund (TNUIDRF) – Permission – Accorded.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MA2) DEPARTMENT

G.O.(Ms).No.117

Dated: 18 .06.2010

Read

1. G.O. (Ms) No. 49, Municipal Administration and Water Supply Department, dated 30.3.2008.
2. From the Chairman and Managing Director, TUFIDCO Lr.No.TUF/GOTCorres./IDRF/014/AM(Rd),dated 3.5.2008. .
3. From the Chairman and Managing Director, TUFIDCO Lr.No.TUF/GTN/Corres./014/AM(Rd)/434,dated 30.7.2009.

ORDER:

In the letter second read above, the Chairman and Managing Director, Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited has stated that, the Board of Directors of Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited in the Board meeting held on 29.3.2008 have decided to pay 0.75% of the interest rate charged on the loan given to the local bodies as incentive to those local bodies who cleared their entire dues for the year 2006-07 before 31.3.2007 under TUFIDCO's Infrastructure Funding Scheme.

2. The Chairman and Managing director, TUFIDCO has also stated that in order to ensure that the incentive is utilized for creating durable assets, the Board of Directors have decided to transfer the incentive amount to a separate account namely 'TUFIDCO Incentive Fund' under 'Tamil Nadu Urban Infrastructure Development and Renewal Fund' created by Government in G.O.(Ms). No.49, Municipal Administration and Water Supply Department, dated 30.3.2008 and for which TUFIDCO is Fund Manager and the local body wise accumulated rebate be used as a grant for the concerned local bodies towards their contribution for the projects under JNNURM / UIDSSMT or other urban infrastructure development projects.

3. In the letter third read above, the Chairman and Managing Director, Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited

has informed that the TUFIDCO was already maintaining the Town wise IDSMT revolving fund and the fund is being disbursed to the concerned local body along with the interest earned for utilizing it as local body contribution to the projects sanctioned under UIDSSMT. Like wise Incentive fund also will be disbursed to the concerned local body along with interest earned at the time of sanction of projects under JNNURM / UIDSSMT to utilize the same as local body's contribution for the above projects.

4. In view of the above, the Chairman and Managing Director, TUFIDCO has requested the Government to accord permission to maintain the Incentive Fund as one of the components of Tamil Nadu Urban Infrastructure Renewal Fund.

5. The Government after careful examination, accept the proposal of the Chairman and Managing Director, TUFIDCO at para 4 above, and accord permission to the Chairman and Managing Director, Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited to maintain the Incentive Fund as one of the components of Tamil Nadu Urban Infrastructure and Renewal Fund, subject to the condition that the "Incentive Fund" should be disbursed to the concerned local body along with interest earned at the time of sanction of projects under JNNURM /UIDSSMT to utilize the same as local body's contribution for the above projects.

6. This order issues with the concurrence of Finance Department vide its U.O. No. 63900/MAWS / 09, dated 3.06.2010.

(BY ORDER OF THE GOVERNOR)

**NIRANJAN MARDI,
PRINCIPAL SECRETARY TO GOVERNMENT.**

To

The Chairman and Managing Director, Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited, Chennai – 35.

The Director of Municipal Administration, Chennai -5.

The Director of Town Panchayats , Chennai-108.

The Accountant General, Chennai-18.

The Accountant General(Audit), Chennai-18.

copy to: The Private Secretary to Principal Secretary to Government,
Municipal Administration and Water Supply Department,
Chennai – 9.

The Finance (MAWS)Department, Chennai-9.

The Municipal Administration and Water Supply
(Budget/ OP.II) Department, Chennai-9.

/ Forwarded by Order/

SECTION OFFICER

