



## ABSTRACT

Kfw assisted Sustainable Municipal Infrastructure Financing- Tamil Nadu (SMIF-TN) – Implementation of Water Supply Improvement Scheme in Karur Municipality at an estimated cost of Rs.24.67 crores– Administrative Sanction – Orders- Issued.

### **Municipal Administration and Water Supply (MA2)Department**

**G.O.(Ms).No.128**

**Dated 14.7.2010**

**Read:**

1. G.O.(Ms.) No.218, Municipal Administration and Water Supply Department , dated 3.11.2008
2. Minutes of the Second Meeting of the Empowered Committee held on 30.6.2010
3. From the Director of Municipal Administration Lr.No.33179/2010/WS2, dated 12.7.2010

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## ORDER:

In the G.O. first read above, Government accorded administrative sanction for implementation of KfW assisted Sustainable Municipal Infrastructure Financing – Tamil Nadu (SMIF-TN) Programme with a total project cost of Euro 77 million (equivalent to about Rs.500 crores), which investment component to Urban Local Bodies in Euro 65 million (equivalent to about Rs.422 Crores). The Government have also constituted an Empowered Committee for sanctioning, finalizing the means of finance including the quantum of capital grants and according administrative sanction for the sub-projects to be funded under the KfW assisted Sustainable Municipal Infrastructure Financing – Tamil Nadu (SMIF-TN) Program.

2. In his letter third read above, the Director of Municipal Administration has sent the proposal for implementation of Water Supply Improvement Scheme to Karur Municipality at an estimated cost of Rs.24.67 crores to install and Rs.1.35 crores to maintain annually as per the funding pattern as detailed below:-

		Rs. in Crores	Percentage
(i)	ULB & Public Contribution	2.47	10
(ii)	SMIF-TN Loan from TNUDF	14.80	60
(iii)	Capital Grant from KfW Grant Fund-I	7.40	30
	Total	24.67	100

3. The above proposal was placed before the Empowered Committee constituted in the G.O. first read above for consideration on 30.6.2010 by the TNUIFSL. The Committee resolved to (i) approve the proposal and accord administrative sanction for implementation of Water Supply Improvement Scheme at Karur Municipality at an estimated project cost of Rs.24.67 crores and at an estimated annual maintenance cost of Rs.1.35 crores, (ii) in relaxation of the KfW Grant Fund I guidelines sanction of Rs.7.40 as capital grant under KfW Grant Fund I (iii) approved the following means of finance:-

		Rs. in Crores	Percentage
(i)	ULB & Public Contribution	2.47	10
(ii)	SMIF-TN Loan from TNUDF	14.80	60
(iii)	Capital Grant from KfW Grant Fund-I	7.40	30
	Total	24.67	100

4. Based on the approval of the Empowered Committee, the Government have carefully examined the proposal of the Director of Municipal Administration and hereby accord administrative sanction for implementation of Water Supply Improvement Scheme to Karur Municipality at an estimated cost of Rs.24.67 crores to install and Rs.1.35 crores to maintain annually as per the pattern of funding outlined in para 3 above. The above scheme will be executed by the TWAD Board.

5. Any escalation in project cost and O&M shall have to be borne by the Karur Municipality only.

**(BY ORDER OF THE GOVERNOR)**

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

To

The Director of Municipal Administration, Chennai – 5.  
The MD&CEO, Tamil Nadu Urban Infrastructure Financial Services Limited, Chennai-17  
The Managing Director, Tamil Nadu Water Supply and Drainage Board, Chennai- 5.  
The Municipal Commissioner, Karur Municipality, Karur.  
The Accountant General, Chennai -18/35.  
The Resident Audit Officer, Chennai – 9.  
Copy to:  
The Finance (MAWS /EAP) Department, Chennai – 9.  
The Municipal Administration and Water Supply (OP2/Budget) Department,  
Chennai – 9.  
The Municipal Administration and Water Supply (WS3 – for further follow – up action)  
Department, Chennai – 9.  
The Spl.P.A. to Hon'ble Deputy Chief Minister, Chennai-9.  
The P.S. to Prl.Secretary, MAWS Dept, Chennai-9.

**/ Forwarded by Order/**

**SECTION OFFICER**

