



## **ABSTRACT**

Announcement - Implementation of Kalaingar Nagarpura Mempattu Thittam (KNMT) – Guidelines – Issued.

### **MUNICIPAL ADMINISTRATION AND WATER SUPPLY (NS) DEPARTMENT**

**G.O. (Ms) No.70**

**Dated: 13.09.2021**

திருவள்ளூர் ஆண்டு 2052  
பிலவ, ஆவணி-28,

**Read:**

From the Director of Municipal Administration, letter Roc.No.20543/2021/P2, Dated 07.9.2021 and 09.9.2021.

### **ORDER:**

In the (Revised) Budget Speech for the year 2021-22, the Hon'ble Minister for Finance and Human Resources Management among others, has made the following announcement:-

"The Fifteenth Finance Commission has recommended much lower grants to Urban Local Bodies in Tamil Nadu. To meet the aspirational needs of the people in urban areas while bridging the resource gap, this Government will launch the Kalaingar Nagarpura Membattu Thittam with an allocation of Rs.1,000 crore in 2021-22."

2. Based on this, the Hon'ble Minister for Municipal Administration, among others, has made the following announcement during the Demand for Grants of this department on the floor of the Tamil Nadu Legislative Assembly on 24.8.2021:-

"இந்த ஆண்டு நிதிநிலை அறிக்கையில் அறிவித்தவண்ணம் அனைத்து நகராட்சிகள், பேருராட்சிகளில் ரூ.1000 கோடி மதிப்பீட்டில் சமுதாயக் கூடங்கள், சந்தைகள், நவீன நூலகங்கள் போன்ற அடிப்படை கட்டமைப்பு வசதிகளுடன் "கலைஞர் நகர்ப்புர மேம்பாட்டுத் திட்டம்" என்ற புதிய திட்டம் செயல்படுத்தப்படும்."

3. In the letter read above, the Director of Municipal Administration has furnished the draft Guidelines for Kalaingar Nagarpura Mempattu Thittam (KNMT).

4. The Government after careful examination of the proposal of the Director of Municipal Administration have decided to accept the same and approve the Guidelines as annexed to this order for the Implementation of Kalaingar Nagarpura Mempattu Thittam.

5. This order issues with the concurrence of Finance Department vide its No. 2964/FS/P/2021, dated 11.9.2021.

**(BY ORDER OF THE GOVERNOR)**

**SHIV DAS MEENA  
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

To

The Principal Secretary / Commissioner,  
Greater Chennai Corporation, Chennai-3.  
The Director of Municipal Administration,  
Chennai-28.

The Commissioner of Town Panchayats,  
Chennai-28.

The Additional Chief Secretary / Chairman and  
Managing Director,  
TUFIDCO, Chennai-28.

**Copy to**

The O/o. the Hon'ble Chief Minister, Chennai-9.

The O/o. the Hon'ble Minister for Municipal  
Administration, Chennai-9.

The O/o. the Hon'ble Minister for Finance and HR Management,  
Chennai-9.

All the District Collectors.

The Senior Private Secretary to Additional Chief Secretary to  
Government, Municipal Administration and Water Supply Department,  
Chennai-9.

The Municipal Administration and Water Supply (OP2) Department,  
Chennai-9.

**//Forwarded by order//**

  
13/9/21  
**Section Officer**

## **ANNEXURE**

### **Guidelines for the Implementation of Kalaingar Nagarpura Mempattu Thittam (KNMT)**

#### **1. Introduction**

In Tamil Nadu, there are 14 Corporations (except Greater Chennai Corporation), 121 Municipalities and 528 Town Panchayats. Many schemes taken up in the recent years such as Smart Cities Mission, AMRUT are aimed at improving the infrastructure facilities of Corporations and major towns alone. Smart Cities Mission is being implemented only in 11 Corporations. AMRUT is also being implemented in 28 Towns only. The coverage of schemes in Corporations is relatively high when compared to Municipalities and Town Panchayats. Hence it has been decided to introduce a new Scheme "Kalaingar Nagarpura Mempattu Thittam"(KNMT) in all 121 Municipalities and 528 Town Panchayats so as to fulfil the infrastructural gaps in these Urban Local Bodies.

#### **2. Implementation Plan**

The vision of the Government is providing water service connection to all urban house holds, safe sewer disposal to each household either through UGSS or through FSTP, street lights and good road facilities. Though there are schemes for the provision of 100% functional household tap connections, sewer links, roads, such are highly capital intensive, mostly covering only prominent areas in the Urban Local Bodies. Infrastructure gaps remain existing in many backward areas/ slums and also newly added areas of the Municipalities and Town Panchayats. Considering the above factors, it has been decided to give preference to the slum areas/ backward areas and added areas of the ULBs for the implementation of KNMT.

##### **2.1 Urban Development Plan (UDP)**

The distribution of basic amenities is not uniform across the Urban Local Bodies and in certain wards / specific areas, the basic amenities are still inadequate. In order to have an equitable distribution of basic amenities, a detailed survey will be conducted and an Urban Development Plan (UDP) will be prepared for each urban local body so as to assess the present availability of basic infrastructure and the gaps to be fulfilled.

The detailed survey will be conducted ward wise, with respect to the availability of water supply, sanitation, internal roads, street lights,

burial ground / crematorium availability and other community infrastructure. With regard to roads, a detailed Roads Network Plan will be prepared indicating all the major roads maintained by various agencies viz National Highways, State Highways and Municipalities / Town Panchayats (Access roads and internal streets) in the Urban Local Bodies concerned. With respect to water supply, the total demand, including the present supply and the future requirement will be taken into account and incorporated. Based on this, a "City Water balance Plan" will be prepared for each Urban Local Body. Similar survey and assessment of the gaps will be undertaken for all needed components of the ULBs concerned.

The DMA and CTP will prescribe a format for survey and will draw out a plan to complete the survey within the stipulated time. The surveyed details will be entered online, with provisions to identify the infrastructural gaps automatically so as to enable the selection of the works for execution.

## **2.2 Assessment of Infrastructure Gap and Selection of Works**

Based on the Urban Development Plan (UDP), the basic needs will be assessed and the works will be taken up to fulfil the Infrastructure gaps. The following is the suggestive list of works that can be taken up for implementation:-

- a) **Water Supply :** Source creation / augmentation works, pumping main works, extension of pipeline and construction of OHT / GLR especially in uncovered areas.
- b) **Street Lights:** Street lights will be provided in the needy areas, wherever required, at regular intervals of at least 30 meters. Preference will be given to relatively backward areas / slums and added / extension areas. Provision for street lights near common facility centres / community assets will also be given priority.
- c) **Roads / Streets and Lanes:** Upgradation of Earthen gravel/WBM roads to All- weather roads paved with BT, CC and paver blocks.
- d) **Community Infrastructure:** The following community infrastructure works may be taken up under KNMT:-
  - i) Community Halls: New community halls with minimum seating capacity of 100 persons and a minimum area of 200 sq.m will be constructed in the needy Municipalities and Town Panchayats.

ii) Markets: New markets will be constructed based on need. Upgradation of markets will also be taken up with adequate infrastructure and modern amenities.

iii) Construction of Modern Libraries / Knowledge Centres:

Modern libraries / Knowledge centres shall be constructed in the Municipalities / Town Panchayats to assist the students and job aspirants to equip themselves for competitive examinations. Facilities like Reading hall, Library, computer with internet access and other logistics will be provided.

**e) Other Essential Infrastructure**

Construction of modern Bus Stands, improvement of existing Bus stands to modern standards, Rejuvenation of water bodies, procurement of vehicles for Solid Waste Management such as Tipper Lorry,

Compactor Vehicle, Battery Operated Vehicle and provision of infrastructure for Solid Waste Management activities, upgradation of existing facilities in crematorium, development of New Parks and Play fields, construction and renovation of Community / Public toilets and any other essential infrastructures will be encouraged to be provided under KNMT.

**3. Negative List/ Prohibited works**

1. Construction of office and residential buildings belonging to the Central and State Governments, including Public Sector Undertakings, Cooperatives and societies.
2. Any work in Government aided and Self Financing Schools and Colleges.
3. Payments as Loans, Contribution to any Central / State/ UT Relief funds.
4. Acquisition of Land or any compensation for land acquired
5. Assets for individuals/ Family benefits.
6. All Revenue and recurring expenditure.
7. Works within the places of religious worship or lands belonging to or owned by religious faiths/ groups.

**4. Fund Allocation and Funding Pattern**

The Scheme will be implemented in all Municipalities and in all Town Panchayats. An amount of Rs.1000 crore has been allocated in the budget for the year 2021-22.

With regard to sub allocation among Municipalities and Town Panchayats the pattern will be decided by the Project Sanctioning and Monitoring Committee.

### **Project Sanctioning and Monitoring Committee.**

The composition of the committee will be as follows:

Additional Chief Secretary / Principal Secretary / Secretary, MAWS Department	Chairperson / Chairman
Additional Chief Secretary, Finance Department or his representative	Member
Commissioner / Director of Municipal Administration	Member
Commissioner / Director of Town Panchayats	Member
Chairman and Managing Director / Managing Director, TUFIDCO	Convener

TUFIDCO Will be the nodal agency for KNMT. The Commissioner / Director of Municipal Administration and the Commissioner / Director of Town Panchayats will send the proposals to the nodal agency and it will appraise and put up the proposal to the Project Sanctioning and Monitoring Committee for approval and Administrative Sanction.

### **5. Guidelines for the Project Sanctioning Committee**

- Approval of the Urban Development Plan.
- Prioritization of Projects to be posed for funding.
- Prescribing appraisal criteria.
- Approve the projects and accord administrative sanction for the projects.
- Approve the cost of the technical assistance.
- Deciding means of financing for the projects.
- Decide on the fund release pattern to the implementing agencies.
- Review and monitor the progress of the projects during implementation and provide critical decisions, wherever required.
- Committee will meet at a periodicity to be decided by it.
- The tenure of the Committee will be co-terminous with the KNMT.

### **6. Fund Management**

The Kalaingar Nagarpura Mempoattu Thittam (KNMT) will be operated and managed by the Nodal Agency i.e. Tamil Nadu Urban

Finance and Infrastructure Development Corporation Limited (TUFIDCO), based on the KNMT guidelines prescribed by the Government, from time to time. Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) will act as the Fund Management Agency of KNMT Fund. The Functions / Powers of the Nodal Agency shall be as follows:

- a) Appraisal of projects forwarded by Commissioner / Director of Municipal Administration and Commissioner / Director of Town Panchayats.
- b) Open and operate bank account(s) under the name and style of "Kalaingar Nagarpura Mempattu Thittam (KNMT)" for implementation of KNMT with any Nationalized Bank(s) and authorize the officials of the Nodal Agency to sign such forms, documents, cheques and things, as may be necessary in this regard.
- c) Manage the Fund efficiently, in accordance with the directions, instructions and guidelines issued by the Government, from time to time.
- d) Place deposit and invest funds with any scheduled bank(s) / financial institution(s).
- e) Incur expenditure and release funds in relation to eligible disbursement, whether on interim disbursement or otherwise, upon fulfilment of such terms and conditions as may deem fit.
- f) Make all Statutory payments for the operation and management of the Fund.
- g) Pay fees to the Nodal Agency as may be prescribed by the Government from time to time.
- h) Appoint legal, financial, technical and other consultant(s) / advisor(s)/specialist(s)/expert(s) and other persons for carrying out the objectives of the Scheme.
- i) Call for tenders for studies and preparation of Detailed Project Reports and to appoint competent consultants(s) and release the amount from the fund.
- j) Execute/terminate deeds, contracts, agreements, instruments and other legal documents on behalf of the Fund.
- k) Appoint a firm of Chartered Accountants to carry out audit of the accounts of the Fund and furnish the reports as may be required by the Government.
- l) Do all other acts, deed the things, as usual, desirable or expedient in the management of the affairs or for the purpose of the Fund.

## **7. Procedure for Sanction**

- Application for financial assistance should be submitted by the ULB/para statal agency through the HOD to the Nodal Agency with Detailed Project Report for each project.
- Appraisal by Nodal Agency.
- Approval and Administrative sanction by Project Sanctioning and Monitoring Committee.

## **8. Disbursement of Fund**

Fund may be released in Three instalments. 50% of the fund may be released immediately upon issue of sanction. Balance 40% of the fund may be released based on the progress of the project. Final 10% may be released based on the UC by the respective ULB / Para statal agency duly certified by consultant appointed by TUFIDCO.

## **9. Annual Accounts and Audit**

The Fund Manager may nominate a firm of Chartered Accountants to carry out an annual audit of the Fund, notwithstanding that the Comptroller and Auditor General of India may also carry out a separate annual audit. The audit report should be ready within nine months from the date of close of each financial year.

## **10. Functions of the Nodal Agency**

The nodal agency may carry out the following functions:

- 1) Inviting project proposal from ULBs/parastatal agencies through respective HODs.
- 2) Appraisal of projects including technical and financial appraisal.
- 3) Put up the proposals received from implementing agencies after appraisal to the Project Sanctioning and Monitoring Committee for according administrative sanction.
- 4) Monitor the progress of the projects.
- 5) Coordinate the functioning of different agencies and solve inter-departmental issues.

## **11. Monitoring**

To have an effective system of monitoring, a District Monitoring Committee headed by the District Collector with all ULB Officials (Commissioner / Executive Officer and related technical officials) will be formed to review the Scheme implementation on a monthly basis.



**12.** The Additional Chief Secretary to Government, Municipal Administration and Water Supply is empowered to modify the guidelines of Kalaingar Nagarpura Mempoattu Thittam, whenever necessary, in consultation with the Commissioner/ Director of Town Panchayats and the Commissioner / Director of Municipal Administration.

**SHIV DAS MEENA**  
**ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

**//Forwarded by order//**

  
13/5/21  
**Section Officer**

