

No.5/28/1/2004-DBA-I  
Government of India  
Ministry of Commerce & Industry  
Department of Industrial Policy & Promotion  
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Udyog Bhawan, New Delhi  
Dated the 10<sup>th</sup> March, 2004

To

The Tamil Nadu Water  
Investment Company Limited,  
Wescare Towers, 3<sup>rd</sup> Floor,  
16, Cenotaph Road, Teynampet,  
Chennai – 600 018,  
TAMIL NADU.

Subject : Approval of Industrial Infrastructure facilities at Textile Cluster, Tirupur under Industrial Infrastructure Upgradation Scheme (IIUS).

I am directed to convey the approval of the Government to Tamil Nadu Water Investment Company Limited (TWICL) for implementing the Integrated Infrastructure Development Programme for Textile Cluster, Tirupur under the Industrial Infrastructure Upgradation Scheme (IIUS) at a cost of Rs. 143 crores including provision for contingency expenses. Central grant for the programme is subject to compliance by TWICL of the relevant guidelines and is limited to the extent of 75% of the project cost subject to a ceiling of Rs. 50 crores.

2. The eligible activities and break-up of project cost as approved by the Committee is as under:

Sl. No	Item	Amount (Rs. in Crores)
1.	Water supply improvement Plan: i) Existing Industries ii) Proposed new Industries	41.00 9.00
2.	Industrial Effluent Disposal Plan	48.00
3.	Road Network Improvement Plan (Incl. Supervisory costs)	32.00
4.	Establishment of R* D Centre (incl. Supervisory costs)	5.00
5.	Information & Communication Technology Infrastructure	2.00
6.	Construction of Working Women's Hostels (incl.	4.00

	Supervisory costs	
7.	Construction of Exhibition and Convention Centre	2.00
	<b>Total Project Cost</b>	<b>143.00</b>

3. The Funding pattern of the above project cost will be as follows:

1	Grant from Government of India (under IIUS Scheme):	Rs. 50.00 Crore
2	Contribution by users (Tirupur Industry)	Rs. 58.00 Crore
3	Borrowing from lending agencies	Rs. 35.00 Crore
	<b>Total:</b>	<b>Rs. 143.00 crore</b>

4. Implementation schedule:  
Duration of the project – 18 Months.

5. TWICL would provide the details regarding components of IT Centre, R&D Centre and Convention Centre.

6. The sanction is subject to the following conditions:

- i. The eligible activities as approved would be implemented as part of an ongoing integrated project, but not financed by any other agency.
- ii. The cost estimates for various components under the scheme would need to satisfy the following requirements:
  - a) All cost estimates for roads and construction of buildings, should be as per the Schedule of Rates (SOR) of the State Government.
  - b) All cost estimates for water sector requirements and common effluent treatment systems, should be as approved by the Banks/Financial Institutions.
  - c) The cost estimates for setting up of IT Centre should be as approved by Ministry of Communication and Information Technology/NISG/NIC/NASSCOM.
  - d) All cost estimates for the equipments/facilities to be set up at the R&D Centre should be in consultation with TRAs.
  - e) The cost estimate for the Convention Centre, should be in accordance with the SOR of the Central Government.

- iii. TWICL will furnish an utilization certificate for amounts released through this sanction before the release of funds.
- iv. Managing Director, TWICL would be the Drawing and Disbursing Officer for the release of the amounts under this sanction.
- v. TWICL shall submit performance-cum-achievement report before applying for the next instalment as grant.
- vi. TWICL shall maintain separate account of the grants-in-aid received from the Government.
- vii. TWICL shall execute a bond with for acceptance of terms and conditions of the payments of Grant-in-aid before release of payment.
- viii. The amount so paid to TWICL shall be open to inspection by the sanctioning authority/Internal Audit Party of the Chief Controller of Accounts, Ministry of Commerce & Industry, New Delhi wherever TWICL is called upon to do so.
- ix. The TWICL shall not divert the grants and shall abide by the terms and conditions of the grant. If TWICL falls to utilize the grant for the purposes for which the same has been sanctioned, the TWICL will be required to refund the amount of the grant with interest as deemed appropriate.
- x. The TWICL shall report on the physical progress as well as the expenditure incurred in the project to the Government of India every quarter.

7. The Secretary (Industries), Government of Tamil Nadu will act as a facilitator to supervise and evaluate the progress of the project periodically.

This issues with the approval of the Chairman, Apex Committee of the Industrial Infrastructure Upgradation Scheme (IIUS).

Yours faithfully,

( S. Jagadeesan )  
Joint Secretary to the Govt. of India

Copy to: Secretary (Industries), Govt. of Tamil Nadu, Chennai.

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Investment Company Limited,  
Wescare Towers, 3<sup>rd</sup> Floor,  
16, Cenotaph Road, Teynampet,  
Chennai – 600 018,  
TAMIL NADU.

Subject : Payment of Grant-in-aid to Tamil Nadu Water Investment Company Limited for Industrial Infrastructure facilities at Textile Cluster, Tirupur under Industrial Infrastructure Upgradation Scheme (IIUS).

I am directed to convey the approval to Tamil Nadu Water Investment Company Limited (TWICL) for implementing the Integrated Infrastructure Development Programme for Tirupur under the Industrial Infrastructure Upgradation Scheme (IIUS). Central grant for the programme is subject to compliance by TWICL of the relevant guidelines and is limited to the extent of 75% of the project cost subject to a ceiling of Rs. 50 crores.

2. The details of eligible activities and break-up of project cost as approved by the Committee is appended.

3. The central assistance under the scheme would also be subject to the following conditions:-

- i. The eligible activities under the scheme would be implemented as part of an ongoing integrated project, but not financed by any other agency.

- ii. The cost estimates for various components under the scheme would need to satisfy the following requirements:
  - a) All cost estimates for roads and construction of buildings, should be as per the Schedule of Rates (SOR) of the State Government.
  - b) All cost estimates for water sector requirements and common effluent treatment systems, should be as approved by the Banks/Financial Institutions.
  - c) The cost estimates for setting up of IT Centre should be as approved by Ministry of Communication and Information Technology/ NISG/NIC/NASSCOM.
  - d) All cost estimates for the equipments/facilities to be set up at the R&D Centre should be in consultation with TRAs.
  - e) The cost estimate for the Convention Centre, should be in accordance with the SOR of the Central Government.
- iii. TWICL will furnish an utilization certificate for amounts released through this sanction before the next release of funds.
- iv. Managing Director, TWICL would be the Drawing and Disbursing Officer for the release of the amounts under this sanction.
- v. TWICL shall submit performance-cum-achievement report before applying for the next instalment as grant.
- vi. TWICL shall maintain separate account of the grants-in-aid received from the Government.
- vii. TWICL shall execute a bond with two sureties for acceptance of terms and conditions of the payments of Grant-in-aid before release of payment.
- viii. The amount so paid to TWICL shall be open to inspection by the sanctioning authority/Internal Audit Party of the Chief Controller of Accounts, Ministry of Commerce & Industry, New Delhi wherever TWICL is called upon to do so.

- ix. The TWICL shall not divert the grants and shall abide by the terms and conditions of the grant. If TWICL falls to utilize the grant for the purpose for which the same has been sanctioned, the grantee will be required to refund the amount of the grant with interest as deemed appropriate.
- x. There is no reason to believe that the TWICL is involved in corrupt practices.
- xi. The TWICL shall report on the physical progress as well as the expenditure incurred in the project to the Government of India every quarter.
- xii. Expenses incurred towards appraisal of project proposal and monitoring of the evaluation scheme by a profession independent agency will be charge under the administrative expenses (3% of the project cost).

4. Secretary (Industries), Government of Tamil Nadu will act as a facilitator to supervise and evaluate the progress of the project periodically.

5. In case of any dispute Secretary, Department of Industrial Policy & Promotion will be the sole “Arbitrator”

6. The expenditure is debit able to Major Head “2852”, 80.800 – Other Expenditure (Minor Head), 14- Industrial Infrastructure Upgradation Scheme (IIUS), 14.00.31 – Grant-in-aid under Demand No. 13, Ministry of Commerce & Industry for the year 2003-2004 (Plan).

The sanction issues with the concurrence of Integrated Finance Wing of the Ministry of Commerce & Industry.

Yours faithfully,

( S. Jagadeesan )  
Joint Secretary to the Govt. of India

Copy to: Secretary (Industries), Govt. of Tamil Nadu, Chennai.

## APPENDIX

Sl. No	Item	Amount (Rs. in Crores)
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	<b>Total Project Cost</b>	<b>143.00</b>

2. The Funding pattern of the above project cost will be as follows:

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	<b>Total:</b>	<b>Rs. 143.00 crore</b>

3. Implementation schedule:  
Duration of the project – 18 Months.