

**TAMILNADU WATER SUPPLY AND DRAINAGE BOARD**



**ABSTRACT**

**URBAN WATER SUPPLY SCHEME –ILAYANKUDI TOWN PANCHAYAT CHANGE IN MODE OF FINANCIAL PATTERN APPROVED– REG.**

**PROGRAMME MANAGEMENT WING**

**B.P. Ms.No. 6**

**Dated: 7.1.2008**

Read:

Board Resolution No.2.5 Dated 31.12.2007

Urban Water Supply schemes were implemented with the financial tie up through borrowed funds on behalf of local bodies from the financial institutions with the Government guarantee. Subsequently, TWAD Board was not permitted by the Government to borrow money from the lending agencies and the respective local bodies have to borrow money and deposit the money to TWAD Board for execution of the schemes.

Water Supply Improvement scheme was administratively sanctioned for the following Town Panchayat,(Erstwhile UTP) with funding pattern of 100% loan assistance which is requiring funds tie up from financial institution for implementation and completion.

Name of Scheme	Administrative Sanction Reference	Administrative Sanction Amount ( Rs. Lakhs)
Ilayankudi WSIS	B.P. Ms. No. 83/Dt.27.7.2005	186.11

Meanwhile in G.O.MS.No.121/29.8.05, it was ordered that the following funding pattern would be adopted for implementation of water supply schemes in Special Village Panchayats. ( At present Town Panchayats )

- 80% of the capital cost -- Grant
- 10% of the capital cost -- Special Village Panchayats
- 10% of the capital cost -- Contribution from the community.

Subsequently Special Village Panchayats were converted as Town Panchayats and as per G.O. Ms. No. 142/MA& WS (WS1)/ Dated 21.11.2006, the following is the funding pattern for the Town Panchayats implemented under MNP funds.

- 80% of the capital cost -- Grant
- 20% of the capital cost -- Contribution from Town Panchayats / Public

The Director, Town Panchayats in his Letter 2185/2007/B3/Dt.27.11.2007 has recommended the Managing Director, TWAD Board for adoption of revised financial pattern under G.O.Ms.No. 142/MA&WS (WS1)/ Dated 21.11.2006 for the above