

(16)
GOVERNMENT OF TAMIL NADU
ABSTRACT

(167)

Tamil Nadu Urban Development Fund - Loans sanctioned by Municipal Urban Development Fund to Municipalities and also loans outstanding as on 30.9.1996 and partly disbursed loans Government guarantee for repayment - Orders - Issued.

FINANCE (LETTER OF CREDIT) DEPARTMENT

G.O.Ms.No. 588

Date : 9.10.98.
Veguthanya Purataši 23
Thiruvalluvar Aandu, 2029.

READ:

1. From the Chief Executive Officer, Tamilnadu Urban Development Fund letter dated 21.5.98.
2. From the Commissioner of Municipal Administration, Chennai.5. letter Roc.No. 34994/98/MCB4 dt.2.6.98.

ORDER:

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The Commissioner of Municipal Administration in the reference 2nd read above has stated that as per the report of the Chief Executive Officer, Tamil Nadu Urban Development Fund, the Board of Tamil Nadu Urban Infrastructure Trustee Limited (the Corporation Trustee of Tamil Nadu Urban Development Fund) at its meeting held on 5.5.98, while approving the accounts of Tamil Nadu Urban Development Fund for the period ending 31.3.97 have resolved that the Government of Tamil Nadu would provide guarantee for the repayment of all loans sanctioned by Municipal Urban Development Fund to Municipalities and also loans outstanding as on 30.9.96 and partly disbursed loans. Hence, the Chief Executive Officer, Tamil Nadu Urban Development Fund as requested the Government to provide guarantee to the tune of Rs. 16483.32 lakhs in respect of the loans sanctioned by Municipal Urban Development Fund as follows:

- a) Municipal Urban Development Fund outstanding loan (Principal, interest and other charges) ~~pxx~~ portfolio as on 30.9.96 amounting to Rs. 15759.00 lakhs (Rupees fifteen thousand, seven hundred and fifty nine lakhs only).
- b) In respect of schemes of Local Bodies for whom part disbursements were made by the then Municipal urban Development Fund prior to 30.9.96 and the balance disbursements were made after 30.9.96 amounting to Rs. 294.10 lakhs (Rupees two hundred and ninety four lakhs and ten thousand only)
- c) In respect of schemes of Local bodies for whom the ~~disbursements~~ sanctioned schemes under the then Municipal Urban Development Fund after 30.9.96 and the ~~xi~~ entire loans were disbursed there after amounting to

Rs. 430.22 lakhs (Rupees four hundred and thirty lakhs and twenty two thousand only)

2. The Government after careful consideration have decided to accept the proposal of the Commissioner of Municipal Administration, Chennai and the Chief Executive Officer, Tamil Nadu Urban Development Fund, Chennai. In exercise of the powers conferred by Article 293(i) of the Constitution of India, the Governor of Tamil Nadu hereby guarantees the repayment of loan to the tune of Rs.16483.32 lakhs (Rupees sixteen thousand, four hundred and eighty three lakhs and thirty two thousand only) in respect of the loans already sanctioned by Municipal Urban Development Fund as detailed in para 1 above.

3. Under clause (1) of the Article 299 of the Constitution of India, the Governor of Tamil Nadu hereby authorises the Deputy Secretary to Government, Finance (Budget) Department to execute the agreement as guarantor on behalf of the Government of Tamil Nadu.

4. The Government further direct that a Guarantee Commissioner of 1/2% (half a percent) per annum be charged from the Municipalities on the outstanding guaranteed amount once in every half year and the same shall be remitted into Government account under the head-

"K Deposits and Advances- (b) Deposits not bearing interest - 8443.00 Civil deposits- 800 - Other deposits - 7N Guarantee Fund (LFC 8443 00 800 0007).

5. The Commissioner of Municipal Administration, Chennai. is requested to watch the repayment of loan to Municipal Urban Development Fund as well as the remittance of Guarantee Commission to Government in time under the purview of the Government in Municipal Administration and Water Supply Department. The report regarding the payment of Guarantee Commission should be sent to Government in Finance Department with a copy marked to Municipal Administration and Water Supply Department once in every half year on the consolidated statement of guarantee so far issued.

(BY ORDER OF THE GOVERNOR)

J. RADHAKRISHNAN
DEPUTY SECRETARY TO GOVERNMENT.

To

The Commissioner of Municipal Administration, Chempauk, Chennai.5.
The Chief Executive Officer, Tamilnadu Urban Development Fund.
The Accountant General, Chennai.18.
The Accountant General, Chennai.18 (By name)

True copy

G. Srinivasan
Superintendent. 28/7/78