

The Hindu 22.03.2013

Rs. 500 crore more for development mission

Staff Reporter

Funding will henceforth be project based.

Mega city development mission has covered a number of civic improvement works in the past few years including the expanded areas. In the State Budget for 2013-14 Finance Minister O. Panneerselvam announced an additional Rs. 500 crore for works under the mega city development mission.

On Thursday he said “In the last two years, this government allocated Rs. 1,000 crore under the Chennai Mega City Development Mission. These allocations will strengthen the financial capacity of urban local bodies to take up more projects.”

“In order to leverage additional funds to take up more projects

under these mission mode programmes, funding will henceforth be project based and grant would be restricted to a maximum of 75 per cent of the project cost for Chennai Corporation and financially stronger local bodies.”

Local body contributions

“The balance of 25 per cent shall be leveraged through local body contributions which may include loans from financial institutions. For the financially weaker urban local bodies, grant component of the project will be 90 per cent and the remaining 10 per cent will be financed through own funds or loans or by dovetailing from Infrastructure Gap Filling Fund,” he said.

The State government in 2012 gave financial approval for a grid system of roads, street lights, street furniture, footpaths and stormwater drains in zones comprising the expanded areas of Chennai Corporation as part of the Mega City Development Mission.

Mr. Panneerselvam in his revised budget for 2011-12 had

announced that Rs. 500 crore under the Chennai Mega City Development Mission would supplement the available funds under various schemes.

With the conclusion of the World Bank-assisted TNUDP III, such funding was being made available for improvement of infrastructure and basic amenities in urban local bodies.

But many works under the mega city development mission continue to be delayed in Chennai for want of better monitoring.

“The work order has been issued for a number of works. But zonal-level officials are unable to make the contractors complete the work by the deadline. There should be a better monitoring mechanism,” said an official of Chennai Corporation.

Many works under the mission continue to be delayed in Chennai.