

No.DGET-35(12)/IDP / Comp-TN/ 2008- NPIU
Government of India
Ministry of Labour & Employment
Directorate General of Employment and Training
National Project Implementation Unit

Speed Post
Original

Advice No. 30
A.H. 08

Shram Shakti Bhavan,
Rafi Marg, New Delhi.
Dated: 31st July 2008

To
✓ The Controller of Accounts,
Ministry of Labour & Employment,
New Delhi.

Subject: Sanction for release of funds for 3 ITIs in the State of Tamil Nadu under competitive selection during 08-09 for the 'Externally aided Project for Reforms and Improvement in Vocational Training Services rendered by the Central and the State Governments' – Vocational Training Improvement Project (VTIP) with World Bank assistance.

Sir,

I am directed to convey the sanction of the President of India to incur an expenditure not exceeding **Rs. 787.50 lakh (Rupees Seven hundred eighty seven lakh and fifty thousand only)** towards 75% of the Central Share on the component of cost mentioned in the Institutional Development Plans (IDPs) of respective ITIs for setting up of Centres of Excellence(CoE) and / or Upgradation of trades in the ITIs in the State of Tamil Nadu under the "Externally aided Project for Reforms and Improvement in Vocational Training Services rendered by the Central and the State Governments" – Vocational Training Improvement Project with World Bank assistance.

2. I am also directed to convey the sanction of the President of India for the release of **Rs. 166 Lakh (Rupees One hundred sixty six lakh only)** out of the sanctioned central share, towards 1st installment i.e. 80% of year 1 requirement for components of civil works, equipment and other expenditure in respect of 3 ITIs as per details tabulated below. The remaining 25% share for respective ITI will be borne by the State Government.

(Rs. in Lakhs)

Sl. No.	Location of ITI	Sector	Fund requirement as per IDP	Central fund allocation (rounded off)	Year 1 fund requirement	Central share @ 75% of the year 1 fund requirement (rounded off)	Release of Central share of the year 1 funds (1 st installment 80%) (rounded off)
1	Karaikudi	Fabrication	350	262.5	58	43	35
2	Dharmapuri	Automobile	350	262.5	124	93	74
3	Dharmapuram	P & M	350	262.5	95	71	57
Total			1050	787.5	277	207	166

3. The release of abovementioned Central fund in respect of the said scheme is subject to the guidelines mentioned in the Project Implementation Plan (PIP), Procurement Manual and Financial Management Manual along with the following conditions:

- (i) The ITIs should be renovated / constructed in accordance with the NCVT approved space norms through National Competitive Bidding (NCB)/ Shopping Mode / Direct Contracting Mode as applicable under World Bank procurement procedure. While planning for the civil works for the ITIs, it should be ensured that recommendations indicated in Environment Management Framework are implemented.

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- (ii) The procurement of equipment / furniture etc. should be procured in accordance with the NCVT approved list for the selected sector in the ITI through National Competitive Bidding(NCB)/ Shopping Mode / Direct Contracting Mode as applicable under World Bank procurement procedure.
 - (iii) The purchase of vehicle other than as listed in the standard list of tools and equipment is not permissible. However, hiring of vehicle for official use / industrial visit etc. is permitted under the project as per guidelines mentioned in the Procurement Manual.
 - (iv) The grant shall be utilized for the activities mentioned in the agreed IDP and no portion of it shall be spent on any other purpose.
 - (v) The grant should be utilized within a period of one year from the date of issue of the sanction and any amount not spent by that time should be surrendered to the Central Government.
 - (vi) The conditions mentioned under "Memorandum of Understanding" (MoU) should be adhered to during project implementation.
 - (vii) It should be ensured that the Instructor vacancies in the ITI should not be more than 10 percent.
 - (viii) Emphasis may be given for sectoral upgradation, / overall upgradation of training infrastructure, staff / faculty training etc.
 - (ix) It should be ensured that recommendations indicated in Environment Management Framework are implemented.
 - (x) It should be ensured that the agreed documents as per Disclosure Management Framework are disclosed on the website of SPIU / State Directorate.
 - (xi) All documents must be retained by the State Govt. for Post review by the World Bank.
 - (xii) Utilisation Certificate in Form GFR 19-A in respect of individual ITI indicating expenditure incurred under the scheme should be furnished to DGE&T in Duplicate.
 - (xiii) State Government must submit Quarterly expenditure information through Interim Unaudited Financial Report with 15 days of the close of each quarter to enable raise reimbursement claims by the Central Government from the World Bank as mentioned in Financial Management Manual.
 - (xiv) Annual Audited Financial Statements of the project should be submitted within 4 months after the end of each fiscal year.
4. The sanction relates to Plan Expenditure and is in accordance with the pattern of assistance approved by the Planning Commission and Ministry of Finance.
 5. The expenditure is debitable to the Major Head "3601" during FY 2008-2009:
 - 3601 Grants-in-Aid to State Governments (Major Head)
 - 04 Grants for Centrally Sponsored Plan Scheme (Sub-Major Head)
 - 321 Training Grants – Training of Craftsmen and Supervisors
 - 03 Other Schemes
 - 08 Externally aided Project for Reforms and Improvement in Vocational Training Services rendered by the Central and the State Governments03.08.31 Grants-in-Aid to be met out of the budget grant of FY 2008-2009.
 6. This issues in exercise of the delegated powers in consultation with the Finance-I Branch, Ministry of Labour & Employment vide Dy. No. 683-FA(L)/08 dated 22.07.2008 [IFD Dy. No 209 dated 15.07.2008].

Yours faithfully,



(M.S. Azad)

Under Secretary to the Government of India

Copy forwarded for information and necessary action to the:

1. Pay and Accounts Officer, DGE&T, New Delhi.
2. Computer Cell, Room No. 610, Principal Accounts Office, Ministry of Labour of Employment, New Delhi.
3. The Accountant General, Central Revenue, New Delhi.
4. The Accountant General, Government of Tamil Nadu.
5. The Under Secretary, Labour, Government of Tamil Nadu, Chennai.
6. Director of Audit, AGCR Building, Indraprastha Estate, New Delhi.
7. The Commissioner of Employment & Training, Guindy, Chennai, 600 032 Tamil Nadu with a request to ensure that :
 - (i) The grant is utilized as per IDP.
 - (ii) The IDPs in respect of the ITIs for whom the funds are being released are complete in all aspects and have the recommendation / approval of the State Steering Committee (SSC).
 - (iii) Funds to the various ITIs would be provided according to the requirement indicated in the respective IDPs..
 - (iv) Funds would be spent as per IDPs during the stipulated period.
 - (v) The Utilisation Certificate [in form GFR-19A] for the released central & State share and the documents required for the reimbursement from the World Bank should be submitted within the required period of time. The subsequent release of funds for these ITIs would be linked to the proper and timely utilization of the funds being released.
8. Director, Labour, Employment & Man Power (LEM) Division, Planning Commission, Yojana Bhavan, New Delhi.
9. Finance-I Branch, Ministry of Labour & Employment, New Delhi.
10. Deputy Controller of Accounts, Internal Audit, Ministry of Labour & Employment, New Delhi.
11. Sanction folder, CoE
12. Spare Copies.



(Swati Sethi)

Deputy Director of Training

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