

Original

Speed Post

Advice No. 39
Sept, 08

No.DGET-35(7)/IDP / Comp-KR/ 2008- NPIU
Government of India
Ministry of Labour & Employment
Directorate General of Employment and Training
National Project Implementation Unit

Shram Shakti Bhavan,
Rafi Marg, New Delhi.
Dated: 25th Sept. 2008

To

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

Subject: Sanction for release of funds for 5 ITIs in the **State of Karnataka** under competitive selection **during 2008-09** 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. 1312.50 lakh (Rupees one thousand three hundred twelve 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 Karnataka** 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. 557 Lakh (Rupees Five hundred fifty seven lakh only)** out of the sanctioned central share, @ 80% of sanctioned amount as 1st installment together for components of civil works, equipment and other expenditure in respect of 10 ITIs as per details tabulated below. The remaining 25% share for respective ITI will be borne by the State Government.

(Rs. in Lakhs)

Location of ITI	Sector	Fund requirement as per IDP	Central fund allocation @ 75% of the fund requirement	Year 1 fund requirement (rounded off)	Central share @ 75% of the year 1 fund requirement (rounded off)	1 st installment (80% of col. (6))(rounded off)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Bangalore	Fabrication	350	262.5	143.5	108	86
2. Devarayasamud	Fabrication	350	262.5	209	157	125
3. Tiptur	Electronic	350	262.5	173	130	104
4. Mandya	Electronic	350	262.5	201.8	151	121
5. Puttur (W)	Electronic	350	262.5	201.8	151	121
Total		1750	1312.5	929.1	697	557

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 Governments
 - 03.08.31 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. 1024-FA(L)/08 dated 08/09/08 [IFD Dy. No 261 dated 2.09.2008].

Yours faithfully,


(R.K. Ahluwalia)

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 Karnataka.
5. The Under Secretary, Labour, Government of Karnataka, Bangalore.
6. Director of Audit, AGCR Building, Indraprastha Estate, New Delhi.
7. Director of Employment and Training, 9/1, Shri Prashant Complex , Sir P.Kalinga Rao Rd.,Bangalore 560027, Karnataka with reference to letter No. DET/TRG/COE-(WB-3)/CR-53/2007-08 dated 29/04/2008 and subsequent furnished minutes of the meeting of State Steering Committee (SSC) held on 30/07/2008. **It may be noted that against 14 ITIs identified during 2008-09 for upgradation, the funds are being released for upgradation of 5 ITIs, as per the availability of funds in the budget. Balance amount in respect of 5 ITIs would be released soon after receiving supplementary funds. For remaining 4 ITIs, in accordance with the minutes of SSC meeting, duly approved IDPs with the selected sector may be furnished, on priority, for seeking necessary approvals.** Further, it is requested 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) 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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