ABSTRACT

Tamil Nadu Urban Habitat Development Board - Execution of the Asian Development Bank financed "Inclusive, Resilient and Sustainable Housing for Urban Poor Sector Project" (IRSHUP) in Tamil Nadu - Administrative Sanction - Orders - Issued.

HOUSING AND URBAN DEVELOPMENT [UHD2(3)] DEPARTMENT

G.O.(Ms) No.33 Dated:28.03.2022

நிலவ வருடம், பங்குனி -14.

திருவள்ளுவர் ஆண்டு 2053.

Read:

1. G.O.(Ms.)No.185, Housing & Urban Development (SC-3) Department, Dated 23.12.2020.
2. From the Managing Director, Tamil Nadu Urban Habitat Development Board Letter No.PMU/ADB/0647/2021, dated 07.01.2022.

Earlier, the Housing and Urban Development Department, Government of Tamil Nadu submitted a proposal seeking Asian Development Bank assistance for 'Inclusive, Resilient and Sustainable Housing for the Urban Poor Sector Project' in Tamil Nadu with a total project cost of Rs. 5000 crore (USD 715 million) with Asian Development Bank loan of Rs.3500 crore (USD 500 million) to the Department of Economic Affairs, Ministry of Finance, Government of India.

2. The Screening Committee of Department of Economic Affairs, in its 90th meeting held on 19.12.2018, considered the proposal of the Government of Tamil Nadu titled 'Inclusive, Resilient and Sustainable Housing for Urban Poor in Tamil Nadu' seeking external assistance from the Asian Development Bank and accorded 'In-principle' approval for the proposal. The Department of Economic Affairs, Government of India also proposed the aforesaid proposal of the Government of Tamil Nadu to the Asian Development Bank for a financial assistance of USD 500 million to be utilized in multiple tranches.

3. Accordingly in the Government Order first read above orders were issued according In-principle approval for implementation of the Asian Development Bank financed "Inclusive, Resilient and Sustainable Housing for Urban Poor Project" in Tamil Nadu in the first tranche, at a cost of USD 215 Million (Rs.1570 Crore), of which USD 150 Milion (Rs.1095 Crore) will be funded by the Asian Development Bank and USD 65 Million (Rs.475 Crore) with counterpart funding consisting of 3 Components. viz., (1) Affordable housing for Vulnerable Communities. (2) Affordable Housing for Urban Poor and Migrant Workers and (3) Regional Planning implemented by Tamil Nadu Slum Clearance Board, Tamil Nadu Infrastructure Fund Management Corporation Limited and Directorate of the Town and Country Planning respectively.

4. In the letter second read above, the Managing Director, Tamil Nadu Urban Habitat Development Board has stated that the Project comprises of the following three components:-

Component 1: Construction of housing units in nine separate locations throughout the State and relocation of approximately 6,000 slum households vulnerable to natural hazards to safer locations, including protection of cleared waterways to prevent re-encroachment, and restoration of ecological functions in two pilot sites;

Component 2: Provision of risk capital, such as in the form of equity and/or participating instrument investment, to specific special purpose vehicles or other entities constructing affordable housing benefiting populations underserved by the housing market in the State, including industrial housing and working women's hostels for low-income and migrant workers, resulting in approximately an additional 500 beds for working women and 5,000 beds for industrial workers; and

Component 3: Support for Regional Planning development that integrates existing and proposed development plans and which will provide for economic development and affordable housing to balance growth throughout the State with regard to infrastructure development, environmental protection, disaster risk management and gender.

5. The 'Loan Agreement' between Asian Development Bank and the Government of India as well as the 'Project Agreement' between Asian Development Bank and the Government of Tamil Nadu for the Loan No. 4106-IND "Inclusive, Resilient and Sustainable Housing for Urban Poor Sector (IRSHUP) Project" were signed on 7th Dec'2021. Loan effectiveness will be taken up after 90 days from the date of Loan Agreement (i.e) 7th March'2022.

The agreed financing plan for the project is as follows:-

Sl. No.	Sources	Amount (USD Million)	Amount (INR in crore) ($=Rs.74)	Share (in %)
1.	Asian Development Bank (Regular loan)	150.00	1110.00	69.8
2.	Government of Tamil Nadu (Counterpart funding)	65.00	481.00	30.2
	Total	**215.00**	**1591.00**	**100**

The Project is expected to be completed by 31 August 2028.

6. He has further stated that the necessary Budget Estimate has been made for the Financial Year 2021 -2022 under Asian Development Bank financed "Inclusive, Resilient and Sustainable Housing for Urban Poor Sector (IRSHUP) Project". The expenditure incurred for the implementation of the project shall be met out from the appropriate Budget allocated to the Implementing Agencies (TNUHDB, TNIFMC and DTCP) and the reimbursement from the Asian Development Bank shall be made through Project Monitoring Unit which is functioning under Tamil Nadu Urban Habitat Development Board. Further, the Board in its Resolution No.4.05/507,

dated 15.12.2021 has taken on record the signed Loan and Project Agreements for the above project.

7. Further, the authorized/ratified execution and delivery of the Project Agreement from the State Government and a legal opinion on the same obtained from the Advocate General/Additional Advocate General of the State which are mandatory under the sections 10.01 and 10.02 of the Asian Development Bank's Ordinary Operations Loan Regulations, 2017 has been sent to the Department of Economic Affairs, Ministry of Finance, Government of India, New Delhi, vide Government Letter No.18209/UHD2(3)/ 2020-16, dated 08.02.2022.

8. The Managing Director, Tamil Nadu Urban Habitat Development Board has therefore requested the Government to accord Administrative Sanction at a total project cost of Rs.1591 crore (i.e., USD 215 Million) for the execution of the Asian Development Bank financed "Inclusive, Resilient and Sustainable Housing for Urban Poor Sector Project" in Tamil Nadu.

9. The Government after careful examination of the proposal of the Managing Director, Tamil Nadu Habitat Development Board accord Administrative Sanction at a total project cost of Rs.1591 crore (i.e., USD 215 Million) for the execution of the Asian Development Bank financed "Inclusive, Resilient and Sustainable Housing for Urban Poor Sector Project" with the funding plan as Annexed to this order.

10. This order issues with the concurrence of Finance Department vide its U.O.14369/Finance(Hg&UD)Department/2022, dated 28.03.2022.

(BY ORDER OF THE GOVERNOR)

HITESH KUMAR S. MAKWANA
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director,
Tamil Nadu Urban Habitat Development Board,
Chennai-600 005.
The Project Director (WB and ADB Projects),
Tamil Nadu Urban Habitat Development Board,
Chennai-600 005.
The Managing Director,
Tamil Nadu Housing Board, Chennai-600 107.
The Directorate of Town and Country Planning,
Chennai-600 002.
The Member Secretary,
Chennai Metropolitan Development Authority,
Chennai-600 008.
The Chief Executive Officer,
Tamil Nadu Infrastructure Fund
Management Corporation, Chennai-600 028.

The Principle Accountant General (A&E),
Chennai-600 018.
The Principle Accountant General (G&SSA),
Chennai-600 018.
The Pay and Accounts Officer, (North/East/South),
Chennai-600 001/8/15.
The Principal Secretary /Commissioner of Treasuries
and Accounts, Chennai-600 015.

Copy to:-

O/o the Hon'ble Chief Minister, Chennai-600 009.
O/o the Hon'ble Minister (MS&ME), Chennai-600 009.
The Finance (Hg&UD/EAP) Department, Chennai-600 009.
The Resident Audit Officer,
O/o the Principal Accountant General (G&SSA),
Chennai-600 009.
O/o the Principal Secretary to Government,
Housing & Urban Development Department, Chennai-9.
The Housing and Urban Development (OP-1) Department,
Chennai-600 009.
Stock file / Spare Copy.

// FORWARDED BY ORDER //

28/3/2022

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ANNEXURE

(G.O.(Ms.)No.33, Housing and Urban Development (UHD2(3)) Department, dated 28.03.2022)

Funding Plan								
Sl. No	Outputs	Implementing Agencies	ADB Financing		Counterpart financing by GoTN		Total	
			(USD in Million)	(INR in crore) ($=Rs.74)	(USD in Million)	(INR in crore) ($=Rs.74)	(USD in Million)	(INR in crore) ($=Rs.74)
1	**Component 1:** Affordable and improved housing for vulnerable communities constructed. (civil works)	TNUHDB	104.25	771.45	63.20	467.68	167.45	1239.13
2	**Component 2:** Affordable housing for urban poor and migrant workers increased.	TNIFMC	35.00	259.00	Nil	...	35.00	259.00
3	**Component 3:** Regional plan development supported.	DTCP	2.70	19.98	Nil	...	2.70	19.98
4	Operation & Maintenance	TNUHDB	3.78	27.97	Nil	...	3.78	27.97
5	Administrative Cost	TNUHDB	4.17	30.86	1.80	13.32	6.00	44.40
6	Consultancy Services	TNUHDB	0.09	0.67	Nil	...		
	Total		**150.00**	**1110.00**	**65.00**	**481.00**	**215.00**	**1591.00**

HITESH KUMAR S. MAKWANA
PRINCIPAL SECRETARY TO GOVERNMENT

//TRUE COPY//

28/03/2022

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