

THE MADHYA PRADESH INFRASTRUCTURE INVESTMENT FUND SCHEME 2001

No.F1-33(1)-2000-PMU.-- In exercise of the powers conferred by sub-section (1) of Section 15 of the Madhya Pradesh Adhoshanrachna Vinidhan Nidhi Board Adhiniyam, 2000 (No.6 of 2000), the State Government hereby makes the following Scheme for establishment of a fund for investment in infrastructure projects in the State and for matters connected therewith, namely:--

THE MADHYA PRADESH INFRASTRUCTURE INVESTMENT FUND SCHEME 2001

1. Short title and commencement.-- (1) This scheme may be called the Madhya Pradesh Infrastructure Investment Fund Scheme, 2001.

(2) It shall come into force with effect from the date of publication in the Madhya Pradesh Gazette.

2. Definition.-- In this scheme, unless the context otherwise requires:---

(a) "Act" means the Madhya Pradesh Adhoshanrachna Vinidhan Nidhi Board Adhiniyam, 2000 (No.6 of 2000);

(b) "Fund Manager" means the fund manager of the Board as specified in sub-section (5) of Section 3 of the Act;

(c) "Infrastructure Project" means a project as defined in clause (e) of Section 2 of the Act;

(d) "Proposal" means the proposal for availing funded assistance submitted to the Board in the form and manner specified in the Annexure.

(e) "Supervision Consultant" means the agency appointed by the Board for monitoring the projects which have been financed by the Fund and reporting to the Board on a regular basis, which shall be the Public Works Department or any other competent authority appointed by the Board.

(f) "Technical Consultant" means the agency appointed by the Board for evaluating the proposals submitted to the Board and submitting their recommendations to the Fund which shall be the Public Works Department or any other competent authority appointed by the Board.

(g) "Undertaking" means the bodied as defined in clause (h), (h) and (i) of the Section 2 of the Act;

(h) The words and expressions used but not defined in this Scheme shall have the same meanings as assigned to them in the Act.

3. Eligibility of Undertakings for assistance.-- The assistance from the Fund shall only be given to Public Sector Undertakings or other undertakings which submit the Proposal to the Board and shall vetted by the technical consultant, who shall submit its recommendations to the Board.

4. Establishment of the Fund.--- (1) The Fund established under the scheme shall consist of an amount not exceeding Rs. 1000 Crores including principal and interest accrued thereon.

(2) The Board may choose such financial instruments as are available to mobilize such funds.

(3) The Board shall open account in a scheduled bank for the purpose of deposit of any amount relating to the Fund. The Fund Manager shall operate the account on behalf of the Board.

(4) The amount mobilized shall be credited to the designated bank account of the Fund.

(5) The Fund Manager may appoint an agency for investment of surplus funds lying with the Board so as to maximize returns with adequate safety.

5. The purpose for which assistance be given and the mode of assistance.-- The Board may provide a line of credit/ loan/ advance/ grant to the undertaking for investment in infrastructure projects as defined in clause (e) of Section 2 of the Act.

6. Appraisal and Sanction procedure.-- (1) The proposal for availing financial assistance from the Fund shall be submitted to the Board by the undertaking seeking assistance in the form and manner specified in the Annexure for vetting by the technical consultant. The proposal shall be accompanied by a brief report about the project.

(2) The Board shall forward the proposal to the technical consultant for vetting and the technical consultant should submit the recommendations to the Board.

(3) The Board shall meet as such time as may be required to consider the Proposals for sanction, to monitor progress of sanctioned proposals or to transact any other business required under the Act.

(4) The Board may sanction financial assistance to the undertaking for its project on the recommendation of the technical consultant.

(5) A Memorandum of Undertaking (MOU) between the Board, the undertaking seeking financial assistance and the Public Works Department or any other competent authority shall be entered into.

(6) An agreement for funding shall be signed between the Chief Executive Officer of the Public Sector undertaking or other undertaking or the officer authorised to sign a contract on behalf of the undertaking, and the Fund Manager on behalf of the Board.

7. Disbursement Procedure.-- (1) The Fund Manager shall disburse the amount from the Fund on the proposals approved and sanctioned by the Board.

(2) All disbursements for assisted undertaking for its projects will be effected through a cheque/ draft issued by a bank. The first disbursement shall be released after receiving a request from the borrower. The request for subsequent releases of installments from the borrower shall be accompanied by a Utilisation Certificate from the undertaking regarding utilisation of at least 50% of the previously disbursed installments.

8. Interest and other charges.--- (1) The Board shall be free to determine charges or interest, if any, on the amount of assistance to be given to the undertaking.

(2) In case of any dispute on charges levied by the Board, the matter shall be referred to the State Government and all decision of the State Government shall be final.

9. Repayment of Principal as well as Interest and other charges.--- The Government shall provide in the annual budget sufficient funds for timely repayment of amounts raised. These funds shall be deposited in a designated bank account for the purpose of securing repayments of principal and interest on bonds to investors, and the Fund Manager shall be authorised to operate this account.

10. Introduction of implementation and performance contract system.--- (1) A Suitable Implementation and Performance contract procedure shall be drawn up by the undertaking seeking financial assistance.

(2) The implementation and performance contract shall stipulate responsibility of the under undertaking for completion of the Project.

(3) The implementation and performance contract shall lay down project schedules, activity, milestones, and specific targets of financial and physical achievement in the project to be monitored under this scheme.

11. Monitoring and Quality control.--- (1) The supervision consultant shall be responsible for regular monitoring and reporting to the Board.

(2) An independent quality control consultant shall be appointed by the assisted undertaking for ensuring adherence to quality parameters.

12. Investment of surplus funds.-- The Board shall be competent to invest and/ or appoint a professional agency to invest on its behalf surplus or unutilized funds after identifying suitable instruments to ensure maximization of returns with adequate safety of such funds.

13. Meeting of the Board.-- (1) The Board shall meet as and when required for transaction of its business.

(2) The Chairman shall preside over the meeting of the Board. If the Chairman is absent the members present shall elect one member among themselves to preside over the meeting and the member so elected shall exercise all the powers of the Chairman at the meeting.

(3) The quorum for the meeting of the Board shall be one third of the total number of members.

14. Basic documents to be submitted.--- The proposal for financial assistance is to be put up to the Board in the format indicated in the Annexure, and all the documents mentioned in the Annexure should be enclosed as a part of the proposal. In addition, the following documents shall be submitted to the Board, namely:-

- (a) Copies of the Detailed Project Report,
- (b) Copies of all the agreements which have been entered into/ are proposed to be entered into by the undertaking with the private developer,
- (c) Draft of implementation and performance contract.

15. Relaxation by Board.-- The Board, in case of Public Sector Undertakings, may relax any terms and conditions which are part of the scheme, provided that it is fully satisfied that the comfort level offered by the undertaking on its own or with the participation of State Government for repayment of loan or any other money advanced to the undertaking for execution of the works is of high order and that it would be sufficient to fully protect the interest of the Board and investors. The Board, in such cases, after execution of such documents as may be considered necessary by the Board to ensure full endorsement of the arrangement, may grant such relaxation.

16. Books of account and other records.-- The Board shall keep the following books of account and other records for the purpose of maintenance of their accounts:-

- (1) Cash books
- (2) Bank book
- (3) General Ledger (Nominal and revenue accounts)
- (4) Party ledger/sub ledger (for debtors and creditors)
- (5) Journal
- (6) Bond control register
- (7) Investment register
- (8) Contract register
- (9) Minutes books for recording minutes/ decisions
- (10) Other books and registers as may be needed for in compliance of the Act/ method of accounting or any procedural requirements or any direction of the State Government.

17. Responsibilities of the Technical Consultant.-- For the avoidance of any ambiguities, the technical consultant shall be solely responsible for vetting the proposals

submitted to the Board, for making the recommendations for financial assistance from the Fund, and any damage suffered by the Board on account of the recommendations of the technical consultant, either directly or indirectly, shall be attributable to the technical consultant only.

18. Responsibilities of the Supervision Consultant.-- For the avoidance of any ambiguities, the supervision consultant shall be solely responsible for monitoring the use of the funds provided by the Board to the undertakings, for ensuring quality control on all the Projects funded by the Board, and for submitting their report to the Board at predetermined intervals, and any damages suffered by Board on account of the recommendations of the supervision consultant, either directly or indirectly, shall be attributable to the supervision consultant only.

ANNEXURE

Format for putting up the Proposal to the Board

- (1) Proposal in Brief--
 - (a) Project Description
 - (b) Project Cost
 - (c) Proposal Means of Finance.
- (2) Industry--
 - (a) Present Status in the State
 - (b) Technology to be employed, details of the technical collaborations and justification for the technology selected.
- (3) Project
 - (a) Detailed Description of the Project and Schedule of implementation
 - (b) Traffic
 - (c) Economic and other Benefits of the Project
 - (d) Details of the feasibility studies conducted
 - (e) Technical Details of the Project, including detailed technical drawings and cost estimates
 - (f) land and other Project Assets
 - (g) Economic and Social Assessment.
- (4) Details of the Private Developer selected--
 - (a) Process followed for selection of the Private Developer
 - (b) Brief Profile of the Developer
 - (i) Promoters
 - (ii) Management
 - (iii) Financials
 - (iv) Experience in executing similar projects.
- (5) Proposed Project Structure--
 - (a) Proposed Project Structure
 - (b) Summaries of all the contractual agreements entered into or proposed to be entered in to with the private developer
 - (c) Proposal Means of Finance

(d) Projected cash flow statements.

(6) Recommendations.

By order and in the name of the Governor of Madhya Pradesh
D.R.S.Chaudhary, Secretary

[Top](#)

[Back](#)

[Home](#)