

**Minutes of the meeting taken by AS&FA, DIPP on 27/9/2011 with the
Gol nominees on the Board of Directors of the SPVs implementing
IIUS projects**

A meeting was held under the Chairmanship of Shri Saurabh Chandra, AS&FA, DIPP on 27/9/2011 with Government of India nominees on the Board of Directors of the SPVs implementing IIUS project funded under Industrial Infrastructure Upgradation Scheme (IIUS).

2. List of participants is annexed.

3. Initiating the discussion, the Chairman told the participants that in the Result Framework Document for 2011-12 of the Department, a benchmark for completion of all the IIUS projects sanctioned up to March, 2010 by the end of the on-going financial year i.e. March, 2012 has been set and the Government of India nominees should play a key role in meeting the benchmark. It was informed that of the 31 projects sanctioned under the Scheme upto March, 2010, only 14 were complete and the remaining were running behind schedule. As such, nominees Directors have to play a key role in ensuring that these pending projects are completed expeditiously. Further, an evaluation of the Scheme is underway and performance of the projects sanctioned under the Scheme will be a decisive factor in deciding the continuation of the Scheme in the next Five Year Plan. The Chairman requested all the Gol nominees to apprise on the following points in respect to the project(s) concerned:

- i) Component wise physical and financial progress of the project
- ii) Status of industry contribution/financial closure of the project
- iii) Quality of physical infrastructure created
- iv) Funding pattern of cost over-runs
- v) Operation and services being provided by the complete projects

4. Government of India nominees, thereafter, apprised the Chairman on the above points about the projects concerned. During the discussion, concern was expressed on the very slow progress of the three clusters viz. Foundry Cluster, Howrah, Rubber Cluster, Howrah and Leather Cluster sanctioned during the 10th Five Year Plan and Gol nominees of these clusters were asked to look into the matter seriously so that these could be completed by March, 2012. The nominees were also asked to recommend at the earliest on the continuation of the projects or otherwise based on the overall evaluation of the project concerned.

5. Further, status of the 11th Five Year Plan projects viz. Readymade Garments Cluster, Jabalpur, Handloom Cluster, Chanderi and Auto Cluster, Adityapur which are running much behind the Schedule was reviewed. The nominees were asked to visit these projects shortly and to recommend future course of action.

6. In case of recast IIUS projects, which have not commenced the work even after lapse of one year or not started the work at major scale like Hand Tool Cluster, Jalandhar and Plastic, Polymer and Allied Cluster, Balasore, the nominees were asked to engage more actively in the implementation of the projects.

7. In case of the physically complete projects which are yet to send their request for release of the 2% balance of central grant, it was decided that these SPVs would be asked to give a cutoff date for submission of request for the balance and beyond the date so fixed, their request should not be entertained as delay in request by these SPVs results in idleness of the fund allocated to the Scheme in a particular financial year.

8. Joint Secretary, in charge IIUS, emphasised that since clusters were expected to implement the project within 2 to 3 years, it was important that

action on all sanctioned project components was planned as per PERT methodology to enable synchronous action. Gol nominees were also expected to liaise with State Government to ensure timely approvals and inter-department coordination.

9. After the discussion it was decided that the nominees will send a note to Joint Secretary, IIUS by the end of October, 2011 including the following points in respect to their clusters:

- a. Original estimates of the project with comments
- b. Financial closure approved vis a vis actual.
- c. Revised cost estimates, if any
- d. Comparative analysis of the original estimates with the revised ones.
- e. Physical and financial progress of the project
- f. Recommendations for speedy completion of the projects
- g. Role envisaged and played by the State Govt.
- h. Any other issue relevant.

10. The Chairman directed the program division to organize an orientation for Gol nominees to familiarize them on important aspects of the Scheme and implementation issues with respect to each cluster. The Gol nominees should study the file in the program division to update him/herself and if need be, keep a copy of important documents for necessary reference. Further, the existing work distribution may be revised in respect of Gol nominees, who have more than 2 clusters assigned to them.

11. The meeting ended with a vote of thanks to the Chair.

List of Participant:

1. Shri Saurabh Chandra, AS& FA, DIPP – in the Chair.
2. Smt. Shubhra Singh, Joint Secretary.
3. Shri K. K. Sinha, Industrial Advisor
4. Shri Mukul Ratra, Director.
5. Shri Deepak Narain, Director
6. Shri A. K. Singh, Deputy Secretary.
7. Shri S. S. Bose, Sr. Dev. Officer.
8. Shri Nand Lal, Sr. Dev. Officer
9. Shri A. M. Balraj, Sr. Dev. Officer
10. Shri A. P. Singh, Sr. Development Officer
11. Dr. Ashish Kumar, Sr. Development Officer
12. Mohd. Yusufzai Z. Khan, Sr. Development Officer
13. Shri Sundeep Chauhan, Dev. Officer.
14. Shri S. K. Jain, Dev. Officer.