

Source : The Business Line

Date : 30.01.2009

World Bank to fund AP project for urban services

Rs 1,544 scheme likely to be approved by March.

Our Bureau

Hyderabad, Jan. 29 The World Bank and Andhra Pradesh Government will take up a Rs 1544-crore project to bring about reforms in urban bodies and improve municipal services.

The State Cabinet, which met here on Thursday, ahead of the forthcoming State Legislative Assembly session poised to commence on February 2, approved the project.

The Andhra Pradesh Urban Reforms and Municipal Services Project will have the World Bank contributing about Rs 1,191 crore and the rest, Rs 353 crore, will be from the State Government.

The project, likely to be approved by March 2009, will focus on drinking water projects, sanitation and solid waste management.

Briefing newsmen after the Cabinet meeting, the State Information Minister, Mr Anam Ramnarayan Reddy, said this project would bring about reforms in municipal services and also streamline their functioning.

PENSION SCHEME FOR SHGs

The Cabinet also resolved to introduce co-contributory pension scheme for women self help groups (SHGs) with immediate effect. Referred to as Indira Kranthi Patham (IKP) Pension Scheme, this seeks to cover about 1.25 crore women.

Women past 60 years will be eligible for pension of up to Rs 500 to Rs 2,500 per month. While a member of SHGs contributes Rs 30 per month, the State Government would contribute a similar amount and together the contributions would be deposited in a bank.

On the death of a subscriber during the contributory phase, the contributions of the subscriber and accrued earnings on such contributions shall be transferred as a lump sum to the nominee of the subscriber.

The money thus deposited in the bank would be transferred to Life Insurance Corporation of India, which has the mandate to maintain the

corpus fund and invest the amount wisely. The Society for Elimination of Rural Poverty (SERP) would be the nodal implementation agency.

The State Government has committed Rs 365 crore for the next financial year for the IKP Pension Scheme.

In other decisions, the Cabinet approved the Justice K. Jagannath Shetty recommendations on new pay scales for judiciary in the subordinate courts and amendment to the Value Added Tax enactment, aimed at simplifying procedures further.