ABSTRACT

Tamil Nadu Sustainable Urban Development Project (TNSUDP) – Sanction of 9 new projects and 4 spill over projects from TNUDP-III under TNSUDP at a cost of Rs.2212.89 crores – Administrative sanction – orders issued.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MA2) DEPARTMENT

G.O.(Ms)No. 1 **Dated: 02.01.2015**

திருவள்ளுவர் ஆண்டு 2045

ஜய வருடம், மார்கழி 18

Read:

1. Minutes of the 69th meeting of the Board of Directors of Tamil Nadu Urban Infrastructure Trustee Company Limited held on 25.06.2014.

2. From the Principal Secretary/Chairperson and Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited, Lr.No. TNUDF/Projects/TNSUDP, Dated 15.07.2014.

ORDER:

Considering the closure of World Bank assisted Tamil Nadu Urban Development Project III on 31.3.2014 and the fund requirement for urban infrastructure, a new infrastructure project, namely, the Tamil Nadu Sustainable Urban Development Project (TNSUDP) has been approved by the Government. The Screening Committee of Department of Economic Affairs, Government of India has recommended and forwarded the same to the International Bank for Reconstruction and Development (IBRD – World Bank) for financial assistance of US $ 400 million.

2. The World Bank Mission visited Tamil Nadu during April 8-9, 2014, for initial road map followed by project identification mission during May 2-6, 2014. During the mission, the World Bank informed that as per the requirement of the Department of Economic Affairs, Government of India, projects costing not less than 30% of the overall project cost must reach the contract award stage by the time of negotiations for Tamil Nadu Sustainable Urban Development Project during December 2014. The timelines for various activities have been agreed with the World Bank.

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3. The Chairperson and Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited in the letter second read above, has stated that in order to meet the timelines stipulated by Government of India / World Bank, nine new projects and four spill over projects from TNUDP III, forming initial pipeline has been approved by the Board of Tamil Nadu Urban Infrastructure Trustee Company Limited (TNUITCL) and recommended to Government for according administrative sanction with the funding assistance under the proposed Tamil Nadu Sustainable Urban Development Project.

4. The Chairperson and Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited has therefore requested the Government to accord administrative sanction for the following projects under the proposed World Bank assisted Tamil Nadu Sustainable Urban Development Project with proposed means of Finance, as approved by the Board of TNUITCL:

(Rs. in crs.)

S. No	Name of the sub-project	Project Cost	Loan from TNSUDP		Grant from TNSUDP		ULB Contribution	
			Amount	%	Amount	%	Amount	%
I	**New Sub-Projects**							
1	Integrated Storm Water Drain in Adyar & Cooum Basins for expanded areas in Corporation of Chennai	1101.43	660.86	60	330.43	30	110.14	10
2	Upgradation of four Bus Route Roads to international standards in Corporation of Chennai	135.00	81.00	60	40.50	30	13.50	10
3	Pedestrianization of T.Nagar in Corporation of Chennai	83.00	49.80	60	24.90	30	8.30	10
4	Restoration of Narayanapuram Lake in Corporation of Chennai	15.67	9.40	60	4.70	30	1.57	10
5	Restoration of Vaigaikulam and Periyakulam Tanks in Tirunelveli Corporation	4.78	2.87	60	1.43	30	0.48	10
6	Restoration of Chinnandipalayam Tank in Tiruppur Corporation	5.69	3.41	60	1.71	30	0.57	10
7	Restoration of Zamin Pallavaram Periya Eri and Keelkattalai Eri in Pallavaram Municipality	22.02	13.21	60	6.61	30	2.20	10
8	Hosur Under Ground Sewerage Scheme	283.94	56.79	20	198.76	70	28.39	10
9	Tertiary Treatment Reverse Osmosis Plant in Kodungaiyur by CWSSB	255.00	153.00	60	76.50	30	25.50	10
	Sub-Total – A	**1906.53**	**1030.34**	**-**	**685.54**	**-**	**190.65**	**-**

II	**Spill-over projects from TNUDP III**							
10	Water Supply Improvement Scheme in Pallavaram Municipality	99.95	59.97	60	29.99	30	9.99	10
11	Water Supply Improvement Scheme in Pammal Municipality	43.10	25.86	60	12.93	30	4.31	10
12	Water Supply Improvement Scheme in Theni-Allinagaram Municipality	68.83	41.30	60	20.65	30	6.88	10
13	Street Lights Improvement project in Chennai Corporation	94.48	66.14	70	18.90	20	9.44	10
	Sub-Total – B	**306.36**	**193.27**	**-**	**82.47**	**-**	**30.62**	**-**
	Total (A+B)	**2212.89**	**1223.61**	**-**	**768.01**	**-**	**221.27**	**-**

5. The Chairperson and Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited has informed that the projects at Sl.nos. 1 to 7 of the Table at para 4 above are non-remunerative. Hence, the Operations and Maintenance and debt service have to be met out of the general funds of the respective Urban Local Body and it has been ascertained that the concerned urban local bodies have adequate financial capacity to take up the projects with the proposed means of finance.

6. The Board of Tamil Nadu Urban Infrastructure Trustee Company Limited has resolved that the loan sanction for the Hosur Municipality Under Ground Sewerage Scheme is subject to fixation of deposit and tariff on graded basis by the Municipal Council based on the sewage generated / extent of plinth area. The Board also suggested fixing of deposit and tariff for assessments having plinth area of more than 2400 sq.ft in proportion to their areas.

7. In respect of Tertiary Treatment Reverse Osmosis plant in Kodungaiyur, which is a remunerative project, the TNUITCL Board has observed that the project is self sustainable with the proposed means of finance and with the user charges of Rs.45 per KL for industries. The revenue generated covers the entire Operations and Maintenance and the debt service.

8. The Chairperson and Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited has further informed that, the Urban Local Bodies concerned and the Chennai Metropolitan Water Supply and Sewerage Board have resolved in their respective Councils/Board for taking up the projects under the proposed Tamil Nadu Sustainable Urban Development Project.

9. The Government after careful examination, accept the proposal of Chairperson and Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited at para 4 above, based on the recommendation of the Board of Tamil Nadu Urban Infrastructure Trustee Company Limited and orders accordingly, subject to the conditions put forth by the TNUITCL Board mentioned at paras 5 and 6 above.

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10. This order issues with the concurrence of the Finance Department vide its U.O.No.40 /DS(PW)/2014, dated 31.12.2014.

(BY ORDER OF THE GOVERNOR)

K. PHANINDRA REDDY
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Chairperson and Managing Director,
Tamil Nadu Urban Infrastructure Financial Services Limited,
Chennai-17.
The Principal Secretary/Commissioner,
Corporation of Chennai, Chennai-3.
The Managing Director,
Chennai Metropolitan Water Supply and Sewerage Board,
Chennai-2.
The Director of Municipal Administration,
Chennai-5.
The Pay and Accounts Officer,(EAST), Chennai-8.
The Accountant General, Chennai-18.
The Accountant General (Audit), Chennai-18.
The Resident Audit Officer, Chennai-9.
Copy to:
The office of the Hon'ble Chief Minister, Secretariat, Chennai-9.
The Prl. Private Secretary to the Principal Secretary to Government,
Municipal Administration and Water Supply Department,
Chennai -9.
The Finance (MAWS/EAP) Department, Chennai-9.
The Municipal Administration and Water Supply (MC I/MC II/ MC VI/ MW/MA III /MAV/OP2) Department, Chennai-9.
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SECTION OFFICER

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