



ABSTRACT

Chennai Metro Rail Project – Phase-I- Implementation of the project on joint ownership basis by Government of India and Government of Tamil Nadu - Approval of Revised Project Completion Cost of Rs.19,058 crores by the State Government –Orders issued.

PLANNING, DEVELOPMENT AND SPECIAL INITIATIVES (S.I) DEPARTMENT

G.O.Ms.No.2

Dated:12-1-2017.

**Dhunmuki, Markazhi – 28.
Thiruvalluvar Aandu–2047.**

Read:

1. G.O.Ms.No.180, Planning, Development and Special Initiatives department dated 12.12.2007.
2. G.O. Ms. No. 65, Planning, Development and Special Initiatives department dated 7.7.2008.
3. From the Ministry of Urban Development, Letter No. K-14011/42/2005-Metro (Vol-II) dated 18.2.2009.
4. From the Managing Director, Chennai Metro Rail Limited, Letter No. CMRL/PFI/PC/014/2015, dated 17.11.2015.

ORDER:

In the Government orders first read above, orders were issued according in principle approval for implementing two initial corridors of Chennai Metro Rail Project from Washermanpet to Chennai Airport (Corridor-1) and Chennai Fort to St.Thomas Mount (Corridor-2) as per the recommended option in the DPR prepared by Delhi Metro Rail Corporation (DMRC) with the modification that, if feasible the stretch between Shenoy Nagar and Anna Nagar areas shall be underground. The Government has also approved the estimated cost of the project at Rs. 9,757 crores in March, 2007 prices, excluding taxes, duties, escalation, interest during the construction, etc. The starting point of Corridor-2 was subsequently modified as from Chennai Central.

2. In the Government Orders second read above, orders were issued according approval for the revised estimated cost of the project at Rs.11,124 crores in March, 2007 prices excluding taxes, duties, escalation, interest during construction based on the alignment as per the Supplementary Project Report.

3. In the reference third read above, Government of India, Ministry of Urban Development accorded approval for implementation of Phase-I of Chennai Metro Rail Project covering a length of 45.046 Km in two corridors at an estimated completion cost of Rs.14,600 crores including Central taxes and excluding State taxes and cost of vacant State Government land through a joint ownership arrangement.

4. The Managing Director, Chennai Metro Rail Limited, in his reference fourth read above, has requested the Government to accord approval for the Revised Project completion cost of Rs.19,058 crores for implementation of Phase-I of Chennai Metro Rail Project due to the reasons mentioned therein and to recommend the same to Government of India, Ministry of Urban Development for their sanction.

5. The proposal of Chennai Metro Rail Limited mentioned in para 4 above, was placed before the High Power Committee (HPC), in its fourteenth meeting held on 24.02.2016 under the chairmanship of Chief Secretary to Government. The High Power Committee after detailed discussion, approved the Revised Completion Cost of Rs.19,058 crores for Phase-I of Chennai Metro Rail Project and to recommend the same to Government of India, Ministry of Urban Development for their sanction.

6. The Government after careful examination of the proposal of the Managing Director, Chennai Metro Rail Limited and as per the recommendation of the High Power Committee has decided to accept the proposal and issue the following orders:

- 1) The Government approve the Revised Project Completion Cost for Phase-I of Chennai Metro Rail Project of Rs.19,058 crores (Rupees Nineteen Thousand and Fifty Eight Crores only) during 2016-17 as per the Component wise variation between the original and revised project cost indicated in **Annexure-A** to this order.
- 2) The funding pattern for the Revised Project Completion Cost of Rs.19,058 crores is indicated in **Annexure-B**.
- 3) The Government also recommend the Revised Project Completion Cost as mentioned in sub para (1) and (2) above to the Government of India, Ministry of Urban Development for their sanction and release of funds by way of additional equity and subordinate debt.

7. This order issues with the concurrence of Finance Department vide its U.O.No.4755 / ACS / FS(P) / 2016, dated: 14-12-2016.

(BY ORDER OF THE GOVERNOR)

**S. KRISHNAN,
PRINCIPAL SECRETARY TO GOVERNMENT.**

To

The Managing Director, Chennai Metro Rail Limited, Chennai-107.
The Chairman, Chennai Metro Rail Limited and Secretary to Government of India, Ministry of Urban Development, New Delhi.
The Additional Chief Secretary to Government, Finance Department, Chennai-9.
The Additional Chief Secretary to Government, Highways and Minor Ports Department, Chennai-9.
The Principal Secretary to Government, Transport Department, Chennai-9.
The Principal Secretary to Government, Municipal Administration and Water Supply Department, Chennai-9.
The Secretary to Government, Housing and Urban Development Department, Chennai-9.
The Secretary to Government, Revenue Department, Chennai-9.

Copy to:

The Chief Minister's Office, Chennai-9.
The Private Secretary to Chief Secretary, Chennai-9.
The Private Secretary to Principal Secretary, Planning, Development and Special Initiatives Department, Chennai-9.
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ANNEXURE-A**CHENNAI METRO RAIL PROJECT****VARIATION BETWEEN ORIGINAL AND REVISED PROJECT COST****(Rupees in Crores)**

Description	Original Project Cost	Revised Project Cost	Increase/ (Decrease)
Alignment and Formation	3,190	4,269	1,079
Station Building	4,043	4,893	850
Depot augmentation	270	335	65
P-Way	331	527	196
Traction & Power supply	528	379	(149)
Signal & Telecommunication	786	851	65
R&R	96	142	46
Utilities	137	155	18
Rolling Stock	1,584	1,527	(57)
Security	48	12	(36)
General Charges @ 5%	510	664	154
Contingency @ 3%	305	394	89
Cost of Land	855	2,629	1,774
Forex fluctuation	-	643	643
Central Taxes	1,630	730	(900)
Interest & Commitment during construction	287	294	7
Development of Space	-	614	614
Total Project Cost	14,600	19,058	4,458

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Annexure-B

Chennai Metro Rail Project – Phase-I

Funding pattern for the Revised Project Completion Cost

(Rs.in Crores)

Description	Original Project cost	%	Revised Project cost	%
EQUITY- Govt. of India (Gol)				
Package value, work and price variation and forex fluctuation	2,190	15%	2,858	15%
EQUITY – Govt. of Tamil Nadu (GoTN)				
Package value, work and price variation and forex fluctuation	2,190	15%	2,858	15%
Subordinate Debt				
Gol – Central Taxes	730	5%	730	3.83%
GoTN – Land, R&R and development of space	844	5.78%	3,966	20.81%
Pass through assistance – JICA				
Gol – PTA	8,646	59.22%	8,646	45.36%
Grand Total	14,600	100%	19,058	100%

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