



## **ABSTRACT**

Chennai Metropolitan Water Supply and Sewerage Board – Setting up of a 100 MLD Desalination Plant at Nemmeli – On Engineering, Procurement, Construction (EPC) basis – Administrative Sanction - Orders issued.

---

### **MUNICIPAL ADMINISTRATION AND WATER SUPPLY (METRO WATER) DEPARTMENT**

G.O. (Ms) No.108

Dated : 29.06.2009

Read :

- 1) From the Govt. of India, Letter F No.59(17)/FF-1/2009-532, dt.17.3.2009.
- 2) G.O. Ms. No.47, MAWS (MW) Department, dt.26.3.2009.
- 3) From the M.D., CMWSSB Lr.No.CMWSSB/FIN/BUD/B1/36912/2008, dt.31.03.2009.
- 4) From the M.D., CMWSSB Lr.No.CMWSSB/Conswsy/Desal/Desal/2009, dt.20.03.2009 and 22.05.2009.

----

### **ORDER:**

The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board has stated that the Government have proposed to construct one more 100 mld Desalination Plant at Nemmeli at a cost of Rs.914.42 crores in addition to the plant at Minjur being constructed under DBOOT basis in order to provide drinking water security to the Chennai City. A proposal was submitted to the Government of India for Financial Assistance, Government of India, Expenditure Finance Committee have recommended for the final grant of Rs.871.24 crores disallowing the cost of site development and other expenditure etc.

2. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board has further added that the Cabinet Committee on Economic Affairs have approved the project and allowed a grant of Rs.871.24 crores for the construction of the plant and Government of India have also been informed about the requirement of funds as below:-

2008-09	Rs.300.00 crores
2009-10	Rs.300.00 crores
2010-11	Rs.271.24 crores

3. The Managing Director, CMWSS Board has also stated that the Government of India in the letter dated.17.3.2009, have released the Additional Central Assistance (ACA) of Rs.300.00 crores for Desalination Plant at Nemmeli near Chennai as per the States' Annual Plan 2008-09 proposals. In the said ACA release, under para 2, Govt. of India have ordered, "Payment may kindly be made to the State Govt. immediately. The funds may thereafter be released to the implementing agency without any delay failing which the amounts would be recovered from the State Government with interest for the period of default." The Govt. of Tamil Nadu in the G.O.(D)No.58, Fin.(MAWS) Dept., dt.27.2.2009, (Final Modified appropriation/Final Supplementary Estimates for 2008-09), have provided an amount of Rs.7.00 crores under the head of account 4215 01 101 JP 2203 and in the G.O.(Ms)No.47, MAWS (MW) Dept., dt.26.3.2009, Govt. have ordered the release of the said amount to the Board. The Govt. in the Budget Estimate 2009-10, under Demand No.34.05, have provided an amount of Rs.300.00 crores.

4. The Managing Director, CMWSS Board has requested the Government to accord administrative approval for the following:-

1. to accord administrative sanction for the entire project for construction of 100 mld capacity desalination plant at Nemmeli and the associated infrastructure for the conveyance system at an estimated cost of Rs.914.42 Crore.
2. to take up the work in two packages, one for the construction of the plant and the other for the conveyance system and to invite tenders accordingly.
3. to sanction the balance amount of Rs.43.18 Crore (Rs.914.42 Crore – Rs.871.24 Crore = Rs.43.18 Crore) to CMWSS Board as grant, in view of the present financial position of the Board; and
4. to invite international Competitive Bids.

He has also requested the Government to issue orders releasing Rs.300.00 crores which has been allocated under Demand No.34 in the Budget Estimate 2009-10.

5. The Government after careful examination, accord administrative sanction for construction of 100 mld Desalination Plant at Nemmeli and the associated infrastructure for the conveyance system and to take up the work in two packages one for the construction of the plant and the other for the conveyance system under Engineering Procuring Construction (EPC) basis and to invite tenders accordingly, at a total cost of Rs.914.42 crores.

6. The issue of formation of Special Purpose Vehicle (SPV) for managing this plant on commissioning of the project and sanction of the gap of Rs.43.18 crores as grant (Total cost of Rs.914.42 Crores – Government of India grant

Rs.871.24 crores = Rs.43.18 crores) will be examined separately and orders issued at the appropriate stage.

(BY ORDER OF THE GOVERNOR)

NIRANJAN MARDI,  
SECRETARY TO GOVERNMENT.

To

The Managing Director, Chennai Metropolitan Water  
Supply and Sewerage Board, Chennai-2.

The Accountant General (A&E), Chennai – 18

The Accountant General (A&E), Chennai – 18 (by name)

The Accountant General (Audit-I), Chennai – 18.

The Accountant General (Audit-I), Chennai – 18 (by name)

The Accountant General (CAB), Chennai – 18.

The Resident Audit Officer, Secretariat, Chennai -9.

The Special Commissioner and Commissioner of  
Treasuries & Accounts, Saidapet, Chennai-15.

The Pay and Accounts Officer (South), Chennai-79.

The Pay and Accounts Officer (East), Chennai-5.

The Finance Director, Chennai Metropolitan Water  
Supply and Sewerage Board, Chennai-2.

The Joint Secretary to Government of India,  
Ministry of Finance(Plan Finance–I) Division,  
Department of Expenditure, New Delhi.

**Copy to:**

The Senior Personal Assistant to Hon'ble Deputy Chief Minister, Chennai-9.

The Private Secretary to Secretary, MA&WS Department, Chennai-9.

The MA&WS (OPII) Department, Chennai-9

The Finance (W&M / MAWS / Bud.Co.ord/ L & A cell) Department, Chennai-9.

Stock File / Spare Copy

//Forwarded by order//

SECTION OFFICER