



**Government Of Tamilnadu**

**Abstract**

Underground Sewerage Scheme (UGSS)- Salem Municipal Corporation- Implementation of UGSS at an estimated cost of Rs. 149.39 crores with annual maintenance cost of Rs.6.07 crores - Administrative Approval- Accorded

---

**Municipal Administration and Water Supply (MA-3) Department**

**G.O.[D].No.60**

**Dated:23-2-2006**

Read:

1. G.O.Ms.No.1529, Rural Development and Local Administration Department, Dated: 04-10-1980
2. G.O.Ms.No. 286, Rural Development and Local Administration Department, Dated: 08-03-1983
3. Read also:
4. From the Commissioner of Municipal Administration (CMA) Lr.No.40426/2004/WS3 Dated:9-1-2006
5. From the CMA Lr.No.65379/97/WS3 Dated:8-2-2006
6. From the Commissioner, Salem Municipal Corporation Letter No.E2/2304/2000 Dated: 23-2-2006

-----

**Order:**

In the G.O. first read above, the Government have accorded administrative approval for implementation of Under Ground Sewerage Scheme in Salem Municipal Corporation at an estimated cost of Rs.9.10 crores. In the G.O. second read above, approval was accorded for the revised estimate of Rs.12.00 crores. However, the scheme could not be taken up due to various reasons.

2. During the year 2003-2004, the Government made a policy announcement that Under Ground Sewerage Scheme will be implemented in all district head quarters towns of Tamil Nadu. Following this, the Salem Corporation Council entrusted the investigation works and preparation of DPR for the Under Ground Sewerage Scheme to a Consultant through Tamil Nadu Urban Infrastructure Financial Services Limited. The Consultant has prepared a DPR for implementation Under Ground Sewerage Scheme in Salem at an estimated cost of Rs.149.39 crores and annual maintenance cost of Rs. 6.07 crores. The committee constituted by Government vides G.O.Ms.No.541, Municipal Administration and Water Supply Department, dated:25.11.2000 for according Technical clearance has cleared the proposal vide its minutes dated: 28-8-2005.

3. The scheme is proposed to be implemented under Tamil Nadu Urban Ddevelopment Project-III with the following financial tie up:-

	Rupees in crores
TNUDP-III Grant	10.00
TNUDP-III Loan	60.54
Municipal Corporation and Public contribution	78.85
Total	149.39

4. The scheme has been placed before the State Level Project Sanctioning Committee (SLPSC) with the recommendations of the Commissioner of Municipal Administration supported by Cash flow for the scheme based on the following deposit and tariff structure:-

**Graded structure based on plinth area:**

Area in Sq. ft	Tariff in Rupees		Deposit in Rupees	
	Domestic	Commercial	Domestic	Commercial
Less than 500	75	150	5000	10000
501-1200	95	285	6500	19500
1201-2400	100	300	10000	30000
More than 2400	110	550	14000	70000
Special Category	150	750	25000	125000
Weighted average	82	318	5948	34283

The State Level Project Sanctioning Committee has approved the scheme in its meeting held on 21-12-2005.

5. The Commissioner of Municipal Administration has informed, vide reference fourth read above that the Council of the Salem Municipal Corporation vide a fresh Resolution No.551, dated: 28-12-2005 approved the project cost, annual maintenance and funding pattern suggested by the Tamil Nadu Urban Development Fund but decided to adopt following deposit and tariff rates:-

Area in Sq. ft	Tariff in Rupees		Deposit in Rupees	
	Domestic	Commercial	Domestic	Commercial
Less than 500	65	130	4000	8000
501-1200	75	225	6500	19500
1201-2400	90	270	10000	30000
More than 2400	100	500	14000	70000
Special Category (Multi storeyed houses, Hospitals,	120	600	25000	125000

Restaurants, Lodges, Factories, Public buildings, Commercial complexes etc.				
---	--	--	--	--

6. The Commissioner of Municipal Administration has stated that the Tamil Nadu Urban Infrastructure Financial Services Limited has worked out cash flow based on the revised deposit and tariff rates approved by the Council of the Salem Municipal Corporation and certified that the project is viable. He has also stated that while considering the loan proposal for the Salem Under Ground Sewerage Scheme, the Board of Tamil Nadu Urban Infrastructure Financial Services Limited has satisfied itself as to the viability of the scheme worked out on the basis of the deposit and tariff rates approved by the Council of Salem Municipal Corporation. He has stated that the revised FVC will be placed before the State Level Project Sanctioning Committee in its next meeting for information. He has requested the Government to accord administrative sanction for the scheme.

7. The Government have carefully examined the recommendation of the State Level Project Sanctioning Committee and hereby accord revised administrative approval for implementation of Under Ground Sewerage Scheme for Salem at an installation cost of Rs.149.39 crores (Rupees One Hundred and Forty Nine crores and thirty nine lakhs only) and an annual maintenance cost of Rs.6.07 crores, with TNUDP-III grant of Rs.10.00 crores (Rupees Ten Crores only). The approval of the Government is subject to the following conditions:-

- 1. The tariff and deposit structure would be decided by the Municipal Corporation and the lending institution concerned while finalizing the loan grant component of the project; and
- 1. The Municipal Corporation should bear the shortfall if any, in the annual O&M cost and also the Interest During Construction and any other escalations in cost from its General Fund.

The Commissioner of Municipal Administration is requested to place the revised FVC given for the Salem Under Ground Sewerage Scheme based on the deposit and tariff rates approved in the Council of the Salem Municipal Corporation in its Resolution No.551 Dated: 18-12-2005 in the next meeting of the State Level Project Sanctioning Committee for its information and ratification.

(BY ORDER OF THE GOVERNOR)

**M.SHEELA PRIYA,  
SECRETARY TO GOVERNMENT.**

To

The Commissioner, Salem Municipal Corporation, Salem

The Commissioner of Municipal Administration, Chennai-5

The Managing Director, Tamil Nadu Water Supply & Drainage Board, Chennai-5.

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

The Chief Executive Officer and Managing Director, TNUIFSL, Chennai-600 017

The Director of Local Fund Audit, Kuralagam, Chennai-600 108

The Accountant General, Chennai-18

The Accountant General (Audit), Chennai-18

The Finance (MAWS) Department, Chennai-600 009

The MAWS (MA-II/OP-II) Department, Chennai-600 009

-/Forwarded by Order/-

**SECTION OFFICER**