



GOVERNMENT OF TAMILNADU

ABSTRACT

Urban Development – CMDA - Special Projects – Koyambedu Wholesale Market Complex – Development of Food grains Whole Sale Market - Administrative Sanction – Accorded -Orders Issued.

HOUSING & URBAN DEVELOPMENT (UD3-1) DEPARTMENT

G.O.Ms.No.212

Dated: 20.06.2005.

Read:

1. G.O. (Ms) No.239, Housing and Urban Development Department dated 8.4.1981.
2. From the Member Secretary, Chennai Metropolitan Development Authority, Chennai-8 Letter No.K1 / 60 / 02, Dated. 29.07.03, 18.05.04, 17.08.04, 08.04.05.

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ORDER:

In the G.O. Ist read above the Government have accorded administrative sanction for organization of whole sale Market Complex at Koyambedu at a total cost of Rs.14.32 crores consisting of separate markets for Textile, Food grains and Pulses, Fruits, Vegetables and Flowers.

2. In the letter second read above (dt 29.7.03) the MS, CMDA has sent proposal for the construction of 960 shops to establish whole sale Food Grains Market in the land already in possession of Chennai Metropolitan Development Authority (30 acres) abutting EVR Salai (Poonamallee High Road) on the western side of the KWMC at a cost of Rs.163.00 crores. The Member Secretary, Chennai Metropolitan Development Authority has also reported that discussion were also held with Whole Sale Food Grains dealers on 10.1.2003, 11.2.2003 7.3.2003 and 6.5.2003 and designs were prepared as per the requirements given by the Association, by M/s Pitha vadian and Partners. As requested by the dealers the price was also restricted to Rs.2000/- per sq.ft. for the Whole sale dealers in Chennai and Rs.2250/- per sq.ft. for others.

3. The Government have examined the above proposal of Member Secretary Chennai Metropolitan Development Authority and considered that cost of the scheme Viz Rs.163 crores is on the high side and advised the Chennai Metropolitan Development Authority to reduce the project cost. Accordingly, the

Member Secretary, Chennai Metropolitan Development Authority has sent a revised and restricted project proposal and requested administrative sanction for the construction of 500 shops at a total cost of Rs.61.85 crores by obtaining loan assistance from Financial Institutions. He has also reported that since the Chennai Metropolitan Development Authority has received only 500 applications, the project will be restricted to an extent of 15.59 acres, wherein the filling will require minimum investment.

4. The Government have examined the above revised proposal of the Member Secretary, Chennai Metropolitan Development Authority taking into consideration of the factors viz (I) Recovery of cost of buildings, (ii) Income from sale of open land, (iii) Value of buildings including land and construction, and found that, the surplus from the scheme will be Rs.5.15 crores or 8.32% of the total investment of Rs.61.85 crores.

5. The Member Secretary, Chennai Metropolitan Development Authority has furnished the following details to fortify the proposal:-

In the estimate, the construction cost has been estimated based on the prevailing market prices and this has been escalated at 6% to 19.46% (After adding 10% towards the tender excess) during the construction period. Hence the possibility of further increase cost has been minimized.

The interest has been capitalized at the rate of 9% on 50% of the project cost for a period of 1.5 years. The balance 50% will be collected from the traders during the project execution period itself.

Supervision charges and petty supervision charges have been loaded.

The unforeseen items were estimated at the rate of 5% on the project cost.

Based on the above estimates, a price of Rs.2000/- per sq.ft. for the George Town Traders and Rs.2250/- per sq.ft. For the Non George Town Traders and go down areas (Open land) at the rate of Rs.1000/- per sq.ft. for commercial use has been proposed and this will give a total inflow of Rs.66.99 crores. Thus the project may end up with a net surplus of Rs.5.15 crores.

He has therefore requested administrative sanction for the construction of Whole Sale Food Grains Market Complex at an estimated cost of Rs.61.85 crores purely out of trader's contribution and loans to be availed from the Financial Institutions on 100% cost recovery basis.

6. The Government after careful consideration accept the proposal of the Chennai Metropolitan Development Authority and accord administrative sanction for the construction of 500 shops for establishing Food Grains Whole Sale Market Complex at a total estimated cost of Rs.61.85 crores in Koyambedu Whole Sale Market Complex by traders contribution and by availing loan from the Financial institution on 100% cost recovery basis.

7. This order issues with the concurrence of the Finance Department Vide its U.O.No. 1360/FS/P/05.
Dated 21.04.2005.

(BY ORDER OF THE GOVERNOR)

**LAL RAWNA SAILO,
SECRETARY TO GOVERNMENT.**

To

The Member Secretary, Chennai Metropolitan Development Authority, Egmore, Chennai-8
Commissioner, Chennai Corporation, Chennai-3

Copy to:

The Secretary to Government, Finance Department, Chennai-9

The Secretary to Government, Municipal Administration and Water Supply Department, Chennai-9

The Secretary to Government, Transport Department, Chennai-9

The Chief Executive Officer, Chennai Metropolitan Development Authority, Egmore, Chennai-8

The Chief Minister's Office, Chennai-9

//Forwarded/BY Order//

SECTION OFFICER.