



ABSTRACT

Tamil Nadu Road Infrastructure Development Corporation – Enhancement of Management Associate Fee for implementation of Oragadam Industrial Corridor Project for improvements to Singaperumalkoil – Sriperumpudur and Vandalur – Wallajabad Road Phase-IV and Phase-V and Madurai Ring Road works – Orders – Issued.

Highways and Minor Ports (HS1) Department

G.O. (Ms).No.56

Dated:17.03.2020

விகாரி, பங்குனி-4, திருவள்ளூர் ஆண்டு 2051

Read:-

1. G.O.(Ms).No.18, Highways and Minor Ports (HS1) Department, dated 02.02.2012.
2. G.O.(Ms) No.40, Highways and Minor Ports (HS1) Department, dated 01.03.2011.
3. G.O.(Ms) No.37, Highways and Minor Ports (HS1) Department, dated 19.05.2017.
4. G.O.(Ms) No.94, Highways and Minor Ports (HS1) Department, dated 21.11.2017.
5. From the Executive Director, TNRIDC Letter No. TNRIDC/Mgt.Aссо.Fee/2017, dated 12.01.2018.

ORDER:

In the Government Order 3rd read above, orders were issued fixing the Management Associate fee at 1.6% of the project cost (excluding cost of Land Acquisition, Detailed Project Report and Shifting of utilities) as Management Associate fee to the TNRIDC., for the work of Oragadam Industrial Corridor Project Phase III and Phase IV and the work of widening the Madurai Ring Road from Km. 0/0-27/2 from double lane to four lane road.

2) In the Government Order 4th read above, Orders were issued according administrative sanction of Rs.180,09,38,372/- (excluding land acquisition and Management Associate fee) for the work of Improvements from four laning to six laning of Vandalur-Wallajabad road km 47/0-63/8 (16.80Km) including service road and drain as part of Oragadam Industrial Corridor Project (Phase-V).

3) The Executive Director, Tamil Nadu Road Infrastructure Development Corporation has stated that during the financial year 2016-2017, expenditure incurred for phase-III and Phase-IV works were over and above the Management Associate fee to an extent of Rs.1.36 lakhs and Rs.2.42 lakhs respectively and the sanctioned Management Associate fee at 1.6% is not covering the actual expenditure.

4) The Executive Director, Tamil Nadu Road Infrastructure Development Corporation has further stated that the staff cost, administrative expenses have to be met out from the Management Associate Fee. Hence the above subject was placed in the 48th Board meeting held on 27.12.2017 and the Board resolved to request the

Government to accord sanction of 2% of the project cost as Management Associate Fee (excluding the cost of land acquisition, preparation of Detailed Project Report and shifting of utilities) in respect of work of Improvements from four laning to six-laning of Vandalur-Wallajabad road Km 47/0-63/8 (16.80 Km) as part of "Oragadam Industrial Corridor Project" Phase-V work of Oragadam Industrial Corridor Project sanctioned vide G.O.(Ms)No.94, Highways and Minor Port (HS1) Department, dated 21.11.2017.

5) The Executive Director, Tamil Nadu Road Infrastructure Development Corporation has further furnished the details on Project value of Phase III and IV of Oragadam Industrial Corridor Project, Management Associate Fee received for Phase-III and IV of Oragadam Industrial Corridor Project and Detailed break up of actual staff and administration expenditure incurred for Phase-III and IV by TNRIDC.

Project value of Phase III and IV of Oragadam Industrial Corridor Project

The details of project value of Phase III and IV works are as follows:

Sl. No.	Name of work	G.O. No.	Project Value (A.S. amount)	Value of work done upto 31.03.2018
			Rs. in Crore	
1.	Oragadam Industrial Corridor Project Phase -III	G.O.(Ms).No.1, HMP(HS1) Dept., Dt. 02.01.2015	115.00	103.04
2.	Oragadam Industrial Corridor Project Phase -IV	G.O.(Ms).No.8, HMP(HS1) Dept., Dt. 07.01.2016	189.31	132.53

i) Management Associate Fee received for Phase - III and IV of Oragadam Industrial Corridor Project

Phase - III works

Year	value of work done	value of work done for MAF purpose *	MAF% sanctioned	Eligible MAF amount	Actual Expenses	Surplus or Deficit
	Rs.in Lakhs	Rs.in Lakhs		Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs
2015 - 16	6710.09	6710.09	1.60 %	107.36	96.14	11.22
2016 - 17	3401.97	3399.33	1.60 %	54.39	55.75	-1.36
2017 - 18	191.51	169.17	1.60 %	2.70	3.27	-0.57
Total	10303.57	10278.59		164.45	155.16	9.29

* Value of work done for Management Associate Fee purpose is arrived by deducting the cost of DPR, shifting of utilities and LA related expenses.

Phase – IV works

Year	value of work done	value of work done for MAF purpose *	MAF% sanctioned	Eligible MAF amount	Actual Expenses	Surplus or Deficit
	Rs.in Lakhs	Rs.in Lakhs		Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs
2015 – 16	364.16	364.16	1.60 %	5.83	5.22	0.61
2016 – 17	6033.83	6033.83	1.60 %	96.54	98.96	-2.42
2017 – 18	6855.45	6825.45	1.60 %	109.21	131.94	-22.73
Total	13253.44	13223.44		211.58	236.12	-24.54

* Value of work done for Management Associate Fee purpose is arrived by deducting the cost of DPR, shifting of utilities and LA related expenses.

ii) Detailed break up of actual staff and administration expenditure incurred for Phase-III and IV by TNRIDC

The staffs of TNRIDC are as follows:

Sl. No	Designation	Number of Officials
Technical staff		
1.	Executive Director	1
2.	Superintending Engineer	1
3.	Divisional Engineer	1
4.	Assistant Divisional Engineer	2
5.	Assistant Engineer	4
Accounts Staff		
6.	Deputy General Manager (Finance) cum Company Secretary	1
7.	Company Secretary	1
8.	Account Superintendent	1
Total staff		12
Out sourced Staffs		38

6) The Executive Director Tamil Nadu Road Infrastructure Development Corporation has further stated that the Tamil Nadu Road Development Company (TNRDC) is charging Management Associate fee considering the project value and duration ranging from 0.50% to 6%. The supervision charges demanded by other organizations from TNRIDC are as follows:

TANGEDCO	22.00%
Madurai Corporation	18.50% (on request reduced upto 10.00%)
SIPCOT	3.88%
TWAD	23.50% (on request reduced upto 10.00%)

7) The Executive Director, Tamil Nadu Road Infrastructure Development Corporation has further stated that the Management Associate expenses incurred in respect of Phase IV works are more than the sanctioned Management Associate Fee at 1.60 % and has also requested for enhancement of Management Associate Fee in respect of:

- Oragadam Industrial Corridor project, Phase-IV works from 1.60% to 2.00% and
- Madurai Ring Road work from 1.60% to 3.00% and
- Sanction of Management Associate Fee at 2.00 % for Oragadam Industrial Corridor Project Phase – V works for which Management Associate Fee has not been sanctioned so far.

8) The Government after careful examination, accept the proposal and accord sanction to enhance Management Associate Fee in respect of Oragadam Industrial Corridor project, Phase-IV works from 1.60% to 2.00% and Madurai Ring Road work from 1.60% to 2.5% and 2.00% in respect of Oragadam Industrial Corridor project Phase-V.

9) This order issues with the concurrence of Finance Department vide its U.O.No.11235/PW1/2020, dated 12.03.2020.

(By Order of the Governor)

A. Karthik
Principal Secretary to Government

To
The Chief Engineer (Construction and Maintenance),
Highways Department, Chennai-25.
The Executive Director, Tamil Nadu Road Infrastructure
Development Corporation, Chennai-2.
The Director General, Highways Department, Chennai-25.
The Accountant General, Chennai-18.
The Pay and Accounts Officer, Chennai-35.
The Secretary to Hon'ble Chief Minister, Chennai-9.
The Additional Special Personal Assistant to Hon'ble Chief Minister,
Chennai-9.
The Personal Assistant to Hon'ble Minister (Finance Department),
Chennai-9.
The Senior Private Secretary to Principal Secretary to Government,
Highways and Minor Ports Department, Chennai-9.
The Personal Assistant to Deputy Secretary to Government,
Highways and Minor Ports Department, Chennai-9.

Copy to:-

Finance (PW-I) Department, Chennai-9.
C.No.928 /HS1/2018
SF/SC

//Forwarded by Order//

K. Srilakshmi
Section Officer 17/3/2020