



ABSTRACT

Chennai Metro Rail Project – Release of Subordinate Debt of Rs.412.00 crores to Chennai Metro Rail Limited for implementing the Phase-I of Chennai Metro Rail Project during 2015-16 – Orders – Issued.

PLANNING, DEVELOPMENT AND SPECIAL INITIATIVES (SI) DEPARTMENT

G.O.Ms.No.41

Dated: 28-3-2016

மன்மத வருடம் பங்குனி 15
திருவள்ளூர் ஆண்டு 2047

Read:

From the General Manager (Finance), Chennai Metro Rail Limited,
D.O.Letter No.CMRL/FIN/SD/60A/2016, dated 22.01.2016.

ORDER:

As per the approved pattern of funding for the Phase-I of Chennai Metro Rail Project, a sum of Rs.855.00 crores towards land and Rs.80.00 crores towards Rehabilitation and Resettlement would be required and that the same could be met from the interest free Subordinate Debt of Rs.844.00 crores and an equity of Rs.91.00 crores out of Rs.2190.00 crores from the State Government. The State Government has already sanctioned the Subordinate Debt of Rs.844.00 crores to Chennai Metro Rail Limited and the entire equity of Rs.2190.00 crores including Rs.91.00 crores earmarked for land and Rehabilitation and Resettlement expenditure.

2. As per clause 10.3 of the Memorandum of Understanding entered between Government of India, Government of Tamil Nadu and Chennai Metro Rail Limited on 15.02.2011, the Government of Tamil Nadu will provide Rs.844.00 crores by way of Subordinate Debt to meet out land and Rehabilitation and Resettlement cost partially, subject to the condition that the Subordinate Debt will suitably be enhanced, if the cost of the land finally works out to be more than that of Rs.844.00 crores. As per clause 12.1, the residual land cost amounting to Rs.91.00 crores will be met by Government of Tamil Nadu by way of equity capital. Based on the above, the State Government has also sanctioned additional Subordinate Debt of Rs.598.22 crores during 2014-15.

(P.T.O)

3. In the reference read above, the General Manager (Finance), Chennai Metro Rail Limited has indicated that the Chennai Metro Rail Limited has already incurred a sum of Rs.1800.93 crores as against the allocation of Rs.1533.22 crores (Rs.844.00 crores+Rs.91.00 crores+Rs.598.22 crores) and that there is a shortfall of Rs.267.71 crores towards Subordinate Debt to meet the increase in the cost of land and Rehabilitation and Resettlement. The General Manager (Finance) also pointed out that a sum of Rs.490.86 crores is payable on account of enhanced compensation awarded by courts, of which a sum of Rs.25.30 crores has already been deposited with the courts for the enhanced land compensation and that the requirement of funds towards Subordinate Debt during 2015-2016 would amount to Rs.733.29 crores.

4. The Government after careful consideration of the proposal of Chennai Metro Rail Limited and the provision of Memorandum of Understanding entered between Government of India, Government of Tamil Nadu and Chennai Metro Rail Limited on 15.02.2011, has decided to release additional Subordinate Debt of Rs.412.00 crores during 2015-16 to meet the expenditure incurred by Chennai Metro Rail Limited towards land cost and Rehabilitation and Resettlement expenditure.

5. The Government accordingly issue the following orders:-

- i. Sanction is accorded for incurring an expenditure of Rs.412.00 crores (Rupees Four hundred and twelve crores only) towards the Subordinate Debt to Chennai Metro Rail Limited for meeting the expenditure towards land cost, Rehabilitation and Resettlement expenses relating to the Phase-I of Chennai Metro Rail Project during 2015-2016.
- ii. The terms and conditions of the loan shall be as indicated in the Annexure to this Government Order.
- iii. The Government also direct that the loan assistance sanctioned in para 5 (i) above will not be paid in cash but shall be credited into the Public Deposit Account in respect of Chennai Metro Rail Limited.

6. The expenditure sanctioned in para 5 (i) shall be debited to the following heads of account:

“6217 Loans for Urban Development – 60 Other Urban Development Schemes – 190 Loans to Public Sector and Other undertakings – II State Plan – PH Loans for Metro Rail Project in Chennai with assistance of Japan International Co-operation Agency (JICA) (DPC 6217 60 190 PH 0005)”.

(P.T.O)

Necessary provision has been made in Budget Estimate 2015-16 for this purpose.

7. The Section Officer, Planning, Development and Special Initiatives (Bills) Department shall draw the Subordinate Debt amount of Rs.412.00 crores (Rupees Four hundred and twelve crores only) sanctioned in para 5(i) above and contra-credited into the following head of account by means of an Account Payee cheque drawn in favour of Public Deposit Account of "Chennai Metro Rail Limited" bearing Account No.30317331180.

"K. Deposit and Advances (b) – Deposits not bearing interest – 8443.00 Civil Deposits – 800 Other Deposits – DC Deposits of Chennai Metro Rail Limited".

(DPC 8443 00 800 DC 0006) (Outgo) (DPC 8443 00 800 DC 000E) (Receipts)

8. The Section Officer, Planning, Development and Special Initiatives (Bills) Department is directed to intimate the date of drawl of the loan sanctioned in para 5(i) above to Finance (L&A Cell) Department.

9. This orders issues with the concurrence of Finance Department vide its U.O.No.21747/Finance (Hg&UD)/2016, dated 28.03.2016 and Loan sanction Ledger No.36/2015-2016.

(BY ORDER OF THE GOVERNOR)

S.KRISHNAN,
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director, CMRL, Chennai-107.
The Secretary to Govt., Housing and Urban Development Dept., Chennai-9.
The Member Secretary, CMDA, Chennai-8.
The Pay and Accounts Officer, Secretariat, Chennai-9.
The Principal Accountant General(A&E), Chennai-18.
The Principal Accountant General (Civil Audit), Chennai-18.
The Accountant General (CAB), Chennai-9.
The Section Officer (Bills), PD&SI Dept., (2 copies)
Copy to:
The Finance (Hg/L&A Cell/Ways and Means-II/BG.I/BG.II) Dept., Chennai-9.
The Housing and Urban Development (Budget) Dept., Chennai-9.
Stock file/Spare copy.

//Forwarded By Order//


SECTION OFFICER

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ANNEXURE
LOANS SANCTIONED BY GOVERNMENT OF TAMIL NADU
LOAN LEDGER NO. 36 / 2015-16.

1.	Name of Borrower	Chennai Metro Rail Limited.
2.	H.O.D. Controlling the Borrower	Managing Director, Chennai Metro Rail Limited, Chennai-600 107.
3.	Amount Sanctioned	Rs.412.00 crores (Rupees Four hundred and twelve crores only)
4.	Sanction valid upto	31.03.2016
5.	Purpose of Loan	To meet the expenditure towards Land cost, Rehabilitation and Resettlement for implementation of the Phase-I of Chennai Metro Rail Project during 2015-16.
6.	Payable in Cash or Adjustment	Adjustment in Public Deposit Account.
7.	Demand No. Sub-head, Detailed head under which loan is sanctioned (Both Outgo and Receipt)	Demand No.26, Housing and Urban Development Department. "6217 Loans for Urban Development – 60 Other Urban Development Schemes – 190 Loans to Public Sector and Other undertakings – II State Plan – PH Loans for Metro Rail Project in Chennai with assistance of Japan International Co-operation Agency" (DPC 6217 60 190 PH 0005 (O) (DPC 6217 60 190 PH 000F (R)
8.	Repayment period	10 years.
9.	Moratorium towards repayment if any	Till repayment of JICA loan is over.

(P.T.O)

10.	Date on which Repayment is to commence	2043 or whenever the senior debt is repaid whichever is earlier.
11.	Mode fo Re-payment	Semi Annual
12.	Interest	
	(a) Normal Rate (Subject to orders of Government on fixing of Rate on interest for the financial year)	Interest free loan
	(b) Penal Rate of Interest	Does not arise
	(c) Mode of Recovery of Interest	Does not arise
13.	The Head of Account to which interest has to be credited	Does not arise
14.	G.O.Ms.No. and Dated	G.O.Ms.No.41,Planning, Development and Special initiatives (SI) Department, dated 28.03.2016.

//True copy//


SECTION OFFICER
28/03/16