

BEFORE THE NATIONAL GREEN TRIBUNAL

SOUTHERN ZONE, CHENNAI

Original Application No. 250 of 2024 (SZ)

In the matter of:

Tribunal on its own motion
Suo Motu News item appearing
in The Hindu dated 18.06.2024
titled "Fish kill near Adyar ecopark
highlights persisting sewage contamination".

Versus

Tamil Nadu Pollution Control Board,
Through its Member Secretary, Chennai and Ors.

...Respondent(s)

INDEX

S. No.	Date	Description	Page No.
1	13.06.2025	Status Report Filed by 5 th Respondent – Chennai Rivers Restoration Trust.	2-6
2	-	Annexure 1	7-11
3	-	Annexure 2	12-19
4	-	Annexure 3	20-23

(Note: The page numbers are at the top centre of every page)



Through
Dr. D. Shanmuganathan
Standing Counsel of Tamil Nadu
National Green Tribunal
Southern Zone, Chennai

DATE: 08.10.2025

BEFORE THE HONBLE NATIONAL GREEN TRIBUNAL
SOUTHERN ZONE AT CHENNAI

Original Application No.250 of 2024(SZ)

[Earlier OA No.821 of 2024(PB)]

IN THE MATTER OF:

Tribunal on its own motion Suo Motu News item appearing in The Hindu dated 18.06.2024 titled "Fish kill near Adyar eco-park highlights persisting sewage contamination".

...Applicant (s)

1. Chennai Metropolitan Water Supply and Sewerage Board Through Its Managing Director
2. Tamil Nadu Pollution Control Board Through Its Member Secretary
3. Central Pollution Control Board Through Its Member Secretary
4. Chennai River Restoration Trust Through Its Member Secretary
5. District Collector Chennai
6. Ministry Of Environment Forest And Climate Change Through Its Regional Office

...Respondent (s)

STATUS REPORT FILED ON BEHALF OF CHENNAI RIVER RESTORATION TRUST

I, Mr. S. Vijayakumar, IAS D/o Mr. P. Sankaran, aged about 55 years, working as Additional Chief Secretary and Member Secretary and representing on behalf of Chennai River Restoration Trust at 5th floor, Directorate of Municipal Administration (DMA), MRC Nagar, Raja Annamalai Puram, Chennai, Tamil Nadu 600028 do hereby solemnly affirm and sincerely state as follows:

01. It is humbly submitted that on 15-07-2024, Suo Moto was registered by the principal bench of the National Green tribunal, New Delhi as Original application no. 821 of 2024(PB) based on the News item published in “The Hindu” dated 18.06.2024 under caption “Fish Kill in the Adyar near eco-park Points to Sewage discharge going unchecked” which has been transferred to National Green Tribunal, SZ, Chennai.

02. The Hindu article describes that Dead fish were seen floating near eco park in the Adyar river due to Sewage outfalls which were also spotted at several places near kotturpuram.

03. The Honourable NGT has passed following order on 08-01-2025

1.1. It is now stated by the learned counsel appearing for the Water Resources Department (WRD) and the Chennai River Reservation Trust (CRRT) that funds have been allocated for the maintenance and rejuvenation of the rivers Adyar, Cooum and Buckingham Canal.

1.2. Let the report be filed with respect to the action taken so far. If not, let furnish (i) the plan of action as per the earlier order of this Tribunal in O.A. No.299 of 2013 (SZ) and batch cases, (ii) timeframe and (iii) how the CRRT proposes to address the issue by segmenting the distance of the entire stretch of the river.

1.3. Post the matter on 06.03.2025.

04. I humbly submit that, the Government of Tamil Nadu through CRRT is committed to improving the ecological condition of the rivers and water bodies by ensuring sustainable and healthy living environment of all in the State of Tamil Nadu.

05. It is humbly submitted that the Chennai River Restoration Trust (CRRT) has taken a special initiative & restoration plan to improve the ecological conditions and thereby enhance the biodiversity in the entire Adyar river from Guduvancherry Origin point of Adyar river till its confluence point with bay of Bengal at Adyar.

06. CRRT through this initiative has identified that there are total of 23

waterways/drains connecting to Adyar River across its length of 43.9 km, 76 identified wet outfalls leading to pollution and degradation of the river.

07. While the Government through CRRT and other stakeholders has been implementing many projects for betterment of Adyar River including restoration of Adyar Creek there is a need to rejuvenate the full stretch of Adyar River:

- a) To ensure effective abatement of pollution and protection of the river by adopting a sustainable approach for achieving water quality as per national (CPCB designated best use - water quality criteria Class D - "Propagation of Wildlife and Fisheries)
- b) To maintain minimum E-flows in the rivers with the aim of ensuring water quality and sustainable development.

The Government of Tamil Nadu has come up with a unique approach of "One River, One Operator" to restore River Adyar. The Government of Tamil Nadu has appointed a private Concessionaire for Restoration of Adyar River under Hybrid Annuity Model (HAM), through Public Private Partnership Mode on Design, Build, Finance, Operate and Transfer basis. It has also set up a Special Purpose Vehicle (SPV) named Ms. Chennai Rivers Transformation Company Limited, fully owned by the Govt. of Tamil Nadu, with representations from various stakeholders.

The development obligations of the Concessionaire are as follows:

- a) Take necessary steps to ensure that Adyar River meets the required water quality standards for propagation of wildlife and fisheries (Class D Water Body).
- b) Improve the overall ecological health of the river by implementing measures to intercept, divert, and treat polluting outfalls.
- c) Undertake rehabilitation and development of sewage treatment facilities (STFs) comprising of traditional sewage treatment plants (STPs) of appropriate size, capacity and technology, and other innovative means of sewage treatment in accordance with Good Industry Practice;
- d) Establish efficient solid waste management systems to prevent pollution and maintain the cleanliness of the river and its surroundings. Solid waste management to include, but not limited to, the following: collection,

transportation, and disposal of waste generated within the right-of-way of the Adyar River (including removal and disposal of waste and debris collected from the surface of Adyar River);

- e) Implement environmental protection measures to safeguard the river ecosystem and adjacent habitats;
- f) Undertake ecological and biodiversity protection works to enhance the natural habitats and promote sustainable wildlife and fisheries propagation;

The overall scope of work of the Concessionaire is as follows:

- a) Planning, designing and engineering of the Project and financing of the Project upto 50% of the Bid Project Cost
- b) Construction and commissioning of the Project:
 - (i) The Concessionaire shall assess the existing infrastructure/ assets.
 - (ii) Identify gaps in terms of quality/ condition of the existing assets and capacity of the existing assets.
 - (iii) Undertake rehabilitation of existing assets to ensure compliance with Specifications and Standards, and Applicable Laws, and to ensure fulfilment of KPIs.
 - (iv) Propose and develop new infrastructure to meet capacity gaps.
 - a) Operation and maintenance of the Project during the Operation Period
 - b) Fulfilment of the KPIs
 - c) As per the contract obligations, **the concessionaire is required to maintain the river water quality of Class-D, norms of CPCB, for a period of 15 years from the commencement of commercial operation date and maintain a DO of 4mg/l to sustain the aquatic life including fishes.**

08. I humbly submit that the GoTN by its order (G.O (Ms) No.91) dt:10.07.2023 has accorded in-principle approval for the proposal of the Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust, for implementing the project of restoring the Adyar river from Guduvancherry to river mouth (44 km) in Public Private Partnership (PPP) mode. Further, the order also mentions about suggestion to form a Special Purpose Vehicle (SPV) under Chennai Metropolitan Water Supply

and Sewerage Board to implement the project.

09. I humbly submit that the GoTN in its order vide G.O.(Ms)No.141 Municipal Administration and Water Supply (MW) Department Dated 03.11.2023 sanctioned the formation of the Special Purpose Vehicle company "Chennai Rivers Transformation Company limited (CRTCL)" under clause 45 of section 2 of the Companies Act, 2013, for the implementation of the works for restoration of the Chennai rivers and waterways and to transform, manage and operate the rivers and water related assets in Chennai River Basin.

10. I humbly submit that the tenders for the work of "Restoration of Adyar River under Hybrid Annuity Model (HAM)" (the "Project") through Public Private Partnership (the "PPP") on Design, Build, Finance, Operate and Transfer ("DBFOT Annuity or Hybrid Annuity") basis was invited on approval of the bid documents by TNIDB.

11. I humbly submit that the GoTN accorded necessary administrative sanction vide G.O. No:50 MAWS department Dt.14.03.2024 to award the contract and sign the agreement with the concessionaire. Accordingly, the agreement with the concessionaire was signed on 23.01.2025.

12. I humbly submit that the following key conditions precedent are to be fulfilled by the concessionaire after the issue of LoA and signing of the concession agreement which are, Key conditions are as follows:

1. Submission of Performance security for a value of Rs.70.30 Cr within 30 days from the date of execution of Concession Agreement.
2. Preparation of DPR by the Concessionaire, review & certification by the IE & Approval of DPR by the Authority
3. Procuring approvals & permits by the Concessionaire including CRZ
4. Financial closure (Debt & Equity) for 50% of the Bid Project Cost
5. Execution of escrow agreement jointly with the Authority
6. Executing of substitution agreement jointly with the Authority & Senior Lender of the Concessionaire

13. I humbly submit that all CPs are to be fulfilled within 6 months from the date of signing of Concession Agreement. The construction and other proposed interventions will commence after fulfillment of the conditions precedent within six months of signing the agreement. The fulfillment of conditions precedent has

commenced.

S.No	Description of work	Time frame
1	Detailed Project Report preparation Period leading to Appointed Date	6 months from the date of signing of the Concession Agreement
2	Construction Period leading to COD (Commercial Operations Date)	30 months from the Appointed Date
3	Operation Period	15 years from COD

14. I humbly submit that the performance security for a value of Rs.70.30 Cr to be submitted by the Concessionaire within 30 days from the date of execution of Concession Agreement has been received. The agreement for the Independent Engineer firm appointed for the subject project was signed on 31.01.2025.

15. The detailed project report(DPR) for the subject project is under preparation and a committee of technical experts with members from IIT, Anna University and Industry has been formed for necessary scrutiny and recommendations on approval for implementation of the DPR. The works on the project after approval will be commenced and completed in 30 months by 2028.

It is therefore prayed that this Hon'ble Court may be pleased to record the above Status Report filed on behalf of CRRT rep. by its Additional Chief Secretary and Member Secretary, and pass such further or other orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case and thus render justice.

Sd. 13.06.2025
DR. S. VIJAYAKUMAR IAS
Additional Chief Secretary And Member Secretary CRRT

// FORWARDED BY ORDER//

S. Sankar
Project Manager CRTCL
13/06/2025

Solemnly affirmed at Chennai on this 13th day of June 2025 and signed his/her/their name in my presence.

Before me,

6th and last page

Advocate

**ABSTRACT**

Chennai Metropolitan Water Supply and Sewerage Board – Administrative and Financial sanctions for the project of "Restoration of Adyar River under Hybrid Annuity Model (HAM)"– Accorded - Orders – Issued.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MW) DEPARTMENT**G.O.(Ms)No.50****Dated 14.03.2024**

சோபகிருது – பங்குனி-1

திருவள்ளூர் ஆண்டு, 2055

Read :

- 1) G.O.(Ms) No.91, Municipal Administration and Water Supply (MC-1) Department, dated 10.07.2023.
- 2) G.O.(Ms) No.141, Municipal Administration and Water Supply (MW) Department, dated 03.11.2023.
- 3) G.O.(Ms)No.14, Municipal Administration and Water Supply (MW) Department, dated 16.02.2024.
- 4) G.O.(Ms)No.15, Municipal Administration and Water Supply (MW) Department, dated 16.02.2024.
- 5) From the Managing Director, Chennai Metropolitan Water Supply and Sewerage Board, Letter No. CMWSSB/EE(STS-S/S1/SPV/Adyar HAM/2023-24, dated 04.03.2024.

ORDER:

While presenting the Budget Estimates for the year 2023-2024 to the Tamil Nadu Legislative Assembly on 20th March 2023, the Hon'ble Minister for Finance and Human Resources *Management*, Government of Tamil Nadu, among others, made an announcement, that "*as part of its endeavour to realize the goal of Singara Chennai, the Government is committed to clean and restore waterways, including Adyar and Cooum. As the first phase of these initiatives, the restoration of Adyar river for a length of 44 km will be taken up. The project will include river cleaning activities such as prevention of sewage from entering the river and construction of Sewage Treatment Plants (STPs). Further, attractive recreational facilities such as aesthetic parks, green walkways, open air gymnasium and quality cafeteria will dot the banks of Adyar river. This project will be implemented at an estimated cost of Rs.1,500 crore through Public Private Partnership (PPP) mode*".

2. The Government have accorded "in-principle approval" for taking up the Restoration of Adyar River Project under Hybrid Annuity Model (HAM), vide Government order first read above. The Government has also ordered that the project structure, payment milestones as per the project implementation schedule will be as approved by the Tamil Nadu Infrastructure Development Board.

3. The Government have accorded permission to the Chennai Metropolitan Water Supply and Sewerage Board to form a Special Purpose Vehicle in the name of "Chennai Rivers Transformation Company Limited (CRTCL)", under Clause 45 of Section 2 of the Companies Act, 2013 (Public company), vide Government order second and third read above. Based on the orders of Government, formation of the Special Purpose Vehicle is under process. Further, orders have been issued sanctioning the staff structure of Chennai Rivers Transformation Company Limited, vide Government order fourth read above.

4. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board has stated that the Tamil Nadu Infrastructure Development Board in their Board proceedings No.757/PPP cell and No.758/PPP cell Dated 26.07.2023 accorded approval for the Project Structure, Request for Proposal and Draft Concession Agreement for Selection of Concessionaire for Restoration of Adyar River under Hybrid Annuity Model based on the request of Chennai Metropolitan Water Supply and Sewerage Board. The project structure in short is as below:

- A.** The study area of the project in Adyar river is from Guduvanchery to River mouth (43.9 km). The project is to be developed on One River One Operator Concept where existing assets are proposed to be handed over to the operator;
- B.** The concession period shall include the construction period of 30 months and a fixed operation and maintenance period of 15 years from the completion of construction (i.e., COD);
- C.** The key components of the project are:
 - (i) Used Water Management
 - (ii) River Channel Improvement Works
 - (iii) Riverfront Development Works
 - (iv) Solid Waste Management;
- D.** The project is proposed to be taken up on a Hybrid Annuity Model where 50% of the Bid Project Cost is funded by the Authority and the balance is funded by the Concessionaire. The Design, construction, finance, operation and maintenance risks would be with the concessionaire. The project would be handed back to the authority at the end of the concession period.
- E.** Chennai Metropolitan Water Supply and Sewerage Board will implement the project by incorporating a separate Special Purpose Vehicle (SPV), i.e., the Authority Special Purpose Vehicle. Chennai Metropolitan Water Supply and Sewerage Board will hold majority stake in the Authority Special Purpose Vehicle along with other stakeholders. The procurement process is taken up by Chennai Metropolitan Water Supply and Sewerage Board until the incorporation of the Authority Special Purpose Vehicle.

F. The project will have the following payment structure:

- (i) 50% of the Bid Project Cost (BPC) will be paid during construction period, along with price indexation.
- (ii) Balance 50% will be paid to the concessionaire in 15 years in 60 quarterly instalments.
- (iii) Interest on outstanding capital amount (declining balance) will also be paid along with these instalments.
- (iv) Energy costs are reimbursed based on actual quantum and prevailing tariff up to a threshold quantum of consumption.
- (v) Operations and Maintenance payments will be made based on the first quarter Operations and Maintenance cost quoted by the bidder and then indexed to inflation for the subsequent years.

G. Payments to the operator will be linked to the achievement of Key Performance Indicators (KPIs) focusing on (i) River Channel Works (RCW); (ii) Riverfront development (RFD); (iii) Used water / Sewage Treatment Plant output quality; and (iv) River water quality.

5. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board has stated that the Chennai Metropolitan Water Supply and Sewerage Board, has now completed the process of procurement for the work of "Restoration of Adyar River under Hybrid Annuity Model (HAM)" and the Board (the competent authority) has accepted the lowest price offered by the responsive bidder. After due procurement process based on the Detailed Feasibility Report prepared by M/s Tamil Nadu Water Investment Company Limited and the internal cost estimates prepared by the Chennai Metropolitan Water Supply and Sewerage Board, the project cost arrived is as follows:

Sl. No.	Details	(Rs. in crore)
1.	NPV of Bid Project Cost (CAPEX)	1,112.26
2.	NPV of O&M Cost	801.28
3.	NPV of Energy Cost	227.31
	Total Cost (NPV)	2,140.85

Sl. No.	Details	(Rs. in crore)
1	Bid Project Cost (CAPEX)	1,397.50
2	O&M Cost for 15 years	2,223.00
3	Energy Cost for 15 years	630.63
4	Interest Expense	527.13
	Total Expenditure	4,778.26

6. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board has therefore sought orders of the Government, (i) to issue necessary Administrative / Financial sanctions for the project structure and the project cost of Rs.2140.85 Crore (Rupees two thousand one hundred forty crore and eighty-five lakh only) (as NPV) or Rs.4,778.26 crore (Rupees four thousand seven hundred seventy eight crore and twenty six lakh only) (Nominal); and (ii) to permit Chennai Metropolitan Water Supply and Sewerage Board to charge the incidental expenditure incurred for the project till the formation of the Special Purpose Vehicle, including those for formation of the proposed Special Purpose Vehicle, inviting necessary tenders, obtaining of statutory clearances for the implementation of the project and all other related expenditures, to be claimed from the funds allotted to the Special Purpose Vehicle.

7. The Government after careful examination of the proposal of the Managing Director, Chennai Metropolitan Water Supply and Sewerage Board, have decided to accord Administrative sanction for the project of "Restoration of Adyar River under Hybrid Annuity Model (HAM)", as detailed at para 6 above and Financial sanction of Rs.300,00,00,000/- (Rupees three hundred crore only) for the financial year 2024-2025.

8. Accordingly, in the Budget Estimate 2024-2025, a sum of Rs.300.00 crore (Rupees three hundred crore only) has been provided for Adyar River cleaning and revival project, under the following head of account:

4217- Capital Outlay on Urban Development – 60 Other urban Development Schemes – 800 – Other Expenditure – State's Expenditure – AC – Adyar River Cleaning Revival Project 416 – Major Works 01- Major Works.

(IFHRMS DPC: 4217 60 800 AC 41601)

9. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board is directed to take necessary follow-up action in consultation with the Officer on Special Duty, Adyar River Project and the Managing Director (Additional Charge), Chennai Rivers Transformation Company Limited (CRTCL).

10. This order issues with the concurrence of Finance Department vide U.O. No.24 DS (SA)/Finance (Infra-III)/2024, dated 14.03.2024.

(BY ORDER OF THE GOVERNOR)

**D.KARTHIKEYAN
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Member-Secretary, Chennai Rivers Restoration Trust/Officer on Special Duty, Adyar River Project, Chennai – 600 028.

The Managing Director,

Chennai Metropolitan Water Supply and Sewerage Board, Chennai-600 002.

The Chairman and Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited, Chennai-600 028.

The Principal Accountant General (A&E), Chennai-600 018.

The Finance Director,
Chennai Metropolitan Water Supply and Sewerage Board, Chennai-600 002.

Copy to:

The Office of the Hon'ble Chief Minister, Secretariat, Chennai-600 009.

The Office of the Hon'ble Minister for Municipal Administration,
Secretariat, Chennai- 600 009.

The Office of the Hon'ble Minister for Finance and Human Resources Management,
Secretariat, Chennai-600 009.

The office of the Chief Secretary to Government, Chennai-600 009.

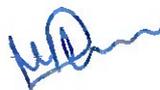
The Principal Private Secretary to the Principal Secretary to Government,
Municipal Administration and Water Supply Department, Secretariat,
Chennai-600 009.

The Finance (Infra-III/BG-I/BG-II/W&M-I) Department, Secretariat,
Chennai-600 009.

The Municipal Administration and Water Supply (OP-II) Department,
Secretariat, Chennai - 600 009.

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//FORWARDED BY ORDER//


14/03/2024
SECTION OFFICER
14/3/24



ABSTRACT

Chennai Metropolitan Water Supply and Sewerage Board - Formation of Special Purpose Vehicle, "**The Chennai Rivers Transformation Company limited (CRTCL)**" under clause 45 of section 2 of the Companies Act, 2013, for the implementation of the works for restoration of the Chennai rivers and waterways and to transform, manage and operate the rivers and water bodies and related assets in Chennai River Basin - Sanctioned - Orders - Issued.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MW) DEPARTMENT

G.O.(Ms)No.141

Dated 03.11.2023

சோபகிருது - ஐப்பசி - 17

திருவள்ளூர் ஆண்டு, 2054

Read:

- (1) G.O(Ms)No.91, Municipal Administration and Water Supply (MC-1) Department, dated 10.07.2023.
- (2) From the Managing Director, Chennai Metropolitan Water Supply and Sewerage Board, Letter No.CMWSSB/ED/CE(III-P)/SE(PV)/EE(STP-S/SI)/2022-33, Dated 10.07.2023.

ORDER:

The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board in his proposal second read above has stated as follows:

- Over the past two decades, several initiatives have been undertaken to improve the quality of water in the waterways such as Chennai City, under the River Conservation Project funded by National River Conservation Directorate, Ministry of Environment and Forest and Government of Tamil Nadu, with an objective to prevent sewage entering the waterways, augmenting the capacity of sewage treatment plants and keeping the city waterways clean on a sustainable basis.
- The sewage infrastructure works were augmented in a big way, but still the field developments outpaced the planned capacities, which could not completely stop the flow of sewage into the river.
- The Chennai Metropolitan Water Supply and Sewerage Board is also implementing various interception and diversion works for untreated used water and construction of modular sewage treatment plant works under the ongoing river restoration projects, namely, "Integrated Coom River Eco-Restoration Project"; "Adyar River Restoration Project"; and restoration of Buckingham canal, including the associated drains of the above three major waterways.
- The restoration works under the above project, such as, interception and diversion of untreated used water and Sewerage Treatment Plants are being implemented by Chennai Metropolitan Water Supply and Sewerage Board whereas the solid waste management, river channel improvement, rehabilitation, resettlement, fencing and riverfront development are implemented by departments such as, Greater Chennai Corporation,

Water Resources department, Tamil Nadu Urban Habitat Development Board, Directorate of Rural Development and Panchayat Raj, Directorate of Municipal Administration and Directorate of Town Panchayats.

- However, the two rivers continue to receive sullage, sewage through the major natural and constructed drains and also solid wastes that require interventions to achieve the national river quality standards. In order to achieve the quality of water in the rivers as per the standards, in a time bound and expeditious manner, it was observed that a coherent comprehensive approach in curbing the sewage flow in the major canals along with the ongoing river restoration works have to be taken up simultaneously.

2. In this regard, the Chennai Rivers Restoration Trust (CRRT) in its 43rd Board meeting held on 27.11.2021 has resolved as follows:

- (a) To prepare a Gap Assessment report with feasible technological solutions, project structuring, phasing of works, investment required, etc., for implementing the project for Cooum and Adyar rivers as Phase I and Buckingham canal as Phase II, with an integrated approach in a time bound manner; and
- (b) To appoint a consultant for the above purpose, through Project Development Grant Fund (PDGF) managed by the Tamil Nadu Infrastructure Financial Services Limited (TNUIFSL).

The Tamil Nadu Water Investment Company Limited (TWIC) was appointed by Tamil Nadu Urban Infrastructure Financial Services Limited for preparation of Feasibility Report for Restoration of Chennai Rivers, with the objectives to ensure effective abatement of pollution and protection of rivers; to maintain minimum effluent flows in the rivers; to review the available proposals, identify gaps and suggest improvements to ensure the flood-carrying capacity of the rivers; and to develop river front development within urbanized areas, wherever possible.

3. During Budget presentation in the Legislative Assembly for the year 2023-2024, the Hon'ble Minister for Finance and Human Resources Management has announced that "as part of its endeavour to realize the goal of Singara Chennai, the Government is committed to clean and restore water ways, including Adyar and Cooum. As the first phase of these initiatives, the restoration of Adyar river for a length of 44 kilometre will be taken up. The project will include river cleaning activities such as prevention of sewage from entering the river and construction of sewage treatment plants. Further, attractive recreational facilities such as aesthetic parks, green walk ways, open air gymnasium and quality cafeteria will dot the banks of Adyar river and will be implemented at an estimated cost of Rs.1,500 crore through Public Private Partnership mode".

4. In the Government order first read above, "in-principle approval" has been accorded for taking up the Adyar River restoration project in hybrid annuity model by Chennai Rivers Restoration Trust.

5. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board has stated that the Managing Director, Tamilnadu Urban Infrastructure Financial Services has informed that the State Level Technical Committee (SLTC) at its meeting held on 07.02.2023 has suggested to set up an authority Special Purpose Vehicle in Chennai Metropolitan Water Supply and Sewerage Board for implementation of Chennai Rivers Restoration Project and the main objectives of the Special Purpose Vehicle, submitted by the Tamil Nadu Urban Infrastructure Financial

Services to Chennai Metropolitan Water Supply and Sewerage Board, to be mentioned but not limited to are:

- To transform, manage and operate the rivers and water bodies and related assets of Chennai River basin in coordination with relevant stakeholders and Government instrumentalities, as nodal agency and facilitator.
- To act, function, operate and render services as a pure agent or in another capacity including but not limited to providing technical, managerial, financial, administrative, operating knowledge and expertise with respect to transformation, management and operation of rivers and water bodies.
- To function as a Center of Excellence for transformation, management and operation of rivers and water bodies in the state of Tamil Nadu.
- To develop strategies and carryout missions aimed at preservation of ecological health, biodiversity, environmental sustainability, climate and disaster resilience and recreational utility of the rivers and water bodies through sustainable urban design, eco-restoration measures, pollution abatement, channel development and water front development works and to protect ecological and natural resources such as flora and fauna.
- To undertake or procure to undertake studies and investigations, planning, designing, financing, procuring, constructing, supervision, monitoring, rehabilitating, developing, operating, maintaining and managing projects, programmes and schemes meant for transformation, restoration, operation and maintenance of rivers and water bodies.

6. The Chennai Metropolitan Water Supply and Sewerage Board has given the following features of the proposed Special Purpose Vehicle:

- Considering various aspects like ownership of the existing assets such as sewage treatment plants, pumping stations, river bunds, river front and the like, a new company under the name 'M/s. Chennai Rivers Transformation Company Limited' (the name decided in the Tamil Nadu Infrastructure Development Board meeting held on 03.05.2023) with 100% shareholding by Government of Tamil Nadu will be the Authority Special Purpose Vehicle to act as the implementing agency of the project.
- The transfer of right to use the existing assets to Authority Special Purpose Vehicle is to be on license basis for which license fee will be paid by Authority Special Purpose Vehicle to Chennai Metropolitan Water Supply and Sewerage Board and other licensors.
- Chennai Metropolitan Water Supply and Sewerage Board will transfer the 'right to use' of the existing assets of four numbers of sewage treatment plants at Nesapakkam and two numbers of modular sewage treatment plants at Kotturpuram and Tod Hunter Nagar draining into Adyar, including its connected thirty six feeder sewage pumping stations, as per the Detailed Feasibility report prepared by Tamil Nadu Water Investment Company Limited, to the proposed Special Purpose Vehicle.
- The proposed company will be a Government company under clause 45 of section 2 of the Companies Act, 2013, which provides that, 'Government company' means any company in which not less than fifty-one percent of the paid-up share capital is held by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments,

and includes a company which is a subsidiary company of such a Government company.

- The Stake holders to be involved in the Authority Special Purpose Vehicle:
 - The Chief Secretary to Government shall be the Chairperson of the company.
 - The Additional Chief Secretary to Government / Principal Secretary / Secretary to Government, Municipal Administration and Water Supply Department shall be a director. Other stake holders are,
 1. Chennai Metropolitan Water Supply and Sewerage Board
 2. Greater Chennai Corporation
 3. Tamil Nadu Urban Habitat Development Board
 4. Water Resources Department
 5. Directorate of Municipal Administration
 6. Directorate of Town Panchayats and
 7. Directorate of Rural Development and Panchayat Raj
- Share holding pattern and composition of the Board:
 - The authorized share capital of the Authority Special Purpose Vehicle - Chennai Rivers Transformation Company Limited will be Rs.10 lakh (one lakh equity shares of Rs.10/- each).
 - The Company may increase its authorized capital on need basis.
 - Share holding pattern:

Sl. No.	Shares held by	No. of shares
Hon'ble Governor of Tamil Nadu, represented by		
1.	The Chief Secretary to Government	1
2.	The Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Municipal Administration and Water Supply Department.	99,993
3.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Finance Department.	1
4.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Water Resources Department.	1
5.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Housing and Urban Development Department.	1
6.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Environment, Climate Change and Forests Department	1
7.	Managing Director, Chennai Metropolitan Water Supply and Sewerage Board	1
8.	Additional Chief Secretary/ Principal Secretary / Secretary to Government, Rural Development and Panchayat Raj Department	1
Total No. of Shares		1,00,000

- The first directors of the Special Purpose Vehicle:

1.	The Chief Secretary to Government – Chairperson
2.	Additional Chief Secretary/Principal Secretary/ Secretary to Government, Municipal Administration and Water Supply Department
3.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Water Resources Department
4.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Housing and Urban Development Department.

- The Board of Directors represented by all relevant Departments and Parastatals are:

1.	Chief Secretary to Government - Chairperson
2.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Municipal Administration and Water Supply Department
3.	Additional Chief Secretary/ Principal Secretary / Secretary to Government, Finance Department.
4.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Water Resources Department.
5.	Additional Chief Secretary/ Principal Secretary/ Secretary to Government, Housing and Urban Development Department.
6.	Additional Chief Secretary/ Principal Secretary / Secretary, Environment, Climate Change and Forests Department.
7.	Additional Chief Secretary/ Principal Secretary / Secretary to Government, Rural Development and Panchayat Raj Department.
8.	Member Secretary, Chennai Rivers Restoration Trust
9.	Managing Director, Chennai Metropolitan Water Supply and Sewerage Board
10.	Commissioner, Greater Chennai Corporation
11.	Director of Municipal Administration
12.	Independent Director – Expert from Indian Institute of Technology, Madras - nominated by Government of Tamil Nadu
13.	Independent Director – Expert from Anna University - nominated by Government of Tamil Nadu
14.	Managing Director of the Company (to be appointed by Government of Tamil Nadu)

- The quorum of the Board of the Special Purpose Vehicle shall be 5 (five).

- The salient features of the Memorandum of Association are:

Name	Chennai Rivers Transformation Company Limited
Registered office	Will be situated in the state of the Tamil Nadu
Objects	(A) Main Objects to be pursued by the Company on its incorporation – 11 clauses (B) Objects incidental or ancillary to the attainment of the main objects – 35 clauses (C) Other Objects – Nil
Liability	The Liability of the members is limited
Subscription	100% by Government of Tamil Nadu – Shares held by the Hon'ble Governor of Tamil Nadu, through 8 representatives.

- Though the company's objective is for a self-sustaining model (by way of asset management fee), clause 79 (Matters requiring prior approval of the Government) and clause 80(a) are retained to enable the company to seek budgetary support if necessary, from the Government, to meet its establishment expenditure.

7. The Managing Director, CMWSS Board has further stated that section 6(1) of the Chennai Metropolitan Water Supply and Sewerage Act, 1978 (Tamil Nadu Act 28 of 1978) provides that "the Board shall, subject to the provisions of this Act, have the power to do anything which may be necessary or expedient for the purpose of carrying out its functions and duties under this Act" and as per section 6(2)(ix) "the Board shall have power to enter into contracts, agreements or arrangements with any person, firm or organization".

8. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board has informed that the above subject was accordingly placed in the 346th Board meeting of Chennai Metropolitan Water Supply and Sewerage Board and the Board vide its resolution No.134/2023, dated 26.06.2023 accorded approval for the proposal.

9. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board, has sought orders of the Government, for the formation of a Special Purpose Vehicle, viz., "The Chennai Rivers Transformation Company limited (CRTCL)" under clause 45 of section 2 of the Companies Act, 2013, as per Para 6 above for the implementation of the works for restoration of the Chennai rivers and waterways and to transform, manage and operate the rivers and water bodies and related assets in Chennai River Basin. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board has also requested to sanction Rs.10.00 lakh, as authorized share capital for the proposed company and has further requested that all the expenditures related to formation of the proposed Special Purpose Vehicle and obtaining of statutory clearances for the implementation of the project will be initially borne by Chennai Metropolitan Water Supply and Sewerage Board and will be subsequently claimed for reimbursement from the Government.

10. The Government after careful examination have decided to accept the proposal of the Managing Director, Chennai Metropolitan Water Supply and Sewerage Board at para-9 above and accord permission to the Chennai Metropolitan Water Supply and Sewerage Board to form the Special Purpose Vehicle, viz., "The Chennai Rivers Transformation Company limited" as detailed at para 6 above with authorized share capital of Rs.10.00 lakh (Rupees ten lakh only) for the above company and also approve the Memorandum of Association and Articles of Association for "The Chennai Rivers Transformation Company limited."

11. The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board is directed to pursue necessary further action in this regard in consultation with the Chairman and Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited.

12. This order issues with the concurrence of the Finance department vide its U.O.No29778/Fin(Infra-III)/2023, dated 06.10.2023.

(BY ORDER OF THE GOVERNOR)

D.KARTHIKEYAN

PRINCIPAL SECRETARY TO GOVERNMENT

To

The Managing Director,

Chennai Metropolitan Water Supply and Sewerage Board, Chennai-600 002.

The Additional Chief Secretary to Government, Water Resources Department,
Secretariat, Chennai-600 009.

The Additional Chief Secretary to Government,
Environment, Climate Change and Forests Department,
Secretariat, Chennai-600 009.

The Additional Chief Secretary / Commissioner,
Greater Chennai Corporation, Chennai - 600 003.

The Principal Secretary, Finance Department, Secretariat, Chennai-600 009.

The Principal Secretary, Housing and Urban Development Department,
Secretariat, Chennai-600 009.

The Principal Secretary to Government,
Rural Development and Panchayat Raj Department, Chennai - 600 009.

The Director of Municipal Administration, Chennai -600 028.

The Director of Town Panchayats, Chennai - 600 028.

The Director of Rural Development and Panchayat Raj, Chennai - 600 015.

The Member-Secretary, Chennai Rivers Restoration Trust, Chennai - 600 028.

The Managing Director, Tamil Nadu Urban Habitat Development Board, Chepauk,
Chennai - 600 005.

The Pay and Accounts Office, Secretariat, Chennai-600 009.

The Principal Accountant General (A&E), Chennai-600 018.

The Accountant General (Audit-I), Chennai-600 018.

The Resident Audit Office, Secretariat, Chennai-600 009.

Copy to:

The Office of the Hon'ble Chief Minister, Secretariat, Chennai-600 009.

The Office of the Hon'ble Minister for Municipal Administration,
Secretariat, Chennai-600 009.

The Office of the Hon'ble Minister for Finance and Human Resources
Management, Secretariat, Chennai-600 009.

The office of the Chief Secretary to Government, Chennai – 600 009.
The Principal Private Secretary to the Principal Secretary to Government,
Municipal Administration and Water Supply Department,
Secretariat, Chennai-600 009.
The Finance (Infra.III/BG-I/BG-II) Department, Secretariat, Chennai-600 009.
The Municipal Administration and Water Supply (OP.II) Department,
Secretariat, Chennai-600 009.
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//FORWARDED BY ORDER//

MD 03/11/2023
Section Officer
8/ 3/11/23



ABSTRACT

Chennai Rivers Restoration Trust (CRRT) - Implementing the project of restoring the Adyar River from Guduvancherry to River Mouth (44 km) under Public Private Partnership (PPP) mode - In-principle approval - Sanction accorded - Orders - Issued

Municipal Administration & Water Supply (M.C.I) Department

G.O (Ms) No.91

Dated 10.07.2023

சோபகிருது, ஆணி - 25

திருவள்ளூர் ஆண்டு - 2054

Read:-

1. G.O (Ms) No.39, Municipal Administration and Water Supply (M.C.I) Department, Dated 03.03.2022.
2. G.O (Ms) No.109, Municipal Administration and Water Supply (M.C.I) Department, Dated 11.08.2022
3. From the Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust Letter No.CRRT/DFR/Adyar/HAM/2023-01, Dated 14.03.2023.

ORDER:

Considering the rapid urbanization, expansion of Chennai city limits with newly added areas (without Under Ground Sewerage Scheme facility), cropping up of new outfalls (dry into wet outfalls), quantum of sewage outfalls, etc., it was necessitated to take up a study for a gap assessment and devise a suitable implementation plan to address site specific issues in a time bound manner with a synchronized approach to effectively restore waterways including Adyar and Cooum rivers.

2. Accordingly, while presenting the budget estimates for the year 2023-24 to the Tamil Nadu Legislative Assembly on 20th March, 2023, the Hon'ble Minister for Finance and Human Resources Management among others has made the following announcement:

"79. As part of its endeavour to realize the goal of Singara Chennai, the Government is committed to clean and restore waterways, including Adyar and Cooum. As the first phase of these initiatives, the restoration of Adyar river for a length of 44 km. will be taken up. The project will include river cleaning activities such as prevention of sewage from entering the river and construction of Sewage Treatment Plants (STPs). Further, attractive recreational facilities such as aesthetic parks, green walkways, open air gymnasium and quality cafeteria will dot the banks of Adyar river. This project will be implemented at an estimated cost of Rs.1,500 crore through PPP mode".

3. In the letter third read above, the Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust (CRRT) has stated that as part of the restoration initiatives taken up by the Government under Chennai Rivers Restoration Trust (CRRT), the Adyar River Restoration Project (ARRP) was taken up for implementation through various line departments. Under this project, major issues like Resettlement & Rehabilitation (R&R), river channel improvement works, solid waste removal and securing the river stretch by fencing have been largely addressed. To this end, the Chennai Rivers Restoration Trust Board approved to taking up the preparation of Detailed Feasibility Report (DFR) for the restoration of Adyar River and entrusting the said work to Tamil Nadu Urban Infrastructure Financial Services Ltd. (TNUIFSL).

4. The Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust has also stated that a State Level Technical Committee (SLTC) was constituted vide Government Order first read above to review and approve the Detailed Feasibility Report (DFR) and a Sub Committee was also formed vide Government Order second read above to scrutinize the technical aspects of proposals and recommend the same to State Level Technical Committee (SLTC). The Detailed Feasibility Report was periodically reviewed and approved by the State Level Technical Committee in the meeting held on 07.02.2023 as per the recommendations of the Sub Committee with components such as laying interceptor & diversion of sewage outfalls, construction of truck sewer for a length of 73.1 km, Sewage Treatment Plants (STPs) at 14 locations with capacity of 110 MLD, 4 parks, riparian plantation, walkways, river channel works, phytore mediation, bioremediation and a project experience centre.

5. The Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust has stated that the indicative project cost is Rs.1,488 crore with an implementation period of 2 years. The consultant has recommended for implementation of the project under Public Private Partnership (PPP) with around 40% to be paid based on physical progress during the implementation period of 2 years and the remaining around 60% is to be paid on deferred annuity over 15 years on achieving the Key Performance Indicators (KPIs).

6. The Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust has also stated that under 'One River - One Operator' concept, the operator would take over the existing STPs, pumping stations & pumping mains in the Adyar river basin. The operating cost over 15 years for Adyar river is Rs.7,193 crore. The present value (PV) for both new assets and those that are taken over is Rs.3,190 crore. It was suggested to form a Special Purpose Vehicle (SPV) under Chennai Metropolitan Water Supply and Sewerage Board to implement the project.

7. Accordingly, the detailed feasibility report for the restoration of Adyar river was approved by the State Level Technical Committee and recommended to submit the final detailed feasibility report for consideration of the Board of Trustees of Chennai Rivers Restoration Trust. Subsequently, the detailed feasibility report was presented

in the 47th Meeting of the Board of Trustees of Chennai Rivers Restoration Trust held on 27.02.2023. After detailed deliberations, the Board has approved the detailed feasibility report for the restoration of Adyar river under Public Private Partnership mode as recommended by the consultant and to forward the detailed feasibility report for Adyar river to Tamil Nadu Infrastructure Development Board (TNIDB) for necessary approval. The Board also informed to initiate necessary action for the formation of a Special Purpose Vehicle (SPV) under Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB).

8. The Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust has also stated that the detailed feasibility report for restoration for Adyar river along with Concept Form and Structuring Template has been forwarded to Tamil Nadu Infrastructure Development Board for Project Structuring Approval.

9. The Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust has requested the Government to grant in-principle approval for the project of restoring Adyar river from Guduvancherry to River Mouth (44 km) under Public Private Partnership (PPP) mode.

10. The Government, after careful examination of the proposal of the Principal Secretary / Member Secretary, Chennai Rivers Restoration Trust, hereby accord in-principle approval for implementing the project of restoring the Adyar river from Guduvancherry to river mouth (44 km) in Public Private Partnership (PPP) mode. The Government also order that the exact structure of the project such as the percentage of the capital cost to be paid based on the physical progress during the implementation of the project and the model, whether Hybrid Annuity Mode or Build Operate Transfer, will be decided by the Tamil Nadu Infrastructure Development Board.

11. This order issues with the concurrence of Finance Department vide its U.O No.26267/Finance (Infra-III)/2023, Dated 10.07.2023.

// BY ORDER OF THE GOVERNOR //

**D. KARTHIKEYAN
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Principal Secretary / Member Secretary,
Chennai Rivers Restoration Trust, Chennai - 600 028.
The Chief Executive Officer,
Tamil Nadu Infrastructure Development Board, Chennai
The Additional Chief Secretary / Commissioner,
Greater Chennai Corporation, Chennai - 600 003.

Copy to:

The Managing Director,
Tamil Nadu Urban Infrastructure Financial Services Limited,
Chennai - 600 028.
The Managing Director, Chennai Metropolitan Water Supply and
Sewerage Board, Chennai - 600 028.
The Director of Municipal Administration, Chennai - 600 028.
The Water Resources Department, Chennai - 600 009.

// Contd //

The Director of Rural Development, Chennai - 600 015.

The Tamil Nadu Urban Habitat Development Board, Chennai - 600 005.

The Hon'ble Chief Minister's Office, Chennai - 600 009.

The Senior Personal Assistant to the Hon'ble Minister (Municipal Administration), Chennai - 600 009

The Finance (Infra-III) Department, Chennai - 600 009.

The Senior Private Secretary to the Additional Chief Secretary to Government, Municipal Administration & Water Supply Department, Chennai - 600 009.

The Municipal Administration & Water Supply (Budget / O.P.II), Department, Chennai - 600 009.

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// Forwarded By Order //


10/07/2023
SECTION OFFICER