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ABSTRACT

Tamil Nadu Water Supply and Drainage Board – Revision of water tariff for Urban and Rural Local Bodies maintained by Tamil Nadu Water Supply and Drainage Board – Orders –Issued.

Municipal Administration and Water Supply (WS2) Department

G.O.Ms. No.39

Dated 17 .04.2018

Vilambi, Chitrai -04
Thiruvalluvar Aandu - 2049

Read:-

1. G.O.D.No.454, Municipal Administration and Water Supply Department, Dated:22.8.1995.
2. G.O.Ms.No.136, Municipal Administration and Water Supply (WS.4) Department, Dated: 03.10.2002.

Read also:-

3. From the Managing Director, Tamil Nadu Water Supply and Drainage Board Letter No.31810/Tariff Revision/AE.II/O&M/2017, Dated: 22.02.2018 and 23.02.2018.
4. From the Commissioner of Municipal Administration letter Dated: 02.03.2018.
5. From the Director of Rural Development and Panchayat Raj Department letter Rc.No.9890/2016/PRI 3-2, Dated: 03.03.2018.

ORDER:

In the Government order first read above, orders were issued by Government, permitting the Tamil Nadu Water Supply and Drainage Board to maintain the Combined Water Supply Scheme involving more than one local body for which Government would allot sufficient funds to Tamil Nadu Water Supply and Drainage Board for maintaining such schemes. The Government subsequently directed to meet out the maintenance expenditure of such Combined Water Supply Scheme through the collection of water charges from the beneficiaries, which

included the Rural and Urban Local Bodies and Industrial and Commercial Institutions.

2. In the Government order second read above, orders were issued by Government revising water tariff to Urban Local Bodies and Rural Local Bodies as Rs.4.50/KL and Rs.3.00/KL respectively.

3. The Managing Director, Tamil Nadu Water Supply and Drainage Board has stated that the water tariff was last revised as Rs.3.00/KL for Rural Local Bodies and Rs.4.50/KL for Urban Local Bodies with effect from 1.12.2001. The deficit of the board has been increasing and the grant sanctioned to Tamil Nadu Water Supply and Drainage Board from devolution fund is also not sufficient to meet the gap in the Operation and Maintenance (O&M). Every year new schemes are added and the gap becomes wider. The cost on outsourcing of labour for Maintenance of Combined Water Supply Schemes are also increasing at an average rate of 10% every year which contributes 22% to 26% of the overall maintenance charges. Further in the event of implementation of 7th Pay Commission recommendations there will be an increase of 15% in establishment cost involved in the Operation and Maintenance. Reduction of centage from 18.5% to 5% has resulted in the poor income on centage, whereas the establishment cost has increased exponentially since 2002. The Central Finance Commission Grants to Rural Local Bodies and Urban Local Bodies significantly increased over 3.3. times from Rs.1869.21 crore in 2002-03 to Rs.6319 crore in 2010-2011.

4. The Managing Director, Tamil Nadu Water Supply and Drainage Board has therefore requested the orders of the Government for enhancing the water tariff to Rs.9.00/KL to urban and rural local bodies benefitted from Combined Water Supply Scheme maintained by Tamil Nadu Water Supply and Drainage Board from 01.12.2017 with an annual increase of 10% rounded off to next rupee from next financial year up to five years.

5. The Commissioner of Municipal Administration in his letter fourth read above has suggested to enhance the water tariff to Rs.9.00/KL with an annual increase of 5% for Urban Local Bodies.

6. The Director of Rural Development and Panchayat Raj Department in his letter fifth read above has suggested to enhance the water tariff to Rs.7.00/KL from the present tariff of Rs.3.00/KL with an annual increase of 5% for Rural Local Bodies.

7. The Government after careful examination of the proposal of Managing Director, Tamil Nadu Water Supply and Drainage Board have decided to enhance the water tariff for Urban Local Bodies to Rs.9.00/KL and for Rural Local Bodies to Rs.7.00/KL benefitted from the Combined Water Supply Scheme maintained by Tamil Nadu Water Supply and Drainage Board from 01.12.2017 with an annual increase of 5% from the next financial year upto five years and orders accordingly.

8. This order issues with the concurrence of Finance Department vide its U.O.No.201/ADS(PK)/MAWS, Dated:17.04.2018.

(BY ORDER OF THE GOVERNOR)

**HARMANDER SINGH
PRINCIPAL SECRETARY TO GOVERNMENT**

To:

- The Managing Director, Tamil Nadu Water Supply and Drainage Board, Chennai - 600 005.
- The Managing Director, Chennai Metropolitan Water Supply and Sewerage Board, Chennai - 600 002.
- The Commissioner of Municipal Administration, Chennai - 600 005.
- ✓ The Director of Town Panchayats, Chennai - 600 108.
- The Accountant General, Chennai - 600 018.
- The Accountant General, Chennai - 600 018.(Name).
- ✓ The Director of Rural Development and Panchayat Raj, Chennai -600 015.
- The Chairman and Managing Director, Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO), No.490/1-2, Anna Salai, Nandanam, Chennai-600 035.
- The Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL), Chennai - 600 028.
- The Director, Local Fund Audit Department, Chennai -600 035.

Copy to :

- The Secretary to Hon'ble Chief Minister, Chennai- 600 009.
- The Senior Personal Assistant to Hon'ble Deputy Chief Minister, Chennai- 600 009.
- The Senior Personal Assistant to Hon'ble Minister for Municipal Administration, Rural Development and Special Programme Implementation, Chennai- 600 009.
- The Senior Principal Private Secretary to Principal Secretary to Government, Municipal Administration and Water Supply Department, Chennai - 600 009.
- The Finance (MA&WS / BPE) Department, Chennai - 600 009.
- The Rural Development and Panchayat Raj Department, Chennai -600 009.
- Municipal Administration and Water Supply Department, Chennai-600 009. (All Sections).
- Stock file /Spare copies.

// FORWARDED BY ORDER //

N-Shankar
17-4-2018
SECTION OFFICER

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17/4/2018