

CHAPTER - VII

HUDCO ASSISTANCE

7.1 HUDCO Assistance for infrastructure development

UT Administration approached HUDCO for loan assistance to a tune of Rs.615.428 crore at concessional rate of interest of 6.5% per annum to undertake the following projects :-

(Rupees in Crore)

Table – 7.1

Sl.No.	Name of the Project	Amount
(i)	Sewerage Project to cover remaining urban areas of Pondicherry	278.770
(ii)	Sewerage Project for the urban areas of Karaikal	43.461
(iii)	Improvement to Water Supply Schemes at Yanam	44.943
(iv)	Construction of Road Over Bridge over Upper Drain connecting Kamaraj Salai and Maraimalai Adigal Salai, Pondicherry.	28.254
(v)	Infrastructural development of Temple Town of Thirunallar at Karaikal	153.000
(vi)	Construction of tenements in Pondicherry and Karaikal under slum upgradation programme	37.000
(vii)	Development of beach roads and other infrastructure at Mahe	30.000
	Total	615.428

HUDCO has already issued loan sanction letter to 90% of the project cost i.e., Rs.553.88 crore and it will be repaid over a period of 20 years with moratorium of 3 years.

Though it was programmed to avail loan assistance of Rs.247 crore from HUDCO for various infrastructure development projects in the current year, **the loan agreement is yet to be finalized** as HUDCO has revised the interest rate to 8.25% per annum from 5.7.2006. Hence, it is proposed to avail loan assistance of Rs.250 crore in the Annual Plan 2007-08 and the balance amount will be availed in the Annual Plan 2007-08 and Annual Plan 2008-09.

Table – 7.2

(Rupees in crore)

Sl.No.	Name of the Project	Annual Plan 2007-08
(i)	Sewerage Project to cover remaining urban areas of Puducherry	112.00
(ii)	Sewerage Project for the urban areas of Karaikal	18.00
(iii)	Improvement to Water Supply Schemes at Yanam	20.00
(iv)	Construction of Road Over Bridge over Upper Drain connecting Kamaraj Salai and Maraimalai Adigal Salai, Puducherry.	10.00
(v)	Infrastructural development of Temple Town of Thirunallar at Karaikal	60.00
(vi)	Construction of tenements in Pondicherry and Karaikal under slum upgradation programme	15.00
(vii)	Development of beach roads and other infrastructure at Mahe	15.00
	Total	250.00

A brief write up on projects are given below :-

1. Sewerage Project to cover remaining urban areas of Pondicherry

Though sewerage scheme is being implemented in various stages for several parts of Pondicherry town, the facilities have to be extended to the area where new colonies have come up. Therefore, the need to have a comprehensive underground sewerage facilities besides additional sewage treatment facilities are urgently required to be implemented to improve proper disposal of human waste and also to improve the hygienic conditions of Pondicherry town including the newly formed colonies. The scheme also envisages sewage system and re-use/reclamation of treated effluent for horticulture operations at Government Tourist home, Railway station, Botanical garden, Bharathy Park, etc. This comprehensive sewerage project for Pondicherry have 10 items of works for sewerage covering sewage Collection and conveyance system in seven zones and treatment plants at three locations for a total capacity of 66 mld costing Rs.199.0 crore. The cost of the project is estimated to be Rs.234.00 crore. The total cost of the project including tender premium @ 5%, front end fee and the floating interest @ 6.5% payable to HUDCO works out to Rs.234.00 crore. The project is proposed to be implemented in three years. As a result of increase in interest rate from 6.5% to 8.25%, the project cost may be revised to Rs.289.10 crore.

2. Sewerage Project for the urban areas of Karaikal

The Karaikal town does not have an organized sewerage system and the waste water generated flows into the Vanjiar River through various drains. With a view to preventing the pollution and improving the quality of water the Public Works Department has taken up the work of collection and treatment of sewage at Karaikal town. In order to improve the hygiene in and around the Karaikal town, it is essential to have a comprehensive sewerage scheme. Considering the drainage pattern of the town and based on the survey conducted, the department has proposed to implement a comprehensive sewerage scheme of the Karaikal town divided into five sewerage zones. The department has prepared a detailed preliminary estimate for the project and the cost of the project is Rs.33.84 crore. The total cost of the project including tender premium @ 5%, escalation charges @ 5%, contingencies @ 3%, administrative and supervision plus floating interest @ 6.5% payable to HUDCO works out to Rs.43.461 crore. The project is proposed to be implemented in two years. As a result of increase in interest rate from 6.5% to 8.25%, the project cost may be revised to Rs.44.52 crore.

3. Improvement to Water Supply Schemes at Yanam

Though there are irrigation canal and water supply scheme implemented in Yanam, it is felt that the irrigation canals are to be strengthened and improved for the purpose of irrigation and similarly there is lot of scope for improvement to the water supply scheme to cater the need of the public. Therefore, the department has proposed to implement the comprehensive project for improvement of water supply scheme for Yanam. The project is proposed to be implemented in two years. The estimated cost of the project is Rs.35 crore. Taking into account the tender premium @ 5%/ the escalation charges @ 5%/ contingencies @ 3%/ administrative and supervision charges @ 7%/ front end fee and floating interest @ 6.5% payable to HUDCO/ the total cost of the project works out to Rs.44.943 crore. As a result of increase in interest rate from 6.5% to 8.25%, the project cost may be revised to Rs.48.50 crore.

4. Construction of Road Over Bridge over Upper Drain connecting Kamaraj Salai and Maraimalai Adigal Salai, Pondicherry.

Due to heavy inflow of heavy vehicles as well as four-wheelers and two-wheelers used by office-goers, businessmen and students in peak hours, acute traffic congestions are experienced. Heavy traffic causes accidents resulting in loss of human life sometime. Hence, in order to avoid the traffic congestion in the West Boulevard of the town and to ease the traffic particularly for those going to and from the bus stand, it is proposed to link Kamaraj Salai and Maraimalai Adigal Salai by constructing a road over bridge over Upper drain. Assurances to implement the scheme have also been made in the Assembly. It is also proposed to widen the existing two lane bridge at Newtown Theatre in Maraimalai Adigal Salai as a four lane bridge to regulate free flow of traffic. The department has prepared a detailed estimate in this connection. The project is proposed to be implemented in two years. The estimated cost of the project is Rs.21.66 crore". Taking into account the tender premium @ 5%, escalation charges @ 5%, the contingencies @ 3% and administrative and supervision charges @ 7% front end fee and floating interest @ 6.5% payable to the HUDCO, the total cost of the project works out to Rs.28.254 crore. As a result of increase in interest rate from 6.5% to 8.25%, the project cost may be revised to Rs.30.01 crore.

5. Infrastructural development of Temple Town of Thirunallar at Karaikal

It is proposed to develop Thirunallar as Temple Town at an estimated cost of Rs.153 crore and a project report has been prepared accordingly. The proposed plan basically calls for the Development of an outer ring road and inner ring road around the temple premises. Tollgates and Tourist Information Centres are to be provided at the extremities of the outer ring road and eastern and western side of the present town. They will be provided with parking lots. Transport infrastructure such as bus stand with dormitories, railway station and accommodation facilities are to be developed near each other to have multi modal transport access to Thirunallar. The inner ring road will encapsulate the temple complex and its four car streets and much of the present habitation of Thirunallar town. This requires large land acquisition. The core area of the temple with four car streets will be the subject of extensive relocation and redevelopment especially all the seven ancient Tanks surrounding the temple. The roads of the car streets should be clear from encroachments. Extensive accommodation facilities for about 10000 people will be developed into two phases. Infrastructure for tents at temporary events will be provided. There is also a relocation programme for those who are affected by the changed use of land around the temple precincts.

6. Construction of tenements in Pondicherry and Karaikal under slum upgradation programme

Under Slum Upgradation Programme, it is proposed to construct tenements in Pondicherry and Karaikal at an estimated cost of Rs.37 crore.

7. Development of beach roads and other infrastructure at Mahe

It is also proposed reconstruction of beaches, roads and other infrastructure at Mahe at an estimated cost of Rs.30 crore.