



Chennai Metropolitan Water Supply & Sewerage Board

# ANNUAL REPORT 2020 -2021

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Chennai Metropolitan Water Supply & Sewerage Board

## **DIRECTORS OF THE BOARD REPORT PERIOD 2020-21 (AS ON 31<sup>st</sup> MARCH 2021)**

Thiru. **S.P. Velumani**, M.A., M.Phil.,  
Hon'ble Minister for Municipal Administration,  
Rural Development ,and Implementation of Special Programme,  
Chairman of CMWSS Board,  
Chennai-600002.

### **Full Time Directors**

**Thiru.T.N.Hariharan, I.A.S.,**  
Managing Director  
CMWSSB

**Dr.T.Prabhushankar, IAS.,**  
Executive Director,  
CMWSSB

**Thiru.K.Muthukumaraswamy,**  
M.A.,M.L.,M.Sc.,M.Com.,MBA,PGDLA,  
PGDCA.  
Finance Director,  
CMWSSB

**Thiru.K.Madurainayagam, B.E.,**  
Engineering Director,  
CMWSSB

### **Ex. Officio Directors**

**Thiru. Harmander Singh,IAS**  
Addl. Chief Secretary to Government,  
M.A. & W.S. Department

**Thiru.S.Krishnan,IAS.,**  
Addl. Chief Secretary to Government,  
Finance Department.

**Thiru.G.Prakash, IAS.,**  
Commissioner,  
Greater Chennai Corporation .

**Thiru.Shunchonngam Jatak Chiru, IAS.,**  
Member Secretary,  
C.M.D.A.

**Dr.C.N.Mahesvaran , IAS.,**  
Managing Director,  
TWAD Board.



Chennai Metropolitan Water Supply & Sewerage Board

## INDEPENDENT AUDITORS' REPORT

**GANESAN AND COMPANY**  
CHARTERED ACCOUNTANTS

New No.9 (Old No.36), South Beach Avenue,  
MRC Nagar Main Road, Chennai – 600 028  
Phone: 044 – 24950547

E-mail: gandco.ca@gmail.com

### AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF CHENNAI METROPOLITAN WATER SUPPLY AND SEWERAGE BOARD

#### Report on the Financial Statements

#### Qualified Opinion

We have audited the Financial Statements of M/s. CHENNAI METROPOLITAN WATER SUPPLY AND SEWERAGE BOARD ("the Board"), which comprise the Balance Sheet as at March 31, 2021, Income and Expenditure Account, the statement of Cash Flows and the statement of Sources and Application of Funds for the year ended on that date and Notes to the Financial Statements, including a summary of the Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanation given to us, except for the matters described under the Basis for Qualified Opinion paragraph below, the aforesaid financial statements give the information, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of Balance Sheet, of the state of affairs of the Board as at 31<sup>st</sup> March, 2021;  
and
- (b) In the case of the Income and Expenditure Account, of the Deficit (Excess of expenditure over income) for the year ended on that date;
- (c) In the case of Cash flow statement, the cash flows for the year ended on that date;
- (d) In the case of statement of Sources and Application of Funds, the Fund Flows for the year ended on that date;

#### Basis for Qualified Opinion

##### I. Non-Compliance with Accounting Standard 1 – Disclosure of Accounting Policies,

with respect to the application of accounting standards relating to Segment Reporting (Accounting Standards 17), Leases (Accounting Standards 19) and Impairment of Assets



(Accounting Standards 28) which ought to be disclosed in the summary of significant accounting policies in the manner specified in the respective accounting standards

**ii. Non-Compliance with Accounting Standard 2 – Valuation of Inventories**

Non-identification of slow / non-moving / obsolete items of inventory for valuation of the same as per the above standard, non-adjustment of balances held in surplus of stores / shortage of stores / stores suspense / stores control / stores adjustment accounts and non verification of physical inventory and reconciliation thereof with the book balance for suitably accounting for any differences and non-matching of balances between inventory records at area offices and the inventory balances in the respective general ledger accounts, the effect of which is not presently ascertainable.

**iii. Non-Compliance with Accounting Standard 4 – Contingencies and Events occurring after the Balance sheet Date**

Non-consideration of events occurring after the balance sheet date till the date on which the accounts are approved by the Board for appropriate treatment in the accounts and statements.

**iv. Non-Compliance with Accounting Standard 5 – Net profit or loss for the period, Prior period items and Changes in Accounting Estimates**

Non-disclosure of prior period items accounted in the financial statements in accordance with requirements prescribed in the standard. Non-provision of expenditure relating to FY 2020-21 (including expenditure incurred beyond the budgetary sanctions at Area Offices) in the financial statements.

**V. Non-Compliance with Accounting Standard 10 – Property, plant and Equipment**

Non – capitalisation of assets pending for a substantial period of time and non-provision of depreciation on the same, provision of depreciation at an adhoc rate of 5% in the case of project in progress (PIP) accounts, where there is no transaction in the account and pending for capitalisation for a substantial period of time, non-transfer of ownership of certain fixed assets in the name of CMWSSB in respect of lands owned and non-reconciliation of lands owned vis-a-vis lands capitalised / land value as per land register vis-a-vis land value as per general ledger accounts, complete details of lands held under the use / name of CMWSSB and disclosure of land value in the fixed assets, non-disclosure of assets retired from active use and non-review of



## Chennai Metropolitan Water Supply & Sewerage Board

assets for impairment and non-provision for impairment of assets if any required, disclosure of amounts relating to deposit works carried on behalf of other agencies / authorities / entities under fixed assets, non-reconciliation of fixed assets as per general ledger with fixed assets register, non-write off of fixed assets under the head drought relief works due to their probable outliving, non-adjustment of grants received for capital assets with the depreciation charged for those assets, apportionment of general administration and overhead (at a fixed percentage) to PIP not in accordance with the recognition criteria for the property, plant and equipment.

### **Vi. Non-Compliance with Accounting Standard 9 – Revenue Recognition**

Accounting of revenue with respect to activities other than collection of taxes and charges are done on cash basis and non-matching of revenue recognised with adequate corroborative evidence to ascertain the quantum of revenue accounted under major heads / sources of revenue and non-reconciliation of revenue accounted with the base records which serves as the basis for revenue accounting and difference in recognition of revenue with the underlying records during the accounting year.

### **Vii. Non-Compliance with Accounting Standard 12 – Government Grants**

Non-accounting of Government Grants in relation to depreciable assets in accordance with the method prescribed in the above standard and non-reconciliation of an amount of Rs.117.78 crores (Credit) lying in the books of Area offices and included under “Schedule B - Grants from Government”, which are pending for substantial period of time.

### **Viii. Non – Compliance of Accounting Standard 15 – Employee Benefits**

Non-recognition of provision for employee related benefits on leave encashment, gratuity, pension and other family benefit fund, on actuarial basis

### **Ix. Non-Compliance with Accounting Standard 16 – Borrowing Costs**

In respect of qualifying assets involving substantial delay in capitalisation, suspension of borrowing costs is not done and the interest is continued to be apportioned to project assets till the date of capitalisation including the period of such substantial delay in respect of those qualifying assets.



**X. Non-Compliance with Accounting Standard 17 – Segment Reporting**

Non-disclosure of information relating to segment reporting in respect of various segments related activities undertaken by the Board.

**Xi. Non-Compliance with Accounting Standard 19 – Leases**

Non-disclosure of information in respect of leasing transaction undertaken by the Board.

**Xii. Non-Compliance with Accounting Standard 28 – Impairment of Assets**

The Board has not assessed at the Balance Sheet date the existence of impairment, if any, of its assets and consequently we are unable to comment on the existence of impairment loss.

**Xiii. Non-Compliance with Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets**

Non-disclosure and non-recognition of provisions in respect of obligations that had accrued and non-disclosure of amounts relating to contingent liabilities in respect of those amounts, for which the Board is contingently liable.

The cumulative effect of the non-compliance of the above and other qualifications in the para below is not quantifiable since adequate information is not presently available with the Board to quantify the financial impact on non-compliance of these Accounting Standards

**Further to the above, the effect of the following on the financial statements is not ascertainable:**

- A. Non-reconciliation of inter unit accounts between head office and area offices and other divisions amounting Rs.182.97 crores (Net Debit) included under “Schedule G – Current Assets, Loans, Advances, Deposits”.
- B. Non-reconciliation of sundry debtors, sundry creditors, deposit accounts, loans and advances, security deposits / retention deposits / other payable accounts, payroll related account heads as per general ledger and the underlying records, Non – reconciliation of general ledger account heads in respect of unapplied cash, excess of assets over liabilities, excess of liabilities over assets.
- C. PIP accounts maintained in sub-ledger / underlying records not matching with GL code relating



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to capital work in progress and classification of PIP (“Deposit works”) under fixed assets which is not in accordance with the generally accepted accounting principles.

- D. Confirmation of Balances / Bank Reconciliation Statement in respect of 93 bank accounts - 76 accounts having aggregate debit balance of Rs. 452.22 crores and 14 accounts having aggregate credit balance of Rs. 627.06 crores and 3 accounts having Nil balances in the books of accounts and included under “Schedule G - Current Assets, Loans, Advances and Deposits” have not been reconciled. Non-reconciliation of short-term deposits with sweep balance and non-reconciliation of fixed deposits balances with banks as per cash department and the general ledger.
- E. Non-provision of old outstanding debts pending realisation for a substantial period of time.
- F. Non-reconciliation of Form 26 AS under the income tax laws with the general ledger balances in respect of income heads and also in respect of tax deducted at source related general ledger heads.
- G. Recognition of expenditure incurred with respect to physical quantity of water / raw water/ treated water / other items which are recognised as sale in the subsequent year(s), for which the costs incurred have not been deferred to match costs with revenues upto the year end.
- H. Non-accrual of expenditure at the year ends due to non-availability of details on account of appropriate system to compile and non-availability of a complete repository of contracts (both revenue and capital) handled by the Board and non-accounting of expenditure at the balance sheet date in respect of activities undertaken before the end of financial year for which bills have been received in the subsequent year.

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Board in accordance with the Code of Ethics issued by our Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.



### **Information other than the financial statements and auditors' report thereon:**

The CMWSSB's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance / conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The Board of Directors report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

### **Responsibility of Management and Those Charged with Governance for the Financial Statements**

The CMWSSB Board of Directors is responsible for the preparation and fair presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Board in accordance with the accounting principles generally accepted in India, including the Accounting Standards that are relevant to them and preparation of financial statements under Section 38(1) of the CMWSSB Act, in such form and manner prescribed. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the relevant Act under which the financial statements are prepared and for safeguarding the assets of the Board and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





## Chennai Metropolitan Water Supply & Sewerage Board

In preparing the financial statements, the Board of Directors is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e., Board of Directors are responsible for overseeing the Board's financial reporting process.

### **Auditor's Responsibilities for the Audit of the financial statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going



concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters:**

- A. Internal audit system to be strengthened to commensurate with the size and nature of the operation of the Board.
- B. Deficiencies in design / design and operation of controls resulting in significant deficiencies and weaknesses in internal controls have been identified which would have an impact on the preparation and presentation of financial statements and also absence of internal process to report deficiencies in internal control to management on a timely basis due to inadequate design and design and implementation of controls including absence of accounting manual / comprehensive procedure on accounting related matters, lack of adequate skill and training in application of generally accepted accounting principles and practices.
- C. The design of internal control over the preparation of the financial statements being audited is required to be strengthened to avoid failure of the information and communication component of internal control to provide complete and accurate output because of deficiencies in timeliness, completeness or accuracy, for timely identification and accounting of liabilities and assets.



## Chennai Metropolitan Water Supply & Sewerage Board

- D. The absence of an internal process to report deficiencies in internal control to management, particularly with respect of capitalization of fixed assets (viz., land, completed projects, capitalisation of borrowing costs, accrual of expense, periodical review of general ledger accounts) on a timely basis, resulting in prior period adjustments in the financial statements.
- E. Inadequate design / design and implementation of controls resulting in misstatement unidentified by entity's internal controls and involving estimations and judgements resulting in material corrections / rectifications in the financial statements based on audit.
- F. Non-existence of the accounts manual and comprehensive procedures for accounting that are to be complied at the Area Offices and other units resulting in non-adherence of uniform accounting across the Area offices / other divisions of the Board.
- G. Deficient implementation of internal controls as some employees lack training to fulfil their assigned functions.
- H. Implementation of controls and procedures to ensure adherence to appropriate selection of policy and their implementation to comply with the mandatory accounting standards / generally accepted accounting principles having a material impact on the financial statements and indicating a likely ineffective oversight of entity's financial reporting and internal control by those charged with governance.
- I. Absence of a mechanism to ascertain the individual / cumulative effect of non-compliance with accounting standards / generally accepted accounting principles on the state of affairs and results of the Board.

### **Report on Other Legal and Regulatory Requirements**

#### **We report that:**

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit under Section 39(4) of the CMWSSB Act and found them to be satisfactory;
- b) In our opinion, proper books of account have been kept by the Board so far as it appears from our examination of those books except for those matters on accounting records described in the Basis for Qualified Opinion paragraph above;



Chennai Metropolitan Water Supply & Sewerage Board

- c) The Balance Sheet, Income and Expenditure account, Cash flow statement and the Statement of Sources and application of funds dealt with by this Report have been prepared in such form and manner as per the consistent practice followed by the Board (since the form and manner in which the financial statements are to be presented as prescribed vide Section 38(1) of CMWSSB Act are yet to be notified) and relevant accounting standards issued by The Institute of Chartered Accountants of India and are in agreement with the books of account except for those matters described in the Basis for Qualified Opinion paragraph above;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards issued by The Institute of Chartered Accountants of India, generally accepted in India except for the matters on non-compliance described in the Basis for Qualified Opinion paragraph above;
- e) Previous year figures corresponding to the current year figures for the statement of sources and application of funds and the cash flow statements have not been disclosed.
- f) Utilisation of fixed assets renewal fund investment not in accordance with the purpose for which this is created and the utilisation of the same is without the approval of the Government under section 31(5) of the Act;
- g) The constitution of the Board of Directors is not in accordance with Section 4(e) of the CMWSSB Act.

Place: Chennai  
Date: 23.02.2023

for GANESAN AND COMPANY  
CHARTERED ACCOUNTANTS  
Firm Regn No: 000859S

Sd/-  
**N VENKATRAMANI**  
PARTNER  
M.No.: 215145  
UDIN: 23215145BGSJFT2236



Chennai Metropolitan Water Supply & Sewerage Board

### BALANCESHEET AS ON 31st MARCH 2021

DESCRIPTION	SCHEDULE	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>LIABILITIES</b>			
CONTRIBUTIONS	A	22,15,10,81,902.89	20,51,30,18,382.31
GRANTS FROM GOVERNMENT	B	66,21,80,56,823.53	56,66,75,09,232.53
LONG TERM BORROWINGS	C	19,19,87,94,784.00	19,12,98,92,373.00
DEFERRED CREDITS AND DEPOSITS	D	15,88,64,03,757.16	14,80,80,23,025.04
CURRENT LIABILITIES	E	10,49,54,37,552.41	8,42,44,75,203.63
ACCUMULATED SURPLUS			
<b>TOTAL</b>		<b>1,33,94,97,74,819.99</b>	<b>1,19,54,29,18,216.51</b>
<b>ASSETS</b>			
FIXED ASSETS	F	90,56,71,08,038.86	83,02,99,32,032.73
CURRENT ASSETS LOANS, ADVANCES DEPOSITS	G	23,34,49,58,541.65	17,73,55,86,513.86
ACCUMULATED DEFICIT		20,03,77,08,239.48	18,77,73,99,669.92
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	P AND Q		
<b>TOTAL</b>		<b>1,33,94,97,74,819.99</b>	<b>1,19,54,29,18,216.51</b>

The accompanying notes form an integral part of the Financial Statements

As per our report of even date  
attached herewith  
For **GANESAN AND COMPANY**  
CHARTERED ACCOUNTANTS  
Firm Regn No. 0008595

On behalf of CMWSS Board

Sd/-  
**N. CHITRA**  
FINANCE DIRECTOR

Sd/-  
**R. KIRLOSH KUMAR I.A.S.**  
MANAGING DIRECTOR

Sd/-  
**N. VENKATRAMANI**  
PARTNER  
M.No. 215145

Place: Chennai  
Date:23.02.2023



Chennai Metropolitan Water Supply & Sewerage Board

## INCOME AND EXPENDITURE FOR THE YEAR ENDED 31st MARCH 2021

PARTICULARS	SCHEDULE	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>INCOME</b>			
SALE OF WATER & SEWERAGE CHARGES	H	4,81,31,72,576.43	4,50,32,73,021.67
WATER AND SEWERAGE TAX	I	2,32,16,99,155.00	2,13,64,96,400.00
GRANTS AND SUBSIDIES		2,24,31,80,125.00	2,74,18,74,891.00
OTHER INCOME	J	79,51,15,137.75	1,23,84,00,683.32
PRIOR PERIOD ADJUSTMENT	N	93,73,23,721.87	0.00
PROVISION FOR DOUBTFUL DEBTS			
- WATER CHARGES METERED		89,78,779.40	21,52,118.70
- WATER CHARGES UNMETERED		0.00	0.00
- TAXES		0.00	15,52,94,959.76
EXCESS OF EXPENDITURE OVER INCOME		1,26,03,08,569.56	3,34,40,58,612.04
<b>TOTAL</b>		<b>12,37,97,78,065.01</b>	<b>14,12,15,50,686.49</b>
<b>EXPENDITURE</b>			
OPERATING AND MAINTENANCE EXPENDITURE	K	6,62,73,31,216.93	6,66,75,69,404.27
PAYMENTS AND PROVISIONS TO EMPLOYEES	L	2,50,57,57,676.44	2,63,60,87,333.33
OFFICE AND ADMINISTRATIVE EXPENSES	M	8,20,59,182.50	9,64,69,775.38
WATER LORRY HIRE CHARGES/DROUGHT RELIEF EXPENSES/FLOOD RELIEF EXPENDITURE		88,33,00,788.00	1,62,66,91,531.30
DEPRECIATION		1,30,01,41,929.81	1,39,02,71,652.32
DEBT SERVICE CHARGES	O	83,65,11,777.50	91,38,87,359.83
PRIOR PERIOD ADJUSTMENT	N	0.00	75,04,99,791.95
PROVISION FOR DOUBTFUL DEBTS			
- WATER CHARGES METERED		0.00	0.00
- WATER CHARGES UNMETERED		2,20,57,191.36	4,00,73,838.11
- TAXES		12,26,18,302.47	0.00
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	P AND Q		
<b>TOTAL</b>		<b>12,37,97,78,065.01</b>	<b>14,12,15,50,686.49</b>

The accompanying notes form an integral part of the Financial Statements

As per our report of even date  
attached herewith  
For **GANESAN AND COMPANY**  
CHARTERED ACCOUNTANTS  
Firm Regn No. 0008595

On behalf of CMWSS Board

Sd/-  
**N. CHITRA**  
FINANCE DIRECTOR

Sd/-  
**R. KIRLOSH KUMAR I.A.S.**  
MANAGING DIRECTOR

Sd/-  
**N. VENKATRAMANI**  
PARTNER  
M.No. 215145

Place: Chennai  
Date:23.02.2023



Chennai Metropolitan Water Supply & Sewerage Board

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	2020-2021	
	in Rs	in Rs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before taxation, and extraordinary item		(1,26,03,08,569.56)
<b>Adjustment for</b>		
Depreciation	1,30,01,41,929.81	
Provision for doubtful debts	13,56,96,714.43	
Interest Expenses	83,65,11,777.50	
Interest Income	(53,26,08,952.33)	
		1,73,97,41,469.41
<b>Operating profit Before Working Capital Changes- (i)</b>		<b>47,94,32,899.85</b>
<b>Changes in working capital</b>		
(Increase)/Decrease in Inventories	(12,04,09,453.42)	
(Increase)/Decrease in Trade Receivables	(1,72,79,63,432.37)	
(Increase)/Decrease in Short term loans and advances	(89,19,62,504.00)	
Increase/(Decrease) in Trade Payables	90,59,39,246.18	
Increase/(Decrease) in Current Liabilities-other	42,87,80,156.60	
Increase in Deferred Credits and Deposits	1,07,83,80,732.12	
<b>Net changes in working capital - (ii)</b>		<b>(32,72,35,254.89)</b>
<b>Income tax paid (Net of refunds) - (iii)</b>		<b>74,62,534.00</b>
<b>Net Cash generated from operating activities [(i)+(ii)+(iii)]</b>		<b>15,96,60,178.96</b>



Chennai Metropolitan Water Supply & Sewerage Board

<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including CWIP	(8,83,73,17,935.94)	
Decrease in Deposits and Investments	50,76,87,506.41	
Interest received	18,08,81,696.33	
<b>Net Cash from Investing activities</b>		<b>(8,14,87,48,733.20)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(10,02,68,832.00)	
Increase in Long term Loan from Financial Institutions	30,00,00,000.00	
Loan Repayments to Financial Institutions	(23,10,97,589.00)	
Increase in Grant From Govt of TN/GOI	9,55,05,47,591.00	
Increase in Contribution from Govt/Public	1,63,80,63,521.08	
<b>Net Cash used in Financing Activities</b>		<b>11,15,72,44,691.08</b>
<b>Net increase/ (Decrease) in cash &amp; cash equivalents</b>		<b>3,16,81,56,136.84</b>
Cash & cash equivalents at the beginning of the year		7,40,61,95,715.63
Cash & cash equivalents at the end of the year		10,57,43,51,852.47
<b>Cash and cash equivalents comprises of:</b>		
Cash in hand		4,05,516.35
Cash at Bank - In Current Account		4,55,61,24,293.59
Cash at Bank - In short term deposits		6,01,78,22,042.53
<b>Cash and cash equivalents as disclosed in the Balance Sheet</b>		<b>10,57,43,51,852.47</b>

As per our report of even date attached herewith

For **GANESAN AND COMPANY**  
**CHARTERED ACCOUNTANTS**  
 Firm Regn No. 0008595

On behalf of CMWSS Board

Sd/-

**N. CHITRA**  
 FINANCE DIRECTOR

Sd/-

**R. KIRLOSH KUMAR I.A.S.**  
 MANAGING DIRECTOR

Sd/-

**N. VENKATRAMANI**  
 PARTNER  
 M.No. 215145

Place: Chennai  
 Date:23.02.2023





Chennai Metropolitan Water Supply & Sewerage Board

## STATEMENT OF SOURCES AND APPLICATION OF FUNDS FOR THE FINANCIAL YEAR 2020-21

A. SOURCES :	2020 - 21 (in Rs)
Internal Generation (Net Surplus before depreciation, interest & provision for Doubtful Debts)	1,01,17,13,469.18
Contributions	1,63,80,63,520.58
Grants from Government	9,55,05,47,591.00
Long term Loan from Financial Institutions	30,00,00,000.00
Deposits and Investments	15,62,88,633.41
Income tax refund	1,01,17,680.00
<b>Total Sources</b>	<b>12,66,67,30,894.17</b>
B. APPLICATIONS :	
Investments on Fixed Assets	8,83,73,17,935.94
Loan Repayments to Financial Institutions	23,10,97,589.00
Interest Payments	10,02,68,831.50
Income tax paid	26,55,146.00
Increase in working capital	3,49,53,91,391.73
<b>Total Applications</b>	<b>12,66,67,30,894.17</b>

As per our report of even date  
attached herewith  
For **GANESAN AND COMPANY**  
CHARTERED ACCOUNTANTS  
Firm Regn No. 0008595

On behalf of CMWSS Board

Sd/-  
**N. CHITRA**  
FINANCE DIRECTOR

Sd/-  
**R. KIRLOSH KUMAR I.A.S.**  
MANAGING DIRECTOR

Sd/-  
**N. VENKATRAMANI**  
PARTNER  
M.No. 215145

Place: Chennai  
Date: 23.02.2023



## SCHEDULES

### SCHEDULE - A - CONTRIBUTIONS

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
Contribution from Government	4,87,96,58,365.32	4,87,96,58,365.32
Contribution from Public	9,21,43,31,891.02	8,75,40,60,436.02
Excess of assets over Liabilities transferred from CMC	15,91,67,365.25	15,91,67,365.25
Excess of assets over Liabilities transferred from P.W.D.	5,18,87,380.46	5,18,87,380.46
Excess of assets over Liabilities transferred from Adhoc Board	8,42,251.86	8,42,251.86
Excess of Liabilities over Assets transferred from ULB's	-43,69,42,738.80	-43,69,42,738.80
Capital Reserves	7,17,65,69,884.78	5,99,87,77,819.20
Fixed assets renewal fund	1,10,55,67,503.00	1,10,55,67,503.00
<b>TOTAL</b>	<b>22,15,10,81,902.89</b>	<b>20,51,30,18,382.31</b>

### SCHEDULE - B - GRANTS FROM GOVERNMENT

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
Second Chennai Project	1,37,37,90,001.00	1,37,37,90,000.53
CCRCP	3,51,59,00,000.00	3,51,59,00,000.00
JNNURM	7,74,73,77,085.00	5,96,15,27,085.00
Desalination plant at Nemmeli	10,94,96,74,351.00	8,93,22,04,351.00
Others	15,36,39,90,257.53	13,99,42,64,487.00
Thervoykandigai to Poondi	70,62,00,000.00	66,05,00,000.00
Smart City	61,26,50,620.00	10,25,81,362.00
400 MLD Desal	14,31,79,400.00	1,56,67,500.00
Swachh Bharat Mission	21,19,25,000.00	14,71,50,000.00
CRRT	75,59,45,630.00	38,87,25,760.00
CMCDM	10,52,35,01,178.00	8,36,99,01,178.00
45MLD TTRO	5,10,48,00,000.00	4,69,98,00,000.00
ULB Grants	1,90,34,07,692.00	1,90,34,07,692.00
Devolution Fund	7,30,57,15,609.00	6,60,20,89,817.00
<b>TOTAL</b>	<b>66,21,80,56,823.53</b>	<b>56,66,75,09,232.53</b>

### SCHEDULE - C - LONG TERM BORROWINGS

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
Loans From Government	15,22,15,86,540.00	15,22,15,86,540.00
Loan from Financial Institutions	3,97,72,08,244.00	3,90,83,05,833.00
<b>TOTAL</b>	<b>19,19,87,94,784.00</b>	<b>19,12,98,92,373.00</b>



Chennai Metropolitan Water Supply & Sewerage Board

### SCHEDULE - D - DEFERRED CREDITS AND DEPOSITS

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>(I) DEPOSITS FROM PUBLIC:</b>		
Service Connections - Sew.	91,47,03,005.12	46,03,14,639.00
General Works	13,47,74,55,481.21	12,96,37,31,535.21
MLA Constituency Development Scheme	19,61,16,331.00	15,83,56,999.00
<b>(II) SEC.DEPOSITS &amp; RETENTION MONEY:</b>		
<b>A. Retention Money:</b>		
Suppliers	5,50,22,403.00	4,27,26,964.00
Contractors	1,11,18,57,011.43	1,05,30,76,362.43
<b>B. Security Deposits</b>		
Staff	66,597.40	66,597.40
Consumers	5,04,88,626.00	5,04,88,626.00
Contractors	8,06,62,372.00	7,92,29,372.00
Miscellaneous	31,930.00	31,930.00
<b>TOTAL</b>	<b>15,88,64,03,757.16</b>	<b>14,80,80,23,025.04</b>

### SCHEDULE - E - CURRENT LIABILITIES

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>(A) SUNDRY CREDITORS</b>		
Suppliers	21,41,13,093.65	9,66,93,754.56
Contractors	2,67,33,17,635.45	1,75,74,83,261.25
Expenses	1,29,17,97,023.31	1,41,91,11,490.42
<b>(B) OTHER CURRENT LIABILITIES</b>		
1. Interest Accrued		
Government Loans	1,60,05,25,083.95	83,66,38,111.95
Bonds	0.00	0.00
Financial Institutions	17,75,64,389.17	20,52,08,415.17
2. Staff	1,97,07,83,763.11	1,37,90,55,212.11
3. Others	2,56,73,36,563.77	2,73,02,84,958.17
<b>TOTAL</b>	<b>10,49,54,37,552.41</b>	<b>8,42,44,75,203.63</b>



**SCHEDULE - F - FIXED ASSETS**

DESCRIPTION	Rs.	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>A. Water Supply at Cost</b>	32,83,25,10,045.89		
Less: Depreciation	17,26,86,81,313.35	15,56,38,28,732.54	16,24,06,37,282.12
<b>B. Sewerage at Cost</b>	16,11,79,22,994.00		
Less: Depreciation	9,04,23,48,157.03	7,07,55,74,836.97	7,57,22,52,696.26
<b>C. General at Cost</b>	97,35,33,722.72		
Less: Depreciation	74,08,70,617.43	23,26,63,105.29	25,90,52,653.91
<b>D. Project in Progress</b>			
<b>1. Water Supply</b>			
Deposit Works	6,30,66,01,947.98		
Other Works	25,56,45,06,973.35	31,87,11,08,921.33	28,24,23,54,676.88
<b>2. Sewerage</b>			
Deposit Works	8,93,85,05,259.97		
Other Works	25,05,72,66,611.69	33,99,57,71,871.66	28,93,61,15,177.32
<b>3. General</b>		19,06,51,411.55	17,44,24,632.25
E. Drought / Flood Relief Works		1,40,51,80,496.20	1,37,27,66,250.67
F. Drought Relief works General		23,23,28,663.32	23,23,28,663.32
<b>TOTAL</b>		<b>90,56,71,08,038.86</b>	<b>83,02,99,32,032.73</b>



Chennai Metropolitan Water Supply & Sewerage Board

## SCHEDULE - G - CURRENT ASSETS, LOANS, ADVANCES & DEPOSITS

DESCRIPTION	Rs.	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>A. Inventory</b>		7,71,72,343.98	-4,32,37,109.44
<b>B. Sundry Debtors</b>			
Water Charges Metered	54,86,68,185.78		
Less: Provision for doubtful debts	5,63,23,147.90	49,23,45,037.88	52,82,60,155.50
Water Charges Un-metered	1,27,08,85,154.41		
Less: Provision for doubtful debts	26,36,94,457.35	1,00,71,90,697.06	80,86,75,974.79
Tax	2,56,13,97,567.88		
Less: Provision for doubtful debts	17,94,99,167.05	2,38,18,98,400.83	1,27,83,33,678.58
Due from Public Authorities		1,83,07,971.27	1,83,07,971.27
Debtors Control			
- Mobile Water Supply to Govt.	9,07,04,471.76		
- Sewerage Service Charges	88,13,20,659.13		
- Water Supply others	-94,820.50		
- Control Surcharges	25,77,85,729.36		
- Dis Cheque	9,99,393.30		
- Raw Sewage	8,27,07,616.23	1,31,34,23,049.28	95,16,98,897.90
Centage Receivable		0.00	0.00
Rent Receivable		1,28,89,817.00	1,28,89,817.00
SGST, CGST and IGST		0.00	0.00
CMWSSB Group Gratuity Trust		1,20,34,006.50	1,20,34,006.50
Tax Deducted at Source		3,18,84,840.93	4,02,22,851.93
Receivables from CMC - Added Areas		0.00	0.00
Head Office/Area-Transactions		1,72,78,31,672.84	1,68,15,16,553.71
Collection Control		10,18,25,454.54	1,8,25,58,474.01



<b>C. Cash and Bank Balances</b>			
- Current A/c with Scheduled Banks & Balances with RBI		4,55,61,24,293.59	2,13,57,06,839.86
- Short-Term Dep. with Scheduled Banks		6,01,78,22,042.53	5,27,01,01,086.42
- Cash in hand		10,717.35	17,995.35
- Imprest Account		3,94,799.00	3,69,794.00
<b>D.Loans and Advances</b>			
- Contractors		97,89,24,827.00	1,2,13,81,295.00
- Suppliers		4,42,39,498.00	3,81,66,394.00
- Expenses		5,37,87,298.10	5,35,57,135.10
- Employees		15,49,00,753.29	12,67,85,048.29
- Others		5,49,189.79	5,49,189.79
<b>E.DEPOSITS AND INVESTMENTS</b>			
<b>I. STAFF</b>			
- SPL P.F.Investments		7,60,14,523.00	8,22,32,606.00
- G.P.F Investments		1,22,11,21,301.34	1,08,26,55,533.13
- Pension Fund Investment		1,02,09,43,397.00	1,23,24,37,658.20
- Inv. on CMWSSB Emp. Spl Med Fund		1,91,64,366.00	2,10,31,941.66
- Accident Coverage Investment		1,13,13,729.00	1,33,35,969.58
Interest Accrued - Others		33,06,75,082.99	26,01,90,048.65
Interest Accrued - CPS fund Investments		8,76,69,105.32	4,99,00,919.00
Interest Accrued - Pension Investments		18,17,49,043.31	10,61,94,087.27
Gratuity Fund Investments		47,078.00	47,078.00
<b>II. Others</b>			
- Deposits		69,36,85,568.93	23,48,56,146.46
- Trust and Retention Investment		47,88,13,116.00	43,54,56,033.16
- Fixed Asset Renew. Fund Investment		24,02,05,520.00	99,93,52,443.19
<b>TOTAL</b>		<b>23,34,49,58,541.65</b>	<b>17,73,55,86,513.86</b>



Chennai Metropolitan Water Supply & Sewerage Board

### SCHEDULE - H - SALE OF WATER & SEWER CHARGES

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>Metered</b>		
Domestic	23,98,12,554.50	19,53,00,443.25
Commerical	1,50,48,67,158.75	1,34,58,43,442.47
Institutional	20,21,75,002.50	16,61,66,431.00
Municipalities	5,40,00,229.88	3,05,14,237.74
<b>Un Metered</b>		
Domestic	68,81,44,766.50	67,08,30,648.00
Commerical	39,20,31,624.00	38,63,86,628.90
Institutional	48,07,620.00	46,84,197.00
Sale of treated Water	16,75,37,785.60	25,27,58,796.60
Mobile Water Supply	43,56,70,015.22	70,41,03,536.56
Sewer Charges	1,1,2,41,25,819.48	74,66,84,660.15
<b>TOTAL</b>	<b>4,81,31,72,576.43</b>	<b>4,50,32,73,021.67</b>

### SCHEDULE - I - WATER & SEWERAGE TAX

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
Water Tax	49,85,87,886.62	45,78,77,760.21
Sewerage Tax	1,82,31,11,268.38	1,67,86,18,639.79
<b>TOTAL</b>	<b>2,32,16,99,155.00</b>	<b>2,13,64,96,400.00</b>

### SCHEDULE - J - OTHER INCOME

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
Application Fee-Recruitment	0.00	0.00
Sale of Scrap	14,48,718.00	18,96,060.00
Interest From Banks	51,21,21,456.33	71,28,94,692.22
Interest from others	2,04,87,496.00	2,69,39,111.00
Sale of tender forms	8,54,387.68	3,99,025.00
Liquidated Damages	-4,98,98,506.00	2,51,47,197.00
Consultancy charges earned	0.00	10,00,000.00
Other Miscellaneous Income	31,01,01,585.74	47,01,24,598.10
<b>TOTAL</b>	<b>79,51,15,137.75</b>	<b>1,23,84,00,683.32</b>



**SCHEDULE - K - OPERATING AND MAINTENANCE EXPENSES**

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>A. Operating Expenses</b>		
Power	2,15,44,75,941.00	2,14,09,58,947.56
Chemicals	4,34,64,425.94	3,16,66,022.58
Fuel & Lubricants	11,25,66,906.00	10,62,26,168.00
Less: Project Appropriation	-3,37,70,072.00	-3,18,67,851.00
Loose Tools	33,60,429.27	44,96,973.28
Freight & Insurance	1,17,815.00	1,17,815.00
Sewerage Lorry Hire Charges	2,46,17,023.00	1,64,38,731.00
Desilting	18,98,71,401.00	15,85,41,088.48
Other Operating Expenses	1,73,30,10,553.57	1,89,48,61,146.17
<b>TOTAL - A</b>	<b>4,22,77,14,422.78</b>	<b>4,32,14,39,041.07</b>
<b>B. Repairs and Maintenance</b>		
Pipelines, Pumping Plants & Other Equipments	164,30,68,279.83	1,66,07,05,879.79
Building & Civil Works	32,13,57,945.05	31,94,08,389.73
Vehicles	26,68,846.80	26,24,836.00
Other Repairs & Maintenance	43,25,21,722.47	36,33,91,257.68
<b>TOTAL - B</b>	<b>2,39,96,16,794.15</b>	<b>2,34,61,30,363.20</b>
<b>GRAND TOTAL</b>	<b>6,62,73,31,216.93</b>	<b>6,66,75,69,404.27</b>

**SCHEDULE - L-PAYMENTS & PROVISIONS TO EMPLOYEES**

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
Salaries, Wages & Allowances	3,15,48,20,066.00	3,37,12,24,229.00
Employees Welfare Expenses	9,67,85,968.31	5,10,56,009.91
Contribution to Deputationists	27,33,655.00	25,88,907.00
<b>TOTAL</b>	<b>3,25,43,39,689.31</b>	<b>3,42,48,69,145.91</b>
Less : Project Appropriation	-74,85,82,012.87	-78,87,81,812.58
<b>TOTAL</b>	<b>2,50,57,57,676.44</b>	<b>2,63,60,87,333.33</b>





Chennai Metropolitan Water Supply & Sewerage Board

### SCHEDULE - M - OFFICE AND ADMINISTRATIVE EXPENSES

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>Office Expenses:</b>		
Rent, Rates & Taxes	1,23,23,520.00	1,49,16,412.00
TNCLWF-Contribution Expenditure	2,606.00	0.00
Electricity	1,10,51,915.00	1,52,12,592.00
Wireless & Mass Comm,Charges	10,82,468.00	8,20,505.00
Telephone Charges	96,14,271.72	68,37,937.86
Postage & Telegram	63,59,001.00	28,66,927.00
Printing & Stationery	1,03,10,211.00	1,11,17,778.40
Exhibition & Publicity	9,69,820.00	62,57,517.00
Other Office Expenses	1,79,67,557.50	94,54,575.62
Travel and Conveyance	1,79,29,882.00	3,33,54,282.10
<b>Administrative Expenses :</b>		
Revenue Collection Expenses	9,78,597.00	9,16,236.00
Audit Fees	2,40,000.00	2,40,000.00
Legal Charges	1,09,14,221.00	20,20,940.00
Consultancy Fees and Expenses	33,27,650.00	24,08,021.00
Bank Charges	45,27,846.34	32,15,053.86
Honorarium	0.00	0.00
Other Administrative Expenses	68,43,920.47	2,51,19,236.16
Guarantee Commission Account	27,96,021.00	32,09,185.00
<b>TOTAL</b>	<b>11,72,39,508.03</b>	<b>13,79,67,199.00</b>
Less : Project Appropriation	-3,51,80,325.53	-4,14,97,423.62
<b>TOTAL</b>	<b>8,20,59,182.50</b>	<b>9,64,69,775.38</b>



**SCHEDULE - N - PRIOR PERIOD ADJUSTMENT**

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
<b>A. Debit:</b>		
Water and Sewer Tax	13,88,07,120.72	1,03,60,73,679.05
Water Charges Unmetered	2,02,74,967.94	28,70,15,467.98
Water Charges metered	37,80,261.90	7,46,60,550.01
Sewer Charges	2,41,41,003.35	14,28,28,939.98
Depreciation	49,72,295.25	1,49,34,418.39
Interest	29,85,39,606.00	3,30,91,997.17
Rent	0.00	26,38,473.75
Interest on Financial Institution	0.00	1,90,000.00
GST Paid - ITC Written Off	0.00	28,17,58,735.78
Miscellaneous	73,41,46,238.08	1,13,75,600.00
<b>SUB TOTAL ' A'</b>	<b>1,22,46,61,493.24</b>	<b>1,88,45,67,862.11</b>
<b>B. Credit:</b>		
Water and Sewer Tax	18,58,92,263.02	17,57,42,730.70
Water Charges Unmetered	4,51,30,104.47	5,09,93,349.69
Water Charges metered	1,65,64,562.82	1,35,85,104.25
Sewer Charges	1,80,54,797.20	2,48,66,862.03
Interest	14,63,13,940.70	85,55,26,789.33
Grant	1,75,00,05,000.00	0.00
Miscellaneous	24,546.90	1,33,53,234.16
<b>SUB TOTAL ' B'</b>	<b>2,16,19,85,215.11</b>	<b>1,13,40,68,070.16</b>
<b>TOTAL</b>	<b>-93,73,23,721.87</b>	<b>75,04,99,791.95</b>

**SCHEDULE - O - DEBT SERVICE CHARGES**

DESCRIPTION	2020-21 (in Rs.)	2019-20 (in Rs.)
Interest on Govt loans	76,38,86,972.00	83,66,38,112.00
Interest on Private Financial Institutions	20,89,01,706.00	21,18,55,681.33
<b>TOTAL</b>	<b>97,27,88,678.00</b>	<b>1,04,84,93,793.33</b>
Less: Interest Appropriation to projects	13,62,76,900.50	13,46,06,433.50
<b>TOTAL</b>	<b>83,65,11,777.50</b>	<b>91,38,87,359.83</b>



Chennai Metropolitan Water Supply & Sewerage Board

## **SCHEDULE – P**

### **SIGNIFICANT ACCOUNTING POLICIES**

**1) Basis of preparation of Financial Statements :**

The financial statements have been prepared and presented under historical cost convention on accrual basis of accounting as “Going Concern” and in accordance with Generally Accepted Accounting Principles in India and in the form and manner as per the consistent practice followed by the Board (since the form and manner in which the Financial Statements are to be presented as prescribed vide section 38(1) of CMWSSB Act, 1978 are yet to be notified. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

**2) Revenue Recognition :**

CMWSSB recognizes income on accrual basis for committed obligation and amounts determined as receivable during the year except the following:

- a) Surcharge
- b) Sale of Scrap
- c) Grants
- d) Rent from properties
- e) Fines
- f) Sale of Tender Forms

**3) Property, Plant and Equipment :**

Property, Plant and Equipment are stated at cost of acquisition / construction, less accumulated Depreciation. Cost comprises of Purchase Price, borrowing cost if capitalization criteria are met and other directly attributable cost incurred for bringing the asset to its working condition for its intended use.

Project-In-Progress (PIP) is accounted with expenses incurred thereon, based on progress of the Project. Salaries, Wages & Allowances, Office expenses & Administrative expenses and Fuel & Lubricants are appropriated to PIP at percentages fixed by the Board.



4) **Depreciation :**

Depreciation on Property, Plant and Equipment is charged on Straight - Line Method (SLM) basis, as per the rates approved by CMWSSB's Board. Depreciation is charged for the full year if assets are brought to accounts before 30<sup>th</sup> September and for half year if the assets are brought to accounts after 1<sup>st</sup> October till 31<sup>st</sup> March.

Depreciation on Assets completed and put to use included in Project-In-Progress (PIP), for which Completion Report is awaited, is charged at an adhoc rate of 5%, on SLM basis.

5) **Valuation of Inventories :**

Inventories are measured at Weighted Average cost method. Cost of Inventory comprises of cost of Purchase and other costs incurred in bringing them to their respective present location and condition.

6) **Accounting for Government Grants:**

Government Grants of the nature of promoter's contribution are treated as part of Contribution from Government. Government Grants relating to specific fixed assets presented in the balance sheet separately under Grants from Government. Government Grants relating to revenue are recognized as Income in the Income and Expenditure account.

7) **Borrowing costs :**

Borrowing costs includes interest and ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost that is directly attributable to acquisition, construction or production of the qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are charged to Revenue in the year in which they incur.

8) **Employee Benefits :**

The Retirement Benefits are accounted under 'Pay as you Go method' (Cash Basis).

9) **Accounting for Taxes on Income :**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing



## Chennai Metropolitan Water Supply & Sewerage Board

difference” between taxable income and accounting income is accounted for using the tax rates and tax laws that are enacted or substantively enacted as on the reporting date. Deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### 10) Net profit or loss for the period, Prior period Items and Changes in Accounting

#### Policies :

Income / Expenditure which arises in the current year as a result of omissions in the preparation of financial statements of earlier years are treated as prior period item. In addition to that income/expenses relating to previous year which materializes during the current year have also been considered as prior period items.

### 11) Contingencies and Events occurring after Balance Sheet date :

Events occurring after the Balance Sheet date are those that occur between the Balance Sheet date and the date on which the financial statements are approved by the Board. Financial Impact if any will be recognized or disclosed in the financial statements.

### 12) Provisions for Doubtful Debts :

The Provision for Doubtful Debts on Sundry Debtors for Water Charges and Taxes is made/written back, on the differential amount, at 20% and 10% for metered and un-metered Debtors respectively and at 10% for Taxes.

### 13) Provisions, Contingent Liabilities and Contingent Assets :

Provisions for expenditure are provided to the extent of budgetary sanction. Claims against CMWSSB not acknowledged as debts are disclosed as Contingent Liabilities depending on facts of each case and after due evaluation of relevant legal aspects.



**SCHEDULE – Q**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**NOTES ON BALANCE SHEET**

**I. SCHEDULE - A – CONTRIBUTION:**

**1. Contribution from Public – Rs.921.43 Crore (Previous Year – Rs.875.40 Crore):**

Rs.46.03 Crore (Previous Year – Rs.71.49 Crore) being the amount received in the previous year from the public towards Water/Sewer connections has been transferred to 'Contribution from Public' in the current year.

**2. Excess of Assets over Liabilities:**

The amount representing Excess of Assets over Liabilities transferred from CMC, PWD and Adhoc Board are Rs.15.92 Crore (Previous Year – Rs.15.92 crore), Rs.5.19 Crore (Previous Year – Rs.5.19 Crore) and Rs.0.08 Crore (Previous Year – Rs.0.08 Crore) respectively are shown under Schedule A – Contribution, as per the consistent practice followed in the earlier years.

**3. Excess of Liabilities over Assets:**

Excess of Liabilities over Assets transferred from erstwhile 42 LBs aggregating to Rs.43.69 Crore as of 31<sup>st</sup> March 2021 (Previous Year - Rs.43.69 Crore), shown under Schedule A – Contribution, as per the consistent practice followed in the earlier years.

**4. Capital Reserves:**

An amount of Rs.117.78 Crore (Previous Year - Rs.73.75 Crore) received towards Infrastructure Development Charges through Chennai Metropolitan Development Authority (CMDA) and from applicants directly including Azaithal Inaipu and Illamthorum Inaipu during the year has been credited to Capital Reserve Account, as per the practice in the previous years.

**5. Fixed Asset Renewal Fund:**

This fund represents Fixed Asset Renewal Fund for Rs.110.56 Crore (Previous Year –



Chennai Metropolitan Water Supply & Sewerage Board

Rs.110.56 Crore) against which investments are available to the extent of Rs.24.02 Crore (Previous Year - Rs.99.93 Crore) during the year.

## **II. SCHEDULE - B - GRANTS FROM GOVERNMENT: Rs.6,621.81 Crore (Previous Year - Rs.5,666.75 Crore)**

The Grants received for various Projects from Government viz. Smart City, Infrastructure and Amenities, 45 MLD TTRO Koyambedu and Kodungaiyur, JNNURM/AMRUT, CMCDM, SDRF, 400 MLD Desal, 150 MLD Desal, CRRT, Thervoykandigai to Poondi, Rehabilitation of All STP's, 14<sup>th</sup> CFC, CGF, Swatchh Bharat mission and Urban Local Bodies (ULB) etc are shown separately as detailed hereunder:

### **1. Grants from Government (SCP and CCRCP) – Rs.488.97 Crore (Previous Year – Rs. 488.97 Crore):**

The balance outstanding in the above account as of 31st March 2021 in respect of the following projects remain the same since 2004-05 for SCP (Rs.137.38 Crore) and since 2009-10 for CCRCP (Rs.351.59 Crore).

### **2. Grants from Government (JNNURM/AMRUT) – Rs.774.74 Crore (Previous Year - Rs.596.15 Crore):**

The Board has received Grant of Rs.178.59 Crore (Previous Year – Rs.275.48 Crore) towards various projects under AMRUT.

### **3. Grants from Government (TNIPP) – Desalination Plant at Nemmeli – Rs.1094.97 Crore (Previous Year - Rs.893.22 Crore):**

The Board has received grant of Rs.201.75 Crore (Previous Year – NIL) towards 150 MLD Desalination Plant at Nemmeli for the year ending 31<sup>st</sup> March 2021.

### **4. Grants from Government – Others Rs.1536.40 Crore (Previous Year - Rs.1399.43 Crore):**

Grant of Rs.136.97 Crore (Previous Year – Rs.123.43 Crore) has been received from Government which comprises of Grant received towards 14<sup>th</sup> CFC Rs.37.53 Crore (Previous Year – Rs.13.89 Crore), Repayment of principal to TUFIDCO/TNUDF for the



loans availed by erstwhile ULB's Rs.4.85 Crore (Previous Year – Rs.12.66 Crore), Rehabilitation of all STP's Rs.48.03 Crore (Previous Year – NIL), Infrastructure and Amenities Rs.1.16 Crore (Previous Year – NIL), Capital Grant fund Rs.38.41 Crore (Previous Year – Rs.7.05 Crore), 54 MLD STP at Sholinganallur – NIL (Previous Year – Rs.25.33 Crore), SDRF – NIL (Previous Year – Rs.37.50 Crore) and ADB Grant Rs.7.00 Crore (Previous Year – Rs.27.00 Crore).

**5. Grants from Government – Smart City Rs.61.27 Crore (Previous Year - Rs.10.26 Crore):**

The Board has received Grant of Rs.51.01 Crore (Previous Year – Rs.7.31 Crore) towards projects under Smart City.

**6. Grants from Government – Swachh Bharat Mission Rs.21.19 Crore (Previous Year – Rs.14.72 Crore):**

The Board has received Grant of Rs.6.48 Crore (Previous Year – Rs.14.72 Crore) towards projects under Swachh Bharat Mission.

**7. Grants from Government – CRRT Rs.75.59 Crore (Previous Year – Rs.38.87 Crore):**

The Board has received Grant of Rs.36.72 Crore (Previous Year – Rs.38.87 Crore) towards projects under CRRT.

**8. Grants from Government (TNIPP) – Thervoykandigai to Poondi Rs.70.62 Crore (Previous Year - Rs.66.05 Crore):**

The Board has received Grant of Rs.4.57 Crore (Previous Year – Rs.4.25 Crore) towards projects under Thervoykandigai to Poondi.

**9. Grants from Government (GOTN Budgetary Support) – 400 MLD Desal Rs.14.32 Crore (Previous Year – Rs.1.57 Crore):**

The Board has received Grant of Rs.12.75 Crore (Previous Year – Rs.1.57 Crore) towards construction of 400 MLD Desal Plant at Nemmeli.





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**10. Grants from Government - CMCDM (Mega City Project) – Rs.1052.35 Crore (Previous Year - Rs.836.99 Crore):**

Grant of Rs.215.36 Crore (Previous Year – Rs.41.13 Crore) has been received during the current year from Government of Tamil Nadu for Mega City Projects for 2013-14 - Rs.21.07 Crore (Previous Year – Rs.28.34 Crore), 2015-16 - Rs.47.05 Crore (Previous Year – NIL), 2018-19 - Rs.22.70 Crore (Previous Year – Rs.12.79 Crore), 2019-20 - Rs.53.92 Crore (Previous Year – NIL) and 2020-21- Rs.70.62 Crore (Previous Year – NIL).

**11. Grants from Government – 45 MLD TTRO – Rs.510.48 Crore (Previous Year - Rs.469.98 Crore):**

The Board has received Grant of Rs.40.50 Crore (Previous Year - Rs.136.24 Crore) towards 45 MLD TTRO Plant which comprises of Rs.25.50 Crore (Previous Year – Rs.97.58 Crore) towards TTRO Plant at Koyambedu & Rs.15.00 Crore (Previous Year – Rs.38.67 Crore) towards TTRO Plant at Kodungaiyur during the year 2020-21 for execution of the projects.

**12. Grants from Government – ULB Grants – Rs.190.34 Crore (Previous Year - Rs.190.34 Crore):**

The balance outstanding in the above account as of 31st March 2021 in respect of the ULB grants remain the same from the year 2014-15.

**13. Devolution Fund – Rs.730.57 Crore (Previous Year – Rs.660.21 Crore):**

The fund represents grants received from State's tax revenue at fixed rate, utilized for Development of Schemes along with Corporation of Chennai.

The Board has received a sum of Rs.70.36 Crore (Previous Year – Rs.102.76 Crore) during the current year represents the Grant for the months of April 2020 to March 2021.

**III. SCHEDULE - C – LONG TERM BORROWINGS :**

**1. Loans from Government – Rs.1,522.16 Crore (Previous Year – Rs.1,522.16 Crore):**

The loan sanctioned by Tamil Nadu Government represents Chennai Project – I & II and other schemes. The Board has not made the principal and interest repayment to the Government loan from 3<sup>rd</sup> Quarter of 2006-07.



Government have issued the G.O. Ms.No.72 for Consolidation of outstanding loans as on 31.03.2018 and Ways and means advances sanctioned upto 31.03.2017 as a new loan with fresh terms and conditions.

As per G.O.Ms.No.72 Fin(L&A Cell) Dept, dated 25.02.2019, the Government loan amount of Rs.727.51 Crore (i.e. outstanding principal) with rate of interest 10.5% and Rs.794.65 Crore (i.e. outstanding interest) as an interest free loan were rescheduled with a repayment period of 12 years with effect from April 2020. Balance outstanding in these loan accounts as on 31.03.2021 is Rs. 1522.16 Crore (Previous Year – Rs. 1522.16 Crore)

## **2. Loans from Financial Institutions – Rs.397.72 Crore (Previous Year – Rs. 390.83 Crore):**

- a. An amount of Rs.23.10 Crore was repaid during the year which comprises of payment to LIC – Rs. 8.28 Crore, TUFIDCO – Rs.5.61 Crore and TNUIFSL – Rs.9.21 Crore as per the repayment schedule and a sum of Rs.30.00 Crore loan was received from TNUIFSL towards 45 MLD Kodungaiyur TTRO Plant leaving a closing balance of Rs.397.72 Crore (Previous Year – Rs.390.83 Crore).
- b. The Loans (MCP, MIDF and JNNURM) availed by the Board from TUFIDCO was defaulted from December 2016.
- c. Apart from the above, grant is being received every year for the loans availed by the erstwhile LBs from Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) and Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL). The same is being repaid as per the repayment schedule.

## **IV. SCHEDULE - D – DEFERRED CREDITS AND DEPOSITS :**

### **1. MLA Constituency Development Scheme account - Rs.19.61 Crore – (Previous Year - Rs.15.83 Crore)**

The amount received during the year is Rs.3.78 Crore (Previous Year – Rs.2.08 Crore) towards improvement of water and sewer connection in the respective Constituency.



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## **V. SCHEDULE - E – CURRENT LIABILITIES:**

### **1. Other Liabilities – Staff – GPF - Rs.7.60 Crore (Previous Year – Rs.11.19 Crore)**

General Provident Fund (GPF) balance represents the contribution of Staff/ Labour after setting off the Advances to Staff/Labour.

### **2. Other Liabilities – Others**

The balances in the respective account codes 5390 and 5410 amounting to Rs.0.33 Crore are outstanding for long period.

## **VI. SCHEDULE - F - FIXED ASSETS:**

1. Fixed Assets includes Rs.81.40 Crore (Previous Year – Rs.81.40 Crore), being Projects commissioned in earlier years, in respect of three projects viz., SCP, 530 Million liters per Day (MLD) Project, and CCRCP for which Completion Reports are yet to be received. For the above commissioned projects adhoc rate of depreciation (5%) is provided as per the prevailing practice amounting to Rs.4.07 Crore for the financial year 2020-21 (Previous Year – Rs.4.07 Crore).
2. Project in Progress (PIP) – Sewerage - Deposit works includes Rs.168.63 Crore (Previous Year – Rs.168.63 crore), being the expenditure incurred for Madurai and Kumbakonam sewerage works under CCRCP Madurai - Rs.115.73 Crore (Previous Year – Rs.115.73 crore) and Kumbakonam - Rs.52.90 Crore (Previous Year – Rs.52.90 Crore) respectively against the deposits received from Madurai – Rs.117.58 Crore (Previous Year – Rs.117.58 Crore) and Kumbakonam - Rs.52.56 Crore (Previous Year – Rs.52.56 Crore) respectively. However completion report has been received for major part. There are certain completion report still pending and the amount of which has been treated as PIP.
3. In respect of shortfall of amounts received towards deposit works, the Board Fund is utilized but the interest is not charged for the same. Similarly if there is an excess deposit received, interest is not paid by the Board being the Local Bodies, as per the consistent practice followed by the Board.



4. Salaries Wages & Allowances, Office expenses & Administrative expenses and Fuel & Lubricants have been appropriated to PIP at the rate of 23%, 30% and 30% respectively.
5. In respect of few of the erstwhile LBs, the assets which were used by them were not owned by them. The LBs were having physical possession of the same. The transfer of ownership with monetary compensation or continuance of existing arrangement is yet to be finalized.
6. The fixed asset inter alia includes Drought Relief Works a sum of Rs.163.75 Crore till 2020-21 (Rs.160.51 Crore till 2019-20). Depreciation is not considered on these assets. As the assets put into use during 2010-11 would have outlived and their working condition is unlikely, write off of the said assets after obtaining approval from the appropriate authority is under consideration.
7. The Fixed assets which were commissioned in the earlier years are capitalized during the current year on receipt of respective completion certificates, under the categories i.e. Water, Sewerage and General for an aggregate amount of Rs.8.28 Crore (Previous Year – Rs.77.37 Crore) on which total depreciation of Rs.0.50 Crore (Previous Year – Rs.1.49 Crore) is charged and accounted under Prior Period Adjustment Account.
8. In the previous year 2019-20 there was a difference of Rs.4.35 Crore in the Opening Balance of Asset Module, which has been reconciled and rectified.

## **VII. SCHEDULE – G – CURRENT ASSETS, LOANS, ADVANCES AND DEPOSITS:**

### **1. Inventory - Rs. 7.72 Crore - ( Previous Year - Rs.-4.32 Crore)**

- a. Inventory in transit showed a credit balance in the books of accounts of previous year which has been rectified now.
- b. The ageing analysis of inventory as of 31<sup>st</sup> March 2021 is not available. Nonmoving/obsolete stock is identified and action is taken for replacement or to be brought for auction.
- c. The Inventory includes balance outstanding in the following two accounts for which reconciliation process is initiated.



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Shortage of stores (8240) - Rs.1.93 Crore (Previous Year – Rs.1.93 Crore)  
Dr Balance  
Surplus of stores (8230) - Rs.1.93 Crore (Previous Year – Rs.1.93 Crore)  
Cr balance

- d. Inventory inter alia includes Rs.5.00 Lakh (Previous Year – Rs.5.00 Lakh) in Stores Suspense account (comprising of Rs.3.46 Lakh (Previous Year – Rs.3.46 Lakh) relating RO-II and Rs.1.54 Lakh (Previous Year – Rs.1.54 Lakh) relating to H.O).
- e. The inventory value as per inventory certificate and the balance outstanding in respective GL account codes of stores account code nos. 8200 to 8225 is not in agreement with each other, for which reconciliation is in progress.
- f. Inventory includes balances outstanding in the adjustment accounts viz. Stores Control Account, Stores Adjustment, In-transit Inventory Value and Inventory Resources are under reconciliation.

**2. Sundry Debtors - Rs.525.79 Crore (Previous Year - Rs.365.04 Crore):**

- a. Provision for doubtful debts has been provided for the sundry debtors under the heads water charges and water and sewer tax outstanding as on 31st March 2021 as per the policy followed by the Board.
- b. Sundry Debtors for Sewerage Service Charges have not been considered for making Provision for Doubtful Debts, as per extant policy.
- c. Sundry Debtors includes a sum of Rs.1.20 Crore (Previous Year – Rs.1.20 Crore) under the account of CMWSSB Group Gratuity Trust.

**3. HO/Area Transaction – Rs.172.78 Crore (Previous Year - Rs.168.15 Crore):**

The balance outstanding in the HO/Area transaction is under reconciliation.

**4. Collection Control Account - Rs.10.18 Crore (Previous Year – Rs.18.26 Crore):**

The balance outstanding in the Collection Control account is under reconciliation.



**5. Short Term Deposits with Banks - Rs.601.78 Crore (Previous Year - Rs.527.01 Crore):**

The Short Term Deposits in Sweep with Bank accounts as of 31<sup>st</sup> March 2021 is under reconciliation.

**6. Loans and Advances - Rs.123.24 Crore (Previous Year - Rs.34.04 Crore):  
Loans and Advances – Expenses – Rs.5.38 Crore (Previous Year – Rs.5.36 Crore):**

The above includes Rs.3.50 Crore (Previous Year – NIL) being rental advance paid for CMA building outstanding for two years and an amount of Rs.0.67 Crore being advance given to Southern Railways which remain outstanding for more than fourteen years.

**7. Deposits and Investments - Rs.436.14 Crore (Previous Year – Rs.451.77 Crore):  
Deposits and Investments – Staff/Others**

In respect of Investments in the form of Pension Fund Investments, Deposits with telephones, TANGEDCO and Interest Accrued on Fixed Deposits, the balance outstanding as per General Ledger is under verification.

**NOTES ON INCOME AND EXPENDITURE ACCOUNT:**

**VIII. SCHEDULE – H – SALE OF WATER AND SEWERAGE CHARGES**

**1. Sale of water – Unmetered – Domestic – Rs.68.81 Crore (Previous Year – Rs.67.08 Crore)**

The amount shown under this head pertains to unmetered charges raised for domestic consumers in both added and core areas of CMWSSB. The increase is due to the increase in number of domestic consumers during the financial year of 2020-21.

**2. Grants and Subsidies - Rs.224.32 Crore (Previous Year – Rs.274.19 Crore):**

The above includes Grant from Government of Rs.175.00 Crore (Previous Year – Rs.87.50 crore) for purchase of desalinated water from Minjur desalination plant, Rs.36.11 Crore (Previous Year – Rs.36.18 Crore) towards Slum tenements and Cancer Institute, Rs.1.67 Crore (Previous Year – Rs.2.32 Crore) towards Payment of interest to TUFIDCO/TNUDF for the loans availed by erstwhile ULB's and Rs.11.54 Crore (Previous Year – Rs.148.19 Crore) from SDRF towards Drought Works.



Chennai Metropolitan Water Supply & Sewerage Board

**IX. SCHEDULE – I – WATER AND SEWERAGE TAX:**  
**Water and Sewer tax - Rs.232.17 Crore (Previous Year – Rs.213.65 Crore):**

Water and Sewer Tax is calculated based on percentage of annual value fixed by Greater Chennai Corporation.

**X. SCHEDULE – J – OTHER INCOME**

**1. Interest from Banks – Rs.51.21 Crore (Previous year – Rs.71.29 Crore)**

The Interest income constitutes Accrued Interest on the deposits held with banks and financial institutions, interest from savings bank account and short term deposits.

**2. Discount Earned – Rs.1.76 Crore (Previous year – Rs.1.53 Crore)**

The above amount represents discount availed on payment made by the Board to M/s. Chennai Water Desalination Limited before prescribed due date as specified in the agreement.

**3. Sale of Scrap – Rs.0.14 Crore (Previous year – Rs. 0.19 Crore)**

The above amount represents the amount received by the Board for sale of scrap during the year ending 31<sup>st</sup> March 2021.

**XI. SCHEDULE - L - PAYMENTS AND PROVISIONS TO EMPLOYEES :**

**1. Pension:**

The accumulated balance in Pension Fund (A/c Code – 5790) is Rs.92.54 Crore (Previous Year Rs.92.54 Crore). The amount invested (A/c Code – 8010) is Rs.102.09 Crore (Previous Year - Rs.123.24 Crore). Further, an investment (A/c Code – 8011) of Rs.74.20 Crore (Previous Year - Rs.57.72 Crore) has been made under Contributory Pension Scheme (CPS). Actuarial Valuation for Pension will be brought into accounts after ascertaining the liability.

**2. Retirement Benefits:**

- a. Retirement Benefits such as Gratuity, Commuted Pension and Leave Encashment are being accounted on cash basis.
- b. Actuarial valuation is to be brought into accounts after ascertaining the liability.



Chennai Metropolitan Water Supply & Sewerage Board

## **XII. SCHEDULE –O – DEBT SERVICE CHARGES – FINANCIAL INSTITUTIONS**

The Interest on loan for Financial Institutions during the year is Rs.20.89 Crore (Previous Year – Rs.21.19 crore) out of which Rs.13.63 Crore (Previous Year – Rs.13.47 Crore) has been capitalized.

## **XIII. OTHER NOTES**

1. **Deferred Taxes:** In view of sustained losses incurred, tax liability may not accrue in near future and hence provision for Deferred Tax has not been made.
2. **Contingent Liabilities:** Pending Court Cases against CMWSSB are 776 (Supreme Court – 2, High Court – 551, NGT – 23, Arbitration -23, Subordinate Court - 176 and Madurai Court – 1) which are under litigation.
3. Third Party balances are subject to confirmation and reconciliation.
4. Previous year's figures have been suitably regrouped wherever necessary in conformity with current year's classification.

As per our report of even date  
attached herewith  
For **GANESAN AND COMPANY**  
CHARTERED ACCOUNTANTS  
Firm Regn No. 0008595

On behalf of CMWSS Board

Sd/-  
**N. CHITRA**  
FINANCE DIRECTOR

Sd/-  
**R. KIRLOSH KUMAR I.A.S.**  
MANAGING DIRECTOR

Sd/-  
**N. VENKATRAMANI**  
PARTNER  
M.No. 215145

Place: Chennai  
Date:23.02.2023





Chennai Metropolitan Water Supply & Sewerage Board

**MUNICIPAL ADMINISTRATION AND WATER SUPPLY (METRO WATER)  
DEPARTMENT**

**TAMIL NADU GOVERNMENT'S REVIEW ON THE WORKING OF CHENNAI  
METROPOLITAN WATER SUPPLY AND SEWERAGE BOARD FOR THE YEAR  
ENDED 31<sup>st</sup> MARCH 2021**

**A. FINANCIAL:**

1. The Chennai Metropolitan Water Supply and Sewerage Board was constituted under the CMWSS Act 1978 (TN Act 28 of 1978) for exclusively attending to the growing needs of the citizens in Chennai city and for planned development, appropriate regulation of water supply and sewerage services in Chennai Metropolitan Area, with particular reference to adequate supply of safe and good quality drinking water, treatment and disposal of sewage and thereby the protection of public health and for all matters connected therewith or incidental thereto.
2. The total assets of the Board as on 31st March 2021 stood at Rs.11,391.21 Crore, consisting of net Fixed Assets of Rs.9,056.71 Crore and current assets of Rs.2,334.50 Crore represented by Sundry Debtors, Loans, Advances and Deposits etc. Further Deposits under Fixed Asset Renewal Fund amounting to Rs.69.29 Crore has been utilized for payment of Salary, Power and other Operation and Maintenance during COVID – 19 lockdown period due to slump in revenue collection.
3. The total liabilities of the Board stood at Rs.13,394.98 Crore, consisting of Contribution of Rs.2,215.11 Crore, Grants from Government of Rs.6,621.81 Crore, Long Term Borrowings of Rs.1,919.88 Crore and Current Liabilities including Deferred Credits and Deposits of Rs.2,638.18 Crore.

The following statement shows the Revenue Income from Water and Sewerage Charges and Water and Sewerage Tax:



Chennai Metropolitan Water Supply & Sewerage Board

(Rs.in lakh)

	2020-21	2019-20
<b>A. WATER AND SEWERAGE CHARGES</b>		
<b>METERED</b>		
Domestic	2,398.13	1,953.00
Commercial	15,048.67	13,458.43
Institutional	2,021.75	1,661.66
Municipalities	540.00	305.14
<b>UN-METERED</b>		
Domestic	6,881.45	6,708.31
Commercial	3,920.32	3,863.87
Institutional	48.08	46.84
Mobile Water Supply	4,356.70	7,041.04
Sewerage charges	11,241.26	7,466.85
Sale of treated water	1,675.38	2,527.59
<b>Total (A)</b>	<b>48,131.74</b>	<b>45,032.73</b>
<b>B. WATER AND SEWERAGE TAX</b>		
Water Tax	4,985.88	4,578.78
Sewerage Tax	18,231.11	16,786.19
<b>Total (B)</b>	<b>23,216.99</b>	<b>21,364.97</b>
<b>Grand Total (A+B)</b>	<b>71,348.72</b>	<b>66,397.70</b>
C. OTHER INCOME	7,951.15	12,384.01
D. PROVISIONS WRITTEN BACK	89.79	1,574.46
E. GRANTS AND SUBSIDIES	22,431.80	27,418.75
F. PRIOR PERIOD ADJUSTMENT	9,373.24	0.00
<b>TOTAL INCOME- (A+B+C+D+E+F)</b>	<b>1,11,194.71</b>	<b>1,07,774.92</b>



(Rs.in lakh)

	2020-21	2019-20
<b>G. EXPENDITURE</b>	<b>1,22,351.03</b>	<b>1,33,309.77</b>
H.PRIOR PERIOD ADJUSTMENT	0.00	7,505.00
I. PROVISION FOR DOUBTFUL DEBTS	1,446.75	400.74
<b>TOTAL EXPENDITURE-(G+H+I)</b>	<b>1,23,797.78</b>	<b>1,41,215.51</b>
<b>J. DEFICIT</b>	<b>12,603.07</b>	<b>33,440.59</b>

The reduction in Deficit from Rs.334.41 crore to Rs.126.03 Crore is due to booking of previous year grant received (Rs.175 crore) in the current year and also there is a reduction in employee cost as a result of with holding of retirements and encashment of Earned leave due to COVID 19 pandemic.

4. The total income during the year 2020-21 was in the order of Rs.1,111.95 Crore and the expenditure was Rs.1,237.98 Crore, resulting in a net deficit of Rs.126.03 Crore, against the deficit of Rs.334.41 Crore during the previous year (2019-20). The Board is providing effective and efficient services and continues to strive to achieve its goals and objectives, though the total revenue income is lesser than the total expenditure.
5. Every year the Board executes various projects to augment water supply and other related works. Therefore, a portion of interest amount is deducted from the total interest accrued for the year and the same is added to the project expenditure as capitalized interest. During the year a sum of Rs.13.63 Crore was deducted from the total interest of Rs.97.28 Crore and capitalized. After capitalization of Interest, a sum of Rs.83.65 Crore has been shown as interest under the Income and Expenditure Account for the year 2020-21.
6. For capacity enhancement and improvements to water supply and sewerage system, the Board has implemented two Desalination Plants, one at Minjur on DBOOT basis and another at Nemmeli with Government of India assistance and several other projects under Jawaharlal Nehru National Urban Renewal Mission (JNNURM), TNUDP III, JICA/JAIOA scheme etc.,

## **B. PHYSICAL**

### **1.1 Laying of pipeline from the newly formed reservoir at Kannankottai and Thervoykandigai to convey water to the Poondi reservoir**

The work of laying 900 mm dia pumping main for transmission of water from the proposed Thervoykandigai reservoir to Krishna canal for a length of 17 Km is completed. The estimated cost is Rs.93.77 crore.



## 1.2 Water Supply Schemes under the Chennai Mega City Development Mission (CMCDM)

Under the Chennai Mega City Development Mission launched with an aim to improve infrastructure and basic amenities in Chennai city the CMWSSB had taken up water supply works, the status of which is as follows :

### Water supply works taken up under CMCDM

Sl. No	Name of the scheme	Est. cost (Rs in Cr)	Status of works
<b>2011-12 Water Supply Works</b>			
1	Laying of water supply lines in uncovered areas of Slums	23.56	Work completed
2	Providing Under Ground Tanks and Water filling points in Newly Added areas	12.23	
3	Replacement of choked water mains / PVC mains	20.71	
<b>2012-13 Water Supply Schemes</b>			
4	Nolambur	18.00	Work completed
5	Karambakkam	20.56	
6	Nandhambakkam	6.00	
7	Injambakkam	22.30	
8	Sholinganallur-Karapakkam	35.70	Work completed
<b>2013-14 Water Supply Schemes</b>			
9	Pallikaranai	61.88	Work completed
10	Mugalivakkam	34.39	
11	Kottivakkam	23.00	
12	Perungudi	45.00	
13	Palavakkam	30.00	
14	Vadaperumbakkam & Theeyambakkam	20.00	
<b>Total</b>		<b>373.33</b>	



Chennai Metropolitan Water Supply & Sewerage Board

### 1.3 Jawaharlal Nehru National Urban Renewal Mission (JnNURM)

Under the Jawaharlal Nehru National Urban Renewal Mission, the Government of India was giving a grant of 35% and the State Government was contributing 15% of the project cost as an interest free loan. The status of the works taken up under the scheme are:-

Sl. No	Name of the scheme	Est. cost (Rs in Cr.)	Status of works
1	Improvement works to water supply system in Chennai city	322.00	Work completed
<b>Water Supply Schemes</b>			
2	Maduravoyal	23.30	Work completed
3	Thiruvottiyur	85.11	
4	Ambattur	267.08	
5	Alandur improvement works	64.39	
6	Ullagaram-Puzhuthivakkam	24.24	Work completed
<b>Total</b>		<b>786.12</b>	
<b>Deposit works for other Local Bodies</b>			
1	Avadi	103.84	Work completed

JnNURM scheme has since been discontinued by the Government of India.

### 1.4 Tamil Nadu Urban Development Project – III (TNUDP-III)

Sl. No.	Scheme	Est. cost (Rs in cr)	Status of works
1	Pammal	43.10	Work completed
2	Pallavaram	99.95	Work completed
<b>Total</b>		<b>143.05</b>	

## 1.5 Sewerage services

CMWSSB is providing sewerage services to Chennai city including waste water treatment, reuse of treated water and power generation from Sewage Treatment Plants. Sewage Treatment Plants at Chennai have an installed capacity of 912.80 MLD.

Sewage generated from houses and other buildings is collected through the sewerage system of a length of 4,149 km. This sewage is taken to 322 sewage pumping stations. The sewerage system of the city is divided into 5 zones with independent zonal collection, conveyance, treatment and disposal facilities. The collected sewage from pumping stations is conveyed to 16 Sewage Treatment Plants.

### Capacity of Sewage Treatment Plants

Zone	Location of STPs	Existing Treatment Capacity (MLD)
I & II	Kodungaiyur (80+80+110+120)	390
	Thiruvottiyur	31
III	Koyambedu (34+60+120)	214
IV	Nesapakkam (54+40+23)	117
	Nesapakkam TTUF	10
V	Perungudi (60+54+12)	126
	Sholinganallur – I	18
	<b>Modular STPs</b>	
	Chetpet	1
	Choolaimedu	1.2
	Todd Hunter Nagar	4
	Kotturpuram	0.6
	<b>Total</b>	<b>912.80</b>

The sewerage services of the Board have increased manifold since its inception in 1978.

### Improvements in sewerage services

Sl.No.	Description	In 1978	In 2020
1	Length of sewer mains (in Km)	1,223	4,093
2	No. of pumping stations	58	302
3	Sewage treatment capacity (MLD)	57	776
4	No. of consumers	1,14,000	9,09,000



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## 1.6 Sewerage Schemes taken up under the Chennai Mega City Development Mission (CMCDM)

Under this fund, the following schemes have been taken up in the newly added areas:-

### Stage of Under ground Sewerage Schemes in 42 added areas

Total No. of added areas	Works completed	Works in progress	Work to be taken up	Tender stage	Posed for funding
42	17	9	1	6	9

Underground sewerage schemes have been completed in 17 of the 42 added areas. They are Valasaravakkam, Alandur, Madhavaram, Meenambakkam, Maduravoyal, Surapattu, Puthagaram, Kathirvedu, Nolambur, Porur, Ullagaram-Puzhuthivakkam, Thiruvottiyur, Kathivakkam, Sholinganallur Karapakkam, Perungudi and Ambattur.

Underground sewerage schemes are being implemented in the following 9 added areas namely Nerkundram, Pallikaranai, Ramapuram, Manali, Chinnasekkadu, Manapakkam, Karambakkam, Mugalivakkam and Madipakkam at a cost of Rs.783 crore.

Administrative approval has been accorded for the implementation of UGSS to Nandhambakkam at a cost of Rs.24.65 crore and work order has been issued. Administrative sanction has been accorded for implementation of UGSS to Okkiyam Thoraipakkam at a cost of Rs.256.91 crore and is currently in tender stage. Administrative sanction has also been accorded for comprehensive UGSS to Injambakkam, Kottivakkam, Palavakkam, Neelangarai and Uthandi at a cost of Rs.644.59 crore and for a comprehensive UGSS to Puzhal, Mathur, Theeyambakkam, Vadaperumbakkam, Semmencherry, Edayanchavadi, Sadayankuppam, Kadapakkam and left-out streets of Madhavaram at a cost of Rs.1269.63 crore under AMRUT 2.0, KFW and Singara Chennai 2.0. Out of the above, tender has been invited for Injambakkam, Kottivakkam, Palavakkam, Neelangarai and Uthandi UGSS.

For Jalladempettai, DPR has been revised at a cost of Rs. 92.76 crore and has been submitted for sanction under AMRUT 2.0. and Singara Chennai 2.0.



### Sewerage schemes taken up under CMCDM

Sl. No	Name of the scheme	Estimate Cost (Rs in Cr.)	Status of works
<b>2011-12</b>			
1	Laying of force mains between pumping stations	9.26	Work completed
2	Enlargement of Sewage Pumping Mains	20.39	
3	Insertion of UGSS openings in Mogappair, construction of Roadside pumping stations with submersible pump sets	14.08	
4	Improvement to existing Sewage Pumping stations	11.24	
5	Enlargement of sewer mains	31.18	
6	Procurement of sewerage maintenance equipments	9.90	Machines procured and deployed
7	Re-routing and enlargement of Sewage Pumping Mains and allied works	36.55	Work completed
<b>2012-13 Under Ground Sewerage Schemes</b>			
8	Kathivakkam	86.15	Work completed
9	Sholinganallur-Karapakkam	110.90	
10	Procurement of sewerage maintenance equipments	15.20	Machines procured and deployed.
<b>2013-14 Under Ground Sewerage Schemes</b>			
11	Thiruvottiyur (Annai Sivagami Nagar)	8.51	Work completed
12	Nolambur	26.01	
13	Surapattu	35.00	
14	Puthagaram & Kathirvedu	60.00	
<b>Total</b>		<b>474.37</b>	





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### 1.7 Jawaharlal Nehru National Urban Renewal Mission (JnNURM)

Under the Jawaharlal Nehru National Urban Renewal Mission, the Government of India was giving a grant of 35% and the State Government contribution is 15% as an interest free loan. The works taken up under the scheme are:-

Sl. No	Name of the Scheme	Est. cost (Rs in Cr.)	Status of works
1	Providing water supply and sewerage facilities along Rajiv Gandhi Salai	41.77	Work completed
<b>Under Ground Sewerage Schemes</b>			
2	Ullagaram-Puzhuthivakkam	28.08	Work completed
3	Ambattur (Package-II, III, IV & V)	130.91	Work completed
4	Maduravoyal	57.45	Work completed
5	Porur	38.29	Work completed
6	Perungudi	20.72	Work completed
<b>Total</b>		<b>317.22</b>	
<b>Deposit works for other local bodies</b>			
1	Avadi Municipality	158.05	Work completed
2	Thirumazhisai Town Panchayat	20.47	Work completed
<b>Total</b>		<b>178.52</b>	

### 1.8 Tamil Nadu Urban Development Project – III (TNUDP- III)

Under this scheme, assistance has been provided for the following three works:-

#### Works Taken up under TNUDP-III

Sl. No	Name of the Scheme	Est. cost (Rs in Cr.)	Status of works
1	Madhavaram – UGSS	50.22	Work completed
2	Thiruvottiyur – UGSS	67.63	Work completed
3	Ambattur Phase – I – UGSS	65.75	Work completed
<b>Total</b>		<b>183.60</b>	



## 1.9 Tamil Nadu Investment Promotion Programme (TNIPP)

### Construction of additional 54 MLD sewage treatment plant at Sholinganallur:

A Sewage treatment plant of 54 MLD capacity at a cost of Rs.65.97 crore at Sholinganallur was sanctioned. Already, 18 MLD unit has been commissioned. It uses sequential batch reactor (SBR) technology to treat sewage generated from added areas located along East Coast Road and Old Mahabalipuram Road in the southern parts of Chennai. The 36 MLD capacity plant is under construction and will be commissioned this year.

## 2.0 Recycle and Reuse

Chennai is pioneer in recycling and reuse of used water. 20% of used water should be recycled and reused as per the guide lines of Atal Mission for Rejuvenation and Urban Transformation (AMRUT 2.0). As part of water conservation measures, secondary treated sewage (23 MLD) is being supplied to industries in Manali area. The secondary treated sewage is further treated by the industries through tertiary treatment and reverse osmosis (TTRO) and product water is used for industrial purposes. CMWSSB has now set up two TTRO plants for producing industrial-grade water.

### Tertiary Treatment Reverse Osmosis Plants

Two tertiary treatment reverse osmosis (TTRO) plants of 45 MLD capacity each at Koyambedu and Kodungaiyur are operational and supplying water to industries. This ensures assured and sustainable water supply to industries and reduces the fresh water demand from industries.

### Construction of new STPs and Improvements to existing STPs

The Tamil Nadu Pollution Control Board in its fifth updated compilation released on 30.05.2020 has prescribed revised discharge norms based on central enactments, rules, notifications and orders. These norms shown in below Table would come into effect from 26.05.2026.



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### Standards for Sewage Treatment Plants (STPs)

	Parameters	Mega and Metropolitan Cities (Chennai)
1.	pH	5.5 - 9.0
2.	Bio-chemical Oxygen Demand (BOD)	10 mg/l
3.	Total Suspended Solids (TSS)	20 mg/l
4.	Chemical Oxygen Demand (COD)	50 mg/l
5.	Nitrogen-Total	10 mg/l
6.	Phosphorus Total (For Discharge into Ponds, Lakes)	1.0 mg/l
7.	Fecal Coliform (FC) (Most Probable Number per 100 milliliter, MPN/100)	Desirable-100 ; Permissible-230

Chennai Metropolitan Water Supply & Sewerage Board has taken up construction of 4 new STPs viz. Kodungaiyur – I, Kodungaiyur- II, Perungudi and Nesapakkam and improvement works in existing STPs at a cost of Rs.811.40 crore has shown in below Table to enhance treatment capacity and to achieve new disposal standards.

Construction of new STPs		Improvement to existing STPs	
Location	Capacity (MLD)	Location	Capacity (MLD)
Kodungaiyur Zone I	120	Kodungaiyur	110
Nesapakkam	50	Koyambedu (120+6)	180
Perungudi	60	Nesapakkam(40+54)	94
<b>Total</b>	<b>230</b>	Perungudi (60+54)	114
		<b>Total</b>	<b>498</b>

Kodungaiyur Zone II -120 MLD capacity plant was inaugurated by the Hon'ble Chief Minister on 22.11.2022.

**SHIV DAS MEENA**

ADDITIONAL CHIEF SECRETARY TO GOVERNMENT



Chennai Metropolitan Water Supply & Sewerage Board

## FINANCIAL SUMMARY – FIVE YEARS AT A GLANCE

(Rs. in Crore)

PARTICULARS	2020-21	2019-20	2018-19	2017-18	2016-17
<b>A. INCOME</b>					
Sale of water & Water and Sewerage Tax	713.49	663.97	816.77	480.64	488.30
Other Income	398.46	413.77	256.55	407.37	415.97
<b>Total Income (A)</b>	<b>1,111.95</b>	<b>1,077.74</b>	<b>1,073.32</b>	<b>888.01</b>	<b>904.27</b>
<b>B. EXPENDITURE</b>					
Salaries & Wages	250.58	263.61	289.93	199.51	201.39
Repairs and Maintenance	670.50	719.56	610.08	555.09	509.69
Interest	83.65	91.38	10.43	72.76	76.80
Depreciation	130.01	139.03	138.92	139.16	154.68
Other Expenditure	103.24	198.58	112.73	86.59	81.89
<b>Total Revenue Expenditure (B)</b>	<b>1,237.98</b>	<b>1,412.16</b>	<b>1,162.11</b>	<b>1,053.12</b>	<b>1,024.45</b>
<b>Excess of Expenditure over Income (A-B) – Deficit</b>	<b>-126.03</b>	<b>-334.41</b>	<b>-88.79</b>	<b>-165.11</b>	<b>-120.18</b>
Contributions	2,215.10	2,051.30	1,906.06	1,792.29	1,683.28
Grants from Government	6,621.80	5,666.75	4,921.00	4,480.03	4,082.26
Long term borrowings	1,919.88	1,912.99	1,909.07	1,107.70	1,137.61
Fixed Assets	9,056.71	8,302.99	7,611.98	7,054.53	6,644.44
Net Current Assets	-303.69	-549.70	-419.18	-1,129.10	-1,030.72
Accumulated Surplus / Deficit	-2,003.77	-1,877.74	-1,543.33	-1,454.54	-1,289.43
<b>No. of employees as at the end of year</b>	<b>2,691</b>	<b>2,888</b>	<b>2,857</b>	<b>2,888</b>	<b>2,811</b>



Chennai Metropolitan Water Supply & Sewerage Board

**REASONS FOR THE DELAY IN PLACING THE ANNUAL REPORT WITH ANNUAL ACCOUNTS OF CHENNAI METROPOLITAN WATER SUPPLY AND SEWERAGE BOARD FOR THE YEAR 2020-21 ON THE TABLE OF THE HOUSE OF LEGISLATIVE ASSEMBLY**

1.	a)	When the Annual Accounts have to be finalized by the Government Companies as per the instructions of the Finance Department.	30.06.2021
	b)	The actual date of finalization of accounts	23.02.2023
	c)	The reason for not finalizing the accounts on due date	Delay in finalizing the accounts for the financial year 2020-21 is due to backlog in previous years placing of accounts in Legislative assembly due to merger of 42 local bodies and migration from UNIX software to Oracle ERP system. Also the delay is due to COVID-19 lockdown.
2.	a)	When the auditors have to be appointed to audit the accounts	As and when C&AG recommends the Auditor and approved by Government
	b)	The date on which the auditors were appointed	22.06.2022
	c)	The reasons for not appointing the auditor on the due date	As there is delay in finalizing the accounts as stated in Point No.1(c), appointment of Auditor for the financial year 2020-21 got delayed.
3.	a)	When the auditors have to finalise the audit	31.10.2021
	b)	The actual date of finalizing the audit	23.02.2023
	c)	The reasons for not finalizing the audit on the due date	Since there is a delay in finalizing the accounts as stated in Point No.1(c) and delay in appointment of Auditor as stated in point 2(c) the audit of accounts could not be completed on time.
4.	a)	When the comments of the Accountant General have to be obtained	Not Applicable
	b)	The actual date on which the comments were received	Not Applicable
	c)	The reasons for delay if any	Not Applicable



Chennai Metropolitan Water Supply & Sewerage Board

5.	a)	The date on which the Annual Accounts have to be placed before Board Meeting	30.11.2021
	b)	The date on which actually placed	
	c)	The reasons for delay	Since there is a delay in finalizing and auditing the accounts as stated in Point No.1(c), 2(c) and 3(c) there is subsequent delay in placing the accounts before the Board Meeting.
6.	a)	The date on which the printed annual report have to be received	31.12.2021
	b)	The reasons for not receiving on due date	Since there is a delay in finalizing, auditing and placing the accounts in Board Meeting as stated in Point No.1(c), 2(c) 3(c) and 5(c) there is a delay in printing the Annual Report.
7.	a)	The date on which the accounts have to be sent to the Government	31.12.2021
	b)	The actual date on which the accounts were sent	
	c)	The reason for delay if any	-
8.	a)	The date on which the annual report were received by the Government	-
	b)	The time taken to review the report	-
	c)	Reasons for delay	-
9.	a)	The date on which the annual accounts should be placed on the table of the legislative assembly	Before 31.03.2022
	b)	The date on which the annual accounts should be sent to legislative assembly	Before ensuing session

**SHIV DAS MEENA**

ADDITIONAL CHIEF SECRETARY TO GOVERNMENT