

Phase II Metro gets fillip with Budget allocation

Union govt. has agreed to participate in project's funding

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The ₹63,246 crore phase II project of the Chennai Metro Rail has received a much-needed boost with the Central government agreeing to participate in its funding. Work on the project, which covers 118.9 km and has three corridors – Madhavaram to SIPCOT, Madhavaram to Sholinganallur and Light House to Poonamallee – is all set to begin in a few months as the Chennai Metro Rail Ltd. has already begun awarding contracts to firms for its construction.

Two weeks ago, Chief Minister Edappadi K. Palaniswami requested Prime Minister Narendra Modi for Central support and a 50:50 equity sharing model for the phase II project, as was the case with phase I. In November last year, when Home Minister Amit Shah laid the



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foundation stone for the project, Mr. Palaniswami handed over a letter to him, seeking a share capital of 15%, as opposed to the 10% the Centre said it would provide as a grant.

"We are very happy to know that the Centre has agreed to participate in the funding [of the project]. We are not sure how much will come through at this point

in time," a source said.

Another source said they were expecting a written communication on this soon.

In her Budget speech on Monday, Union Finance Minister Nirmala Sitharaman said the 'Metrolite' and 'MetroNeo' technologies would be deployed in tier II cities and peripheral areas of tier I cities.