

**PROCEEDINGS OF THE "NINTH STATE LEVEL EMPOWERED COMMITTEE" MEETING HELD ON TUESDAY THE 18<sup>TH</sup> MARCH 2008 AT 4.30 PM IN THE COMMITTEE ROOM, VIDHANA SOUDHA, BANGALORE**

**MEMEBERS PRESENT: LIST ENCLOSED**

The Managing Director, KUIDFC welcomed the Chairman, members of the committee and other invitees to the 9th meeting and briefed the committee about the agenda. The Chairman initiated the discussions on the subjects in the agenda.

**Subject No.1: Confirmation of the proceedings of the 8<sup>th</sup> State Level Empowered Committee meeting held on 6<sup>th</sup> Dec. 2007.**

The Committee while confirming the proceedings of the Eighth SLEC meeting was informed by BBMP that a correction was required in the record of proceedings of discussions on 'Construction of Underpass at CNR Rao circle' recorded under additional agenda. It was informed that an error had crept in the name of the awardee of works. In place of Madhava Hytech Pvt.Ltd., and Brahmaputra (JV), the work was to be shown to have been awarded to Madhava Hytech Pvt.Ltd., and M/s.ECCI (JV).

The committee approved the above correction and confirmed the proceedings.

**Subject No.2: Action taken on the decisions of the previous meetings**

The Action Taken Report was taken on record with the following observations.

**B. Action taken on the decisions of earlier meetings of SLEC**

1. Proposal for widening of high-density corridors using Transferable Development Rights(TDR) for land acquisition

The Commissioner BBMP indicated that GoI was not keen to support the project since it was held at lower priority and it has been now decided by BBMP that this project should be dropped from JNNURM. He requested SLEC for approving its removal from the list of pending DPRs.

2. Proposal for remodeling of water distribution system in Mysore

KUWS&DB informed the committee that the components for covering of additional areas, construction of new reservoirs etc had been taken up under the project 'Supply of bulk water to southern parts of Mysore city from Kabini as source' and there was no need for a separate DPR. Committee was requested to treat this as compliance. The committee approved the request.

The Action Taken Report was taken on record.

**Subject No.3: Review of progress of approved works**

The committee reviewed the progress in respect of delayed works during which the latest position was indicated as under by the Implementing Agencies:

1. Remodeling of water distribution system in Mysore city(KUWS&DB)

The KUWS&DB indicated that 1 package had been awarded and the second is at award stage. The package for 24/7 distribution had not yet been finalized. PRS,UDD indicated that he would carry out a review in this regard shortly.

2. Construction of Underpass at RV Teachers College (BBMP)

The BBMP indicated that the project had run into difficulty since it could not be aligned with the Metro rail work in the area. Hence the proposal was required to be dropped. BBMP requested that KUIDFC withdraw the project from MoUD & that BBMP would surrender the 1<sup>st</sup> installment of Rs.1.68 crores (GoI Rs.1.18 crores & GoK Rs.0.55 crores) along with interest earned on parking of funds.

3. Construction of Underpass at Tagore circle (BBMP)

The Commissioner, BBMP indicated that tenders were now approved and work would be awarded shortly.

#### 4. Environmental Action Plan (BWSSB)

The Chairperson BWSSB indicated that delay is caused as the project had to be taken up under JBIC support since BBMP had not been able to contribute towards Implementing Agency's share. Tendering was in progress and there would be no further delay.

#### 5. **BSUP Projects**

##### a) KSCB-Mysore / Bangalore -Phase I projects.

KSCB indicated that work was not awarded since financial closure has not taken place.

##### b) KSCB-Rehabilitation of 16 slums in Bangalore- Phase II

KSCB indicated that tenders had been called now.

##### c) BBMP 5 pilot slums in Bangalore

The Commissioner, BBMP indicated that work had commenced in respect of three slums. In respect of the other two, land had not been secured which had caused the delay. In the meantime, the contractors had demanded a tender premium of 18% due to delay not accountable to them. He also indicated that if re tendering was resorted to, the premium was expected to be in the range of 60 to 65% since steel price had now risen to about Rs.50, 000 per tonne. This matter would be decided upon by BBMP.

As regards the project for 13 slums approved by CSMC, Commissioner BBMP indicated that a contract with Karnataka State Police Housing Corporation had now been signed for implementation.

The MD, KUIDFC informed the committee that there were delays in all projects as compared to the timelines indicated by the Implementing Agencies in the DPRs. The SLEC while agreeing to his request directed that all Implementing Agencies should indicate revised timelines in the quarterly progress report due for submission as at 31<sup>st</sup> March 2008.

**Subject No.4: Review of progress of appraisal of DPRs at MoUD**

The committee noted that 19 projects were under appraisal at the MoUD.

In respect of the project for "Improvement works to 63 identified arterial roads" it was observed that BBMP had gone ahead and awarded the works. MD, KUIDFC indicated that JNNURM guidelines would not permit projects where works had already commenced. Secondly, the committee was also informed that road improvement works would be held in low priority by MoUD in the present situation where there was a constraint on availability of funds. In light of this, it was decided that the project would be withdrawn.

In respect of the project for construction of Underpass along ORR at the intersection of ORR Banasawadi/Ramamurthyagar, the Commissioner, BDA indicated that the project had been

implemented already and could be withdrawn from MoUD. SLEC approved the same.

In respect of BRTS in Mysore, Vice Chairman & Managing Director, KSRTC indicated that after discussions with MoUD, it was ascertained that the project required several modifications in terms of structure & approach. It was necessary that MCC takes up the lead in the first place and becomes the Implementing Agency. Secondly, MoUD preferred setting up of an SPV and also to adopt a PSP route especially for rolling stock.

The committee was also informed that the project was estimated at Rs.949 crores and the share of GoI should be 80% of the cost if approved. In the process, a major part of allocation of funds could be consumed by this project. The indications from MoUD were to hold this project in low priority. Taking note of these observations, PRS, UDD indicated that he would soon carry out a review of the project and suggest a way forward.

**Subject No.5: Review of projects which are committed by  
Implementing Agencies for submission during FY  
2007-08 in the 5<sup>th</sup> SLEC.**

The committee took note of the shelf of projects indicated by the Implementing Agencies. It also opined that DPRs prepared should also examine possibility of attracting private investments since availability of funds under JNNURM was limited. Implementing Agencies should also explore alternate sources of finance if some of their projects cannot be accommodated under JNNURM.

**Subject No.6: Proposal from Mysore City Corporation for remodeling of Primary & Secondary Storm Water Drains in Mysore City**

The committee noted the action taken in sending the proposal for remodeling of Primary & Secondary Storm Water Drains in Mysore city to Mission Director, Urban Infrastructure & Governance, JNNURM, MoUD, GoI, submitted by the Mysore City Corporation estimated to cost Rs. 356.20 crores with the approval of Chairman, SLEC. The committee ratified the action taken for sending the proposal and also the funding pattern proposed.

**RESOLUTION**

“RESOLVED that the action taken in sending the proposal for remodeling of Primary & Secondary Storm Water Drains in Mysore City at an estimated cost of Rs.356.20 crores (Rupees Three Hundred fifty six crores and twenty lakhs only) is ratified and also the funding pattern is approved and further resolved that the JNNURM be approached for a grant of Rs.284.96 crores (Rupees Two Hundred Eighty Four crores and Ninety Six lakhs only) which forms 80 per cent of the cost of project and the GoK be approached for a grant of Rs.35.62 crores (Rupees Thirty Five crores and Sixty Two lakhs) only which forms 10 per cent of the project cost and the balance be met by MCC”

**Subject No.7: Proposal from Tourism Department, GoK on  
'Heritage and Urban Renewal at Heritage Core, Mysore'**

The Director, Department of Tourism, GoK explained the details of the project for Heritage and Urban Renewal at Heritage Core in Mysore City. The committee considered the proposal and approved the DPR for Heritage and Urban Renewal at Heritage Core in Mysore City estimated to cost Rs. 47.10 crores and passed the following resolution.

**RESOLUTION**

"RESOLVED that the proposal of Heritage and Urban Renewal at Heritage Core in Mysore City at an estimated cost of Rs.47.10 crores (Rupees Forty Seven crores and Ten lakhs only) is approved and the funding pattern is also approved and further resolved that the JNNURM be approached for a grant of Rs.37.68 crores (Rupees Thirty seven crores and Sixty Eight lakhs only) which forms 80 per cent of the cost of project and the GoK be approached for a grant of Rs.4.71 crores (Rupees Four crores and Seventy One lakhs) only which forms 10 per cent of the project cost and the balance be met by the Tourism Dept.GoK"

**Subject No.8: Proposal from Tourism Department on 'Urban  
Renewal at Chamarajendra Zoological Gardens in  
Mysore'**

The committee felt that this project would be on a low priority under the scheme. The committee was informed that the project envisaged improvements in the areas outside the Zoo which would contribute to

decongestion and provide comfort to large number of tourists. The committee felt that the title of the project should be revised accordingly and the DPR should be re presented after due diligence, retaining only the priority/eligible components under the project.

**Subject No.9: Proposal from Mysore City Corporation on  
'Conservation of Lakes in Mysore'**

The committee noted the action taken for sending the proposal on 'Conservation of Lakes in Mysore' to Mission Director, Urban Infrastructure & Governance, JNNURM, MoUD, GoI, submitted by Mysore City Corporation estimated to cost Rs. 6.63 crores with the approval of Chairman, SLEC. The committee ratified the action taken for sending the proposal and also the funding pattern proposed. While ratifying the action taken, the committee desired that PRS,UDD inspect the locations during his visit to Mysore.

**RESOLUTION**

"RESOLVED that the action taken for sending the proposal on Conservation of Lakes in Mysore at an estimated cost of Rs.6.63 crores (Rupees Six crores and Sixty Three lakhs only) is ratified and also the funding pattern is approved and further resolved that the JNNURM be approached for a grant of Rs.5.31 crores (Rupees Five crores and Thirty One lakhs only) which forms 80 per cent of the cost of project as well and the GoK be approached for a grant of Rs.0.66 crores (Rupees Sixty Six lakhs) only which forms 10 per cent of the project cost and the balance be met by MCC"

**Subject No.10: Integrated Water Management and Reuse of waste water in Vrishabhavathi Valley**

The committee noted that the cost of the project was revised downwards during appraisal at MoUD and the cost was now estimated at Rs.471.33 crores and further that the share of GoI was also to be ascertained. It noted that BWSSB had agreed to carryout the consultations suggested by MoUD during implementation.

**Subject No.11: Note on meeting of escalation cost of KSCB Projects**

The MD, KUIDFC outlined the status of approvals of BSUP projects and pointed out some corrections to be noted as pointed out by PRS, Housing. The project on 46 slums in phase II of KSCB was to be in Mysore and not in Bangalore. Secondly, the seventh project of KSCB on 16 slums in Bangalore had not been mentioned and should be taken note of.

The committee noted the developments in the project and observed that no conclusions had been reached as yet in the matter of financial closure. It expressed concern about the delay since the CSMC had approved the proposal over a year ago.

The PRS, Housing Department explained about various initiatives taken in order to move forward especially regarding discussions with Karnataka State Police Housing Corporation (KSPHC), the possibility of commercially exploiting additional areas available in some of the slums and also utilization of higher FAR. However, it was informed that it was not possible to indicate the exact

amount of benefit that could be derived through these initiatives at this stage. These initiatives had become necessary in view of the fact that Finance Department had not come forward to meet the required additionality of funds as requested for the projects.

The committee also discussed the possibility of approaching GoI to meet the additional cost. However, it was informed that GoI had already indicated that no additions in cost would be made available.

The committee also discussed the possibility of increasing the upfront beneficiary contribution but decided against the same as it would create a difference under the same scheme.

The committee also took note of the offer from KSPHC where it was informed that each Dwelling Unit could be constructed at a cost of Rs.1.80 lakhs per unit if work was awarded to them. The best practices of project management instituted in KSPHC would also be available for effective implementation of the projects.

The committee noted that even if the rates quoted by KSPHC were considered the additional requirement would remain as Rs.63.82 crores for Bangalore and Rs.22.30 crores for Mysore towards the cost of dwelling units only. KSCB informed that the estimated additional cost would be Rs.72 crores for the Bangalore project towards construction of dwelling units and towards infrastructure.

The PRS.UDD, at this stage also offered to meet a part of the additional cost of about Rs 22 crores through alternate sources that could be given to KSCB as loan which could be collected back by them from the beneficiaries later.

The committee took note of the various suggestions and deliberations and felt that urgent decisions had to be taken in the interest of the project to ensure its implementation as approved by GoI. It also noted certain procedural shortfalls in the functioning of KSCB and observed that the department should take necessary corrective measures.

The following decisions were taken:

1. The Bangalore project to be taken up for implementation immediately for which the estimated additional cost was Rs.72 crores.
2. The KSPHC to be awarded the contract to construct the dwelling units at a cost not exceeding Rs.1.80 lakhs per unit including all expenses of KSPHC. The tenders received by KSCB for Bangalore to be cancelled. PRS, Housing to take up a proposal before the FD seeking exemption under KTHPP Act for award of work to KSPHC. No commercial exploitation of additional area may be taken up under the JNNURM project. If such a potential exists, PRS, Housing may take it up outside the JNNURM projects which have already been approved by GoI.
3. The FD to allocate an additional sum of Rs.50 crores towards the Bangalore project to be made available during FY 2008-09 & 2009-10 to partly meet the estimated additional cost of Rs.72 crores. The balance Rs.22 crores to be made available by PS, UDD through other sources which could be given as loan to KSCB which could be collected back by them from the

beneficiaries. FD to confirm action taken in this regard within one week to KUIDFC.

4. The project regarding Mysore to be taken up for discussion after the Bangalore project was placed on track. Tenders received in respect of Mysore project to be cancelled by KSCB.

**Subject No.12: Status on the Communication from MoUD on release of Tool Kits**

The committee noted the status of action initiated on the new tool kits released by MoUD.

**Subject No.13: Status of projects committed for completion by Dec.2008**

The committee noted that the Implementing Agencies had committed before the GoI to complete implementation of 8 projects. However, the project for 'construction of Underpass at RV Teachers College' was now proposed to be due to non alignment with the Metro Rail projects as informed by BBMP Commissioner. Further, it was also indicated that the project of construction of Underpass at Tagore circle could not be committed by December 2008 due to delay in commencement of works.

The BDA however indicated that 'Construction of Underpass along Chord Road at the junction of Magadi Road and Chord Road' could be completed by December 2008.

In view of the above developments, the projects that could be committed for completion by December 2008 were to be the following:

Sl.No.	Project
1	Construction of Grade separator at Malleswaram Circle
2	IT & BT road works around MG Road
3	IT & BT road works around Koramangala
4	Passenger amenity centre at Jayanagar
5	Augmentation of 100MLD water
6	Bulk Flow Metering
7	Construction of Underpass along Chord Road at the junction of Magadi Road and Chord Road

The SLEC desired that KUIDFC communicate the same to MoUD, GoI.

#### **Sub No.14: Prioritization of Projects**

The committee studied the note on prioritization and various possibilities suggested therein. The committee also noted that JNNUM did not provide an unlimited source of funds even though GoI had approved the CDP with projected investments. The committee agreed that there was a need to review the shelf of projects in order to ensure that deserving projects were not edged out.

The following decisions were taken:

1. To withdraw the following proposals of Implementing Agencies:
  - a. Bangalore Development Authority - Construction of Underpass along ORR at intersection of ORR and Banasawadi-Ramamurthynagar road-Project Cost Rs.21.29 crores
  - b. Bruhath Bangalore Mahanagara Palike- Improvement works to 63 identified arterial roads - project cost Rs.101.50 crores.
  - c. Bruhath Bangalore Mahanagara Palike- Construction of Underpass at RV Teacher's College - project cost Rs.13.49 crores.
  
2. To drop the following projects from the shelf of projects under preparation

(Rs.in crores)

BBMP

a. Freedom Park	34.00
b. Urban Renewal &Decongestion	50.00
c. Parks in BBMP area including CMC areas	60.00
d. Improvements to arterial roads	300.00

BDA

Construction of Peripheral Ring Road	2675.00
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MYSORE

Action plan for capacity Building	13.84
<b>Total</b>	<b>3132.84</b>

3. Implementing Agencies were advised to work out alternative funding sources in case some of their DPRs were not accommodated under JNNURM.

The statement on status of projects was to be recast by KUIDFC based on the above decisions.

The committee also noted that there was no separate allocation of funds between Bangalore & Mysore and felt it necessary to arrive at a plan since GoI share for Mysore was 80% as against 35% for Bangalore. The PRS, UDD was requested to arrive at a suitable allocation specially taking into consideration the BRTS project for Mysore which had a project cost of Rs.949 crores.

The committee also desired that PRS,UDD take stock of the projects proposed to be placed as outlined in Subject No.5 and suggest deletions based on present constraints of funds and priorities under the scheme.

**Additional Agenda Subjects****Sub No.1: Proposal received from MCC for establishment of Modern Slaughter facility at Mysore.**

The committee considered the proposal and approved the DPR for

establishment of Modern Slaughter facility at Mysore estimated to cost Rs. 27.63 crores and passed the following resolution.

### **RESOLUTION**

“RESOLVED that the proposal for establishment of Modern Slaughter facility at Mysore City at an estimated cost of Rs.27.63 crores (Rupees Twenty Seven crores and Sixty Three lakhs only) is approved and the funding pattern is also approved and further resolved that the JNNURM be approached for a grant of Rs.22.11 crores (Rupees Twenty Two crores and Eleven lakhs only) which forms 80 per cent of the cost of project and the GoK be approached for a grant of Rs.2.76 crores (Rupees Two crores and Seventy Six lakhs) only which forms 10 per cent of the project cost and the balance be met by MCC”

### **Sub No.2: Proposal received from MCC for conservation of lakes in Mysore.**

The committee considered the proposal and approved the DPR on conservation of lakes in Mysore estimated to cost Rs. 6.22 crores and passed the following resolution. The committee also desired that PS, UDD visits the sites during his visit to Mysore.

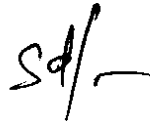
### **RESOLUTION**

“RESOLVED that the proposal for conservation of lakes in Mysore at an estimated cost of Rs.6.22 crores (Rupees Six crores and Twenty Two lakhs only) is approved and the funding pattern is also approved and further resolved that the JNNURM be approached for a

**Subject No.4: Administrative approval for award of work in  
Favour of M.Jagannath & M/s.Simplex Pvt.Ltd. (JV)  
by BBMP**

The commissioner, BBMP requested the committee to accord approval for awarding the work of construction of Underpass at Tagore circle in favour of M.Jagannath & M/s.Simplex Pvt.Ltd.,(JV) at a cost of Rs.19,51,11,100 which works out to 11.96% below the tendered amount. The committee approved the same.

The meeting ended with vote of thanks to the chair.



CHAIRMAN

(Chief Secretary, Government of Karnataka)

**Members present in the 9<sup>th</sup> SLEC Meeting held on 18<sup>th</sup> March  
2008 at 4.30 PM in the Committee Room No. 313.**

**Vidhana Soudha, Bangalore.**

**Shriyuths**

1. Sudhakar Rao, IAS, Chief Secretary, GoK
2. M.R. Srinivas Murthy, IAS, Principal Secretary, Finance Dept
3. K. Jothiramalingam, IAS, Principal Secretary, UDD
4. Ranjani Srikumar, IAS, Principal Secretary, Housing Dept
5. Subhash Chandra, IAS, Secretary (M&UDA), GoK
6. I.M. Vittal Murthy, IAS, Secretary, Tourism & Culture, GoK
7. S. Subramanya, IAS, Commissioner, BBMP
8. Subir Hari Singh, IAS, Commissioner, BMRDA
9. Latha Krishna Rao, IAS, Chairperson, BWSSB
10. A.P. Joshi, IAS, CMD, KSRTC
11. Upendra Tripathy, IAS, MD, BMTCL
12. Siddaiah, IAS, Commissioner, BDA
13. Gopalkrishne Gowda, IAS, MD, KUWS&DB
14. R. Shankar, Commissioner, MUDA, Mysore
15. Jawaid Akhtar, IAS, MD, KUIDFC
16. V. Ashok, KAS, Commissioner, KSCB
17. Vijaya Ranjan Singh, ED, ZAK, Mysore
18. Dr. C. Somashekar, IAS, Director, Dept of Tourism
19. K.R. Srinivas, IAS, S.Commissioner, BBMP
20. V. Chandra Mohan, ED, KUIDFC
21. D.C. Sharma, Ramky enviro Engineers Ltd,
22. Kiran, Ramky Enviro, Engineers, LTd
23. Santhosh Patel, PMC, Greater Bangalore Sanitation
24. Prabhakar D Hamigi, SE, MCC, Mysore
25. G. Srinivas Murthy, AE, MCC