

PROCEEDINGS OF THE 9TH MEETING OF THE BOARD OF TRUSTEES OF ODISHA URBAN INFRASTRUCTURE DEVELOPMENT FUND (OUIDF) HELD UNDER THE CHAIRMANSHIP OF CHIEF SECRETARY, ODISHA & CHAIRPERSON, OUIDF ON 19.08.2016 AT 3:30 P.M. IN THE 2ND FLOOR CONFERENCE HALL OF SECRETARIAT, BHUBANESWAR.

Members Present: As per list annexed.

Secretary-cum-CEO, OUIDF & Ex-Officio Special Secretary, H & UD Department welcomed the Chief Secretary and Chairperson OUIDF, Board of Trustees and other participants present.

Chief Secretary presided over the Meeting. Leave of Absence was granted to the Trustees who could not attend the Meeting. After detailed discussions, the following decisions were taken.

Agenda -1: Confirmation of the Proceedings of the 8th Board Meeting held on 18.02.2016.

- 1.1. As no comments have been received from any of the Trustees, the Board confirmed the Minutes of the 8th Board of Trustees Meeting held on 18.02.2016.

Agenda - 2: Action Taken Report of the decisions taken in the 8th Meeting of Board of Trustees, dated 18.02.2016.

- 2.1. The Action Taken Report was reviewed and discussed.
- 2.2. The Sanction and Disbursement status of Projects were reviewed and it was noted that the target for further disbursement of Rs. 145.06 crore by March 2017 be met through necessary Budgetary Allocation.
- 2.3. The Board desired that Physical / Financial Progress Report with photographs be obtained periodically for every Sanctioned Project and status of implementation monitored regularly.

Agenda - 3: Progress of Sanctioned Projects.

The Board reviewed the status of Sanctioned Projects in detail. However as regards the Projects on Reclamation & Peripheral Development of Water Bodies in the three ULBs, i.e., Bhubaneswar, Berhampur & Sambalpur Municipal Corporations, the Board desired that there should be perceptible and visible improvement in the pre & post-reclamation of Water Bodies with OUIDF funding. A Standard Model for Repair, Renovation & Restoration (RRR) of Water Bodies can be developed and replicated in other ULBs.

General Observations:

- OUIDF shall prepare Standard Operating Procedures (SoPs) for Operation & Maintenance of Markets and Water Bodies
- Public Toilets shall be constructed near Water Bodies that have been reclaimed and developed to prevent open defecation

- Chairperson, OUIDF & Chief Secretary, GoO, desired that H&UD Dept. may initiate necessary action for amendment of the relevant provisions of the Municipal Corporation Act for raising the ceiling of Tender approval from the present limit of Rs. 50 lakh to at least Rs. 5 crore.
- ULBs whose credit rating is better may be incentivized with reduced interest rate from OUIDF. H&UDD may initiate credit rating of other ULBs.

Agenda - 4: Approval of New Projects and Revalidation, Extension and Cancellation of Sanctioned Projects.

The Proposals were examined by the 10th Loan Committee held on 08.08.16, its recommendation shall form part of the Terms of Sanction for the following Projects:

4.1. Energy Efficient Street Lighting Project in Bhubaneswar:

The Board of Trustees sanctioned Loan of Rs.193.40 lakh and Grant of Rs.193.40 lakh in favour of Bhubaneswar Municipal Corporation with the Loan to be repaid over a period of 7 years (in 12 half-yearly instalments) including a moratorium of 1 year and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of instalments

4.2. Energy Efficient Street Lighting Project in Cuttack:

The Board of Trustees sanctioned Loan of Rs. 435.04 lakh and Grant of Rs. 435.04 lakh in favour of Cuttack Municipal Corporation with the Loan to be repaid over a period of 7 years (in 12 half-yearly instalments) including a moratorium of 1 year and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of instalments

4.3. Energy Efficient Street Lighting Project in Berhampur:

The Board of Trustees sanctioned Loan of Rs. 229.58 lakh and Grant of Rs. 229.58 lakh in favour of Berhampur Municipal Corporation with the Loan to be repaid over a period of 7 years (in 12 half-yearly instalments) including a moratorium of 1 year and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of instalments

4.4. Energy Efficient Street Lighting Project in Rourkela:

The Board of Trustees sanctioned Loan of Rs. 205.46 lakh and Grant of Rs. 205.46 lakh in favour of Rourkela Municipal Corporation with the Loan to be repaid over a period of 7 years (in 12 half-yearly instalments) including a moratorium of 1 year and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of instalments

The Board approved the deviation from the Lending Policy for Rourkela Municipal Corporation having Holding Tax Collection Efficiency of 73.5% against a minimum of 75% with a condition that the ULB be allowed a 1-year moratorium to increase Collection Efficiency to 75% and a Compliant Mechanism be developed for the purpose

4.5. Energy Efficient Street Lighting Project in Sambalpur:

The Board of Trustees sanctioned Loan of Rs. 144.74 lakh and Grant of Rs. 144.74 lakh in favour of Sambalpur Municipal Corporation with the Loan to be repaid over a period of 7 years (in 12 half-yearly instalments) including a moratorium of 1 year and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of instalments

The Board approved the deviation from the Lending Policy for Sambalpur Municipal Corporation having Holding Tax Collection Efficiency of 60% against a minimum of 75% with a condition that the ULB be allowed a 1-year moratorium to increase Collection Efficiency to 75% and a Compliant Mechanism be developed for the purpose

4.6. Construction of Modern Abattoir at Gadakana - Approval of Additional Loan:

The Board of Trustees of OUIDF sanctioned an Additional Loan of Rs.47 Lakh and a Grant of Rs.47 Lakh in favour of Bhubaneswar Municipal Corporation as per the original conditions of Sanction. The first Loan Instalment shall be payable in December 2017. The Board of Trustees also sanctioned a PDF Grant of Rs. 69 Lakh in favour of Bhubaneswar Municipal Corporation for payment of PMC Fees to NBCC

4.7.(i) Revalidation of Sanction for Reclamation of 14 Nos. of Waterbodies in Bhubaneswar

The Board of Trustees of OUIDF ratified and revalidated the earlier Sanction of Loan of Rs.923.10 Lakh and a Grant of Rs.923.10 Lakh in favour of Bhubaneswar Municipal Corporation that had lapsed on 12.04.2016

(ii) Revalidation of Sanction for 7 nos. of Waterbodies in Sambalpur

The Board of Trustees of OUIDF ratified and revalidated the earlier Sanction of Loan of Rs.150 Lakh and a Grant of Rs.300 Lakh in favour of Sambalpur Municipal Corporation that had lapsed on 13.04.2016

4.8. (i) Cancellation of Sanction for BDA's Affordable Housing Project – Chandrasekharpur

The Board of Trustees of OUIDF ratified the cancellation of Loan & Grant of Rs.40 Cr. each sanctioned in favour of Bhubaneswar Development Authority.

(ii) Cancellation of Sanction for BDA's Affordable Housing Project – Ghatikia

The Board of Trustees of OUIDF ratified the cancellation of Loan & Grant of Rs.40 Cr. each sanctioned in favour of Bhubaneswar Development Authority.

Agenda - 5: Lending Rate and Security Mechanism of OUIDF

- The Board of Trustees of OUIDF approved that Current Lending Rate of OUIDF be maintained at 9.50% p.a. with 1% rebate for timely repayment of Loan
- The Board advised that OUIDF may work out the "Cost of Funds" from time to time
- The Board approved that the Debt Service Reserve Fund (DSRF) provision may be

amended and the Escrow Mechanism may be dispensed with as suggested by the 10th Loan Committee. In lieu of the same, the Borrower shall submit an Irrevocable Letter of Authority to its Banker with due approval of their Council/Board/Authority to note a "Lien" equivalent to one semi-annual instalment of principal and interest for the purpose of DSRF and transfer the same to OUIDF as & when due. The same should be replenished by the Borrower in the account immediately.

Agenda - 6: Proposal for extension of Rent Free Accommodation by IDCO

- The Board resolved to make a request to IDCO for approval of "Rent Free Accommodation" for OUIDF by IDCO for a further period of three years w.e.f. 01.02.2017 to 31.01.2020.

Agenda - 7: Approval of Audit Report, Balance Sheet & Annual Report for the Financial Year 2015-16

- The Board of Trustees approved and adopted the Audit Report, Balance Sheet & Annual Report of OUIDF for the Financial Year 2015-16.

Agenda - 8: Any other Item with Permission of the Chair

In-Principle Approval for Second Line of Credit of KfW:

- The Board of Trustees of OUIDF accorded its In-principle Approval to avail the Second Line of Credit of KfW amounting to Euro 55 million and Technical Assistance Grant of Euro 2.5 million after obtaining the concurrence of Finance Dept. with regard to applicable Rate of Interest and Tenure of the Loan
- The Board of Trustees of OUIDF also recommended the State Government contribution of Euro 5 million and Technical Assistance Grant of Euro 0.5 million as was provided while availing the First Line of Credit of KfW.

Meeting ended with vote of thanks to the Chair and the participants present.



(A. P. Padhi)
Chief Secretary, Odisha
& Chairperson, OUIDF

-: LIST OF PARTICIPANTS :-

Sl. No.	Name	Designation
BOARD OF TRUSTEES		
1.	Shri Aditya Prasad Padhi, IAS	Chief Secretary & Chairperson
2.	Shri R.Balakrishnan, IAS	Development Commissioner & Additional Chief Secretary and Additional Chief Secretary, Finance Deptt.
3.	Shri G. Mathivathanan, IAS	Commissioner-cum-Secretary, H&UD Deptt.
4.	Shri. Sanjay Kumar Singh, IAS	Chairman-cum-Managing Director, IDCO
5.	Shri Chinmay Basu, Retd. IAS	Independent Trustee
6.	Shri Rajib Sekhar Sahoo, FCA	Independent Trustee
7.	Shri S.K.Ratho, IFS	Secretary, OUIDF & Ex-Officio Spl. Secretary to Govt.

-: SPECIAL INVITEE :-

1.	Dr. Krishnan Kumar, IAS	Vice Chairman, BDA & Municipal Commissioner, BMC
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-: OTHER INVITEES :-

H&UD Deptt. Official			
1.	Shri Debi Prasad Mishra	Section Officer, H&UD Deptt.	9938833720
OUIDF Officials			
2.	Shri. B.P.Rayaguru	Sr. Project Manager,	8895707425
3.	Shri. R.C. Kar	F.A-cum-Admn. Officer	9437487788
PDA Officials			
4.	Shri R. Manivannan	Team Leader, PDA	9704478987
5.	Shri Shomdip Ghosh	Project Development Expert	9830178124
6.	Shri K. Mahesh Reddy	SWM Expert	9849334295