

PROCEEDINGS OF THE 7TH MEETING OF THE BOARD OF TRUSTEES OF ODISHA URBAN INFRASTRUCTURE DEVELOPMENT FUND (OUIDF) HELD UNDER THE CHAIRMANSHIP OF CHIEF SECRETARY & CHAIRPERSON, OUIDF ON 04.09.2015 AT 10:00 A.M. IN THE CONFERENCE HALL OF OUIDF AT FORTUNE TOWER, 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. After detailed discussions, the following decisions were taken.

Agenda-1: Confirmation of the proceedings of the 6th Board Meeting held on 12.03.2015.

- 1.1. As no comments have been received from any of the Trustees, the Board confirmed the Minutes of the 6th Board of Trustees Meeting held on 12.03.2015.

Agenda-2: Action Taken Report of the decisions taken in the 6th Meeting of Board of Trustees, dated 12.03.2015

- 2.1. The Chief Secretary emphasized that OUIDF should expedite disbursements.
- 2.2. Reimbursement claim with KfW are to be followed up and expedited.
- 2.3. The Loan Repayment schedule shall not be changed irrespective of the status of implementation of the projects without the approval of the Board.
- 2.4. A Standing Committee shall be constituted to monitor the efforts of ULBs in improving revenues by levying appropriate taxes and user fees. The ULBs shall enforce discipline by charging higher user charges for unauthorized and improper handling of waste. It was informed that Deloitte is already working on the initiatives in the five (5) Corporations in Odisha.
- 2.5. ACS Finance will hold a meeting for a presentation by OUIDF on benchmarking the best practices in ULBs for generating internal revenue. Efforts shall be undertaken to curb Property Tax leakage and as there is a lot of scope of charging the user fees the same shall be practiced. Based on this meeting, a detailed Agenda be presented in the next Board meeting on revenue generation and benchmarking of ULBs. Focus shall be on service delivery as well as revenue generation.
- 2.6. PDA, OUIDF to provide a comprehensive report on comparison with the best practices of sewage treatment techniques/ models practiced by ULBs in Tamil Nadu. The technology option shall be explored including adopting NEERI technology and assistance of IIMT Bhubaneswar may be taken in this regard. A detailed matrix covering capacity, population, capex, land area, O&M etc. shall be presented for various technology options in the next Board meeting.

Agenda-3: Present progress of sanctioned projects

The Board reviewed the progress of sanctioned projects and observed as under:

- (i) Modern Abattoir at Gadakana Project by Bhubaneswar Municipal Corporation (BMC)**
 - Project may be completed in one year and the work plan shall be prepared accordingly. Concurrent activities to be planned for timely completion of the project.
 - Based on the success of this project similar projects can be replicated.
- ii) Comprehensive Sewerage System with Treatment Facility at Sambalpur by Odisha Water Supply and Sewerage Board (OWSSB)**
 - Land alienation and acquisition as well as implementation of the project be expedited.
- iii) Comprehensive Sewerage System with Treatment Facility at Rourkela by Odisha Water Supply and Sewerage Board (OWSSB)**
 - For Rourkela West (Civil Township) funding tie-up be explored under AMRUT.
- iv) Augmentation of Water Supply to GopalpurNAC**
 - The Board approved the change of the Borrower to PHEO from Berhampur Development Authority.
 - Efforts shall be made to make the project self sustainable.
- v) Integrated Solid Waste Management Project of 150 TPD at Mouza-Mohuda by Berhampur Municipal Corporation (BeMC) through PPP mode**
 - The Board suggested to expedite the process.
- vi) Slums and Informal Settlement Under Affordable Housing for Construction of Economically Weaker Section (EWS) Category Houses Phase-I and Phase-II by Projects of BDA at Mouza Shampur**
 - The captioned projects were cancelled. Alternate proposals of BDA for Housing at Chandrashekharpur and Ghatikia was considered for sanction.
- vii) Slums and Informal Settlement Under Affordable Housing for Construction of Economically Weaker Section (EWS) Category Houses Cluster A & Cluster B by Odisha State Housing Board(OSHB) at Malipada**
 - The captioned projects were cancelled.



viii) Bulk water supply to IIT, NISER, Idco, Jatni & Khurda

- The Board of Trustees were informed that clearances for the project are being expedited and that in this regard the Development Commissioner cum Secretary HUDD will hold a Review Meeting on 16.09.2015.

ix) Water Supply to Berhampur Municipal Corporation

- The Board of Trustees was informed about the change in the Borrower and integration of the project with Jhanivili Water Supply project along with the current status of the project.

x) Reclamation and peripheral development of three water bodies at Berhampur

- The Board of Trustees were informed about the current status of tendering in three packages. Loan Agreement has been executed and disbursement planned. BeMC Commissioner was advised to expedite the land transfer process for Ramalingeswar and Haridakandhi Tank.

xi) Establishment of two Modern Hygienic Fish Markets at Danipali and Govindtola in Sambalpur

- The Board suggested examining the possibility of providing a Solar dryer for better viability of the project. Loan Agreement has been executed and disbursement planned.

Agenda Item 4: Approval of new projects

4.1. Reclamation of 14 Water bodies at Bhubaneswar (Phase I)

The Board approved a loan of Rs 923.10 Lakhs and a Grant of Rs. 923.10 Lakhs in favor of Bhubaneswar Municipal Corporation with the Loan to be repaid over a period of 12 years including a moratorium of 2 years and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of installments with the following observations:

- For all future projects possibility of avoiding open bathing shall be explored and Sulabh toilets with Bathroom may be provided for
- State Finance Commission Grant shall not be considered as a security mechanism for Debt Servicing. Alternative security mechanism shall be considered.

4.2. Reclamation and peripheral development of 7 Water bodies at Sambalpur

The Board approved a loan of Rs. 150 Lakhs and a Grant of Rs. 300 Lakhs in favor of Sambalpur Municipal Corporation with the loan to be repaid over a period of 12 years including a moratorium of 2 years and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of instalments with the following observations:

- For all future projects possibility of avoiding open bathing shall be explored and Sulabh toilets with Bathroom may be provided for
- State Finance Commission Grant shall not be considered as a security mechanism for Debt Servicing. Alternative security mechanism shall be considered.



4.3. Rehabilitation Project of Slums and Informal Settlements under Housing for All Policy for Economically Weaker Section (EWS) at Chandrasekharpur, Bhubaneswar

The Board approved a Loan and Grant of Rs 40 Cr. each in favour of Bhubaneswar Development Authority (BDA) with loan amount to be repaid over a period of 5 years including a moratorium of 2 years and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of installments with the following observations:

- The Board suggested that rehabilitation of an entire slum pocket to be ensured. If atleast 50% of slum households opt for evacuation and resettlement, then only such slums can be considered under the scheme. Identified slums shall be educated in this regard.
- OUIDF shall not consider any more EWS housing projects in future.
- Bank tie-up for eligible beneficiaries shall be facilitated to the extent of beneficiary contribution of Rs.1.5 lakhs.

4.4. Rehabilitation Project of Slums and Informal Settlements under Housing for All Policy for Economically Weaker Section (EWS) at Ghatikia, Bhubaneswar

The Board approved a Loan and Grant of Rs 40 Cr. each in favour of Bhubaneswar Development Authority (BDA) with loan amount to be repaid over a period of 5 years including a moratorium of 2 years and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of installments with the following observations:

- The Board suggested that rehabilitation of an entire slum pocket to be ensured. If atleast 50% of slum households opt for evacuation and resettlement, then only such slums can be considered under the scheme. Identified slums shall be educated in this regard.
- OUIDF shall not consider any more EWS housing projects in future.
- Bank tie-up for eligible beneficiaries shall be facilitated to the extent of beneficiary contribution of Rs.1.5 lakhs.

4.5. Setting up of Common MSW Processing facility and Landfill at Bhubaneswar on PPP mode

The Board approved a Loan of Rs. 10 Cr. in favour of MSW Bhubaneswar Ltd. with loan amount to be repaid over a period of 13 years including a moratorium of 2 years and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of installments with the following observations:

- The Board approved the proposal with the condition that the disbursement shall be in proportion with the disbursement from the Senior Lender.
- OUIDF shall have a pari-passu charge on the Project Assets.
- The Borrower shall maintain Debt Service Reserve Fund to the extent of two semi annual installments.

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4.6. Augmentation of Water Supply to Gopalpur NAC

The Board approved a Loan Rs. 3.60 Cr. in favour of PHEO with loan amount to be repaid over a period of 8 years including a moratorium of 2 years and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of installments with the following observations:

- The Board observed that the project shall be able to meet atleast its repair and maintenance expenses (excluding overhead expenses such as salary expenses).
- Water tariff may be revised if required for servicing the loan from any of the revenue which will be examined by H&UD Department.
- Energy efficiency measures may be implemented for the project for reducing energy consumption.
- Finance Department may be approached for finalising debt servicing by PHEO. The Debt Servicing proposal shall be submitted in the next Board meeting.

4.7. Water Supply to Berhampur Municipal Corporation

The Board approved a Loan Rs. 40 Cr. and Grant of Rs. 40 Cr. in favour of PHEO with loan amount to be repaid over a period of 13 years including a moratorium of 3 years and carrying an interest rate of 9.5% p.a. with a rebate of 1% p.a. for timely payment of installments with the following observations:

- The Board observed that the project shall be able to meet atleast its repair and maintenance expenses (excluding overhead expenses such as salary expenses)
- Water tariff may be revised if required for servicing the loan from any of the revenue which will be examined by H&UD Department.
- Energy efficiency measures may be implemented for the project for reducing energy consumption.
- Finance Department may be approached for finalising debt servicing by PHEO. The Debt Servicing proposal shall be submitted in the next Board meeting.

4.8. Integrated Solid Waste Management Project of 150 TPD at Mouza-Mohuda by Berhampur Municipal Corporation (BeMC) through PPP mode

Revalidation of the sanction

- The Board approved the revalidation of the sanction of loan of Rs. 8.79 Cr. and grant of Rs. 5.49 Cr. in favour of Berhampur Waste Management Company Pvt. Ltd. with the observation to expedite the project.

The Board observed that OUIDF shall follow a common concept in terms of signage, Do's & Don'ts /Colour Code etc. for all projects funded by OUIDF.

Agenda 5: Approval of Operating Manual of OUIDF

- The Board of Trustees suggested that the Operating Manual shall be shared with all members of the Board of Trustees for their observations/ comments, if any.
- OUIDF may continue with the Operating Manual for the present.

Agenda 6: Approval of Audit Report, Balance Sheet & Annual Report for the Financial Year 2014-15

- The Board of Trustees approved the same.

Agenda 7: Any other item with permission of the Chair

- (i) Agenda item on approval under Section II (2) of IT Act, 1961
 - Approved
- (ii) Agenda item on annual increment on the Consolidated Remuneration of OUIDF Official /Staff
 - Approved
- (iii) Agenda item on selection of Consultants for preparation of DPR for Solid Waste Management projects in 26 ULBs
 - The Board of Trustees suggested that the DPR consultant shall try to explore the possibility of taking up the projects on PPP model. If the projects are not possible on PPP mode, the DPR consultant shall provide a statement in this regard.

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


(Shri G.C. Pati)

Chief Secretary & Chairperson, OUIDF