KIIFB NEWS LETTER
April Vol 1.2

Our Chairman
Shri. Pinarayi Vijayan
Hon. Chief Minister

Our Vice Chairman
Dr. T M Thomas Issac
Hon.Minister for Finance

From the CEO's desk.....

This is our second edition of the KIIFB Newsletter. The last two weeks since our last edition have indeed been very hectic.

We had the Second Meeting of the Funds Trustee Advisory Commission (FTAC) on 20th April 2018. Shri. Vinod Rai, Former Comptroller and Accountant General who is the Chairman of FTAC and Shri. G. Padmanabhan, Chairman (Non-Executive) of the Bank of India, Member of FTAC, came down to Thiruvananthapuram for the meeting. Smt. Usha Thorat, Former Deputy Governor of the Reserve Bank of India and Member of FTAC joined the meeting on Skype from Kolhapur in Maharashtra. Incidentally, I should mention that the KIIFB Act makes participation using video conferencing in any of its meetings legally valid. What was also special about the meeting was that it was held in the new Conference Hall of KIIFB. The meeting lasted for two full hours where I and my senior team in KIIFB presented in detail relevant aspects of the work in KIIFB and fielded answers to various searching questions raised by the Chairman and Members. I am happy to inform our readers that the Commission approved the Fidelity Certificate for the half year ending September 2017. The Commission has fixed the date for the second meeting as October 23, 2018.

We also had the seventh meeting of the Executive Committee of KIIFB on 25th of April 201. Dr. Thomas Isaac, Hon'ble Minister for Finance who is the Chairman of the Executive Committee presided over the meeting. Besides Shri. Paul Antony (Chief Secretary), Shri. Manoj Joshi (Finance Secretary), Shri. B. Harindranath (Law Secretary), Shri. Sanjeev Kaushik, (Finance Resources Secretary) who is also the Deputy Managing Director of KIIFB, the independent members Shri. J. N. Gupta, Former Executive Director (SEBI) and Managing Director, Stockholder Empowerment Services Co. and Shri. Salim Gangadharan, Chairman (South Indian Bank) and Former Regional Director (RBI, Thiruvananthapuram) attended the meeting. Projects worth Rs.2042 cr. were approved. These include diverse sectors like Roads, Colleges and Stadiums to name a few. The Executive Committee also approved in principle the proposal for adding cycling tracks to the Coastal Highway Project. This has the potential to make Kerala the best Coastal Cycling Tourism Destination in the world. The Committee also gave the green signal for floating Masala Bonds under a Medium Term Note Programme (MTN) for an overall size of Rs.5000 cr. These bonds will be listed on London and Singapore Exchanges. The Investment Management Policy for KIIFB was approved. It will be now placed before the KIIF Board chaired by Hon. Chief Minister.

More in our next edition. Happy reading.

Chief Executive Officer

CURRENT PROJECT STATUS

Department Name	Approved projects Before 7th EC		Approved projects in the 7th EC		Total Approved	
	Number of Projects	Total Amount Rupees in cr.	.Number of Projects	Total Amount Rupees in cr.	Number of Projects	Total Amount Rupees in cr.
Health	8	1214.02	0	0	8	1214.02
Sports	13	267.61	5	73.96	18	341.57
Tourism	1	39.42	0	0	1	39.42
PWD-Roads	107	4098.55	13	517.91	120	4616.46
Hill Highways	4	395.42	7	483.07	11	878.49
PWD-Bridges	37	868.6	2	108.68	39	977.28
PWD-ROBS	15	493.23	1	30.56	16	523.79
PWD-Flyovers	3	211.66	1	151.19	4	362.85
Light Mertro	3	272.66	0	0	3	272.66
PWD-Underpass	1	27.59	0	0	1	27.59
General Education	50	1390.9	24	340.33	74	1731.23
Forest	1	100	0	0	1	100
Dewaswom	1	141.75	0	0	1	141.75
Industries	2	1565.17	0	0	2	1565.17
Agriculture	1	14.28	0	0	1	14.28
IT	3	1174.13	0	0	3	1174.13
Fisheries & Ports	0	0	0	0	0	0
Housing	1	45	0	0	1	45
SC/ST	7	138.38	0	0	7	138.38
Transport	2	412.93	0	0	2	412.93
Power	3	5200	0	0	3	5200
Water Resources	35	1696.24	2	112.62	37	1808.86
LSGD	0	0	0	0	0	0
Registration	0	0	6	92.18	6	92.18
Higher Education	2	241.72	6	131.63	8	373.35
Total	300	20009.26	67	2042.13	367	22051.39

FOCUS DISTRICT
Kollam and Kannur

Sector wise Project Status of Kollam Disctrict

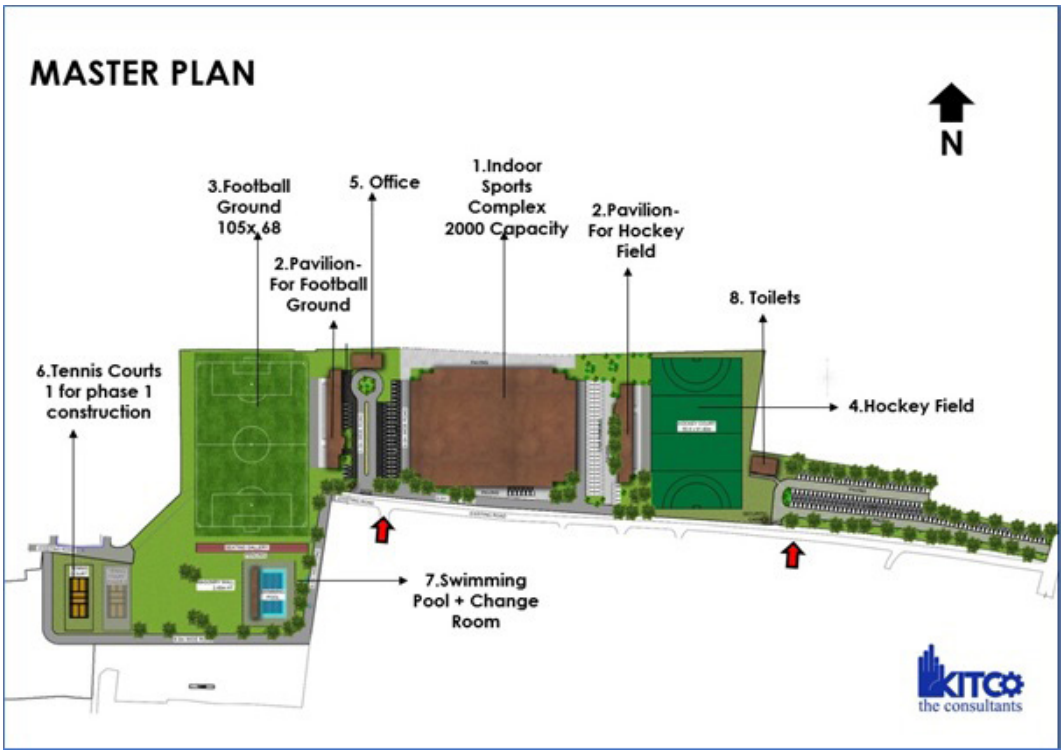
Department	Approved		Work Tendered		Work Started		Under Appraisal	
	Number of Projects	Total Amount Rupees in cr.	Number of Projects	Total Amount Rupees in cr.	Number of Projects	Total Amount Rupees in cr.	Number of Projects	Total Amount Rupees in cr.
Health	**1**	**68.18**	**1**	**68.18**				
Tourism							**1**	**28.53**
PWD-Roads	1	597.03	13	395.36	2	31.24	1	42.21
PWD-Bridges	3	51.5	2	36.5	1	10.28		
PWD-ROBS	3	94.76						
General Education	8	129.72	7	108.74				
SC/ST	2	6.43						
Water Resources	4	359.43			2	262		

Sector wise Project Status of Kannur Disctrict

Department	Approved		Work Tendered		Work Started		Under Appraisal	
	Number of Projects	Total Amount Rupees in cr.	Number of Projects	Total Amount Rupees in cr.	Number of Projects	Total Amount Rupees in cr.	Number of Projects	Total Amount Rupees in cr.
Health	**2**	**226**						
Sports	**3**	**34.52**	**1**	**13.05**			**1**	**48.18**
Tourism	**1**	**39.42**					**1**	**81.05**
PWD-Roads	14	467.81	6	150.38	1	14.53	3	88.15
PWD-Bridges	1	10.17					1	17.76
PWD-ROBS	1	26.42						
PWD-Flyovers	1	27.59					1	255.38
General Education	6	104.45	4	68.69				
Fishers & Ports							1	145.2
SC/ST	6	38.6						
Power	2	195.24						
Water Resources	4	154.22			3	105.1	3	182.84
LSGD							1	12.06
Registration	1	10.42						
Higher Education	1	9.98						

FOCUS PROJECT -1

I M VIJAYAN INDOOR STADIUM & SPORTS COMPLEX AT LALOOR - THRISSUR



Kerala has always had a special affinity towards sports. This is reflected in the number of eminent sporting personalities the State has produced and the number of stadia across God's Own Country. Kerala athletes never fail to leave a mark in the various athletic events held across the world. Due to this, Kerala enjoys an important position in the sporting history of India.

Although there are many stadia in the state, only a handful of them are of international standards. To bring a change to this, KIIFB has been entrusted with the task of improving the state's sports infrastructure. Towards this, necessary announcements have been made in the 2016-17, 2017-18 state budget speeches, to build and renovate district stadia, mini stadia and municipal stadia, through KIIFB funding.

A district stadium is proposed to be built in Thrissur utilising KIIFB funds. This indoor stadium-cum-convention centre has been named after I.M. Vijayan, one among the most notable football players, India has ever produced. It is worth mentioning that, a large waste dumping yard is to be converted to this state of the art sports complex, in the 14.07 acres of land owned by the Thrissur Municipal Corporation. The sanction to execute this project, utilising funds from KIIFB, has been issued vide G.O(Rt) No. 95/2017/S&YA dt 15/5/2017 and authorised KITCO as the implementing Agency.

KITCO has submitted the Detailed Project Report for the consideration of KIIFB. The Executive Committee of KIIFB, in its 4th meeting, approved the project with an outlay of Rs 56.01 cr, with the following facilities:

- Multipurpose Indoor Stadium and Convention Centrehaving an area of 21000 Sq m
- Football Ground with synthetic turf
- Pavilion Building cum amenity center
- Swimming pool with change rooms and filtration plant
- Tennis Court
- Offices
- Restrooms

Now the project is in its tendering stage. A dream of the people of Thrissur will come true when the project is completed.

FOCUS PROJECT 2

Construction of Cancer Hospital and Research Centre at Kochi, Ernakulam

Government of Kerala as part of its cancer control programme has decided to establish aCancer Hospital& Research Centre at the Government Medical College campus, Kochi, Ernakulam. With relatively high rate of occurrence when compared to other states, currently, Cancer is one of the major health concerns of the State. Based on past experience, it has also been acknowledged that nearly 50 percent of cancer cases can be cured with early diagnosis and treatment. The project will cater to the much-awaited need of Central Kerala for a tertiary hospital in Government sector for treating cancer patients.

The proposed Cancer Hospital and Research Centre proposed to be developed in 2 phases, on completion will have a Hospital block, Out-Patient Department, Research & Admin Block, Hostels and Night Shelter. The first phase of the hospital development project will comprise of a Hospital Block including OPD with allsupport services (LG+G+5) and service block. The first phase project facilities will accommodate 213 beds and 9 operation theatres. The hospital will have fully functional departments of Surgical Oncology, Radiation Oncology, Medical Oncology, Radiology, Nuclear Medicine, Anesthesia and Palliative care, Emergency and Tumor Path Biology.

KIIFB Board meeting chaired by Hon'ble Chief Minister Shri Pinarayi Vijayan held on 21st March 2017 approved first phase of project for implementation. The approved estimated cost for first phase hospital development is Rs.379.73 cr. Health and Family Welfare Department being the Administrative Department for the project, Infrastructures Kerala Limited (INKEL) is the SPV Company for implementation of the project.

On-ground work involving development of external infrastructure, clearing and levelling has already been commenced in the site. Construction package for main civil works have already been tendered. To be implemented over a period of 36 months from date of approval, first phase of the project will be completed by March 2020.

Drone assisted Quality Management System for Linear Infrastructure Projects

Inspection of materials, construction processes and completed projects for evaluating their quality is fundamental to the Quality Management System followed in any infrastructure development related organization and KIIFB is not an exception. Traditional mode of inspections has limitations, as it requires many highly trained and experienced Engineers, especially when the projects are complex and geographically spread over a large area. Being a lean organization, KIIFB has developed a solution to the problem of handling the quality management aspects large number of projects through drone-based systems. Though, drone- based surveillance systems are widely adopted in military and mining applications they are in experimental stage in infrastructure projects in India. However, there are proven examples in the international arena of project management.

Drones with preplanned navigation systems (PPK technology) fitted with advanced photogrammetry devices like high resolution camera/LiDAR can be used in evaluating the physical progress and quality of operation with limited manual effort. The highly accurate surveying features can map the land profile and profiles of various layers of multi-layer pavement construction in road projects. They are also useful in the progress and quality monitoring activities of various other infrastructure systems with a linear spread like transmission systems, inland waterways, fiber optic networks, water supply lines etc.

Camera/LiDAR Mounted Drone Based QM-System

KIIFB has already finalised the procurement of Camera based Drone with feature adequate for capturing field data in the first phase and plans to procure LiDAR based systems in the advanced stages of project execution depending upon specific requirement. The images obtained from the the photogrammetric devices can also be fed into the BIM/VDC based project monitoring systems. The Quality/Progress monitoring studio in the KIIFB HQ will also receive the visual data on a real time mode for effective intervention by the senior professionals in KIIFB.

Fund Trustee and Advisory Commission

A key feature incorporated vide amendments carried out in 2016 to the Kerala Infrastructure Investment Fund Act, 1999was the creation of the Fund Trustee and Advisory Commission (FTAC) as an oversight mechanism for ensuring transparency in functioning of the Board.

FTAC is statutory mandated to assess fund utilization and repayment capability of KIIFB and submit a Fidelity Certificate, twice a year, certifying that there has been no diversion of funds and the Board has adequate resources for meeting debt obligations

At present FTAC is chaired by Mr. Vinod Rai, Former Comptroller and Auditor General of India. Ms Usha Throat, Deputy Governor (Retd.), Reserve Bank of India, and G Padmanabhan, Executive Director (Retd.), Reserve Bank of India, act as members. In terms of the Act, once appointed the members of FTAC serve at their pleasure and shall not be removed by Government or the Board except on grounds of conviction on any criminal charges involving moral turpitude or corruption by a court of law. This lends considerable credibility to the work of KIIFB

The second meeting of FTAC in progress

Masala Bonds (Rupee Denominated Bonds issued Overseas)

The last decade has witnessed a significant upsurge in the funds raised by Indian corporates through the External Commercial Borrowing taking advantage of the soft interest rate conditions in the west. However, the challenge with such arrangements is that the borrowers have to bear the burden of currency risks.

Currency risk for the borrower is eliminated in case of oversees borrowing denominated in Rupees and the Reserve Bank of India from 2015 has been permitting Indian companies to issue rupee-denominated bond overseas.

Masala Bonds can not only help raise funds at low rates but could also be structured as savings instruments offering NRIs higher interest rates along with the security of a sovereign guarantee.

KIIFB is in the advanced stages of floating a Masala Bond and has appointed Axis Bank and Standard Charted Bank as the Lead Managers for the issue. International Rating Agencies Standard and Poor and Fitch have been engaged for rating the issue. The issue related formalities are expected to be completed in the next two months and bonds are proposed to be listed in London and Singapore.

From our inspection notes.....

Administrative Inspection Wing of KIIFB is conducting inspections in the office of SPVs and the sites to ensure the compliance of KIIFB guidelines. These inspections are proving to be beneficial to the implementation, in many ways. This inspection has enlightened RBDCK about the procedure to be followed in implementation of KIIFB schemes. The inspection conducted in KSEB at Kalamassery has also enabled the field level officers in understanding the procedures to be followed in KIIFB IT system. Most of the KIIFB projects currently under execution are under Water Resources Department. Inspection Authority has inspected many of the Water Supply Scheme sites and monitored their progress. Water Supply Scheme to Mananthavady, Edavaka and Nalloornadu villages in Wayanad District is nearing completion and the project will be commissioned in May 2018. In WSS to Shornur Municipality and Vaniyamkulam Panchayat in Palakkad Dist, the construction of Overflow Weir (Check Dam) across Bharathapuzha is progressing well. In HI Tech school project , the supply of IT equipments is in progress in the field but its installation is pending.

Overflow Weir (Check Dam) across Bharathapuzha

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