

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD Normalization Vol 7 Issue 3 March 2024





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	KIIFB App	KIIFB Approved Projects	
Department	No. of Projects Approved	Approved Amount (₹. in Crore)	
PWD	494	₹ 30,917	
Agriculture	I	₹21	
Animal Husbandry	I	₹10	
Ayush	2	₹ 83	
Backward Classes Development Department	I	₹18	
Coastal Shipping & Inland Navigation	11	₹ 2,302	
Culture	17	₹ 485	
Devaswom	2	₹139	
Fisheries and Ports	26	₹ 522	
Forest	4	₹ 459	
General Education	146	₹ 3,031	
Health & Family Welfare	74	₹ 5,779	
Higher Education	62	₹1,812	
Home	6	₹ 225	
Industries	I	₹ 62	
Information Technology	3	₹1,413	
Labour & Skills	5	₹ 86	
Local Self Government	23	₹ 736	
Power	18	₹ 5,200	
Registration	6	₹ 89	
Revenue	2	₹ 33	
SC/ST Development	10	₹ 182	
Sports & YA	39	₹ 847	
Tourism	13	₹ 584	
Transport	3	₹601	
Water Resources	96	₹ 6,720	
Total	1066	₹ 62,454	

Projects under Land Acquisition Pool of ₹ 20,000 Crore		
PWD-NHAI	- I	₹ 6,769
Industrial Parks - 3 projects - ₹13988.63 Cr		
Taking over of land from HNL - ₹ 200.60 Cr	6	₹ 16 108
Kochi - Banglore Industrial Corridor & Gift City -	Ŭ	x 10,100
₹1918.93 Cr		
Total	7	₹ 22,877

KIIFB Approved Projects Grand Total		
Infrastructure Projects	1066	₹ 62,454
Projects under Land Acquisition Pool	7	₹ 20,000
Total	1073	₹ 82,454

Fund disbursed to projects (as on 29/02/2024)

₹ 28,023 Crore



Chief Editor's Page

In the evolving landscape of infrastructure development, the Kerala Infrastructure Investment Fund Board (KIIFB) stands at the forefront, committed to its mission of catalyzing growth and fostering sustainable progress. In this edition of the KIIFB Newsletter, we focus on a crucial aspect of our operations— Special Purpose Vehicles (SPVs).

SPVs are instrumental entities that facilitate the implementation of specific projects, enabling us to channel resources efficiently and effectively. These specialized vehicles operate independently, ensuring a dedicated focus on the successful execution of projects without being encumbered by broader organizational concerns. By granting autonomy to these vehicles, we empower them to navigate the intricate landscape of project execution with precision and focus. This approach ensures that each project receives the specialized attention it deserves, leading to more efficient outcomes.

SPVs serve as a vital bridge between departments and KIIFB, extending the organization's methodologies into pure departmental spaces, especially within the ESG sector. They facilitate the integration of KIIFB's best practices and values into diverse project environments, ensuring alignment with overarching goals of sustainability and responsible development. As a result, these entities serve as a conduit for embedding ESG considerations into the project lifecycle. By incorporating sustainability criteria into decision-making processes, the projects not only meet immediate infrastructure needs but also contribute positively to environmental preservation, social well-being, and ethical governance practices. This collaboration fosters a culture of responsible development and enhances the long-term resilience and sustainability of Kerala's infrastructure landscape.

Empowering SPVs is a strategic move that enhances project management capabilities and promotes agility in decision-making. By delegating responsibilities to these dedicated units, we create a streamlined approach to project execution, reducing bureaucratic hurdles and accelerating the pace of development. This approach is particularly essential in the context of infrastructure projects, where timely implementation is critical to delivering lasting benefits to our communities. By creating an environment conducive to partnerships, we not only broaden our resource base but also tap into diverse expertise, fostering innovation and excellence in project delivery.

SPVs, as dedicated entities for specific projects, play a pivotal role in the successful implementation of our diverse portfolio. In this edition, we delve into the stories of projects driven by empowered SPVs. We showcase how this strategic approach has not only expedited project timelines but also improved the quality of infrastructure delivered. Through these articles, we hope to inspire a deeper understanding of the importance of SPVs in catalyzing development and building a resilient and vibrant future for Kerala.

As we continue our journey towards sustainable growth, we invite you to explore the pages of this edition and gain insights into the transformative power of empowering SPVs. Together, let us contribute to the progress and prosperity of our beloved state. More to come in the next issue. Stay tuned.

> Regards, Chief Editor



EMPOWERING SPVS FOR PROJECT EXCELLENCE: A HOLISTIC APPROACH TO QUALITY AND EFFICIENCY

QA Cell & PMU, HITES

Introduction

In today's dynamic and competitive landscape, the optimization of projects through effective project management techniques has become a keystone for success. This article delves into the multifaceted strategies that empower Special Purpose Vehicles (SPVs) of Kerala Infrastructure Investment Fund Board (KIIFB) by combining the elements of effective project management and a commitment to high-quality standards. KIIFB apart from a funding agency, acts as a catalyst for ensuring highest standards of Infrastructure Development in Kerala and SPVs are the driving force for this transformation. Here, we explore the comprehensive approach that transforms SPVs into architects of successful and resilient projects and shares those experience and practices followed in HITES where KIIFB's technical support to us plays a vital role.

Project Management Techniques.

Special Purpose Vehicles (SPVs) are responsible for implementation of KIIFB funded infrastructure projects focusing mainly on 3 "S" as evolved from the guidelines issued vide various circulars . They are Safety, Standards and Speed. Safety compliance in construction is one of the important aspect. Standards denote Specifications and procedures to be followed in the project. Speed refers to the progress pace to complete the project within the stipulated time. Various Project Management tools and techniques such as Scheduling and Monitoring through Primavera / MS Project, WebGIS Dashboard, Project specific review meetings, Quality Audit, Technical Inspections are to be effectively used. These tools provide real-time insights, offering a dynamic interface for both top management and execution teams. Weekly Staff Meetings and project reviews serve as platforms for in-depth discussions, creating a collaborative environment to identify and address issues promptly.





Efficient Time Management:

Timesheet management is crucial for optimizing efficiency and resource allocation. Each official will be required to record their work on these time sheets. Timesheets enable engineers to track their tasks, prioritize activities, manage workloads, plan and schedule tasks, enhance accountability, and optimize travel time and costs. Past data from time sheets provides valuable insights for future planning and helps SPVs in analysing Individual Project Profitability (IPP).



The Quality Manual of HITES acts as the backbone of the audit process. It provides standardized processes, and serve as a reference guide to ensure consistent application of audit procedures across all projects. The manual offers clear guidelines for audit processes, reducing ambiguity and ensuring uniformity in assessments. Additionally, it serves as a valuable training tool for new audit team members, contributing to overall quality assurance.







The Power of Quality Audits:

Quality is a commitment that separates projects from mere construction to lasting legacies. Quality audits play a crucial role in the project lifecycle by providing a systematic assessment of various aspects. These comprehensive evaluations drives continuous improvement and ultimately enhance the project outcome. The audits focus on processes, materials, and workmanship, ensuring compliance with relevant standards and procedural guidelines. Also it provides recommendations for improvement, contributing to the continuous evaluation of the projects and thereby achieving client satisfaction, cost efficiency and long term sustainability.



Digital Solutions for Enhanced Efficiency:

In the realm of emerging trends and digital solutions, tools like Buildots and Procore are transforming project audits. Buildots utilizes helmet-mounted cameras and Artificial Intelligence (AI) for real-time

Deployment of Diverse Teams for Site Inspections

Cross-functional teams comprising of engineers from various disciplines ensure a holistic view of the project. This diversity enhances problem-solving and innovation, efficient resource utilisation, adherence to various guidelines by KIIFB. During site visits the team will monitor the progress of the work in alignment with the milestone and will report the same to the execution heads. Execution heads receive and assess site visit reports, analyse project compliance, and compile comprehensive reports for the Head of SPV. The Head of SPV reviews progress reports on monthly / quarterly basis depending on the value of project to assess departmental performance, and collaborates with execution heads and stakeholders to provide strategic guidance.



data collection, progress tracking and prompt risk identification. Procore, with its comprehensive suite of AI solutions, streamlines construction project management, offering automated document control, real-time collaboration, advanced analytics, and reporting. The initiatives for implementation of same has already been taken by HITES.



Way forward:

Empowerment of SPVs involves creating a culture of collaboration, transparency, and accountability. As mentioned above, by embracing project monitoring tools, implementing efficient timesheet management, assembling cross-functional teams for site inspections, and delineating clear roles for each stakeholder, SPVs can navigate the complex terrain of project management with confidence. Being an SPV who has effectively utilised the technical supports offered by KIIFB for ensuring quality, efficiency and timelines, HITES could create its own systems for delivery of top-quality, resilient, and successful infrastructure projects.





Envisioning India's Sustainable Tomorrow : A Concise Look at Budget 2024-25

Introduction

The Finance Minister of India presented the interim budget 2024-25 on February 2nd, 2024, revealing a comprehensive set of measures that underscore the government's commitment to green energy, environmental sustainability, and climate action. The budget places a strategic focus on the energy sector, signalling a decisive move towards a more sustainable and environmentally conscious future. With the above initiatives announced at the Interim Budget 2024-2025, India positions itself to attain its target of achieving 'net-zero' emissions by 2070 and further stabilize its status as a leader in the front of renewable energy generation. India, at the 26th session of the United Nations Framework Convention on Climate Change (COP 26) in November 2021, announced its target to achieve net zero by 2070. In recognition of Para 19 of Article 4 of the Paris Agreement, India's long-term low-carbon development strategy has been submitted to the United Nations Framework Convention on Climate Change, and it reaffirms the goal of reaching net zero by 2070. In the interim Budget for the fiscal year 2024-25, the government has allocated Rs 3,265 crore to the Ministry of Environment, Forest and Climate Change (MoEFCC), marking a slight uptick from the Rs 3,231 crore earmarked in the previous financial year. Four highlights showing India's commitment to sustainability can be chalked out of the budget:

- ✓ Viability Gap Funding for Wind Energy
- ✓ Rooftop solarization
- ✓ Adoption of e-buses for public transport network
- ✓ A new scheme of biomanufacturing and bio-foundry to be launched to support environmentally friendly alternatives





Viability Gap Funding: Commitment to Net Zero 2070

The commitment to achieving 'net zero' by 2070 takes center stage in the budget's green energy measures. The Viability Gap Funding (VGF) Scheme aims at supporting infrastructure projects that are economically justified but fall marginally short of financial viability. VGF will support the harnessing of offshore wind energy potential, aiming for an initial capacity of one gigawatt. Additionally, establishing a coal gasification and liquefaction capacity of 100 million tonnes by 2030 aims to reduce imports of natural gas, methanol, and ammonia. This aligns with the national ambition to achieve 500 gigawatts of installed capacity from non-fossil fuels by 2030. The government allocated ₹930 crore for wind power (grid) which indicates a slight increase from ₹916 crore allocation in the previous budget.

A mandatory blending of Compressed Biogas (CBG) in Compressed Natural Gas (CNG) for transport and Piped Natural Gas (PNG) for domestic purposes is set to be phased in. Financial assistance for biomass aggregation machinery to support collection further emphasizes the government's commitment to diverse and sustainable energy sources.

Rooftop solarization

In a groundbreaking move, the government plans to empower 10 million households through rooftop solarization, providing up to 300 units of free electricity monthly. This is expected to save households up to ₹15,000-₹18,000 annually. Surplus electricity can also be sold to distribution companies, creating a dual benefit for consumers and the broader energy grid. Solar energy seems to have taken centre stage in the Interim Budget announcements with an allocation of ₹10,000 crore, representing an uptick from ₹4,970 crore in the last fiscal year. The emphasis on rooftop solar installations signifies a dual triumph for the power



sector and renewable energy capacity. Prioritizing rural economy support reflects a commitment to inclusive development, fostering prosperity at grassroots levels. The push for rooftop solarisation not only aligns with environmental goals but also empowers individuals and communities economically.

Adoption of E-buses

Recognizing the critical role of Electric Vehicles (EVs) in reducing emissions, the government is set to expand and strengthen the EV ecosystem. Support for manufacturing and charging infrastructure will be complemented by incentives to encourage greater adoption of e-buses for public transport networks. This move aligns with the government's forward-looking strategy, addressing the deficiency of public charging stations, which stood at 6,586 by March 2023.

Prioritizing urban public transport, the government proposed to allocate ₹ 1,300 crore to procure electric buses and ₹ 24,931 crore in the interim Budget to fund various metro projects in the country. There is a 7.57 percent increase in funds for the mass rapid transit system and metro projects in comparison to the allocation of ₹23,175 crores in the previous year. Under the PM E–Sewa scheme, 10,000 electric buses will be provided to 169 cities under the PPP model.

New biomanufacturing scheme

A new scheme for bio-manufacturing and bio-foundry aims to drive green growth by offering eco-friendly alternatives like biodegradable polymers and biopharmaceuticals. This initiative also seeks to shift manufacturing practices from consumption-focused to regenerative principles. The bioeconomy refers to all economic activities that use biotechnologies to produce value and includes vaccines, diagnostics, bioethanol, bioplastics, genetically modified crops, etc.

Conclusion

In the wake of India's commitment to achieving net-zero carbon emissions by 2070 and fostering sustainable development, the Budget 2024 carries immense significance for the green growth and technology sector. The pivotal moment comes at the intersection of environmental responsibility and technological innovation, shaping the nation's trajectory toward a greener and more sustainable future. As India stands at a crucial juncture in its journey towards sustainable energy, the budget 2024-25 is more than a fiscal blueprint, it shows the nation's commitment to a greener future and the signal it sends about India's dedication to combat climate change and embracing a sustainable future.



Empowering Minds: KIIFB's Transformative Role in Kerala's Higher Education

Introduction:

In the vibrant tapestry of Kerala's educational landscape, the Kerala Infrastructure Investment Fund Board emerges as a pivotal force, reshaping the contours of higher education. Established with the vision of fostering sustainable development across various sectors, KIIFB's strategic interventions have significantly contributed to the growth and enhancement of the higher education sector in the state. This article explores the remarkable journey of KIIFB and its indelible impact on empowering minds through robust investments in infrastructure, technology, and academic initiatives.

Infrastructure Overhaul:

One of the hallmark contributions of KIIFB to the higher education sector in Kerala has been its commitment to revamping and upgrading infrastructure. Numerous universities and colleges have witnessed transformative changes with the infusion of funds into state-of-the-art classrooms, research laboratories, libraries, and hostel facilities. This not only elevates the overall learning experience for students but also positions these institutions as hubs for academic excellence. The budget speech for the fiscal year 2016-17 indicated an allocation of approximately Rs. 500cr for enhancing basic facilities in government engineering colleges and 52 government arts and science institutions within the state of Kerala.

DETAILS OF PROJECTS UNDER HIGHER EDUCATION DEPARTMENT		
Name of Institution	Total No	Funding Sanction (Rs. in Cr)
Polytechnic Colleges	8	
Heritage Colleges	5	Total FS – Rs. 667.65
Engineering Colleges	6	Under appraisal – Rs. 57.34
GASCs	51	
Universities	5	FS – Rs. 363.85
		Total FS – Rs. 48.5 (3 Nos.)
Translational Research Centers	10	Under appraisal - Rs. 173.36 (7 Nos.)



Domestic & International Hostels	5	Total FS - Rs.76.94 (3 Nos.) Under appraisal - Rs. 66.01
		(2 Nos.)
Center of Excellences	3	Under appraisal - Rs. 166.93 (2 Nos.)
Equipment procurement-Kerala University		FS - Rs.48.71 Cr
Equipment Procurment-CUSAT		FS - Rs.142.24 Cr
Pinarayi Education Hub		FS - Rs.275.22 Cr

Total FS for HED projects - Rs.1816.14Cr

Transitional Research centers: The new phase of introducing the academic innovation:

Recognizing the growing demand for a startup-driven economy, the the Government has taken initiatives by the introduction of Translational Research Centers to enhance the conversion of its academic innovations into market-ready products, technologies, and applications. This strategic initiative aims to make a substantial contribution to job creation and economic development by fostering a dynamic connection between academia and the marketplace.

To establish facilities that facilitate the transformation of academic innovations into market-ready products, technologies, and applications, the Government of Kerala has introduced Transitional Research Centers in all ten universities across the state. This initiative, outlined in the budget speech of 2022-23, is backed by a funding allocation of Rs. 200 cr. through the Kerala Infrastructure Investment Fund Board The aim is to provide the necessary resources for universities to play a pivotal role in advancing research and development, contributing significantly to the region's economic growth and job creation.

A glance into the Projects taken up by KIIFB Under Translational Research Centres.

SETTING UP TRANSLATIONAL RESEARCH CENTRES IN VARIOUS UNIVERSITIES		
Name of University	DPR cost	Approved Cost (Rs. in Cr)
Kannur University	22.96 Cr	Under Appraisal
APJKTU	21.91 Cr	12.95
Calicut University	23.40 Cr	Under Appraisal
Kerala University	25 Cr	24.64



MG University	25 Cr	Under Appraisal
CUSAT	25 Cr	Under Appraisal
KVASU	21.88 Cr	10.24
Kerala Agricultural University	23.49 Cr	Under Appraisal
Kerala University of Health Sciences	21.35 Cr	Under Appraisal
Kerala University of Fisheries & Ocean Studies	23.92 Cr	Under Appraisal

Kerala Calling! Welcoming International Students- International Hostels

Kerala's getting a reputation as a hot spot for international students, and the government is rolling out the red carpet welcoming the foreign students to integrate with the Kerala culture. To accommodate this influx of eager learners, Govt is investing through KIIFB, a whopping big sum of Rs. 100 crore to build 1500 new hostel rooms across Kerala, Mahatma Gandhi, Cochin, Calicut, and Kannur Universities.

But that's not all! Recognizing the need for a comfortable home away from home, they've dedicated 250 of these rooms specifically for international students. This move highlights the government's commitment to providing a warm welcome and a great place to stay for both domestic and international students.

Center of Excellence: Autonomous institutions specializing in cutting-edge areas of advanced research

A Center of Excellence (CoE) serves as a hub providing leadership, best practices, research, support, trainer training, and skill development for a specific sector. The very essence of a Center of Excellence lies in being a place where the highest standards are meticulously maintained. To bolster advanced research endeavours in well-established fields, the government has proposed the establishment of CoEs. This initiative is geared towards aiding universities and higher education institutions in attaining elevated levels of excellence, with a dedicated allocation of Rs. 816.79 Crores in the 2023-24 fiscal year.

Current status of the projects coming under COE's as per AS issued

Center of Excellence		
Name of University	AS Outlay	Status of FS
Setting up of Nanoscience & Nanotechnology at MG University	69.08 Cr	Under Appraisal
Setting up of CoE in Neurodegeneration and Brain Health at CUSAT	97.85 Cr	Under Appraisal



Thanu Padmanabhan Centre of		
Excellence in Astronomy and	57.112 Cr	DPR to be submitted
Astrophysics at Kerala University		

A Brighter Future:

As KIIFB continues to be a driving force behind Kerala's higher education sector, the future looks promising. The strategic investments made in infrastructure, technology, and academic initiatives have positioned the state as a hub for quality education and research. With a commitment to sustainability and inclusivity, KIIFB's contributions are not only transforming physical spaces but also nurturing a generation of empowered individuals ready to lead Kerala into a knowledge-driven future.

Apart from these incremental steps, Kerala's higher education is undergoing a metamorphosis. The government's green light for foreign universities, a welcome shift, is like a thermal updraft. It will propel the entire ecosystem, fostering a rich exchange of knowledge and propelling Kerala's universities to soar alongside the world's best.













Empowering Special Purpose Vehicles (SPVs) in KIIFB: A Key to Infrastructure Development

Gayathri UG, Project Assistant, TIW

As the Kerala Infrastructure Investment Fund Board (KIIFB) continues its mission to bolster infrastructure development across Kerala, the strategic empowerment of Special Purpose Vehicles (SPVs) emerges as a pivotal strategy. SPVs play a critical role in executing large-scale infrastructure projects, fostering economic growth, and driving sustainable development initiatives.

SPVs identified for implementing KIIFB projects are organisations under the Government of India or the Government of Kerala that are instrumental in pooling resources, mitigating risks, and ensuring efficient project management and thereby ensuring completion of projects within the estimated cost and time. In the context of KIIFB, empowering SPVs enhances operational agility, financial accountability, and stakeholder collaboration, thereby accelerating the pace of infrastructure development across the state.

Here are some key aspects highlighting the importance of empowering SPVs within the framework of KIIFB's infrastructure initiatives:

Focused Project Execution: SPVs enable KIIFB to channel resources towards specific projects, ensuring focused attention on critical infrastructure needs such as transportation, energy, water resources, and social infrastructure.

Risk Mitigation and Financial Structuring:

By creating separate legal entities for implementation, SPVs facilitate the isolation of project risks, shielding other KIIFB operations from potential financial liabilities.

Enhanced Accountability and Transparency: Empowering SPVs foster a culture of accountability and transparency in project management. SPVs operate with defined mandates, governance structures, and reporting mechanisms, ensuring clear delineation of roles and responsibilities among stakeholders.

Accelerated Project Delivery: SPVs streamline decision-making processes, expedite regulatory approvals, and optimize resource allocation, resulting in accelerated project delivery timelines. This agility is essential for addressing pressing infrastructure needs and meeting evolving socioeconomic demands.

Facilitation of Technological Innovation: SPVs serve as incubators for technological innovation and best practices in infrastructure development. By leveraging cutting-edge technologies and industry expertise, SPVs enable KIIFB to implement sustainable and future-ready infrastructure solutions.

Community Engagement and Stakeholder Collaboration: SPVs promote community engagement and stakeholder collaboration by involving local communities, government agencies, private sector partners, and civil society organizations in project



planning, implementation, and monitoring activities. This participatory approach fosters inclusive and equitable development outcomes.

As KIIFB continues to spearhead transformative infrastructure projects in Kerala, the strategic empowerment of SPVs emerges as a linchpin for achieving sustainable development goals, fostering economic prosperity, and enhancing the quality of life for all citizens. By leveraging the collective strengths of SPVs and embracing principles of innovation, transparency, and inclusivity, KIIFB reaffirms its commitment to building a vibrant and resilient future for Kerala.

As part of SPV empowering, KIIFB has provided various trainings to SPVs through Institutional capacity-building activities. Some of the training conducted by KIIFB is mentioned below:

I. Training to SPVS in Association with Indian Institute of Infrastructure and Construction, Chavara

i) Training to new recruits of SPVs:

An in-house intensive training program of 2 weeks conducted at IIC campus, Chavara to familiarise new recruits of the SPVs to site management, quality management, project management etc. Almost 200 engineers selected from KRFB has participated in this program.

ii) Training for in-service people:

A re-orientation programme of 1 week for the personnel in service of KIIFB / SPV which would bring them in line with the latest techniques in vogue for Project Management.

iii) Awareness program:

A 3-day awareness program for contractors / engineers to familiarise them with the procedures of KIIFB.

2. Familiarization on Project & Finance Management System (PFMS) & KIIFB procedures

The step-by-step process from DPR to work completion stages in a project needs to be well-studied by SPV officials to understand the importance and for timely compliance of various directions from KIIFB. The various functions of the Project Appraisal Division, ESG, and Inspection Authority in KIIFB need to be learnt by SPV officials as the roles and responsibilities of these divisions are inter-related during project implementation. Apart from the above, there was also a requirement from most of the SPVs for providing training to their officials to learn more about KIIFB procedures. This has made us to think about for conducting one day training to selected officials from all SPVs in the first phase and to make it as regular one at regular intervals. Accordingly, a training programme to SPVs was conducted on 18th January 2022. It was decided to hold the familiarization session on PFMS domain and KIIFB procedures. The faculties for the session were officials from various departments of KIIFB including TIW/PAD/AIW and ESG. The topics of the session covered various technical and functional aspects, adherence to procedures and process followed in KIIFB. The session was paramount in that it helped to impart knowledge to SPVs for routine operational and administrative areas pertaining to projects funded by KIIFB.



3. Session on BIM

KIIFB along with Autodesk has conducted 3 Connected BIM Series consisting of 3 sessions for the SPVs from 10th August to12th August 2021. The session helped in understanding the latest trends in the AEC (Architecture Engineering Construction) software for construction industry (roads, bridges, and buildings).

- Showcased value of moving from 2D to BIM workflows.
- Latest features within our BIM & Collaboration Software
- Drive adoption of BIM/3d within the SPVs

4. EPC- An Effective Way of Implementing Infrastructure Projects

A one-day workshop on "EPC- An Effective Way of Implementing Infrastructure Projects" organized by KIIFB was held on 24th June 2023 at the Hotel Hilton Inn, Thiruvananthapuram. About 120 selected participants from the SPVs and KIIFB attended the program, which was inaugurated by Dr. V P Joy, IAS, Chief Secretary, Kerala. The following sessions were handled by various experts,

Trainer	Session
Shri. Sanjay Jaiswal I, (GM, Technical) NHAI	Issues and Challenges in implementation of EPC in infrastructure development
Mr. Thambusamy Mohan, Advisor to L&T Infra	Various factors to be considered in granting Extension of Time (EoT) and how to tackle variations
Dr. Atahar Parvez, LASA	Forms & vital features of EPC contracts being used in India
Dr. Puran Kumar, Head – Contracts and Claim management, Transportation Infrastructure, L & T	Shared his vast experience in executing large number of projects under EPC.
Shri. Jose Kurian, Sr. Project Advisor, KIIFB	Importance of Employer's Requirements for securing successful outcome in EPC Contracts
Smt. Beena L, Chief Engineer, PWD (Buildings)	Experience in implementing a building project in PWD for the first time in EPC
Shri. Sunil Mathew Thomas, Team Leader, KIIFCON	His hands on experience in handling the Cochin Smart City Mission Experience
Shri. R. Madhav Kumar	Case study for Hybrid Annuity Model (HAM) of PPP project-'Namami Gange' project, an integrated river rejuvenation mission



The session helped SPVs to understand the importance of adopting EPCs in the major KIIFB projects. The sessions also provided detailed insights to SPVs regarding the implementation of projects through EPC mode and the challenges faced by agencies who have implemented the projects in EPC mode.

5. Indo-German Workshop on Adapting to Climate Hazards to become Climate Resilient

A two-day workshop on "Adapting to Climate Hazards to become Climate Resilient" was conducted on September 29 and 30, 2023, at the Kovalam Arts and Crafts at Vellar, Thiruvananthapuram, Kerala. It was conducted by the Global Water and Climate Adaptation Centre, ABCD (Aachen – Bangkok – Chennai – Dresden) Centre and Department of Ocean Engineering, Indian Institute of Technology Madras, Chennai. The workshop helped in the transfer of knowledge sharing, best practices, and innovative solutions between India and Germany in the coastal area developments.

Trainer	Session
Prof. S. A. Sannisiraj, IIT Madras	Shoreline management and coastal protection Protection of an island in an ecologically sensitive region.
	Climate Change impacts on Coasts
	Strategies of Climate Adaptation in Coastal and Hydraulic Engineering
Prof. Holger Schutrumpf	How to reduce wave run-up and wave overtopping for coastal structures
	Nature-based solutions in coastal research – A new challenge for coastal engineers
Prof. V. Sundar	Post-facto evaluation of coastal protection along the Kerala coast post 2004 Tsunami
	Geotextiles in Coastal Engineering
	Coastal Protection with Dunes- A Methodical Approach for Climate Adaption of Coastal Protection Dunes
Prof. Jurgen Stamm	Flood Simulation and Risk Analysis Based on Semantic 3D City Models Coupled with Hydronumeric Models (Floricimo)
Dr. Antara Dasgupta from RWTH Aachen, Germany	Data driven computing in coastal flood inundation mapping, modelling, and forecasting
Dr. Nivedita Sairam, GFZ Postdam, Germany	A Framework for Flood Loss Assessment and Evaluation of Adaptation Options



6. Workshop regarding" Ensuring Quality in KIIFB projects & Project Monitoring & Resources Management in KIIFB Project.

One-day workshop was conducted on 6 th January 2024 by Shri. Sreekumar K.J., Vice president of HITES on the topics

- I. Ensuring quality in KIIFB projects
- 2. Project Monitoring and Resource Management in KIIFB projects

Senior officials from various SPVs attended this workshop, which has enabled very healthy discussions on the subject. It has also facilitated sharing of best practices on the above aspects between SPVs.

In conclusion, the strategic empowerment of Special Purpose Vehicles (SPVs) within the framework of KIIFB represents a paradigm shift in infrastructure development, unlocking new avenues for progress, prosperity, and resilience in Kerala's socioeconomic landscape.





Advancing Sustainable Infrastructure in Kerala: Empowering KIIFB's Special Purpose Vehicle (SPVs).

Introduction

The Kerala Infrastructure Investment Fund Board (KIIFB) is a unique statutory body constituted by the Government of Kerala. KIIFB has been formed under "The Kerala Infrastructure Investment Fund Act of 1999", as amended in 2016 and passed by the Legislative Assembly of the State of Kerala. The mandate of KIIFB is to drive the development of the physical and social infrastructure of the State with funds allocated by the State Exchequer and by tapping funds from outside the purview of the State Exchequer by tapping multiple sources. KIIFB issues financial sanctions for various infrastructure projects submitted by government departments after due appraisal and the Special Purpose Vehicles (SPVs) are the nodal agencies who are responsible for executing the work from the DPR to the completion of the project.

Driving Success: SPVs in Project Implementation and Execution in KIIFB.

Typically, the implementation of KIIFB-funded Infrastructure Projects by the Government of Kerala involves the participation of three distinct entities such as Special Purpose Vehicles (SPVs), Administrative Department (AD) & KIIFB. Each Administrative Department (AD) of the Government of Kerala (GoK) identifies critical infrastructure projects for submission to the funding agency, KIIFB. The AD subsequently designates a Special Purpose Vehicle (SPV) to execute the project on its behalf. As per the KIIF Act, a 'Special Purpose Vehicle' denotes a Public Agency, Public Sector Undertaking, or Public-Private Partnership formed for financing by the Board, which may be an entity established by state or central governments. Upon SPV identification, the AD issues an Administrative Sanction via a Government Order, incorporating SPV details. Following Administrative Sanction, a tripartite agreement is concluded among the Administrative Department, SPV, and KIIFB, outlining requirements for the project's timely and cost-effective execution. Subsequently, the AD proceeds to register the project and SPV on the PFMS portal of KIIFB, with support from the Project Appraisal Division (PAD). The SPV, as the next step, formulates Detailed Project Reports (DPRs) for the identified projects. KIIFB adheres to this sustainability vision for project execution, employing 46 SPVs across various sectors encompassing healthcare, education, water supply, transportation, energy, and more.

Institutional capacity building for Special Purpose Vehicles (SPVs).

As part of its ongoing commitment to continuous improvement, KIIFB has been facilitating capacity-building programs for all stakeholders, including



SPVs. Each division of KIIFB conducts numerous learning programs covering various aspects such as site planning, DPR preparation, appraisal, tendering, ESG considerations, inspection, monitoring and reporting, best practices in sustainable infrastructure, as well as operation and maintenance protocols.

Empowering SPVs within KIIFB: Achieving Sustainable Resilience Practices

KIIFB has embarked on numerous significant initiatives aimed at enhancing institutional capacity building for SPVs. SPVs play a pivotal role in the implementation of infrastructure projects within KIIFB. KIIFB strives to incorporate diverse elements such as technological advancements, financial discipline, transparency, and accountability into its operations. The organization places particular emphasis on timely reporting and adhering to best practices across technical, non-technical, social, environmental, and governance domains.

In this regard, the subsequent areas serve as pivotal focal points addressed within the intra and inter-organizational capacity-building endeavors of KIIFB. Among these initiatives are:

Training Programs: KIIFB organizes training programs and workshops to enhance the skills and knowledge of personnel involved in SPVs. These programs cover various aspects such as project management, finance, legal frameworks, and governance.

Technical Assistance: KIIFB provides technical assistance to SPVs to strengthen their technical capabilities. This may involve hiring consultants, conducting feasibility studies, and providing expertise in areas like engineering, architecture, environmental and social assessment, etc.

Financial Support: KIIFB offers financial support to SPVs through funding mechanisms like loans,

grants, and guarantees. This helps SPVs access the necessary capital for implementing infrastructure projects efficiently and equip them to comply with all the borrowing requirements of funding entities.

Capacity Building Workshops: KIIFB organizes capacity-building workshops designed specifically to meet the needs of SPVs. These workshops are intended to tackle the challenges encountered by SPVs and provide their staff with the necessary skills to effectively manage infrastructural projects

Policy Advocacy: KIIFB actively participates in policy advocacy endeavors to establish a conducive environment for SPVs. This entails advocating for supportive regulatory frameworks, streamlined approval processes, and favorable investment climates.

By focusing on these key initiatives, KIIFB aims to enhance the institutional capacity of SPVs, enabling them to successfully execute infrastructure projects and contribute to the overall infrastructure development of Kerala.

Empowering SPVs through Environmental, Social, and Governance (ESG) Perspectives"

In the given context, the enhancement of Special Purpose Vehicles (SPVs) across various domains is evident due to KIIFB's implementation of capacity-building programs and its emphasis on meeting environmental, social, and governance (ESG) standards.

 ESG Advancement: Inculcated various capacity-building programmes on ESG requirements and sustainability principles has likely instilled a culture of responsibility and accountability within SPVs. By understanding and incorporating ESG considerations into their projects, SPVs can minimize negative environmental and social impacts, enhance



project resilience, and promote long-term sustainable development.

- 2. **Sustainability Mode of Implementation**: SPVs are encouraged to adopt a sustainability mindset throughout the project lifecycle. This involves considering environmental and social factors from the planning stage to project completion and beyond. By embedding sustainability principles into decisionmaking processes, SPVs can contribute to the preservation of natural resources, the well-being of communities, and the overall resilience of infrastructure systems.
- 3. Climate resilience design inclusion in DPRs: A capacity-building program on climate resilience was organized for the key concepts of climate change, its impacts, and a general approach toward the integration of climate risks and resilience into project design. Specific sector-specific modules covering projects under 6 sectors; viz; the Building, Coastal, Water supply, Inland waterways, Terrestrial transport, and Energy were delivered to the respective SPVs. It is expected that upon completion of the same, the SPVs would be in a better position to design the projects in a climate-resilient manner and KIIFB would be better equipped for its appraisal for integrating climate resilience of the project and through the project in a better manner.
- 4. Environmental and Social Risk Management through ESMP (Environmental Social Management Plan) & ESMS (Environmental Social Management Systems): Provided orientation on ESMS, which is an organizational framework, that needs to be cascaded to

the SPVs, Contractors, sub-contractors, and suppliers to ensure compliance, through project-level ESMPs & ESAPs. Templates for 22 such ESAPs relevant to the water sector and hospital sector have been prepared and shared, showing links to the relevant PSs and national/ regulatory requirements. The ESMP templates have been designed and the same could be appropriately modified and utilized for other sectoral projects as well.

- 5. **Best Practices Adoption**: SPVs would have been exposed to best practices in infrastructure development and management, both within Kerala and globally. Learning from successful case studies and experiences helps SPVs identify effective strategies for project implementation, risk mitigation, and stakeholder satisfaction.
- 6. **Technology Integration**: Capacitybuilding initiatives likely included training on the latest technologies and tools relevant to infrastructure projects. SPVs may have learned about innovative solutions for construction, monitoring, and maintenance, enabling them to optimize project efficiency, reduce costs, and improve overall quality.

Conclusion

KIIFB endeavours to foster a more resilient and sustainable construction approach through the implementation of best contract management practices, drawing from global standards, to create an efficient construction environment that is environmentally and socially responsible. To support these objectives, KIIFB aims to strengthen the capacity of SPVs through an effective empowering program, emphasizing not only financial performance but also compliance with mandatory regulations throughout



the construction, operational, and maintenance phases as envisioned by funding institutions. These efforts are anticipated to enhance ESG performance standards, thereby attracting financial investments from international financial entities.







Jyothy Pradeep, Joint Secretary to Government, Legal Officer, KIIFB

In the last episode, I shared with you the essential elements of any kind of contract, and their role in upholding legal enforceability.

In this episode, I will tell you the practical aspects of drafting contracts keeping in mind these essential elements.

Essentially the Contract document is a compilation of the rights, liabilities and remedies of the parties depicted through contract clauses. However, there are some aspects you should watch out for when drafting contracts, especially business contracts. Every business is different, which means that your needs might vary depending on subject matter, scope, and business model.

Contract Drafting-where to begin

Before diving into drafting contract clauses, it's essential to understand the contractual context. Likewise understanding the scope and objectives of the contract is vital for effective clause drafting. This involves determining what the contract aims to achieve and what activities it covers. The contract agreement must clearly and sufficiently set out the subject matter of the agreement.

Although every agreement or contract possess different parts depending upon its nature and model, the following contract clauses, in general is significant in any type of contract:

- Title- Every contractual agreement should have an appropriate title.
- Identification of parties: Each party of a contract to be identified with description of the parties, for instance, in case of individual- name of the party, father's name, age, address, PAN no. In case of legal entity, name of the legal entity, registration number, name of laws under which it is incorporated, registered office, the name and designation of authorised representative.
- Effective date, place of execution
- Recitals/Preamble Background information on what leads the parties to come together.
- Definitions of important Terms
- Representation and warranty
- Terms and Conditions
- Time is of the essence clause.
- Term of Contract
- Consideration
- Payment terms
- Exclusivity and severability
- key dates and milestones
- Representation and warranties
- Indemnification clauses



- Limit of liability
- Confidentialities
- Force majeure clause
- Termination clauses
- Remedies for breach of Contracts
- Governing law and jurisdiction
- Disputes resolution mechanism
- Amendment
- Notices
- Witness Clause
- Schedules or Annexures
- Registration, Stamping and Attestation

Dear friends, the goal of every contract is to create conditions for a smooth and hassle-free execution of the duties and responsibilities of the parties towards achieving the common objective of the contract. The drafting of effective contract demands due diligence in understanding the contractual context, scope of the subject matter, clear language, inclusion of essential clauses and tailoring them to specific situations.

Dear friends, with this note, **LEGITO** is signing off today. In the next episode, I will elaborate more on different clauses in the contract...... Have a great day.





Insurance Linked Savings Scheme in KIIFB: A Progressive Employee Benefit Mechanism

Midhura Rajan, Junior Financial Assistant, F&A

Introduction

In a forward-thinking move, KIIFB has introduced a unique benefit scheme named 'Insurance Linked Savings Scheme' aimed at enhancing the financial security of its contract personnel. This scheme provides for the reimbursement of part of the premium paid towards Insurance Policies with assured returns, Health Insurance and NPS. The introduction of this innovative benefit scheme by KIIFB is a significant step towards enhancing the financial security and welfare of its contract personnel as well as their family.

Background and Approval

The idea of providing a special allowance to contract personnel was first raised during a meeting chaired by the CEO of KIIFB on February 26, 2020. Subsequently, the concept of reimbursing a portion of the premium for Insurance Linked Saving Schemes with assured returns gained traction. This proposal was presented to the KIIF Board, which, during its 40th meeting, granted approval for the scheme. Administrative clearance was formally granted on November 30, 2020. This reimbursement scheme came into effect on December 1, 2020.





Key Features of the Scheme

I. Eligibility Criteria

To be eligible for reimbursement under this scheme, an employee must have completed a minimum of one year of service with KIIFB.

2. Flexibility in Choosing Insurance Plans

Contract personnel have the flexibility to select a plan from any insurance company with valid IRDA approval. The chosen plan must offer assured returns payable monthly after the premium payment period has expired, and it must extend for a duration not less than the policy period.

3. Tax Benefits

The selected scheme should offer tax exemptions on both the premium paid and the maturity benefits, governed by Section 80 C and 10 D of the Income Tax Act, respectively.

4. Foreclosure Provisions

In case of foreclosure, the scheme should include provisions ensuring that the premium amount paid is returned to the policy holder by the Insurance Company at the end of the policy period. This provision should be explicitly stated in the policy document issued by the Insurance company.

5. Premium Reimbursement Limits

KIIFB will reimburse up to 10% of the current pay with a maximum ceiling of Rs. 12,500/- or 50% of the actual monthly premium paid by the contract personnel in KIIFB, whichever is lower.

6. Additional Benefits

Personnel may also opt for the National Pension Scheme (NPS) provided by the Government of India, in addition to the plans offered under this scheme. However, the maximum monthly premium reimbursable for NPS is limited to 50% of the maximum ceiling established in para 5 above. Medical insurance is also an option, with the maximum monthly premium reimbursable being limited to 25% of the established maximum ceiling.

7. Duration of the Scheme

This reimbursement scheme is applicable as long as the employee is employed with KIIFB or is providing services at KIIFB through the TRC.

Why the scheme is standalone?

The scheme Insurance Linked Savings Scheme stands distinct because it provides the employee to choose any insurance provider according to their income and preference. By encouraging responsible financial planning and providing valuable benefits, KIIFB sets a commendable example in the realm of employee welfare. This initiative not only promotes financial stability but also underscores KIIFB's commitment to the holistic development and welfare of its workforce.



Economy & Market Watch

Sooraj T V, Manager IT

In this edition of economy & market watch, we look at a few high frequency indicators of real economic activity in the country to analyse how the Indian economy has fared during the past 12 months.

The following chart shows how the India Services & Manufacturing Purchasing Managers Index (PMI), growth in credit to commercial sector, growth in Index of Industrial Production, India Banking System Liquidity, India Inflation (Combined CPI YoY) fared since March 2023.



The HSBC India Manufacturing Purchasing Managers' Index (PMI), Seasonally Adjusted (SA), came in 56.9 in February 2024 compared to 56.9 in January 2024 and an 20-month low of 54.9 in December 2023. During the period of study, Manufacturing PMI had hit a high of 58.7 in May 2023. Moreover, Manufacturing PMI has been above 50 for all months since March 2023, indicating growth/ expansion. Additionally, it is worthwhile to note that Manufacturing PMI has consistently been above 50 for 32 consecutive months in total.

The HSBC India Services PMI (SA) came in at 60.6 in February 2024 as against 61.8 in January 2024. During the period of study, Services PMI had hit a high of 62.3 in July 2023 and a low of 56.9 in November



2023. It may be noted that Services PMI has also been consistently above 50 for the last 31 months, indicating growth / expansion.

Bank commercial sector credit growth on a year-on-year basis was at 20.34 % in February 2024 compared to a high (during the period of study) of 20.64% in November 2023 and a low (during the period of study) of 15.00% YoY in March 2023.

India's Industrial growth, basis provisional estimates of IIP for December 2023, was 3.8% YoY, up from 2.8% YoY in the month of November 2023. During the period of study, IIP had hit a high of 11.6% YoY (highest in the last 18 months) in October 2023 and a low of 1.9% YoY in March 2023. The YoY growth in IIP for December 2023 was primarily on account of growth in Manufacturing sector (3.9%), Electricity sector (1.2%) and mining sector (5.1%).

India's headline inflation rate based on the Consumer Price Index (CPI) YoY came in at 5.10% in January 2024 compared to 5.69% in December 2023 and 5.55% in November 2023. During the period of study, CPI headline inflation on a YoY basis had hit a high of 7.44 % in July 2023 and a low of 4.31% (lowest in the last 31 months) in May 2023.



Fund Mobilization Status		
Particulars	Amount (₹ Cr.)	
Contribution from Government of Kerala	₹ 17,902	
Fund mobilized from financial market	₹21,221	
Total	₹ 39,123	

	Total number of customers	196552
	Total number of subscribers	57992
PRAVASI Chitty Statistics as of 29 th February 2024	Total amount collected	INR 3607.55 Cr
	KIIFB Deposit bond subscribed	INR 965.00 Cr
	KIIFB Security bond subscribed	INR 193.81 Cr

PRAVASI Dividend Scheme	Total number of registrations	51616
	Total no. of depositors	4210
	Total amount deposited	INR 329.86 Cr



Printed and Published on 01/03/2024, by the Chief Executive Officer for KIIFB, Felicity Square, 2nd Floor, Opp. AG's Office, M G Road, Thiruvananthapuram 695 001 Tel: +91 471 278 0900 financeadmin@kiifb.org, www.kiifb.org