Government of Karnataka

IDD/59/ITS/2009

Karnataka Government Secretariat Vikasa Soudha, Bangalore, Dated 31.05.2010. Tel. No. 22034070 / Fax: 22281123

Corrigendum

Ref: GO No IDD 32 IDM 2003 dated 16-07-2007

Para 29 of the Infrastructure Policy 2007, annexed to the GO bearing No. IDD 32 IDM 2003 dated 16.07.2007 as Annexure, I may be modified and read as;

"Para 29: A Private Sector Participant (Proposal Initiator) may submit a suomoto / innovative proposal (Original Proposal) to GoK / GoK Agency for setting up an Infrastructure Project containing the following:

- Articulation of the public need for the project
- Requisite technical details, i.e., details of alignment/site, estimates of cost, etc.,
- Cost incurred by the Proposal Initiator for the development studies related to the project.

In respect of Suo-moto / Innovative Proposals;

- Only such of the projects which do not require any financial support from the Govt., shall be considered.
- Such of the projects which would result in monopoly and exclusive rights shall not be considered.
- The requirement of land, if any, for the project would be considered for acquisition / allotment at the Market rates / KIADB allotment rates wherever required. Under no circumstances, no land will be made available at concessional rates.

 To begin with, projects in the following sectors and sub-sectors are considered with the threshold limits of the project costs as indicated hereunder.

SI.No.	Sector	Threshold limits
1	Agri-Infrastructure	Projects costing Rs.25 crores and above
2	Transportation and Logistics	Projects costing Rs.500 crores and above
3	 Urban and Municipal Infrastructure Water supply & Sewerage Desalination Underground drainage Solid waste / Bio-medical waste / Hazardous waste ; collection, transportation, treatment and disposal facilities 	Projects costing Rs. 50 crores & above

- No VGF assistance would be available.
- A maximum of 14 months shall be made available to the project proponent from the day of clearance by the SLSWA to submit final proposals along with DPR/PFR/Feasibility report to enable to go ahead inviting competitive bidding for Counter proposals.

GoK would, in the first instance, assess the Public need for the Infrastructure Project. In case the Infrastructure Project is found to satisfy a Public need, GoK would assess the technical feasibility / suitability of the Orginal Proposal and modify the same, if required. GoK may carry out additional studies for the project, if required.

After evaluating the proposal and considering it suitable, GoK would put up competitive bidding for counter proposals ("Swiss Challenge"). The Original Proposal (except proprietary information and details of the financial proposal) and contract principles of the Original Proposal would be made available to any interested applicants. If the competitive bidding process results in a superior proposal, the Proposal Initiator would be given an opportunity to match the competing counter proposal within a stipulated time frame, and be selected as the project concessionaire only if he is within 15% of the superior bid value. If the Proposal Initiator declines to match the superior counter proposal, then the applicant who has made the superior proposal would be selected as the concessionaire. Upon such selection, GoK / GoK Agency concerned shall cause

/ arrange to reimburse to the Proposal Initiator, a part or the whole of the development costs, as determined upfront and declared in the bidding documents, and may recover the same from the successful bidder. In order to encourage competition in the bidding process, the superior bidder, in the event, the project is not offered to him, would be reimbursed / compensated to an extent an amount not exceeding 0.1% of the cost of the project or Rs. 20 lakhs whichever is lesser".

2. The following shall be incorporated under Schedule III - Incentives and Concession, B – Asset based support and E – Financial support in both places.

"This will not be available to the procurement made under Swiss-Challenge route".

By order and in the name of the Governor of Karnataka,

Shivalingaiah)

Under Secretary to Government, Infrastructure Development Department.

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