

SIDDARAMAIAH
CHIEF MINISTER



VIDHANA SOUDHA
BENGALURU - 560 001

Date: 29-07-2017

CM 338 GOI 2017

Dear Shri Suresh Prabhu ji,

This is with reference to Implementation of Bengaluru Sub-Urban Rail System. As you are aware, a Memorandum of Understanding (MoU) was signed between Government of Karnataka and Ministry of Railways on 16.01.2016 for Bengaluru Sub urban Rail project. The MoU was signed pending finalisation of Policy Guidelines for Sub-Urban Rail Policy the draft of which was prepared by Ministry of Railways on date 06.12.2016 and comments and suggestions from State Government were invited. The State Government of Karnataka had communicated its suggestions to Ministry of Railways through letter no DULT/BSRP-POLICY/2016-17/2263 dated 12.01.2017 on all important project parameters like funding (both loan and equity), land acquisition and operational losses/gains. The main point urged across several parameters was that there should be equal participation by the State and the Ministry of Railways. The State had also suggested that creation of exclusive infrastructure may not be insisted upon as this would not only prevent leveraging of existing infrastructure where there is slack but also make the Sub-Urban uneconomical. However, the new Sub Urban Rail Policy has been announced on 18.04.2017 without considering these suggestions.

I would like to represent to you that the final Sub Urban Rail Policy issued by Ministry of Railways as referred above is skewed, to the State's disadvantage while the operational losses are to be borne by State Government in case SPV is not able to bear the same, the final authority on fixation of fare has been retained with the Indian Railways. I would request you to relax the provision pertaining to devolving of 100% operational losses on the State Government by making it a joint responsibility of both equity holders and vest the freedom of fixing fare with SPV. Further, it is suggested that equal sharing of all financial burden and use of existing infrastructure wherever feasible in consultation with Railways be permitted and guidelines revised accordingly.

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Our future Metropolitan cities require multiple public transport solutions to deal with increasing commuting requirements. I am hopeful that you would consider the above suggestions positively in view of the important role that Sub-Urban Rail Systems have to play to complement the other urban public transport initiatives in Bengaluru.

With regards,

Yours sincerely,

Shri Suresh Prabhu,
Hon'ble Minister for Railways,
Government of India,
Rail Bhavan,
New Delhi.

Siddaramaiah
(Siddaramaiah)