

PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Sub:-Setting up Karnataka Road Development Corporation Limited.

PREAMBLE:-

Hon'ble Deputy Chief Minister and Finance Minister has announced in the Budget Speech for the year 1999-2000 as follows:-

"We will be starting the new Corporation called Karnataka Roads and Bridges Corporation which will raise loans from the market and financial institutions. The Corporation will concentrate on taking up economically viable and strategically important roads with a specific returns over a period of 20-30 years. This Corporation will raise minimum of Rs.100 crores next year".

GOVERNMENT ORDER NO.PWD 172 CRM 97 BANGALORE, DATED 1-6-1999.

In order to give effect to the Budget proposal Government is pleased to set up "Karnataka Road Development Corporation Limited".

The following will be the detailed structure and role of the Corporation:-

- a) The proposed Corporation will be established under Companies Act, 1956 (Sl.No.1 of 1956) as a Public Limited Company wholly owned by Government of Karnataka and will be under administrative control of Public Works Department.
- b) The Corporation shall take up development programme for Roads, Bridges, and other related infrastructure development works connected with Surface Transport.
- c) The Corporation will have its registered office at Bangalore.
- d) The Corporation will have initial Authorised Share Capital of Rs.200.00 crores. The initial paid up capital of Rs.10 crores will be subscribed in Cash.
- e) The Corporation will function under the supervision and control of the Board of Directors. There will be a maximum of 12 Board of Directors. The first Directors of the Corporation will be as follows:-

Chairman	- to be appointed by Government.
Managing Director	- An Officer of the rank of Secretary to Government.
Directors	- Secretary to Government, F.D. - Secretary to Government, C&I Dept. - Secretary to Government, Infrastructure Development Department - Secretary to Government, PWD - Managing Director, KIDFC - Managing Director, KSIIDC - Managing Director, KSRTC - Commissioner for Transport

- f) The Corporation shall also be provided with other supporting staff such as Company Secretary, Finance, Technical and Administrative personnel. The Corporation shall maintain a relatively lean organisation.
- g) The sources of funding / income for the proposed Road Development Corporation shall be as follows:
- i) Budgetary provisions for specific projects
 - ii) Toll collection on roads transferred to Corporation by the State Government.
 - iii) Income from development of land adjacent to the road projects.
Commercial exploitation of lands transferred to Corporation by the State Government/its instrumentality.
Grant-in-aid received from the State Government.
 - i) Levy of tax/duty for provision of infrastructural facilities to be charged with prior permission of the State Government.
- h) The State Government shall, by appropriation, duly made from time to time, provide funds to the extent it is necessary, to the Corporation for performance of its functions as envisaged under the objectives.
- i) The Corporation, may subject to such conditions as may be prescribed in this behalf, borrow money from financial institutions, or Non Resident Indians, or from open market issue of guaranteed or un-guaranteed bonds, debentures for the purpose of providing itself with adequate resources.
- j) The State Government may guarantee the repayment of any loans and payment of interest on all or any of the loans/borrowings of the Corporation.
- k) A comprehensive Master Plan for road development will be prepared through reputed consultants, Individual projects will be undertaken for execution out of the above master plan.
- The State Government may transfer the assets of certain specific road projects from the government to the Corporation.
- m) The State Government may acquire lands for the formation of roads and transfer the same to the Corporation.

Special Officer will take steps to set up the Corporation including the preparation of Memorandum and Articles of Association and incorporation of the Company on the above lines. Chief Engineer, National Highways, Chief Engineer, Communication & Buildings South & North will render all information and assistance to the Special Officer.

By Order and in the name of
the Governor of Karnataka


(V.KASTURI RANGAN)

Under Secretary to Government,
Public Works Department (EAP).

Copy to:

1. The Accountant General (Accounts) Karnataka, Bangalore
2. The Accountant General (Audit-2), Karnataka, Bangalore
3. The Principal Secretary to Chief Minister, Vidhana Soudha
4. The Secretary to Deputy Chief Minister, Vidhana Soudha
5. The Chief Secretary to Government, Vidhana Soudha
6. The Additional Chief Secretary to Government, Vidhana Soudha
7. The Principal Secretary to Government, Revenue Department/
Housing and Urban Development Department, M.S.Building
8. The Principal Secretary to Government, Finance Department,
Vidhana Soudha
9. The Principal Secretary to Government, Planning Department,
M.S.Building
10. The Secretary to Government, PWD & Irrigation Department
11. All Principal Secretary/Secretary to Government, Vidhana
Soudha, M.S.Building
12. The Managing Director, Krishna Bhagya Jala Nigama Limited,
Bangalore
12. The Commissioner (Rehabilitation and Land Acquisition)
Ex-Officio Secretary to Government, Revenue Department
14. All the Chief Engineers of PWD Department
15. Deputy Secretary to Government, PWD (C&B)
16. All Under Secretaries to PWD
17. Special Officer, PWD (Finance Cell) & Ex-Officio Deputy
Secretary to Government, F.D.Vidhana Soudha
18. The Compiler, Karnataka Gazette with request to publish this
Government Order in the next issue of the Gazette and make
available 300 copies of the Government Order
19. Deputy Secretary to Government, Cabinet Section, Vidhana Soudha
20. S.C.File/G.O.File
21. Spare copies.