

**Tathya**

## **Signal for Smart Projects**

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While it was expected that International Financing Agencies will fund Smart City Projects, it seems these institutions are dilidalying their decision to go for such funding.

So with the International Financing Institutions like Asian Development Bank (ADB) and Japan International Cooperation Agency (JICA) delaying to fund the First Transit Oriented Development Project (TODP), the State Government has green signalled Smart City Authorities to go ahead for the Project.

The First Smart City Project coming up with a cost of Rs.250 Crore on 12 Acres of land in the Capital City has received the approval of the Chief Minister Naveen Patnaik to go ahead in absence of financing from ADB and JICA.

This decision was taken after having comparison between the effective rate of interest for such bilateral and multilateral financing by ADB and JICA and the rate of interest of State Government Borrowings.

Both rate of interest have come nearer and going for ADB and JICA finance does not offer much financial advantage, said sources.

Earlier it was proposed to be funded by the State Government by availing loan from ADB or JICA for setting up Railway Station Multimodal Hub Project in the Smart City.

Vice Chairman BDA and Managing Director Smart City, Krishan Kumar will be taking up the job for formation of SPV.

Presenting the Project Dr. Kumar mentioned that the major components of the project include efficient parking place & circulation space, multi-level car parking, business plaza, iconic tower with retail office, hotel, convention hall, residential space, renovated Ashoka Market, city bus terminal, night shelter for homeless, street vendor rehabilitation facilities and public amenities.

Redevelopment of Bhubaneswar Railway Station is another important sister scheme of this project. The project would be developed in two phases. Redevelopment of Ashoka Market will also be taken up along with mix use of Real Estate in the City.

So the Project will be taken up by a Special Purpose Vehicle (SPV) floated by Bhubaneswar Development Authority (BDA) and the SPV and BDA will engage Project Management Consultants. The SPV will be 100 Percent Subsidiary of BDA.

In order to finance the Project, it has been decided that initial commitment will be given out of CDP Infrastructure Development Fund (CIDF) of BDA. Funds can also be tapped from Smart City Mission Fund, said sources.

A high level Committee headed by the Chief Secretary will coordinate various aspects of the implementation of the Project, said sources.