

India : Bangalore Metro Rail Project - Line R6

1. Project Information

Project ID:	P000038	Instrument ID:	L0038A
Member:	India	Region:	Southern Asia
Sector:	Transport	Sub-sector:	Urban transport
Instrument type:	<input checked="" type="checkbox"/> Loan:335.00 US Dollar million <input type="checkbox"/> Guarantee	Co-financier(s):	European Investment Bank
ES category:	A	Borrowing Entity:	Ministry of Finance, India
Implementing Entity:	Bangalore Metro Rail Corporation Limited		
Project Team Leader:	Pilar Lopez Camacho (Responsible DG: Rajat Misra; Responsible Department: INF1)		
Project Team Members:	Bernardita Saez, Project Counsel; Susrutha Goonasekera, OSD - Environment & Social Development Specialist; Chitambala Sikazwe, OSD - Procurement Specialist; Yogesh Malla, OSD - Financial Management Specialist; Andres Pizarro, Team Member; Pilar Lopez Camacho, Team Member; Chang Tian, Project admin		
Completed Site Visits by AIIB:	Oct, 2019 Implementation support mission by AIIB task team. Aug, 2021 Virtual meeting with BMRCL to discuss the issue related to the demolished school of deaf and dumb students. Feb, 2021 Semi-annual monitoring visit/mission during February 22-24, 2021 by AIIB-hired local consultant Feb, 2022 Joint project review meeting with EIB and BMRCL. Jun, 2022 Field mission by AIIB's E&S Specialist and AIIB-hired local consultant Mar, 2022 Special virtual meeting to discuss the resolution of TTCD student issue. Oct, 2022 Semi-annual virtual mission joint with EIB		
Planned Site Visits by AIIB:	Q1/Q2 Implementation support mission		
Current Red Flags Assigned:	1		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	1		
Previous Red Flags Assigned Date:	2022/03		

2. Project Summary and Objectives

The objective of the project is to provide efficient and high-capacity north-south connectivity through the center of Bangalore by expanding the city's metro system. Following are the planned activities under the proposed Project: (i) construction of 7.5 km of elevated viaduct and 6 elevated stations; (ii) construction of 14.5 km of underground

tunnels and 12 underground stations; (iii) construction of a depot; and (iv) creation of a tunnel ventilation system and environment control system. The primary beneficiaries are the commuters who will travel along the corridor faster and safer, and the secondary beneficiaries are residents and commercial establishments along the corridor, who are expected to benefit from reduced vehicle emissions, noise, and traffic accidents and increase business. The Project is estimated to cost USD 1,785 million, and will be jointly co-financed by AIIB and the EIB. The financing plan comprises (i) a sovereign-backed loan of USD 335 million from AIIB, (ii) a sovereign-backed loan of €500 million from the EIB, (iii) USD 255 million from the Government of India, and (iv) USD 612 million from the Government of Karnataka.

3. Key Dates

Approval:	Dec. 08, 2017	Signing:	Jun. 04, 2019
Effective:	Sep. 02, 2019	Restructured (if any):	
Orig. Closing:	Jun. 30, 2024	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:	335.04	Cancellation (if any):	0.00
Disbursed:	100.83	Most recent disbursement (amount/date):	33.33/May. 23, 2022
Undisbursed:	234.17	Disbursement Ratio (%) ¹ :	30.10

5. Project Implementation Update

Overall, the project implementation continues to progress. Within the last six months the project has made a solid progress, the aggregated physical progress has increased from 40% to 53% (as per September 2022).

The procurement plan comprises of nine contracts (i.e., 7 works & 2 goods). Two packages were added to the original procurement plan during implementation. The package under the component A – Construction of Viaduct and Stations was terminated, and there was a re-tendering for the balance works, construction resumed in August 2021. The component D – Tunnel Ventilation System & Environment Control System was divided into two packages. The second TVS & ECS package is the only contract under the project that has not been awarded yet, it is expected to be awarded by the end of 2022 or early 2023. Over 95% of the total value of contracts were awarded.

The land acquisition is completed.

AIIB team plans to carry out an implementation mission during the Q1/Q2 2023 to have a comprehensive review on the project implementation progress and discuss project changes if any.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Construction of Elevated Viaduct & Stations (USD31.00)	52%	The main Resettlement Action Plan (RAP) and a supplementary RAP for the Lakkasandra Casting Yard have been approved and disclosed to the	Original contract was terminated in January 2021. Contract of the balance work was signed and

¹ Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

M)		public. Per the request of EIB, Bangalore Metro Rail Corporation (BMRCL) prepared the Tree Removal Management Plan, which has been cleared and disclosed on BMRCL's website. An Official Memorandum (OM), along with details of translocations compensatory plantation, was submitted to High Court to take court permission to implement the orders. Hon'ble High Court of Karnataka has permitted for all the Official Memorandum in June and July 2022. Court order for tree cutting was received on 20/07/2022.	resumed in August 2021.
Component 2: Construction of Underground Section Tunnel & Stations (USD282.00 M)	46% (physical progress for Component 2 is a weighted average of progress of the four contracts by actual amount.) The construction of underground stations, tunnels and the Kothnur Depot are on track.	Same as Component 1.	Completed
Component 3: Depot (USD7.00 M)	21%	Same as component 1	Completed
Component 4: Tunnel Ventilation System & Environmental Control system (USD15.00 M)	0%	N/A	Tendering of the first package was awarded in July 2022. The tender for second package was floated in July 2022. The contract is expected to be awarded by the end of the year 2022 / early 2023.

Financial Management:

The yearly IUFR for the year 1st April 2021 to 31st March 2022 was submitted in a timely manner. The auditors have provided unqualified audit opinion and no major issues reported.

Disbursement of loan has been made semi-annually at equal amount. The first disbursement of USD 33 million was made in December 2020, the second disbursement was made in September 2021 and the third disbursement was made in May 2022. BMRCL submitted the 4th loan withdraw application of USD 33 million in Q3 2022, EIB disbursed in October 2022 and currently AIIB's disbursement is under process. Disbursement ratio is expected to raise to 40% of the total AIIB's loan amount by Q4 2022.

6. Status of the Grievance Redress Mechanism (GRM)

BMRCL already has a functional grievance redress mechanism in place. As of June 2022, the GRM had received 439 complaints, out of which 427 complaints had been resolved and a further 12 complaints are being attended to and are likely to be resolved by December 2022.

All grievances received are resolved at the level of General Manager (land acquisition) and Director (Projects and Planning). Property ownership issues are addressed by Karnataka Industrial Area Development Board, Competent Authority. Grievances received at the Corporate Office, are sorted according to subject matter, and are directed

from the Managing Directors office to the Land office. Grievance redress is carried out at two levels: namely first level and the appellate level. Grievances of affected persons are first brought to the attention of BMRCL, land acquisition office. The aggrieved person can approach the Grievance Redress Committee (GRC). In case of non-resolution of the issues raised, the affected person also has the option of a judicial review/intervention by the courts.

7. Results Monitoring

Signing and effectiveness was achieved in 2019 while the project was approved in 2017. As a result, project implementation plan, disbursement projection and project delivery strategy with procurement plan have been revised accordingly to reflect the delay of two years. The outbreak of COVID-19 in 2020 further delayed the construction.

Project Objective Indicators #1

No. of passengers carried (people million)

Year	Target	Actual	Comments, if any
Jan. 01, 2023	0.3	N/A	
Jan. 01, 2024	0.315	N/A	
Jul. 01, 2024	0.331	N/A	

Project Objective Indicators #2

Average trip length (Km)

Year	Target	Actual	Comments, if any
Jan. 01, 2023	10	N/A	
Jan. 01, 2024	10	N/A	
Jul. 01, 2024	10	N/A	

Project Objective Indicators #3

Employment generation during operation (people)

Year	Target	Actual	Comments, if any
Jan. 01, 2023	450 - 620	N/A	
Jan. 01, 2024	450 - 620	N/A	
Jul. 01, 2024	450 - 620	N/A	

Intermediate Result Indicators #1

Construction of metro line (Km)

Year	Target	Actual	Comments, if any
Jan. 01, 2022	5	0	

Jan. 01, 2023	9	N/A	To be updated in next PIMR
Jan. 01, 2024	8	N/A	

Intermediate Result Indicators #2

Construction of a depot (number)

Year	Target	Actual	Comments, if any
Jan. 01, 2022	0	0	
Jan. 01, 2023	0	N/A	
Jan. 01, 2024	1	N/A	To be monitored in year 2023 per updated implementation plan.

Intermediate Result Indicators #3

Installation of TVS and ECS (number)

Year	Target	Actual	Comments, if any
Jan. 01, 2022	0	0	
Jan. 01, 2023	2	0	To be updated in next PIMR
Jan. 01, 2024	10	N/A	

Remarks: