D K SHIVAKUMAR
CHIEF MINISTER

VIDHANA SOUDHA
BENGALURU - 560 001

Date : 13/11/2026

No: ACSCM/T/3403/2026

Memorandum from the Government of Karnataka to the Honorable Prime Minister of India Shri Narendra Modi

1. Bengaluru Metro is a crucial lifeline of the city and we are proud to have the second largest metro in the country. Today, with the inauguration of the 7.5 KMs of Pink Line, Bengaluru Metro, or Namma Metro, as we call it, will cross 103 kilometres. This is a proud moment for Bengaluru and an important milestone in our journey towards better mass transport.

Bengaluru being the fastest growing metropolis in the country, it needs a metro of at least 500 KMs. We have therefore set our goal of reaching 500 KMs in the next 10 years. For us to achieve such a significant milestone there are a set of urgent reforms that are needed. While there are a lot of operational reforms that we will undertake at our level, I would like to bring the following issues to your attention.

As you are aware, Metro projects are implemented through a SPV that is a 50:50 partnership between the centre and the state. However, the actual financial burden on States is much higher.

Since the state bears the entire cost of land acquisition, shifting of utilities, 50 per cent of Central taxes, 100 per cent of State taxes, and repayment of the entire foreign loan and most cost increases, our financial burden of building and running the metro is going beyond 80%.

There are a number of reasons why costs are rising:

Firstly, we need to address the delays in planning, approval and construction of Metro projects. Approvals must be time-bound, with regular PRAGATI reviews and your direct attention. There have been significant delays in approval of the Metro projects by the Government and that adds to the cost.

2077

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Date :.....

When the centre finally approves the project, the approval is given to a DPR costed at old and dated prices. The cost escalation beyond the date of our DPR submission is not allowed and updated estimates are not considered for freezing the Government of India's share in the project.

Secondly, the Government of India uses benchmarked rates, which are averages of metros of the country, to mark down our estimates. This results in cost escalation during implementation and the state has to bear the entire escalation. We would need state specific realistic rates. The Government of India may arrive at independent costing but specific to each city. This will make project costs realistic as they reflect the actual conditions in each city, rather than using a national average.

Since the Metro is run by a company with a 50:50 equity partnership between the Centre and State, we request you to consider sharing the cost of foreign-exchange risks on external loans, as has been agreed in the case of Delhi Metro.

I also request the centre to take a share of the operational losses of the Metros.

Since loans by multi-lateral foreign banks are becoming costly due to rising interest rates and depreciating Rupee against foreign currencies, I request the Government of India to consider providing alternative domestic financing routes through affordable, long-term loans in Indian rupees through national financial institutions.

Delays are also caused in inspections and safety certifications by agencies in other Ministries like Railways, etc. Since Metro rail lines are growing in the country, it is time for the Ministry of Urban Development, Government of India to create a National Technical Institution for Metros. This is one reform that can benefit every Metro city in India.

2078

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Date :.....

Metro projects can then choose from this list based on technical committee recommendations. This will speed up approvals, support Indian technology and ensure passenger safety.

Double-Decker Infrastructure:

Bengaluru city has a deficient road network. Only 8-9% of the city is covered by roads whereas a city needs at least 18-20% of its land covered by a road network. We had therefore planned double-decker infrastructure with road flyovers below elevated Metro lines to save expensive and limited land in Bengaluru.

While similar structures exist in Nagpur and Pune, Karnataka's proposal for double-decker infrastructure along the 42-kilometre Phase 3 stretch has been significantly reduced. We have committed to bear the additional expenditure on the elevated road under metro. We request permission to take up double decker wherever it is technically feasible, safe, and economically justified, and Karnataka is ready to bear the additional cost.

Red Line (Phase 3A) Approval

The proposal for the Red line connecting Sarjapur to Hebbal, was submitted to the Government of India in January 2025 and revised with reduced costs upon the Centre's request.

This crucial corridor connects major residential and employment centres and improves access towards the airport.

There is an urgent need to give approval to this line so as to avoid further cost escalation and to start the work on this crucial line.

Respected Prime Minister, there are three other important issues facing Karnataka that need your urgent attention.

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Date :.....

1. **Drought Relief**

Karnataka is facing a severe drought. We have received the second-lowest rainfall in 70 years. Out of 240 taluks, 226 have been declared drought-affected. Nearly 58 lakh hectares of crops have suffered damage, with estimated losses of ₹62,482 crore. Our villages are facing drinking water shortages and fodder for cattle is becoming scarce. There is an urgent need to come to the rescue of our farmers.

We have sought ₹22,400.58 crore under NDRF. The memorandums for NDRF assistance have been sent. The Government of India has also obtained reports from the field through the Inter-Ministerial Study teams. I request you to kindly ensure early approval and release of this assistance to our farmers.

2. **Sugarcane Farmers**

- Sugarcane Farmers in Karnataka are demanding ₹5,500 per tonne against the FRP of ₹3,650 for 2026–27.

- MSP of Sugar has remained at ₹31 per kg since 2019. The open market prices of sugar are much higher. There is an urgent need to revise the MSP of sugar considering the cost of production of sugarcane and sugar.

- There is also an urgent need to take important policy decisions in sugar sector to make sure that FRP is fixed more realistically, and the returns from by-products of sugar like ethanol and power are accounted for in giving fair prices to the farmers.

- This is to request that the concerns of Sugarcane farmers are looked into and urgent policy decisions are taken to ensure remunerative prices for sugarcane.

2080

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Date :.....

3. **The Kasturirangan Report and the concerns of the people of the Western Ghats**

I would also like to raise the concerns of people living in the Western Ghats.

Based on the Kasturirangan Report the Ministry of Environment and Forests has issued a draft notification that identifies 20,668 square kilometres across 1,449 villages in 10 Karnataka districts as Ecologically Sensitive Areas. We support the protection of forests and wildlife. At the same time, the livelihoods of generations of farmers and families living in the Western Ghats must also be protected. The declaration of the entire area as eco-sensitive will severely affect the life and livelihoods of the people living in about 1500 villages of our state. For over a year, Karnataka has been requesting a ground-level survey. Our State Legislature has also passed a unanimous resolution on this issue.

I request the Centre to consider the concerns of the people and the resolution of the Karnataka State Legislature, and reconsider the notification in consultation with Karnataka.

On behalf of the People of Karnataka

(D. K. Shivakumar)
Chief Minister

2081