

F.No.4/2/2023-PIU
Government of India
Ministry of Finance
Department of Economic Affairs
Infrastructure Finance Secretariat
Infrastructure Support & Development Division
Private Investment Unit (PIU)

5th Floor, Jawahar Vyapar Bhawan,
Tolstoy Marg, New Delhi
Dated:-10th July 2023

Office Memorandum

Record of Discussion of the 7th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Tripura for hiring Transaction Advisors (TA) for setting up of the PPP Cell.

The undersigned is directed to forward Record of Discussion of the 7th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Tripura for hiring Transaction Advisors (TA) for setting up of the PPP Cell, held on 4th July 2023 for information and necessary action.

2. This issues with the approval of Competent Authority.



(Dr. Molishree)

Deputy Secretary to the Government of India

To,

1. Sh. Partha Sarathi Reddy, Adviser, NITI Aayog
2. Sh. Abhishek Chandra, Spl. Secretary, Government of Tripura
3. Sr. PPS to JS (ISD)

Record of Discussion of the 7th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Tripura for hiring Transaction Advisors (TA) for setting up of the PPP Cell.

1. The 7th Meeting of the Approval Committee (AC) chaired by the Joint Secretary (JS), ISD Division, Department of Economic Affairs (DEA) was held on 4th July 2023 at 1530 hours to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Tripura for hiring Transaction Advisors (TA) for setting up of the PPP Cell. List of participants (attendees) is placed at **Annexure – I.**

2. The basic details of the projects as submitted by Government Tripura is provided below:

| | |
|---------------------------------------|--|
| Project Name | Appointment of Transaction Advisers for Public Private Partnership Cell of Directorate of Planning & Coordination Government of Tripura. |
| Purpose of Assistance | Supporting PPP Cell |
| Project Sponsoring Authority | Planning (P&C) Department, Government of Tripura |
| Location | Agartala |
| Assistance required from IIPDF | Rs. 5.16 Cr |
| Period | 2 years |
| Current Status | Selection of consultant yet to be done |

3. On behalf of the Chair, DS (PIU) welcomed the attendees to the 7th Meeting of the Approval Committee and informed that a proposal has been received from Government of Tripura seeking funding for hiring Transaction Advisors (TA) for their PPP Cell. DS (PIU) further informed that the proposal has been duly circulated to all members of the Appraisal Committee and with the permission of the Chair, Government of Tripura (GoT) was invited to make a presentation on the proposal.

4. GoT stated that with the easing of regulatory laws coupled with business reforms under Ease of Doing Business an ecosystem has been created which has opened new vistas and opportunities for private investors to partner with the State Government. GoT has already identified potential sectors which can generate a lot of investor interest. During the recent investment summit proposal worth ~Rs. 3000 Cr had been received. However, the lack of technical & legal expertise regarding Public Private Partnership (PPP) within line departments has proved to be a stumbling block. Taking cognizance of this, the GoT has taken a conscious decision of

establishing a PPP cell in the Planning Development & Monitoring Department (PDMD), which will guide and handhold the line department for effective project structuring & timely implementation. Given the complexities of PPP projects and the critical support required across the entire PPP value chain, the PDMD of GoT intends to engage one of the 12 Transaction Advisors (TA) empanelled by DEA through transparent bidding. The TA will support the PPP cell and undertake the pre-feasibility study and the financial & technical viability study of the projects. The engagement will be for 2 years till the requisite capacity for handling PPP projects is developed in-house. The total financial implication of this is expected to be Rs. 5.16 Cr. GoT further showcased some of the PPP projects that they wish to undertake.

5. Following the presentation, the following points were deliberated:
 - i. **Funding Limit:** DS(PIU) highlighted that funding has been requested under the heading '*Other funding from IIPDF*'. Funding under the IIPDF Scheme is permissible to a maximum of Rs. 5 Cr inclusive of tax, for a single instance. However, GoT has requested funding for Rs. 5.16 Cr. GoT stated that this is an estimate and ultimately there will be a market discovery based on the competitive bidding.
 - ii. **Benchmark:** DS(PIU) suggested that since the TA will be hired for structuring PPP projects certain standards/benchmarks may be fixed. Taking note of this GoT stated that for each year during the period of engagement of TA, at least 4 Feasibility Reports, 3 Detailed Project Reports, 2 sets of Bid Documents & bidding out of 1 PPP Project will be undertaken by the PPP Cell. NITI Aayog suggested that a yearly review meeting of the AC may be convened to assess the efficacy of the funds disbursed.
 - iii. **Release of funds:** DS(PIU) stated that GoT has proposed that release under the IIPDF Scheme be done on a monthly basis. However, for procedural ease, the release of funds under IIPDF scheme may be done on a quarterly basis on the submission of relevant documents by GoT.
6. Considering the above, the Approval Committee unanimously decided to approve funding for hiring of TA for the PPP Cell of Government of Tripura, subject to the following:
 - i. The total actual disbursement shall be subject to the lesser of the amount quoted by the onboarded TA or Rs. 5 Cr (inclusive of taxes) or actuals for a period of 2 years.
 - ii. During each year of the engagement period of the TA, at least 4 Feasibility Reports, 3 Detailed Project Reports, 2 sets of Bid Documents & bidding out of 1 PPP Project will be undertaken by the PPP cell supported by the TA. Further, a meeting of the AC may be convened at the end of each year to



assess the work done. Regular monitoring of the TA is to be done by the State PPP Cell.

- iii. Release of funds under IIPDF scheme will occur upon the request made by Government of Tripura on a quarterly basis after submission of necessary documents.
- iv. All conditions of the IIPDF Scheme shall be complied to by the Government of Tripura.

7. The meeting ended with vote of thanks to the Chair.



Annexure – I

List of attendees of the 7th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Tripura for hiring Transaction Advisors (TA) for the PPP Cell held on 4th July 2023.

1. Department of Economic Affairs, Ministry of Finance

1. Shri Baldeo Purushartha, JS(ISD) – in Chair
2. Dr. Molishree, Deputy Secretary, ISD
3. Dr. Kartik Agrawal, Deputy Director
4. Sh. Rohan Nair, OSD

2. NITI Aayog

1. Sh. Partha Sarathi Reddy, Adviser (PPP)
2. Sh. Chandrashekhar Jain, Consultant (PPP)

3. Government of Tripura

1. Sh. Abhishek Chandra, Spl. Secretary
2. Sh. Udayan Sinha, Director
3. Sh. Ashish Kumar Das, Deputy Director