

**F. No. 1/15/2023-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 24th November 2023

Office Memorandum

Record of Discussion of the 12th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Greater Visakhapatnam Smart City Corporation Limited (GVSCCL), Government of Andhra Pradesh, for hiring Transaction Advisor (TA) for undertaking development of Integrated Sports Complex on PPP mode.

The undersigned is directed to forward Record of Discussion of the 12th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Greater Visakhapatnam Smart City Corporation Limited (GVSCCL), Government of Andhra Pradesh, for hiring Transaction Advisor (TA) for undertaking development of Integrated Sports Complex on PPP mode, held on 21st November 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. Shri. Partha Sarathi Reddy, Adviser, NITI Aayog
2. Sri CM Saikanth Varma, IAS, Commissioner, GVMC and MD&CEO, GVSCCL
3. Sri G. Ananda Rao, Manager, GVSCCL
4. Sr. PPS to JS (ISD)

Copy for information:-

The Chief Secretary, Andhra Pradesh

Record of Discussion of the 12th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Greater Visakhapatnam Smart City Corporation Limited (GVSCCL), Government of Andhra Pradesh, for hiring Transaction Advisor (TA) for undertaking infrastructure projects on PPP mode.

1. The 12th Meeting of the Approval Committee (AC) chaired by the Joint Secretary, ISD Division, IFS, Department of Economic Affairs (DEA) was held on 21st November 2023 at 1100 hours to consider granting approval for support under the IIPDF Scheme to the proposal of Greater Visakhapatnam Smart City Corporation Limited (GVSCCL), Government of Andhra Pradesh, for hiring Transaction Advisor (TA) for undertaking development of Integrated Sports Complex on PPP mode. List of participants (attendees) is placed at **Annexure – I**.

2. The basic details of the projects as submitted by GVSCCL are provided below:

Project Name	Development of Integrated Sports Complex (Sports Village) in Bheemli, Visakhapatnam, Andhra Pradesh
Purpose of Assistance	PPP Transaction Advisory (TA) Costs
Sector	Social and Commercial Infrastructure
Project Sponsoring Authority	Greater Visakhapatnam Smart City Corporation Limited (GVSCCL)
Location	Bheemli, Vishakhapatnam, Andhra Pradesh
PPP Mode Envisaged	Design Build Finance Operate and Transfer DBFOT
Estimated TA Costs	Rs. 2.23 Cr (incl. GST)
Payment Milestone Proposed	As per IIPDF Scheme
IIPDF contribution sought (%)	100%
Current Status	RFP for engaging TA is yet to be floated

3. On behalf of the Chair, Deputy Secretary (DEA) welcomed the attendees to the 12th Meeting of the Approval Committee and informed that the project proposal has been received from Greater Visakhapatnam Smart City Corporation Limited (GVSCCL), Government of Andhra Pradesh, seeking funding to the tune of Rs. 2.23 Cr for hiring Transaction Advisors (TA) for undertaking development of Integrated Sports Complex in Bheemli on PPP mode. DS (DEA) further informed that the proposal has been duly circulated to all members of the Appraisal Committee (AC) and with the permission of the Chair, GVSCCL was invited to make a presentation on the proposal.
4. GVSCCL stated that it is a SPV incorporated by Government of Andhra Pradesh and Greater Visakhapatnam Municipal Corporation (GVMC) for speedy implementation of infrastructure projects in Visakhapatnam. GVSCCL is proactively working towards bringing in a conscious change for a well-planned holistic city development. GVSCCL has been entrusted to develop

Integrated Sports Complex (Sports Village) in Bheemli, Visakhapatnam on appropriate Public Private Partnership Mode.

5. GVSCCL plans to take up the development of Integrated sports complex consisting of football, basketball, badminton, table tennis etc. The initial cost estimate of the project is Rs. 50-80 Cr. The aim of the project is to promote a vibrant sports culture in the city and the state. The goal is to maximise the utility of existing facility and build a multi-purpose sports facility. GVSCCL has already started working in this regard and is actively taking up the project with district and sports authorities.
6. To take up the project on PPP mode, services of a DEA empanelled TA will be required. The TA will be selected via transparent procurement process. They will assist GVSCCL taking end to end PPP transaction through detailed Market Assessment, Market sounding, Identification of optimal product mix, financial feasibility study, financial modelling, suggesting appropriate PPP mode, Project structuring, optimal risk allocation between the Authority and the Private Sector, Bid Process Management and the onboarding of Concessionaire. As the TA cost cannot be met through the limited budget of GVSCCL, assistance under the IIPDF Scheme is being sought.
7. Further, there is an existing indoor stadium in Bheemli which requires major revamping, however, flexibility for refurbishment or complete demolition and reconstruction of the same would be kept, basis the suggestions of the TA. Regarding hiring of TAs, compliance with the provisions of the IIPDF Scheme, including payment milestones, would be ensured.
8. DEA highlighted that this was the third project from Vizag for funding under IIPDF Scheme. As per the provisions of the IIPDF Scheme, in case the PSA does not take forward a project in which funding is granted under the IIPDF scheme, then, subject to the conditions mentioned in the IIPDF Scheme, such PSA may not have access to further funding under IIPDF Scheme. Further, in case of three such instances of ineligibility of the PSA, the State itself and its PSAs shall become ineligible to seek funding under the IIPDF Scheme for a period of one year. While the IIPDF Scheme permits PSAs to submit proposals for funding directly to DEA, however, considering the aforementioned provision of the Scheme, GVSCCL may keep the State Government informed regarding the approval of funding under the IIPDF Scheme.
9. In light of the foregoing, AC unanimously decided to approve funding for hiring of TA for undertaking development of Integrated Sports Complex on PPP mode by GVSCCL, subject to following:
 - a. Funding for TA expenses under the IIPDF Scheme for the project is approved up to Rs. 2.23 Cr, inclusive of taxes.
 - b. Actual disbursement under the IIPDF Scheme shall be upto maximum of funding approved or actual cost quoted by the TA, whichever is less, subject to accomplishment of milestones and fulfilment of other conditions under the IIPDF Scheme.

- c. The payment milestones specified under the IIPDF Scheme will be followed.
 - d. All the three project proposals from GVSCCL in which funding has been approved under IIPDF Scheme to be brought to the notice of respective State Government by GVSCCL.
 - e. All conditions of the IIPDF Scheme shall be complied to by the GVSCCL and Government of Andhra Pradesh.
10. The meeting ended with vote of thanks to the Chair.



Annexure – I

List of attendees of the 12th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Greater Visakhapatnam Smart City Corporation Limited (GVSCCL), Government of Andhra Pradesh, for hiring Transaction Advisor (TA) for undertaking development of Integrated Sports Complex on PPP mode, held on 21st November 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, DD
4. Shri Dhruv Rohatgi, OSD
5. Shri Gaurav Jumrani, Consultant

2. NITI Aayog

1. Shri Partha Sarathi Reddy, Adviser (PPP)

3. Greater Visakhapatnam Smart City Corporation Limited (GVSCCL)

1. Sri CM Saikanth Varma, Commissioner, GVMC and MD&CEO, GVSCCL
2. Sri G. Ananda Rao, Manager

