

F. No. 1/25/2023-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 4th December, 2023

Office Memorandum

Record of Discussion of the 13th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of IIM Mumbai, for hiring Transaction Advisor (TA) for undertaking development of Centre for Fintech excellence, accommodation and other facilities for students and faculty on PPP mode.

The undersigned is directed to forward Record of Discussion of the 13th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of IIM Mumbai, for hiring Transaction Advisor (TA) for undertaking development of Centre for Fintech excellence, accommodation and other facilities for students and faculty on PPP mode, held on 23rd November, 2023 for information and necessary action.

2. This issues with the approval of Competent Authority.


(Dr. Kartik Agrawal)
Deputy Director(PIU)

To,

- i. Shri. Partha Sarathi Reddy, Adviser, NITI Aayog
- ii. Prof. VB Khanapuri, Dean SRIC
- iii. Lt Cdr Nisha Singh (Retd)., CAO, IIM Mumbai
- iv. Sr. PPS to JS (ISD)

Copy for information:
The Secretary, Department of Higher Education.

Record of Discussion of the 13th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of IIM Mumbai, for hiring Transaction Advisor (TA) for undertaking development of Centre for Fintech excellence, accommodation and other facilities for students and faculty on PPP mode.

1. The 13th Meeting of the Approval Committee (AC) chaired by the Joint Secretary, ISD Division, IFS, Department of Economic Affairs (DEA) was held on 23rd November 2023 at 1130 hours to consider granting approval for support under the IIPDF Scheme to the proposal of IIM Mumbai, for hiring Transaction Advisor (TA) for undertaking development of Centre for Fintech excellence, accommodation and other facilities for students and faculty on PPP mode. List of participants (attendees) is placed at **Annexure – I**.
2. The basic details of the projects as submitted by IIM Mumbai are provided below:

Project Name	Development of Centre for Fintech excellence, facilities for students and faculty on appropriate PPP mode in Indian institute of Management, Mumbai
Purpose of Assistance	PPP Transaction Advisory (TA) Costs
Sector	Education
Project Sponsoring Authority	Indian Institute of Management - Mumbai
Location	IIM Mumbai Campus
PPP Mode Envisaged	Design Build Finance Operate and Transfer DBFOT
Estimated TA Costs	Rs. 4.0356 Cr (including taxes)
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 Director (DEA) welcomed the attendees to the 13th Meeting of the Approval Committee and informed that the project proposal has been received from IIM Mumbai, seeking funding to the tune of Rs. 4.0356 Cr including GST for hiring Transaction Advisors (TA) for undertaking development of Centre for Fintech excellence, accommodation and other facilities for students and faculty on PPP mode. DD (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, IIM Mumbai was invited to make a presentation on the

proposal.

4. IIM Mumbai stated that it was established by the Government of India in 1963 with the assistance of the United Nations Development Programme (UNDP) and the International Labor Organization (ILO). The institute has been consistently ranked among the top B-Schools in India and is ranked 7th in the National Institutional Ranking Framework (NIRF) rankings for 2023 among management institutes across India. The institute now wishes to develop/upgrade the student facilities, facilities for faculty and establish a Centre for Fintech Excellence on an appropriate Public Private Partnership mode.
5. IIM Mumbai plans to build a state-of-the-art holistic learning facility, i.e., Centre for Fintech Excellence that goes beyond the classroom, alongside a residential accommodation facility for students and faculty. This will enhance knowledge sharing through seminars, workshops, recreational facilities etc. The stakeholders of the knowledge generation process will only be charged a nominal fee. If as per the feasibility study, user charges are not sufficient for ensuring viability of the project, the TA will be required to structure project accordingly to improve financial viability of the project. The project will be a pioneer in its field and therefore TA would be required to look at the project in an integrated and holistic manner. Further, the existing land parcel on which project is proposed consists of old and dilapidated structures dating over 30 years old which need to be demolished for reconstruction. A structural audit has been undertaken for this project. The facilities proposed to be developed are meant exclusively for students and faculty members. IIM Mumbai also stated that they face a critical challenge regarding encroachment of land for which legal assistance may be required from the very onset.
6. Then with the permission of the Chair the following issues were raised: -
 - i. The areas/scope of work for TA should be clearly stated upfront in RFP to ensure successful bid process.
 - ii. The scope of TA should include assistance with end-to-end PPP transaction starting from project structuring to bid process management and onboarding of Concessionaire.
 - iii. The composition of the suggested TA team be reviewed as all team members may not be required for entire engagement period.

- iv. It may be clarified whether project success is contingent upon removal of encroachment.
7. IIM Mumbai tendered the following explanations:
 - i. The Scope of work and area of work of the TA would be well defined in the RFP.
 - ii. The cost, requirements, and time-period for engagement of consultants has been re-assessed and instead of time duration deployment of TA consultants, the TA would be now deployed based on KPIs (achievement of milestones) of our requirements. The bidders would have the freedom to deploy resources on need basis and these resources will not be tied up after the specific task is completed, maintaining the KPIs, within approved parameters.
 - iii. Considering the scope of work and higher level of expertise and proficiency required from the consultants, the end to end transaction nature, and also the uniqueness of the project proposals which are also of first of a kind nature and do not have an established precedence of financial model and concessions, it is proposed to keep the estimated cost of TA at Rs.3.42 Crores (Rupees Three Crores Forty Lakhs only) exclusive of all taxes which with 18% GST becomes Rs.4.0356 Cr (inclusive of taxes). Further, the actual cost of TA will be determined through the market competition, following due process.
 - iv. Only 10% of land is encroached and project would go ahead irrespective of encroachment.
8. In light of the foregoing, AC unanimously decided to approve funding for hiring of TA for undertaking development of Centre for Fintech excellence, accommodation and other facilities for students and faculty on PPP mode by IIM Mumbai, subject to the following:
 - a. Funding for TA expenses under the IIPDF Scheme for the project is approved up to Rs 4.0356 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. The Scope of work and area of work of the TA to be well defined in the RFP.
 - e. It needs to be ensured that land encroachment issue does not result in derailment of the project.
 - f. All conditions of the IIPDF Scheme shall be complied with by the IIM Mumbai and Department of Higher Education.
9. The meeting ended with vote of thanks to the Chair.

Annexure – I

List of attendees of the 13th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of IIM Mumbai, for hiring Transaction Advisor (TA) for undertaking development of Centre for Fintech excellence, accommodation and other facilities for students and faculty on PPP mode, held on 23rd 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

2. NITI Aayog

1. Shri Partha Sarathi Reddy, Adviser (PPP)

3. IIM Mumbai

1. Prof. VB Khanapuri, Dean SRIC
2. Prof. BE Narkhede, Associate Dean (Infrastructure Planning and Development)
3. Prof. Sanjeev Verma, Chairperson Fellow Programme
4. Prof. BKR Naik, Chairperson, Centre for Innovation, and Incubation and Entrepreneurship
5. Lt Cdr Nisha Singh (Retd)., CAO
6. Lt Cdr Prashin CV (Retd), Assistant Registrar