

F.No.1/8/2023-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 20th September 2023

Office Memorandum

Record of Discussion of the 10th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Assam for hiring Transaction Advisor (TA) for undertaking infrastructure development of assets belonging to Assam State Housing Board (ASHB) on PPP mode – reg.

The undersigned is directed to forward Record of Discussion of the 10th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Assam for hiring Transaction Advisor (TA) for undertaking infrastructure development of assets belonging to Assam State Housing Board (ASHB) on PPP mode, held on 4th September 2023 for information and necessary action.

2. This issues with the approval of Competent Authority.


(Dr. Kartik Agrawal) 20/9
Deputy Director

To,

1. Sh. Partha Sarathi Reddy, Adviser, NITI Aayog
2. Ms. Kavitha Padmanabhan, Commissioner & Secretary, Department of Housing and Urban Affairs, Govt of Assam
3. Sh. Nayanjyoti Bhagwati, Commissioner, Assam State Housing Board
4. Sr. PPS to JS (ISD)

Copy for information: The Chief Secretary, Government of Assam.

Record of Discussion of the 10th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Assam for hiring Transaction Advisor (TA) for undertaking infrastructure development of assets belonging to Assam State Housing Board (ASHB) on PPP mode.

1. The 10th Meeting of the Approval Committee (AC) chaired by the Joint Secretary (JS), ISD Division, Department of Economic Affairs (DEA) was held on 4th September 2023 at 10:30 hours to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Assam for hiring Transaction Advisor (TA) for undertaking infrastructure development of assets belonging to Assam State Housing Board (ASHB) on PPP mode. List of participants (attendees) is placed at **Annexure – I**.
2. The basic details of the projects as submitted by Government Assam is provided below:

Project Name	Infrastructure development of assets belonging to Assam State Housing Board (ASHB) on PPP mode.
Purpose of Assistance	Engagement of Consulting Firms as Transaction Advisor.
Project Sponsoring Authority	Assam State Housing Board (ASHB) under Department of Housing & Urban Affairs, Government of Assam.
Location	Assam, India.
Payment Milestones Proposed	Delivery based assignment where payment is spread over achievement/submission of key milestones/events.
Estimated cost	Rs. 2.05 Crore
Assistance required from IIPDF	100%, i.e., Rs.2.05 Crore
Current Status	TA yet to be onboarded.

3. On behalf of the Chair, Deputy Secretary (DEA) welcomed the attendees to the 10th Meeting of the Approval Committee and informed that a proposal has been received from Government of Assam seeking funding to the tune of Rs. 2.05 Cr for hiring Transaction Advisors (TA) for undertaking infrastructure development of assets belonging to Assam State Housing Board (ASHB) on PPP mode. DS (DEA) further informed that the proposal has been duly circulated to all members of the Appraisal Committee (AC). Then, with the permission of the Chair, ASHB was invited to make a presentation on the proposal.
4. ASHB stated that it is a body corporate constituted under the provisions of The Assam State Housing Board Act 1972. Since its inception, ASHB has been constructing

affordable houses/buildings under the rental housing scheme (both State & Central Government funded). ASHB owns land parcels across Assam and they propose to take up development/redevelopment projects at these location on Public Private Partnership (PPP) mode. This is planned to be undertaken in a phased manner starting with the land situated at Ganeshguri, Guwahati. To take up these projects on PPP mode, services of a DEA empanelled TA will be required. The composition of the TA will be as suggested in DEA's manual with suitable modifications, and TA will be selected via competitive bidding. The TA will assist ASHB in feasibility study, development of business plan, commercialization strategy, economic & technical viability analysis of potential projects, financial modelling, support in bid management process etc. The TA will be hired for a period of 1 year (extendable by two terms of six months each). The financial implication for engagement of TA is Rs. 2.05 Cr. As the TA cost cannot be met via the limited budget of ASHB, assistance under the IIPDF Scheme is being sought. The State Government of Assam has already given their approval to seek funding under IIPDF Scheme.

5. After the presentation, the following points were discussed with the permission of the Chair:
 - i. DEA & NITI Aayog queried on whether the land banks identified for development are vacant/available and encumbrance free.
 - ii. DEA queried whether any internal assessment on the viability of these infrastructure projects have been undertaken.
 - iii. NITI Aayog queried on whether the project is expected to be undertaken in the form of a bundle. NITI Aayog also highlighted that flexibility regarding project structuring need to be kept in mind while drafting the RFP for the TA.
 - iv. DEA highlighted that the term proposed for the TA is one year extendable by two terms of six months each & suggested that the term for the TA be fixed upfront.
 - v. DEA highlighted that no payment milestone has been provided in the document submitted by ASHB & hence recommended that the Payment Milestones as provided in the IIPDF Scheme be adopted.
 - vi. DEA highlighted that prospective Infrastructure Projects envisaged to be developed in the land banks should be either covered in the Harmonized Master List of Infrastructure sub-sectors or under the sectors eligible for VGF under the VGF Scheme.
6. ASHB informed the following:
 - i. Land parcels identified by ASHB for development are of two categories: (1) Totally vacant and free from all encumbrances and (2) With existing infrastructure in the form of rental housing colonies. Development is proposed to be done in phases as follows:

- a. Phase 1: Development of land parcel at Ganeshguri, Guwahati which houses the Head Office complex of ASHB and development of vacant plots of land free from all encumbrances.
- b. Phase 2: Plots of land with existing infrastructure (with and without occupation). However, as per decision taken by the Hon'ble State Cabinet, prior consultation with tenants of Rental Housing Colonies will be carried out and consent of the State Cabinet will be taken before taking up PPP projects in these plots of land.

Further, ASHB will hold a meeting of the Board members immediately to identify the parcels of land to be taken up for development in phase 1, apart from the plot of land at Ganeshguri, Guwahati.

- ii. Prospective infrastructure projects have been identified that could be developed on the land banks based on their location. However, no internal viability assessment has been done. Based on the feasibility report submitted by the TA and as per the administrative decision of the Government of Assam, decision regarding the infrastructure facility to be developed on these sites will be made.
 - iii. Regarding bundling of projects, it is stated that this is currently not envisaged but will be based on the recommendation of the TA. Necessary flexibility regarding structuring of the projects shall be built in the RFP.
 - iv. The term of TA engagement shall be defined upfront in the RFP.
 - v. Payment milestones shall be as per the IIPDF Scheme.
 - vi. Infrastructure Projects envisaged to be developed in the land banks are covered in the Harmonized Master List of Infrastructure sub-sectors/ sectors eligible for VGF under the VGF Scheme.
7. In light of the above, AC unanimously decided to approve funding for hiring of TAs for undertaking infrastructure development of assets belonging to ASHB on PPP mode, subject to following:
- i. Funding for TA expenses under the IIPDF Scheme is approved up to Rs. 2.05 Cr inclusive of taxes.
 - ii. Actual disbursement under the IIPDF Scheme shall be upto maximum of Rs. 2.05 Cr inclusive of taxes or actual cost quoted by the TA, whichever is less, subject to accomplishment of milestones and fulfilment of other conditions under the IIPDF Scheme.
 - iii. The terms of TA engagement including scope of work, period of engagement etc. shall be defined upfront unambiguously in the RFP.
 - iv. The payment milestones specified under the IIPDF Scheme shall be followed.
 - v. All conditions of the IIPDF Scheme shall be complied to by the ASHB and Government of Assam.
8. The meeting ended with vote of thanks to the Chair.

Annexure – I

List of attendees of the 10th Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Government of Assam for hiring Transaction Advisor (TA) for undertaking infrastructure development of assets belonging to Assam State Housing Board (ASHB) on PPP mode, held on 4th September 2023.

1. Department of Economic Affairs, Ministry of Finance

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

2. NITI Aayog

1. Shri Partha Sarathi Reddy, Adviser (PPP)

3. Government of Assam

1. Ms. Kavitha Padmanabhan, Commissioner and Secretary, Department of Housing and Urban Affairs
2. Shri Nayanjyoti Bhagawati, Commissioner, ASHB
3. Shri Manoj Bezbaruah, PRO i/c, ASHB