

**F.No.1/15/2022-PIU**  
**Government of India**  
**Ministry of Finance**  
**Department of Economic Affairs**  
**Infrastructure Finance Secretariat**

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5<sup>th</sup> Floor, Jawahar Vyapar Bhawan,  
Tolstoy Marg, New Delhi  
Dated 26<sup>th</sup> December 2022

**Office Memorandum**

**Record of Discussion of the 2nd Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of hiring Transaction Advisor for development of Truck Terminal & Automobile Hub in Leh Ladakh on PPP mode, received from Directorate of Urban Local Bodies, Union Territory of Ladakh.**

The undersigned is directed to forward Record of Discussion of the of the 2nd Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of hiring Transaction Advisor for development of Truck Terminal & Automobile Hub in Leh Ladakh on PPP mode, received from Directorate of Urban Local Bodies, Union Territory of Ladakh, held on 21<sup>st</sup> December 2022 for information and necessary action.

2. This issues with the approval of Competent Authority.



**(Dr. Kartik Agrawal)**  
**Deputy Director**

To,

1. Sh. Partha Sarathi Reddy, Adviser, NITI Aayog
2. Dr. Zahida Bano, JKAS, Director, Directorate of Urban Local Bodies, Union Territory of Ladakh.
3. Sr. PPS to JS (ISD)
4. Sr. PPS to Deputy Secretary, ISD

**Record of Discussion of the 2<sup>nd</sup> Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of hiring Transaction Advisor for development of Truck Terminal & Automobile Hub in Leh Ladakh on PPP mode, received from Directorate of Urban Local Bodies, Union Territory of Ladakh.**

1. The 2nd Meeting of the Approval Committee (AC) chaired by the Joint Secretary, ISD Division, Department of Economic Affairs (DEA) was held on 21<sup>st</sup> December, 2022 at 3:00 PM to consider granting approval for support under the IIPDF Scheme to the proposal of hiring Transaction Advisor for development of Truck Terminal & Automobile Hub in Leh Ladakh on PPP mode, received from Directorate of Urban Local Bodies, Union Territory of Ladakh. List of participants (attendees) is placed at **Annexure – I**.
2. The basic details of the proposal as submitted by the Directorate of Urban Local Bodies, Union Territory of Ladakh is provided in the table below:

Sl. No.	Particulars	Response
I.	<b>Project Name</b>	Construction of workshop at Phyang/Taru Thang
II.	<b>Purpose of Assistance</b>	Transaction Advisor (TA) related expenses
III.	<b>Project Sponsoring Authority</b>	Housing & Urban Development Department, Union Territory Ladakh
IV.	<b>Total Estimated Cost of the assignment</b>	Rs. 3 Cr (tentative estimate as RFP for onboarding TA is yet to be issued)
V.	<b>IIPDF contribution sought</b>	Rs. 3 Cr

3. On behalf of the Chair, DD (PIU) welcomed the attendees to the 2<sup>nd</sup> Meeting of the Approval Committee and informed that a proposal has been received from Directorate of Urban Local Bodies, Union Territory of Ladakh, seeking funding to the tune of Rs. 3 Cr for hiring of TA to develop Truck Terminal & Automobile Hub. DD (PIU) further informed that the proposal has been duly circulated to all members of the Appraisal Committee and with the permission of the Chair, Directorate of Urban Local Bodies, Union Territory of Ladakh was invited to make a presentation on the proposal.
4. Union Territory of Ladakh informed that due to economic development & urban acceleration there is a shift in consumption patterns towards e-commerce. As a result, demand for urban logistic systems is growing. In order to support

continued economic growth & employment opportunities, cost effective access to goods & services via evolving logistic systems is a must. In light of the same, the Union Territory Administration of Leh Ladakh has approved the development of Truck Terminal & Automobile Hub on PPP mode. ~10 acres of land held by the Directorate of Urban Local Bodies has been earmarked for this project. The project site is expected to accommodate:

- i. Truck terminal to regulate truck entry into the congested city & ensure distribution of urban freight in a planned manner. The terminal shall have a motel & launch facilitates for drivers including recreational facilities like parks & provision stores.
  - ii. Common effluent treatment plant for processing, treatment & disposal of waste generated by the automobile workshops.
  - iii. Automobile hub with ancillary facilities and infrastructure.
  - iv. Common infrastructure and utilities such as internal roads, truck and container parking, community toilet, fire protection and hydrant-sprinklers, scrap yard
  - v. Renewable energy (Solar) generation and its utilization in the proposed facilities
  - vi. Warehouses and first-aid center with pharmacy
  - vii. Further components based on pre-feasibility study conducted by TA.
5. Union Territory of Ladakh stated that this project will lead to the existing automobile industry to be shifted from Agling to the outskirts of the city. This will significantly improve air and water quality in Agling, contribute towards employment generation in rural and greater Leh, improving quality of life and augment land-appreciation of nearby areas. Furthermore, the identified land parcel has direct access to NH-1 (Srinagar and Manali) and will facilitate faster freight movement and optimize the overall logistics operations. The Union Territory of Ladakh stated that the relocation of the automobile industries to this site is expected to reduce congestion within the city and reduce pollution as effluents are being released without treatment. Currently, water for these industries is sourced from bore wells and the Administration has decided to close these bore wells. Furthermore, guidelines on shifting such industries have already been issued by the Municipal Committee. The Union Territory of Ladakh

stated that the development of infrastructure at the project site and its maintenance is envisaged to be done on PPP. NITI Aayog said that as the project looks quite revenue potent, efforts should be made to structure it in a pure play ppp mode like DBFOT, etc. The Department of Economic Affairs (DEA) further stated that TA expenses can be claimed under IIPDF only if the project and its components are on PPP mode.

6. Considering the above, the Approval Committee unanimously decided to approve funding of TA Costs for the project proposal of hiring Transaction Advisor for development of Truck Terminal & Automobile Hub in Leh Ladakh on PPP mode, subject to following:
  - i. The funding under the IIPDF Scheme is approved upto the maximum of Rs. 3 Crore, inclusive of taxes.
  - ii. The payment milestones for TA costs as provided in the IIPDF Scheme are to be followed.
  - iii. All other provisions of the IIPDF Scheme shall be complied by the PSA.
  - iv. Final disbursement shall be subject to the provisions of the IIPDF Scheme.
  - v. As the project looks quite revenue potent, efforts should be made to structure it in a pure play ppp mode like DBFOT, etc.
  
7. The meeting ended with vote of thanks to the Chair.

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## **Annexure – I**

List of attendees of the 2nd Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the project proposal of hiring Transaction Advisor for development of Truck Terminal & Automobile Hub in Leh Ladakh on PPP mode, received Directorate of Urban Local Bodies, Union Territory of Ladakh held on 21<sup>st</sup> December 2022.

### **1. Department of Economic Affairs, Ministry of Finance**

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

### **2. NITI Aayog**

1. Shri Partha Sarathi Reddy, Adviser (PPP)

### **3. Union Territory of Ladakh**

1. Dr. Zahida Bano, JKAS, Director (Urban Local Bodies)
2. Shri Rahul Singh, Project Manager (Project Management Unit)
3. Shri Sudhanshu Trivedi, Procurement Expert (Project Management Unit)