

F.No. 1/2/2026-PIU
Government of India
Ministry of Finance
Department of Economic Affairs
Infrastructure Finance Secretariat
ISD Division
(PIU)

STC Building,
Janpath, New Delhi
Dated: 21st April 2026

Record of Discussion

Subject: Record of Discussion of 144th meeting of the PPPAC for considering six project proposals of the Ministry of Railways on PPP mode.

Reference: PPPAC meeting held on 10.04.2026

Sir/madam,

The undersigned is directed to forward the Record of Discussion of the 144th Meeting of the PPPAC held on 10.04.2026 under the Chairmanship of Secretary (EA), for information and necessary action.

2. This issues with the approval of the Competent Authority.


Rahul Singh
(Director)

To,

1. **Chairman, Railway Board, New Delhi.**
2. **Secretary, Department of Expenditure, North block, New Delhi-01**
3. **CEO, NITI Aayog, Yojana Bhawan, New Delhi-01**
4. **Secretary, Department of Legal Affairs, Shastri Bhawan, New Delhi-01**

Copy to:

1. **Sr. PPS to Secretary (EA)**
2. **Sr. PPS to JS (IFS)**

Subject: Record of Discussion of 144th meeting of the PPPAC for considering the following six proposals of the Ministry of Railways (MoR):

- I. **Budhapank to Luburi:** Construction of Rail connectivity by East Coast Railway for Outer Corridor for Talcher Coal Field from Budhapank to Luburi via Tentuloi (112.56 Kms)
- II. **Manuguru to Ramagundam:** Construction of New Broad Guage (BG) Line Between Manuguru – Ramagundam Stations in Telangana (207.80 Km.) by South Central Railway
- III. **Koraput to Rayagada:** Construction of 48.96 km Rail connectivity by East Coast Railway from Tikiri Station in Koraput - Rayagada Line to Bauxite Mines of Waltair Division, Odisha
- IV. **Balaram to Tentuloi:** Construction of New line between Balaram-Putgadia-Tentuloi (49.58 km) as phase 2 of Mahanadi Coal Limited (MCL) Inner Corridor under East Coast Railway
- V. **Jajpur to Dhamara:** Construction of New line between Jajpur – Keonjhar Road (JJKR) To Dhamara Port (DPCB), via. Aradi (101.26 km), under East Coast Railway
- VI. **Pakur/Nagarnabi to Godda:** Construction of New Broad Guage (BG) line from Pakur/Nagarnabi to Godda in Jharkhand, by Eastern Railway (126.525 km)

1. The 144th meeting of the PPPAC was held on 10.04.2026 at 12:30 hrs to consider the above-mentioned project proposals of the MoR. List of attendees is placed in **Annexure-I**.
2. On behalf of the Chair, Joint Secretary (IFS) welcomed the attendees and informed that the MoR has submitted six project proposals to PPPAC for 'In-Principle' approval. Thereafter, Joint Secretary (IFS) requested MoR to make a presentation to the PPPAC. With the permission of the Chair, Principal Executive Director (PED), MoR, made a detailed presentation to the PPPAC.
3. The basic details of the project are given in the table below:

Table 1: Details of the project

Project Description	
	1. Construction of Rail connectivity by East Coast Railway for Outer Corridor for Talcher Coal Field from Budhapank to Luburi via Tentuloi (112.56 Kms)
	2. Construction of New Broad Guage (BG) Line Between Manuguru – Ramagundam Stations in Telangana (207.80 Km.) by South Central Railway
	3. Construction of 48.96 km Rail connectivity by East Coast Railway from Tikiri Station in Koraput - Rayagada Line to Bauxite Mines of Waltair Division, Odisha
	4. Construction of New line between Balaram-Putgadia-Tentuloi (49.58 km) as phase 2 of Mahanadi Coal Limited (MCL) Inner Corridor under East Coast Railway
	5. Construction of New line between Jajpur – Keonjhar Road (JJKR) To Dhamara Port (DPCB), via. Aradi (101.26 km), under East Coast Railway
	6. Construction of New Broad Guage (BG) line from Pakur/ Nagarnabi to Godda in Jharkhand, by Eastern Railway (126.525 km)

PPP Model	DBFOT	
Sponsoring Authority	Ministry of Railways	
Implementing Agency	Ministry of Railways	
Location	Odisha, Telangana and Jharkhand	
Salient Features	i. Construction of Rail connectivity by East Coast Railway for Outer Corridor for Talcher Coal Field from Budhapank to Luburi via Tentuloi (112.56 Kms)	
	Zonal Railways/State	East Coast Railway / Odisha
	Route Length	112.556 km
	Track Length	146.054 km
	Total Project Cost	INR 4,851.64 Cr.
	Max. Permissible Speed	110 Kmph
	Completion time	5 year (1 year for land acquisition & 4 years for construction period)
	Key Commodity	Coal
	Volume (MTPA)	1st Year: 29.5 6th Year: 44.3 11th Year: 59.7
	Freight Earning from the project (Per annum)	1st Year: ₹ 491.99 Cr. 6th Year: ₹ 921.86 Cr. 11th Year: ₹ 1584.01 Cr.
	ii. Construction of New Broad Gauge (BG) Line Between Manuguru – Ramagundam Stations in Telangana (207.80 Km.) by South Central Railway	
	Zonal Railways/State	South Central Railway / Telangana
	Route Length	207.80 km
	Track Length	247.80 km
	Total Project Cost	INR 5,818.45 Cr.
Max. Permissible Speed	110 Kmph	
Completion time	5 year (1 year for land acquisition & 4 years for construction period)	
Key Commodity	Coal & Coke, Chemical Manures, Foodgrains/Flours/Pulses, Cement, Minerals & Ores	
Volume (MTPA)	1st Year: 12.96 6th Year: 16.2 11th Year: 20.3	
Freight Earning from the project (Per annum)	1st Year: ₹ 456.11 Cr. 6th Year: ₹ 720.73 Cr. 11th Year: ₹ 1138.86 Cr.	
iii. Construction of 48.96 km Rail connectivity by East Coast Railway from Tikiri Station in Koraput - Rayagada Line to Bauxite Mines of Waltair Division, Odisha		

Zonal Railways/State	East Coast Railway / Odisha
Route Length	48.96 km
Track Length	54.99 km
Total Project Cost	INR 1,576.86 Cr.
Max. Permissible Speed	110 Kmph
Completion time	3 year (1 year for land acquisition & 2 years for construction period)
Key Commodity	Bauxite
Volume (MTPA)	1st Year: 15.5 6th Year: 18.6 11th Year: 20.6
Freight Earning from the project (Per annum)	1st Year: ₹ 126.66 Cr. 6th Year: ₹ 193.59 Cr. 11th Year: ₹ 275.69 Cr.

- iv. Construction of New line between Balaram-Putgadia-Tentuloi (49.58 km) as phase 2 of Mahanadi Coal Limited (MCL) Inner Corridor under East Coast Railway

Zonal Railways/State	East Coast Railway / Odisha
Route Length	49.58 km
Track Length	59.58 km
Total Project Cost	INR 1,780.14 Cr.
Max. Permissible Speed	110 Kmph
Completion time	3 year (1 year for land acquisition & 2 years for construction period)
Key Commodity	Coal
Volume (MTPA)	1st Year: 23.5 6th Year: 28.2 11th Year: 33.8
Freight Earning from the project (Per annum)	1st Year: ₹ 154.02 Cr. 6th Year: ₹ 237.6 Cr. 11th Year: ₹ 366.68 Cr.

- v. Construction of New line between Jajpur – Keonjhar Road (JJKR) To Dhamara Port (DPCB), via. Aradi (101.26 km), under East Coast Railway

Zonal Railways/State	East Coast Railway / Odisha
Route Length	101.26 km
Track Length	135.45 km
Total Project Cost	INR 4,236.72 Cr.
Max. Permissible Speed	110 Kmph
Completion time	4 year (1 year for land acquisition & 3 years for construction period)
Key Commodity	Coal & Iron Ore
Volume (MTPA)	1st Year: 18 6th Year: 22.5 11th Year: 28.1
Freight Earning from the project (Per annum)	1st Year: ₹ 462.9 Cr. 6th Year: ₹ 731.46 Cr. 11th Year: ₹ 1155.81 Cr.

	vi. Construction of New Broad Gauge (BG) line from Pakur/ Nagarnabi to Godda in Jharkhand, by Eastern Railway (126.525 km)
Zonal Railways/State	ER (Eastern Railway) / Jharkhand
Route Length	126.525 km
Track Length	190.515 km
Total Project Cost	INR 5,400.07 Cr.
Max. Permissible Speed	130 Kmph
Completion time	3 year (1 year for land acquisition & 2 years for construction period)
Key Commodity	Coal
Volume (MTPA)	1st Year: 45.3 6th Year: 45.9 11th Year: 46.4
Freight Earning from the project (Per annum)	1st Year: ₹ 500.6 Cr. 6th Year: ₹ 653.69 Cr. 11th Year: ₹ 844.54 Cr.
Concession Period	Construction period + 50 years
Bidding parameter	Lowest Grant sought (up to 40% of the project cost)
Bidding process	Single stage

4. PED, MoR presented the six project proposals and highlighted that these projects primarily comprise freight corridors, namely four coal corridors, one bauxite corridor, and one iron ore corridor. The six projects together involve a total network length of about 640 km and an estimated cost of approximately Rs.18,000 crore. It was further stated that Indian Railways would undertake land acquisition, obtain the requisite clearances, prepare the Detailed Project Report, and operate the trains, while the concessionaire would be responsible for the design, construction, financing, and maintenance of the infrastructure. The financial analysis for the projects has presently been carried out without assuming any tariff escalation, although historical tariff trends are available and may inform bidder assumptions. It was further informed that stakeholder consultations have indicated reasonable market interest.
5. After the detailed presentation, the Chair asked the PPPAC members for their observations. **DoLA** supported the proposal and stated that no further comments to offer.
6. The observation raised by the **Deputy Secretary, Department of Expenditure** and the responses therein by MoR are given below:
- (i) **It was observed that there were inconsistencies in the financial parameters, including FIRR, between the DPR and the PPPAC Memorandum.**

Response: The discrepancies were acknowledged and it was assured that the same would be duly corrected.

7. The observation raised by the **PD, NITI Aayog**, and the responses therein by MoR are given below:

- (i) **It was suggested that the concession period to include the construction period also.**

Response: It was agreed and confirmed that the concession period will include both construction and O&M periods.

- (ii) **It was observed that the bankability of the projects may merit further consideration, particularly with regard to revenue visibility.**

Response: It was informed that revenue visibility would be ensured through assurance of traffic and load volumes. It was further stated that the freight rates applicable to different commodities are already in the public domain.

- (iii) **It was suggested that, with a view to optimising timelines, the MoR may, after obtaining in-principle approval of PPPAC, issue the Request for Qualification (RfQ) for shortlisting of prospective bidders and thereafter place the proposals before PPPAC for final approval prior to issuance of the Request for Proposal (RfP).**

Response: MoR noted the same.

8. The observation raised by the **Joint Secretary (IFS), DEA**, and the responses therein by MoR are given below:

- (i) **Whether the MoR has undertaken any market sounding exercise vis-à-vis these six project proposals.**

Response: It was informed that stakeholder consultations have been undertaken for all six projects and that there is reasonable interest from potential bidders.

- (ii) **It was suggested that Public Sector Undertakings under the MoR should not be allowed to bid for these projects.**

9. The observations raised by the **Chair** and the responses thereto provided by MoR are given below:

- (i) **It was noted that prospective bidders may require greater clarity on revenue streams, particularly in view of tariff uncertainty, since the bidding parameter is Viability Gap Funding.**

Response: It was informed that freight tariffs are determined on a uniform, pan-India basis and, therefore, cannot be tailored for individual projects. It was further highlighted that historical data reflects a steady annual increase in freight rates of about 2–3 per cent. While no formal assurance can be provided regarding future tariff revisions, such historical trends are available in the public domain and may be taken into account by prospective bidders while undertaking financial modelling and revenue assessment.

- (ii) **It was suggested that, in respect of these project proposals, MoR may make available the relevant data for the six lines, while leaving it to the bidders to make their own assessment of tariff assumptions.**

Response: MoR agreed with the suggestion and indicated that relevant operational and financial data, including historical trends, would be made available to prospective bidders to enable informed decision-making.

(iii) **Whether key learnings from earlier PPP projects undertaken by Indian Railways have been duly incorporated in the design and structuring of the present project proposals.**

Response: It was informed that key learnings from earlier PPP projects have been incorporated into the present project design. These include shifting critical responsibilities such as land acquisition and statutory clearances from the concessionaire to the MoR, as well as addressing issues relating to revenue apportionment. The current structuring is intended to mitigate these concerns and provide greater clarity and certainty to the concessionaire.

Recommendations

10. After detailed deliberations, the PPPAC granted “in-principle” approval to the following six proposals of the MoR:
 - i. **Budhapank to Luburi:** Construction of Rail connectivity by East Coast Railway for Outer Corridor for Talcher Coal Field from Budhapank to Luburi via Tentuloi (112.56 Kms)
 - ii. **Manuguru to Ramagundam:** Construction of New Broad Gauge (BG) Line Between Manuguru – Ramagundam Stations in Telangana (207.80 Km.) by South Central Railway
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 - vi. **Pakur/Nagarnabi to Godda:** Construction of New Broad Gauge (BG) line from Pakur/Nagarnabi to Godda in Jharkhand, by Eastern Railway (126.525 km)
11. The meeting ended with a vote of thanks to the Chair.

List of the attendees of the 144th meeting of the PPPAC

- I. Department of Economic Affairs, Ministry of Finance**
 - i. Ms. Anuradha Thakur, Secretary (EA)
 - ii. Shri. Alok Tiwari, JS (ISD)
 - iii. Shri. Rahul Singh, Director (PIU)
 - iv. Shri. Rajender Singh, SO (PIU)
 - v. Ms. Sharddha, Assistant Director (PIU)
 - vi. Shri Shyam Shankar, Section Officer
 - vii. Shri. Anurag Gautam, Assistant Director (PIU)
 - viii. Shri. Manjeet Yadav, ASO (PIU)

- II. Department of Expenditure**
 - i. Shri. Rakesh Kumar, Deputy Secretary
 - ii. Shri. Bharat Singh, Under Secretary

- III. NITI Aayog**
 - i. Shri Partha Sarathi Reddy, Programme Director, NITI Aayog
 - ii. Ms. Anneka Majhi, Consultant
 - iii. Shri Sudhanshu Singh, Consultant

- IV. Department of Legal Affairs**
 - i. Ms. Perna, Assistant Legal Adviser

- V. Ministry of Railways**
 - i. Shri Satish Kumar, Chairman and Chief Executive Officer (CEO), Railway Board
 - ii. Shri Shyam Sunder Gupta, PED INFRA, Railways
 - iii. Shri. Priya Ranjan Parhi (ED INFRA-1)
 - iv. Shri. N.B. Vikramaditya (ED INFRA-3)
 - v. Shri. Rahul Kapoor (EDF RM & PPP)
 - vi. Shri. Vinay Kumar, Inspector