

**Government of India**  
**Department of Economic Affairs**  
**PPP cell**

**Empowered Committee for the Scheme to Support Public Private Partnerships (PPPs)**  
**in Infrastructure**

**15<sup>th</sup> meeting on August 27, 2012**

The 15<sup>th</sup> meeting of the Empowered Committee (EC), chaired by Secretary, Economic Affairs was held on August 27, 2012. The list of participants is annexed.

2. Director, Department of Economic Affairs (DEA) informed that there were eleven proposals for grant of final/in-principle approval for Viability Gap Funding (VGF) support:

- i. Three proposals for grant of final approval, viz., two State Highways in the State of Andhra Pradesh and one project for construction of a green field bridge across river Ganga in the State of Bihar; and,
- ii. Eight proposals for grant of in-principle approval for VGF support for State Highways from the States of Uttar Pradesh, Bihar, Maharashtra and Haryana.

3. The EC noted that the Scheme for Support to PPPs in Infrastructure prescribes that VGF up to Rs 100 crore for each project may be sanctioned by the Empowered Institution (EI), proposals for VGF up to Rs 200 crore may be sanctioned by the EC, and amounts exceeding Rs. 200 crore may be sanctioned by the EC, with the approval of the Finance Minister. In accordance with the Guidelines of the Scheme, the project proposals have been examined by the members of the EI, the EI has considered the proposals and recommended the proposals to the EC for grant of approval.

**Agenda Item I: Proposals from Andhra Pradesh for grant of final approval for VGF support:**

- i. **Four-laning of Hydrebad-Karimnagar-Ramagundam road of SH-1 from km 28.200 to km 235.058 on DBFOT basis**

**Total length: 206.858 km; Total Project Cost: Rs. 1358.19 crore; Concession Period: 25 years including 2.5 years of construction period. VGF from Government of India: Rs. 271.64 crore, VGF from Government of AP: Rs.182.36 crore**  
**Major development works/ structures:** Major Bridges: 7; Minor bridges: 32; RoB: 1, Underpasses/ subways: 20, Culverts: 430; Toll plazas: 3, service roads: 37.645 km; Bus-shelters:57, Major/ minor road junctions: 68, Truck Lay Bys: 14, Way side amenities: 4.

**ii. Four-laning of Narketpally-Addanki-Medarametla road of SH-2 from km 0.000 to km 212.500 on DBFOT basis**

**Total length: 212.50 km; Total Project Cost: Rs. 1196.84 crore; Concession Period: 24 years including 2.5 years of construction period. VGF from Government of India: Rs. 239.36 crore, VGF from Government of AP: Rs. 227.66 crore**

**Major development works/ structures:** Major Bridges: 7; Minor bridges: 46; Underpasses/ subways: 21, Culverts: 278; Toll plazas: 2, service roads: 22.2 km  
Realignment: 10.31 km, Bus-bays: 32, Major road junctions: 5, Truck Lay Bys: 3 on each side, Wayside amenities: 3 on each side,

4. The EC noted that the two proposals were earlier considered by the EC in its meeting held on February 18, 2009 and granted in-principle approval. The projects have since been awarded and the Financial Closure achieved. The EI had considered the proposals for grant of final approval for VGF support, in its 40<sup>th</sup> meeting held on June 11, 2012, and recommended them to the EC for grant of final approval. The EI had advised the State Government to confirm in writing that the change in the Article 25 of the Concession Agreement after grant of in principle approval of the projects (allowing VGF up to 40 per cent of TPC as Capital Grant during the construction period) had been communicated to all the short-listed bidders prior to the projects' bid due date. This confirmation has been received from GoAP and circulated to the members of EI. Hence, the condition for approval of the projects by the EI have been satisfied by the State Government and there are no outstanding issues.

5. The representative of the State Government informed that construction work is in progress on both the projects and they would require the first instalment of VGF during the current financial year. Director, DEA requested the State Government to enter into the Tripartite Agreement prescribed under the Scheme and send the documents to DEA to facilitate the onset of the process for disbursement of VGF. This was agreed to.

(Action: GoAP)

6. **The Empowered Committee recommended the project proposals to the Finance Minister for grant of final approval for viability gap funding** of Rs. 271.64 crore in respect of the project for four-laning of Hyderabad-Karimnagar-Ramagundam road and Rs. 239.36 crore in respect of the project for four-laning of Narketpally-Addanki-Medarametla road.

(Action: GoAP and DEA)

**Agenda Item II: Proposal from Government of Uttar Pradesh (GoUP) for in-principle approval: Four-laning (with paved shoulders) of Delhi-Saharanpur Yamunotri Road upto Uttrakhand Border (SH 57) on DBFOT basis.**

**Total length: 206.089 km; Total Project Cost: Rs. 1718.35 crore; Concession Period: 25 years including 2.5 years of construction period. VGF from Government of India: Rs. 343.53 crore (actual by L-1 bidder), VGF from Government of UP: Nil**  
**Major development works/ structures:** Major Bridges: 5; Elevated corridor: 1 of 5.29 km from km 13.10 to km 16.20 at Loni border; Minor bridges: 27; ROB: 5; Service Roads: 22.19 km; Bypass: 2 (9 km at Shyamli and 19 km at Sharanpur) Culverts: 397; Toll plazas: 3 (km 30, km 119 & km 199), Bus-bays: 60, Major road junctions: 11, Minor road junctions: 105, Truck Lay Bys: 3.

7. Representative of GoUP presented the proposal. The project has been considered by the EI in its 28<sup>th</sup> meeting held on January 31, 2011 and recommended to the EC for grant of in-principle approval for VGF support. The State Government has completed the bid process in respect of the project. The project has been awarded to M/s SEW Prasad Consortium, Hyderabad for VGF support of Rs. 343.53 crore which is 19.99 per cent of TPC. The Concession Agreement has been executed on August 1, 2011 and the Financial Closure has been achieved on March 17, 2012. The construction on the project has commenced after its Appointed Date on March 30, 2012.

8. All members of the EC were in support of grant of in-principle approval for VGF support to the project.

9. **The Empowered Committee recommended the project proposal to the Finance Minister for grant of final approval for viability gap funding of Rs. 343.53 crore in respect of the project.**

*(Action: GoUP and DEA)*

**Agenda Item III: Proposal from the Government of Uttar Pradesh (GoUP) for grant of in-principle approval: Four-laning of Lucknow-Hardoi-Shahajahanpur road in SH-25 in the State of UP on DBFOT basis.**

**Total length: 162.40 km; Total Project Cost: Rs. 1039.83 crore; Concession Period: 25 years including 2.5 years of construction period. VGF from Government of India: Rs. 207.97 crore, VGF from Government of UP: Rs. 207.97 crore**  
**Major development works/ structures:** Major Bridges: 2; Minor bridges: 8; ROB: 2; Underpasses: 7, Culverts: 228; Toll plazas: 3; Service roads: 15.72 km; Bus-bays: 14, Major road junctions: 5, Minor road junctions: 168, Truck Lay Bys: 2;

10. Representative of GoUP presented the proposal. The proposal had been considered by the EI in its 30<sup>th</sup> meeting held on June 11, 2011 and recommended for grant of in-principle approval. Thereafter, the State Government twice undertook the bidding process; however, no bids were received. Fresh bids have been invited and the Bid Due Date is in October 2012. At a query from Adviser, Planning Commission regarding the time frame for completion of the bid process, the State Government sought permission for an extension of four months in order to complete the bidding process. The EC granted to the same.

11. All members of the EC were in support of grant of in- principle approval for VGF support to the project.

12. **The Empowered Committee recommended the project proposal to the Finance Minister for grant of in-principle approval for viability gap funding of Rs. 207.98 crore in respect of the project.**

*(Action: GoUP and DEA)*

**Agenda Item VI: Proposal from the Government of Uttar Pradesh (GoUP) for grant of in-principle approval: Four-laning of Varanasi-Shaktinagar road of SH-5A in UP under DBFOT basis.**

**Total length: 117.60 km including 33 km of 6-lane road; Total Project Cost: Rs. 1211.96 crore; Concession Period: 20 years including 2 years of construction period. VGF from Government of India: Rs. 241.92 crore (actual as per L-1), VGF from Government of UP: Nil**

**Major development works/ structures:** Major Bridges: 1; Elevated corridor: 2 (at Ahraura of 1 km and at Robertsgang of 3 km); Minor bridges: 13; ROB: 4; RUB: 1; Toll plazas: 3 (km 3.5, km 65 and km 110), Bypass: 1 at Adalhat of 6 km; Major road junctions: 3, Minor road junctions: 68; Truck Lybyes: 2, Bus Bays: 30, Culverts: 171

13. Representative of GoUP presented the proposal. The proposal was considered by the EI in its 34<sup>th</sup> meeting held on August 10, 2011 and recommended to the EC for approval. Thereafter, the State Government had commenced with the bid process in respect of the project. The VGF grant quoted by the L-1 bidder is Rs. 241.92 crore, which is 19.96 per cent of the TPC. The State Government has signed the Concession Agreement on December 8, 2011 with M/s Apco-Chetak-Patel (JV), Lko. Financial Closure has been achieved on June 5, 2012; however, the Appointed Date has not been reached, pending clearance from the Forest Department, which is likely by end of September 2012.

14. All members of the EC were in support of grant of in- principle approval for VGF support.

(Action: GoUP)

15. The EC recommended the project proposal to the Finance Minister for grant of in- principle approval for viability gap funding of Rs. 241.92 crore in respect of the project.

(Action: GoUP and DEA)

**Agenda Item V: Proposal from the State Government of Uttar Pradesh (GoUP) for grant of in-principle approval: Four laning of Meerut-Karnal road in SH 82 in the State of UP on DBFOT basis.**

**Total length: 86.825 km; Total Project Cost: Rs. 583.23 crore; Concession Period: 25 years including 2 years of construction period. VGF from Government of India: Rs. 115.99 crore (actual as per L-1), VGF from Government of UP: Nil**  
**Major development works/ structures: Bridges: 10; Underpasses: 4, Bypass: 1 at Shyamli of 8.6 km; Culverts: 105; Toll plazas: 2 (km 21 and km 73), Service roads: 17.73 km; Bus-bays: 27, Major road junctions: 3, Minor road junctions: 57; Truck Lay Bys: 4**

16. Representative of GoUP presented the proposal. The proposal was considered by the EI in its 30<sup>th</sup> meeting held on June 11, 2012 and reconsidered for approval to the EC. The bid process has been completed. The State Government has signed the Concession Agreement on December 16, 2011 with M/s Abhijeet Roads Ltd., Nagpur. The VGF as grant quoted by the L-1 bidder is Rs. 115.99 crore, which is 19.88 per cent of the TPC. Financial Closure has been achieved on June 13, 2012; however, Appointed Date has not been reached, pending clearance from Forest Department for around 3 km of the project's stretch, which is likely to be obtained by end of December 2012.

17. All members of the EC were in support of grant of in- principle approval for VGF support to the project.

18. The Empowered Committee granted in-principle approval for viability gap funding of Rs. 115.99 crore in respect of the project.

(Action: GoUP and DEA)

**Agenda Item VI: Proposal from the Government of Bihar (GoB) for grant of final approval for Development of Green Field Bridge across River Ganga and its approaches connecting NH 31 near Bakhtiyarpur and NH 28 at Tajpur in the State of Bihar on DBFOT (Toll) basis.**

**Total length: 6.5 km (bridge) + 42 km (approach road) km; TPC granted in-principle approval : Rs 1387.83 crore; Revised TPC : Rs. 1502.74 crore as per bidding process; Concession Period: 30 years including 4.5 years of construction period. VGF from Government of India: Rs. 277.5 crore, VGF from Government of Bihar: Rs. 307.5 crore**

**Major development works/ structures:** Major Bridges: 2; Minor Bridge: 1; ROB: 2; Grade Separator:3; Vaiducts: 450m; Approach road: 42 km; Toll plazas: 2 at km 10.5 and km 33.675; Underpass: 16; Service Road: 7.76 km; Major road junctions: 1, River training works, Truck layby: 1; Bus bay: 6

19. Representative of GoB presented the proposal. The proposal was considered by the EI in its 33<sup>rd</sup> meeting held on July 20, 2011 and recommended to EC for grant of final approval. The proposed green field bridge across river Ganga would connect NH-31 near Bakhtiyarpur at southern end and NH-28 at the northern end. The State Government envisaged that the proposed bridge and the approach road would connect the East-West corridor and the Golden Quadrilateral. The bid process for the project has been completed. The VGF quoted by the L-1 bidder is Rs. 585 crore, which is 38.92 per cent of the TPC. The State Government has executed the Concession Agreement on October 8, 2010 with M/s Navyuga Jahnavi Toll Bridge (Pvt.) Ltd. and the Financial Closure has been achieved on April 2, 2011. The Appointed Date of the project is November 30, 2011. Land acquisition for around 5 km of the total 42 km approach road is still pending and the process is underway. Clearance from the Environment is expected by the end of September 2012. Around 25 per cent of the total construction works have been completed. The project would require the first instalment of VGF disbursement of around Rs. 107 crore during the current financial year. Director, DEA requested the State Government to execute the Tripartite Agreement prescribed under the Scheme and send the documents to DEA to facilitate the onset of the process for disbursement of VGF. This was agreed to.

*(Action: GoB)*

20. All members of the EC were in support of grant of final approval for VGF support to the project.

21. The Empowered Committee recommended the project proposal to the Finance Minister for grant of final approval for viability gap funding of Rs. 277.5 crore in respect of the project.

*(Action: GoB and DEA)*

**Agenda Item VII: Proposal from Government of Bihar for grant of in-principle approval for development of Rajauli-Bakhtiyarpur section of NH-31 on BOT basis.**

**Total length: 107.15 km; Total Project Cost: Rs. 847.10 crore; Concession Period: 30 years including 2 years of construction period. VGF from Government of India: Nil (actual as per L-1 bidder), VGF from Government of Bihar: Nil**  
**Major development works/ structures:** Major Bridges: 11; Minor bridges: 38; Flyover: 5; ROB/RUB: 5; Toll plazas: 2 (km 58, and km 118), Bypass: 4 of 11.314 km; Service Road: 7.76 km; Major road junctions: 15, Minor road junctions: 146; Underpasses: 13; Truck Lybys: 4, Bus Bays: 70, Culverts: 178

22. Representative of GoB presented the proposal. The proposal had been considered by the EI in its 34th meeting held on August 10, 2011 and recommended for grant of approval by EC. The bid process for the project has been completed. M/S Madhucon Projects Limited has been selected as successful bidder and the L-1 bidder has quoted zero grant for the project. The Concession Agreement has been signed on June 14, 2012. Financial Closure is underway and currently 60 per cent of the land is available, and for obtaining the remaining land notification under Section 3A has been completed. The Environmental Impact Assessment (EIA) report has been submitted to the State Pollution Control Board in order to undertake a public hearing process.

23. The Empowered Committee noted that the project has received a bid with zero grants and hence no approval for VGF support is required.

**Agenda Item VIII: Proposal from the Government of Bihar (GoB) for grant of in principle approval: Development of Ganga Driveway and Riverfront Development from Digha to Didarganj at Patna on BOT (Toll) basis.**

**Project renamed as “Construction of Ganga Path from Digha to Didarganj (21.50 km) at Patna in the State of Bihar on DBFOT (Toll) basis”.**

**Total length: 21.5 km; Total Project Cost: Rs. 2234.46 crore; Concession Period: 30 years including 4 years of construction period. VGF from Government of India: Rs. 446.892 crore, VGF from Government of Bihar: Rs. 446.892 crore**

**Major development works/structures:** 4-lane road of 120 m ROW with elevated road of 7.6 km along the river side, Slip roads on both sides: 10.7 km, Toll plazas: 2 (km 5 and km 14), Major road junctions: 10, Underpasses: 7; Truck Lybyes: 1, Bus Bays: 16, Culverts: 6; River front development.

24. Representative of GoB presented the proposal. The proposal had been considered by the EI in its 33<sup>rd</sup> meeting held on July 20, 2011 and recommended to EC for grant of approval. The project scope of work required revision to include construction of an addition 1 km on NH -31; however, this would not have cost implications. The change was warranted in view of the requirement for extension of Didarganj and of the Ganga Path from the existing NH-30 to the new construction NH-30 which is approximately 1 km away southwards. It was requested that the project may be granted in-principle approval with this additional scope of work which does not have consequential changes in the TPC. It was informed that the RFP has been invited on June 18, 2012, the additional scope of work of 1 km has been intimated to all the bidders and the scheduled Bid Due Date is September 18, 2012. In order to complete the bid process, representative of GoB sought grant of extension of approval for a four months period. This was agreed to.

*(Action: GoB)*

25. All members of the EC were in support of grant of in- principle approval for VGF support to the project.

26. The Empowered Committee **recommended the project proposal to the Finance Minister for grant of in-principle approval** for viability gap funding of Rs. 446.892 crore in respect of the project.

*(Action: GoB and DEA)*

**Agenda Item X: Proposal from Government of Maharashtra (GoM) for grant of in-principle approval for: Improvement (Two/four-laning) of Nagpur - Bori - Tuljapur Road MSH-3 from km. 112/000 to km. 265/525 in Yavatmal District (Maharashtra) on DBFOT Basis.**

**Total length: 163.843 km (65.622 km as 4 lane & 98.221 as 2 lane); Total Project Cost: Rs. 751.24 crore; Cost of pre-construction activities to be financed by GoM: Rs. 15 crore; Concession Period: 20 years including 3 years of construction period. VGF from Government of India: Rs. 150.248 crore**

**Major development works/ structures:** Major Bridges: 2 (new additional 2 lane), 1 (reconstruction to 2 lane); Minor bridges: 10 (Widening to 4 lane), 8 (Reconstruction to 4 lane), 5 (Reconstruction to 2 lane), 3 (new additional to 2 lane), 3 (new additional to 4 lane); Flyovers: 1(new to 2 lane); Hume Pipe / Slab Culverts: 14 (new), 58 (Widening to 4 lane), 41 (Reconstruction to 4 lane), 31 (Reconstruction to 2 lane), 10 (Widening to 2 lane); junctions improvements:22; Toll plazas: 4 (Km. 131.0, km 166.0, km 201 & km 236.0); Guard Wall: 6700 m; Portals: 20; Road side furnitures & Signage System : As per IRC Standards & Specifications; Metal Beam Crash Barrier: 11600 Rmt; Bus-bays: Nil

27. Representative of GoM presented the proposal. The proposal had been considered by the EI in its 39<sup>th</sup> meeting held on April 3, 2012 and recommended to the EC for grant of in-principle approval. It was informed that observations of DEA and Planning Commission have been incorporated in the project's DCA and legal vetting for the project has been undertaken. Further, it was indicated that all the requisite clearances for the project have been obtained and 90 per cent of the total land is available with the GoM. Revised documents for the project have been circulated to the members of EI.

28. Advisor, Planning Commission stated that the revised documents received from GoM have not been examined and requested that in-principle approval may be granted subject to the condition that GoM shall incorporate changes in project documents in the event that Planning Commission's review of documents highlights anomalies in the bidding documents. This was agreed to.

*(Action: Planning Commission and GoM)*

29. All members of the EC were in support of grant of in-principle approval for VGF support to the project.

30. The Empowered Committee **granted in-principle approval** for viability gap funding of Rs. 150.248 crore subject to the condition that anomalies, if any, in the project documents would be rectified by GoM in accordance with para 28 above.

*(Action: GoM and DEA)*

**Agenda Item XI: Proposal for 'In-principle' approval from Government of Haryana (GoH) for four laning of Rai Malikpur (Rajasthan Border) –Narnaul-Mahendergarh-Dadri-Bhiwani-Kharak**

**Total length: 151 km; Total Project Cost: Rs. 1201.7 crore; Concession Period: 20 years including 2.5 years of construction period. VGF from Government of India: Nil-project bid out on premium basis, VGF from Government of Haryana: Nil**  
**Major development works/ structures:** Minor bridges: 12; ROB/RUB: 3; Toll plazas: 4 (km 25 at MDR 129, km 35.5, km 93.4 at SH-17, and km 126 at SH-16), Grade separated intersections: 2; Bypass: 4 of 24.71 km; Service Roads: 5 km on two roads, Major road junctions: 13, Minor road junctions: 116; Truck Lybyes: 6, Bus Bays: 62, Culverts: 154

31. Representative of GoH presented the proposal. The proposal had been considered by the EI in its 25<sup>th</sup> meeting held on September 10, 2010 and recommended to EC for grant of approval. On bidding, the project has received premium and hence there would be no requirement for VGF under the Scheme.

32. The Empowered Committee noted that the project has received premium and hence approval for VGF support is not required.

33. The meeting ended with vote of thanks to the Chair.

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