

F. No. 3/13/2016-PPP  
Government of India  
Ministry of Finance  
Department of Economic Affairs  
(Infrastructure Section)

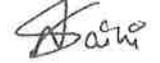
North Block, New Delhi  
Dated the 13<sup>th</sup> December, 2016

**OFFICE MEMORANDUM**

**Subject: Record of Discussion of 75<sup>th</sup> Meeting of the Empowered Institution (EI) for the Scheme for Financial Support to PPPs in Infrastructure (Viability Gap Funding Scheme).**

The undersigned is directed to enclose a copy of Record of Discussion of 75<sup>th</sup> Meeting of the EI for the grant of VGF under the Scheme for Financial Support to PPPs in Infrastructure held on 6<sup>th</sup> December, 2016 on the project - Two laning with paved/hard shoulder of Gwalior-Jhansi to Ghongha via Billua Road for Assistance under VGF to Infrastructure Sector - for information and necessary action.

**Encl: as above**



(Nitish Saini)

Assistant Director (Infra)

Tel No. 23095158

1. **Sh. Vivek Joshi**, Joint Secretary (PPD), Department of Expenditure, North Block, New Delhi.
2. **Shri Praveen Mahto**, Adviser (PPP/PAMD), Niti Aayog, Yojana Bhawan, New Delhi.
3. **Shri R.K. Singh**, Joint Secretary, Ministry of Road Transport and Highways, Transport Bhawan, New Delhi.
4. **Sh. Anil Chansoria**, Engineer-in-Chief (BOT), Madhya Pradesh Road Development Corporation Ltd., 45-A, Arera Hills, Bhopal, Madhya Pradesh - 462011.

**Copy to:**

1. Sr. PPS to Additional Secretary (Investment),
2. PS to JS (Infra),
3. PS to Director (Infra),
4. PS to Director (PPP),
5. DD (PPP) for uploading on pppinindia.gov.in website.

*For uploading on website.*

*19/12/16*

*MIS (Export)*

**F. No. 3/13/2016- PPP**  
**Government of India**  
**Ministry of Finance**  
**Department of Economic Affairs**  
**Infrastructure Section**  
**Empowered Institution**  
**for the**  
**Scheme for Financial Support to Public Private Partnerships in Infrastructure**  
**75<sup>th</sup> Meeting held on December 6, 2016**

---

**Record Note of Discussions**

The 75<sup>th</sup> meeting of the Empowered Institution (EI), chaired by Additional Secretary (Investment), Department of Economic Affairs (DEA) was held on December 6, 2016. The list of participants is attached.

The EI noted that there was a road sector proposal from Government of Madhya Pradesh for consideration for in-principle approval of viability gap funding (VGF) under the Government of India's Scheme for Financial Support to Public Private Partnerships in Infrastructure (VGF Scheme).

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.

**Road sector proposal from Government of Rajasthan**

---

**Agenda Item: Proposal from Government of Madhya Pradesh (GoMP) for grant of in-principle approval for Two lane plus paved /hard shoulder road project from Km 24.800 of NH-75 (Gwalior-Jhansi Section) to Km 19.00 up to Ghongha Village (Dabra-Singhpur Road) via. Bilua village (Length 19.00 km.) in the state of Madhya Pradesh through Public Private Partnership on Design, Build, Finance, Operate & Transfer (the "DBFOT") Basis.**

**Project Details: Length: 19.000 Km.; Total Project Cost: Rs. 67.38 Crore;**  
**Concession Period: 15 years including 2 years of construction period.**

**Major development works/ structures: Major Bridge (Widening): 1 No., Minor Bridge (Widening): 1 No., Minor Bridges (Reconstruction): 3 No.s, Pipe Culverts: Reconstruction: 5 No.s, Repair / Widening: 12 No.s, New: 14 No.s, Box Culverts (Reconstruction): 2 No.s, Truck Lay-bye: 1 No., Bus Shelters: 9 No.s, Toll Plaza: 1 No.**

**VGF sought: Nil. However, actual VGF would be based on competitive bidding process.**

2. Joint Secretary (Infra) informed the EI that the proposal envisaged development of the Project road by improvement of existing carriageway by strengthening to two lane *plus* paved shoulder (Km. 0.00 to 8.00, length 8 km) and two lane *plus* hard shoulder (Km 8.00 to 19.00, length 8.44 km) and two lane *plus* paved / hard shoulder *along with* the drain cum footpath on both sides in built-up areas (length 2.56 km). The improvement proposal includes the reconstruction of Causeway, Pipe and Slab Culvert as per standards of MoRTH. Total length of Project road is 19 km. The project implementation agency is Madhya Pradesh Road Development Corporation (MPRDC).

3. Engineer-in-Chief(BOT), MPRDC, Government of Madhya Pradesh (GoMP) made a presentation on the Project proposal and explained that the project road is an important road in Gwalior District. Heavy loaded trailers and crushers ply on the Project road from Bilua to NH-75 and Dabra Singhpur Road which include trucks / Multi Excel trucks carrying B.T. Metal from Bilua Crusher Area. It is proposed to charge toll only from commercial traffic. Existing road has single / intermediate lane in almost the entire road length with hard shoulders. Some stretches in village portion are with C.C. pavement. The existing pavement condition is poor in entire length of the Project road and requires reconstruction.

4. Joint Secretary (Infra) sought clarification on why a mix of hard shoulder and paved shoulder has been proposed instead of uniform specifications. Engineer-in-Chief (BOT), MPRDC explained that majority of the traffic originates around Km 8 where the quarries are located and crushers ply only in that section of the road to carry the material to Gwalior / Jhansi. Traffic on the balance length of the road is relatively thin and would not require paved shoulders for the next 15 years, as per the traffic projections, which is the concession period proposed.

5. Superintending Engineer, MORTH stated that in built-up areas IRC specifications provide for 4-lane divided carriageway. Further, it may be difficult to accommodate 2-laning with paved shoulder *along with* drainage and footpath in 12 m to 15 m ROW, as proposed. Engineer-in-Chief (BOT), MPRDC explained that 2.56 km road-length in built-up areas has already been proposed *along with* the drain cum footpath on both sides. It was further stated that built-up areas are scattered over the length of the project road and are thinly populated. Joint Secretary (Infra) enquired about requisite ROW if the conditions as per MORTH are to be complied with. Superintending

Engineer, MORTH informed that it would require 19 m ROW which is more than proposed currently.

6. Joint Secretary (Infra) stated that the State had revised Clause 10.3.2 in the Concession Agreement relating to vacant access and Right of Way to be granted to the Concessionaire, wherein 90% vacant access limit has been proposed to be reduced to 80%. Engineer-in-Chief (BOT), MPRDC stated that since more than 80% of the required land is already available, the Clause was proposed to be amended. Joint Secretary (Infra) stated that projects can get stalled even after adhering to the limit of 90% if the balance 10% is critical for the smooth movement of traffic and user comfort. Chair asked about the locations of the areas where the land is to be acquired. Engineer-in-Chief (BOT), MPRDC stated that 6.54 ha land near built-up areas is to be acquired out of 39 Ha total requirement. The Chair stated that the limit in the clause should not be relaxed and RFP should not be issued till 90% land is available. Further, the balance 10% should not include any portion which can adversely affect traffic flow and/or user comfort. This was agreed to. Engineer-in-Chief (BOT), MPRDC enquired whether RFQ could be issued before complying with the said condition. Joint Secretary (Infra) stated that while RFQ may be issued, it may be noted that excess time-gap between the qualification stage and the RFP stage may affect accuracy in original cost projection and viability of the Project so the time required for acquisition of land would need to be reasonably short before issue of RFQ.

**7. The EI granted in-principle approval for the project for Two lane plus paved /hard shoulder road project from Km 24.800 of NH-75 (Gwalior-Jhansi Section) to Km 19.00 up to Ghongha Village (Dabra-Singhpur Road) via. Bilua village (Length 19.00 km.) in the state of Madhya Pradesh through Public Private Partnership on Design, Build, Finance, Operate & Transfer (the "DBFOT") Basis with VGF contribution as per VGF scheme subject to fulfilment of the following conditions:**

- a. GoMP shall not issue RFP till 90% of the total required land is available.
- b. The gap between issual dates of RFP and RFQ should be reasonably spaced.
- c. GoMP shall obtain clearances such as environment and forest clearance before commencing the work for project site.
- d. GoMP shall obtain prior approval of EI on any change in TPC, scope of work or project configuration, as noted above.

The meeting ended with vote of thanks to The Chair.

**Ministry of Finance**  
**Department of Economic Affairs**  
**PPP Cell**  
**Public Private Partnership Appraisal Committee**  
**75<sup>th</sup> Meeting on 6<sup>th</sup> December 2016**  
**List of Participants**

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

- i. Shri. Ajay Tyagi, Additional Secretary(Investment) (In Chair)
- ii. Ms. Sharmila Chavaly, Joint Secretary(Infra)
- iii. Shri. Mrutyunjay Behera, Director (Infra)
- iv. Shri. Nitish Saini, Assistant Director (Infra)

**2. Department of Expenditure, Ministry of Finance**

- v. Mr. Rajiv Wadhawan, Joint Director

**3. NITI Aayog**

- vi. Mr. A.K.Muthu V Happen, Director
- vii. Shri Vibeesh E.M., SRO

**4. Ministry of Road Transport and Highways**

- viii. Shri Sanjeev Kumar, Superintending Engineer

**ix. MPRDC, Government of Madhya Pradesh**

- viii. Shri Anil Chnsoria, Engineer-in-Chief(BOT), MPRDC
- ix. Shri Upendra Sharma, GM, Finance, MPRDC