

File No: 2/7/2024-PIU
Ministry of Finance
Department of Economic Affairs
Infrastructure Finance Secretariat
ISD Division
(PIU)

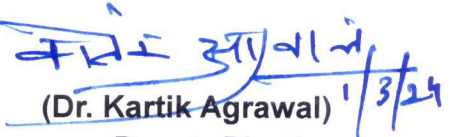
5th Floor, JVB, Tolstoy Marg
Dated: 1st March, 2024

OFFICE MEMORANDUM

Subject: Record of Discussions of the 114th meeting of the PPPAC, for considering the project proposals of (I) Development of 6 lane access-controlled Agra-Gwalior greenfield highway in the state of Uttar Pradesh, Rajasthan and Madhya Pradesh on BOT(Toll) Mode (II) Development of 4-lane access-controlled Pathalgaon-Kunkuri-CG/JH border-Gumla-Bharda section as part of Raipur-Dhanbad Economic Corridor under Bharatmala Pariyojana in the state of Chhattisgarh and Jharkhand on HAM model AND (III) Development of 4 lane access-controlled Economic Corridor from Kharagpur to Moregram Section Km 0.000 to Km 230.957 of NH 116A divided into 5 packages in the state of West Bengal under Bharatmala Pariyojana on HAM model – reg

The undersigned is directed to forward a copy of the minutes of the 114th Meeting of the PPPAC held on 19th February 2024 and 21st February, 2024, under the Chairmanship of Secretary (EA), for information and necessary action.

2. This issues with approval of Secretary, Economic Affairs.


(Dr. Kartik Agrawal) 1/3/24
Deputy Director

To,

1. CEO, NITI Aayog, Yojana Bhawan, New Delhi
2. Finance Secretary & Secretary, Department of Expenditure, North block, new Delhi
3. Secretary, Ministry of Road Transport & Highways, Transport Bhawan, New Delhi
4. Secretary, Department of Legal Affairs, Shastri Bhawan, New Delhi

Copy To,

1. Sr. PPS to Secretary (EA)
2. Sr. PPS to JS (ISD)

Record of Discussions of the 114th meeting of the PPPAC for considering the project proposals of (I) Development of 6 lane access-controlled Agra-Gwalior greenfield highway in the state of Uttar Pradesh, Rajasthan and Madhya Pradesh on BOT(Toll) Mode (II) Construction of 4-lane access-controlled Pathalgaon-Kunkuri-CG/JH border-Gumla-Bharda section as part of Raipur-Dhanbad Economic Corridor under Bharatmala Pariyojana in the state of Chhattisgarh and Jharkhand on HAM model AND (III) Development of 4 lane access-controlled Economic Corridor from Kharagpur to Moregram Section Km 0.000 to Km 230.957 of NH 116A divided into 5 packages in the state of West Bengal under Bharatmala Pariyojana on HAM model.

1. The 114th meeting of the PPPAC chaired by the Secretary, DEA, was held on 19th February 2024 at 1630 hours and 21st February, 2024 at 1800 hours for considering the project proposal of MoRTH for (I) Development of 6 lane access-controlled Agra-Gwalior greenfield highway in the state of Uttar Pradesh, Rajasthan and Madhya Pradesh on BOT(Toll) Mode (II) Construction of 4-lane access-controlled Pathalgaon-Kunkuri-CG/JH border-Gumla-Bharda section as part of Raipur-Dhanbad Economic Corridor under Bharatmala Pariyojana in the state of Chhattisgarh and Jharkhand on HAM model AND (III) Development of 4 lane access-controlled Economic Corridor from Kharagpur to Moregram Section Km 0.000 to Km 230.957 of NH 116A divided into 5 packages in the state of West Bengal under Bharatmala Pariyojana on HAM model. List of attendees is placed at **Annexure I**.
 2. On behalf of the Chair, the JS (ISD) welcomed the attendees to the meeting and informed them that the projects are based on MCA, and in accordance with the PPPAC guidelines, the projects are submitted for Final Appraisal by the PPPAC. Then, with the permission of the Chair, MoRTH was requested to make their presentation.
- I. Development of 6 lane access-controlled Agra-Gwalior greenfield highway in the state of Uttar Pradesh, Rajasthan and Madhya Pradesh on BOT(Toll) Model.**

The basic details of the projects are given in the table below:

Project Description	Development of 6 lane access-controlled Agra-Gwalior greenfield highway, starting from design km 0+000 (near village Deori in district Agra) to design km 88+400 (near village Susera in district Gwalior) in the state of Uttar Pradesh, Rajasthan and Madhya Pradesh including the overlay/strengthening and other road safety and improvement works on existing Agra-Gwalior section of NH-44 on BOT(Toll) Mode
----------------------------	--

	under NH(O).		
PPP model	BOT (Toll)		
Sponsoring Authority	Ministry of Road Transport and Highways (MoRTH)		
Implementing Agency	National Highways Authority of India		
Location	State: Uttar Pradesh Rajasthan & Madhya Pradesh District: Agra, Dhoulpur, Morena & Gwalior Town: Kakrari, Irdat Nagar, Macchhariya, Bakshpoora, Bhooda, Vindwa chambal, Jaitpur Chambal, Chonda & Susera		
Length	88.400 km		
Civil Construction Cost (including utility shifting)	Rs. 2824.56 Crore		
Estimated Total Project Cost	Rs. 4262.78 Crore		
Concession Period	20 Year Concession Period (including 2.5 year construction period)		
Estimated capital costs with break-up under major heads of expenditure	S.No.	Summary of Cost	Amount (Rs. in Cr.)
	1.	Civil Construction Cost (Based on MP-PWD SOR-2022)	2779.90
	2.	Utility Shifting Cost (Excluding GST)	44.66
	3.	Total Civil Construction Cost including Utility Shifting Cost (Based on MP-PWD SOR-2022)	2824.56
	4.	Improvement & strengthening on existing Agra-Gwalior NH-44	345.00
	5.	Total Civil Construction cost (GF + BF)	3169.56
	6.	GST@18% on (5)	570.52
	7.	IC/Pre-Operative Expenses	39.60
	8.	Escalation during construction (@4% p.a.)	219.43
	9.	Financing Expenses	21.33

	10.	Interest During Construction (IDC)	207.34
	11.	O&M Cost During Construction period	35.01
	12.	Total Project Cost	4262.78
	13.	Land Acquisition Cost	296.49
	14.	Environmental Cost	53.38
	15.	Total Capital Cost	4612.65
	16.	Total Capital Cost per Km	52.2
Land Acquisition Status	Land acquisition details:		
	Total land required (Ha)		573.88
	Existing land (Ha)		Nil
	Forest land (Ha)		3
	Wildlife (Ha)		14.22
	Govt. land (Ha)		64.2255
	3A status (Ha)		573.88
	3D status		Under Progress
Financial Viability	As mentioned in FAR		
	Particulars	Details	
	Project IRR	13.37%	
	Equity IRR	15.00%	
Concession Agreement	Project is based on MCA dated 09.12.2020 issued by MoRTH and proposed changes in MCA as discussed during IMC		
Bidding Parameter	Highest Premium/Lowest Grant		
Bidding Process	Single Stage with two envelopes		

3. MORTH made the presentation and informed that it plans to develop a 6-lane access-controlled Agra-Gwalior greenfield highway, starting from design km 0+000 (near village Deori in district Agra) to design km 88+400 (near village Susera in district Gwalior) in the state of Uttar Pradesh, Rajasthan and Madhya Pradesh including the overlay/strengthening and other road safety and improvement works on existing Agra-Gwalior section of NH-44 on BOT(Toll) Mode.

4. The project road mostly passes through plain terrain. It starts from junction of Agra inner Ring Road at KM 1+940 (Deori Village in Agra) and terminates at Km 7+250 of Eastern Gwalior Bypass (Susera Village in Gwalior). The proposed project highway traverses through three states of India: Uttar Pradesh, Rajasthan, and Madhya Pradesh. The existing road, Agra-Gwalior section of NH-44 is having four-lane configuration throughout with service roads in urban sections of length 95 Km. It consists of 10.5m wide dual carriageway with 1.5m paved shoulder and 2.0m wide earthen shoulders on either side. NPG recommended the proposal in its 52nd meeting dated 02.08.2023. It was also informed that certain figures of the project have revised since the time of submission of the project and revised figures were submitted to the PPPAC in the meeting, which have been duly incorporated in the minutes as appropriate.
5. There is a huge load of trucks carrying sandstone, aggregates, agriculture produce and other goods in the existing Agra-Gwalior section of NH-44. At present, the traffic movement on the existing Agra-Gwalior section of NH-44 is through major urban centres which lowers the highway service levels/higher traveling time/lower transportation and logistics efficiency. The new green field project corridor will lead to better inter-state connectivity between UP, Rajasthan & Madhya Pradesh, thus, helping in better freight volume and movement pattern on the highway. Further it will significantly reduce the travel time and make travel smoother for its users and will open new avenues of growth, development and prosperity in underdeveloped regions of Agra/Dholpur/Morena and Gwalior.
6. It was also informed that the bid documents for the project have already been floated. However, all recommendations of the PPPAC would be duly incorporated in the revised bid documents and issued as corrigendum. The PPPAC accordingly decided to not take up the issues which have already been discussed as part of the IMC process.
7. The Chair then asked PPPAC Members to raise issues, if any. With the permission of the Chair, the Members of the PPPAC informed that except the following issues being raised by them, all other issues have been resolved by MoRTH through its written comments:
 - a) **Department of Expenditure (DoE):** It was suggested to fix the amount of Construction Support upfront in the bid documents.
 - b) **NITI Aayog:**
 - i. Clarification was sought regarding escalation of civil construction cost since SOR of 2021-22 has been used for estimated of cost.

- ii. Further, as part of the project, ATMS is being provided. With regard to the same, it was enquired regarding how information being captured through the ATMS will be processed.
 - iii. The project DCA declares Commercial Operation Date (CoD) separately for Brownfield and Greenfield sections of the project. Considering that the Highway MCAs are designed for a single CoD framework, MoRTH needs to review the concerned provisions of Project DCA.
 - c) **The Department of Economic Affairs** enquired about the status of land acquisition for the project and suggested that the last date of bid should be after 3G publication.
 - d) **The Department of Legal Affairs said that** they do not have further comments.
8. The Chair raised the following questions:
- a) If the project was earlier appraised under any PIB meeting?
 - b) What is the traffic on the existing highway? What is the reason for opting for development of a Greenfield Highway rather than going for capacity augmentation of existing highway?
 - c) What will be the likely reduction in travel time with the development of the new highway?
9. MORTH submitted the following with respect to the issues raised.
- a. The project is under NHO and has not been appraised under any PIB meeting.
 - b. As the existing highway has already surpassed its traffic projections (currently, PCU is over 50,000), there is a need for a capacity augmentation to reduce traffic congestion and travel time. NHAI has done detailed cost-benefit analysis of greenfield vs brownfield capacity augmentation.
 - c. The existing highway passes through high population density areas and land procurement therein would be cumbersome and costly. Elevated highway along the existing alignment is very costly to develop and maintain. The greenfield development is expected to save upto 14 per cent cost as compared to capacity augmentation of brownfield alignment. Moreover, if the existing highway is upgraded from existing 4 lanes to 6 lanes, the total available lanes will remain only 6 whereas in case of the greenfield development it would be 10 (4 existing plus 6 new) which would cater to foreseeable future traffic demands. The new access controlled greenfield highway is expected to reduce travel time between the two nodes by at least 50%.
 - d. As per the existing internal guidelines, bids are not to be received before 90% 3D for land is done and not to award bid before 90% of 3G is done.

- i. 3(A) of the entire land requirement (573.88 Ha) has already been finalized.
- ii. 3D targeted by March 2024.

However, as per the recommendations of the PPPAC, bids will be received only after completion of 3G.

- e. With respect to Construction Support, it was clarified that the amount of Construction Support will be fixed and mentioned upfront in the bid documents.
- f. Further, with regard to the query of SOR of 2021-22, it was informed that there is no change in SOR and the SOR 2021-22 remains applicable for current FY.
- g. With regard to ATMS, it was informed that at present all the information captured is with the Authority. There are plans underway to integrate ATMS with Crime & Criminals Tracking Network and Systems to provide all information to states in a manner such that that traffic violations and Challans can be automatically generated.
- h. With respect to the issue of concession agreement, MoRTH will suitably comply with the observations of the NITI Aayog.
- i. Lastly, it was informed that all issues raised by the Members shall be duly incorporated in the bid documents.

10. After detailed deliberations, the PPPAC unanimously recommended the project proposal for 'Final Approval' to the Competent Authority, with the following conditions:

- a. The Bid Due Date is to be finalized only after 3G declaration of land. This would ensure the elimination of ROW-related delays in the project.
- b. The cap on VGF to be provided to the project may be specified while seeking approval of competent authority.
- c. MoRTH/NHA should finalize the amendments in the bid documents at the earliest and all changes in the bid documents due to recommendations of the PPPAC and the final bid documents as approved through IMC process, would be issued as corrigendum to the existing bid documents which have been floated.
- d. Revalidation of its recommendation by the PPPAC is not required for following post recommendation changes in the project costs/bid documents:
 - i. Any change in the date/time period for any time-bound actions like appointed date, financial close, construction period, etc.
 - ii. Non-substantial change in risk allocation.

- iii. Any other changes/modification in the project proposal with the overall objective of making project successful.
- iv. Further, MoRTH/NHAI may decide whether the changes proposed post recommendations of the project proposal by the PPPAC fall within the threshold criteria as stated above. All such changes falling within the threshold criteria as stated above shall be appraised at the level of Secretary (MoRTH)/ BoD of NHAI, as the case may be, without any further need of revalidation by the PPPAC and shall proceed with the approval process accordingly.
- e. Legal vetting of the revised bid document to be undertaken.

II. Construction of 4-lane access-controlled Pathalgaon-Kunkuri-CG/JH border-Gumla-Bharda section as part of Raipur-Dhanbad Economic Corridor under Bharatmala Pariyojana in the state of Chhattisgarh and Jharkhand on HAM model.

1. The basic details of the projects are given in the table below:

Name of the project	Construction of 4-lane access-controlled Pathalgaon-Kunkuri-CG/JH border-Gumla-Bharda section of NH-43 starting from end point of NH-130A near Turua Ama village and ending at Ch. 82+150 of Palma-Gumla Road near Bharda village as part of Raipur-Dhanbad Economic Corridor under Bharatmala Pariyojana in the state of Chhattisgarh and Jharkhand (Total Length -136.620 km)				
PPP model	HAM				
Location (State / District / Town)	State: Chhattisgarh & Jharkhand District: Jhaspur, Gumla Town: Pathalgaon, Kunkuri, Gumla				
Administrative Ministry / Department	Ministry of Road Transport and Highways, Government of India				
Implementing Agency	National Highways Authority of India (NHAI), New Delhi				
Estimated capital costs with break-up under major	S. No.	Description of Bill	Package-1 (Rs. Cr.)	Package -2 (Rs. Cr.)	Package -3 (Rs. Cr.)
	(i)	Civil Construction	1074.38	1162.74	841.94

heads of expenditure. Also indicate the basis of estimation.		Cost			
	(ii)	Utility Shifting Cost	25.19	7.75	27.65
	(iii)	Total Civil Construction Cost including Utility shifting Cost	1099.57	1170.49	869.59
		Estimated Project Cost including Centages	1152.47	1238.76	919.31
	(iv)	18% GST on Civil Cost	197.92	210.69	155.02
		Land acquisition and structure (In Cr.)	171.78	111.63	196.83
	(viii)	Contingencies	11	11.7	8.7
	(x)	Supervision Charges of Utility Shifting,	0.75	0.23	0.82
		environment mitigation etc.	14.35	24.79	45.12
	(xii)	Total Capital Cost	1549.27	1597.8	1325.8
	Total Capital Cost (Combined): Rs. 4472.87 Cr.				
Sources of Financing	NHA1 will disburse 40 percent of the cost of the project during the construction period while the remaining 60 percent will be raised by the developer.				
Financial IRR (HAM)	Package	Equity IRR	Project IRR		
	1	15%	12.8%		
	2	15%	12.1%		
	3	15%	12.55%		
Concession Agreement	The project is proposed to be implemented as per Model Concession Agreement dated 09.12.2016 and amendments thereafter, issued by MoRTH.				
Bidding Parameter	Lowest Bid Project Cost				

- MoRTH made a presentation on the broad contours of access controlled project and informed that the Project is a part of Raipur-Dhanbad Economic Corridor.

The proposed Project Road shall be providing high speed link for Raipur-Bilaspur Ranchi-Dhanbad along in its route it connects numerous small villages and important industrial and business towns. Several Coal blocks, Power Plants and other industrial centre situated near the proposed project are important economic centres which will lead to huge load of commercial vehicles on proposed project overall improving connectivity to 9 Economic Nodes, 8 Social Nodes & 6 Logistics Nodes across 2 states and 8 districts.

3. It was also informed that the project will comprise three packages (i) Construction of 4-lane Pathalgaon-Kunkuri-CG/JH border section of NH- 43 starting from end point of NH-130A, design Ch. 00+000 to Ch. 50+600 (from Turua Arna village to Bemtatoli village) in the state of Chhattisgarh (Length -50.600 km), (ii) Construction of 4-lane Pathalgaon-Kunkuri-CG/JH border section of NH- 43 starting from end point of NH-130A, design Ch. 50+600 to Ch. 104+250 (from Bemtatoli village to Putrichoura village) in the state of Chhattisgarh (Length 53.650 km) (iii) Construction of 4 Lane CG/JH Border-Gumla-Bharda Section of NH-43 from Des. Ch.0+000 (Village- Katkaia) to Des. Ch. 32+370 (Village- Sharda) in the State of Jharkhand (Length 32.37 km). Presentation before NPG Members during 62nd meeting was held on 07.12.2023. Compliance of NPG observations has been taken care in the estimate. It was also informed that certain figures of the project have revised since the time of submission of the project and revised figures were submitted to the PPPAC in the meeting, which have been duly incorporated in the minutes as appropriate.
4. It was also informed that the bid documents for the project have already been floated. However, all recommendations of the PPPAC would be duly incorporated in the revised bid documents which would be issued as corrigendum.
5. The Chair invited PPPAC Members to raise unresolved issues, if any. With the permission of the Chair, the following issues were then raised:
 - a. **Issues raised by NITI Aayog:**
 - i. The schedules of the concession agreement may be filled in completely.
 - b. **Issues raised by Department of Expenditure (DoE):**
 - i. There is an increase of 30% over the previously approved PIB cost. The specific contours of cost increase may be provided along with rationale.
 - ii. MoRTH should ensure that the estimated cost of the Project is justified viz-a-viz, its normative cost.
 - c. **The Department of Economic Affairs** said that instead of the three small packages, the possibility of one or 2 packages may be explored. Further, it may be explored that whether the project can be taken up on BOT Toll mode.

d. **The Department of Legal Affairs** said that they do not have further comments.

6. The Chair raised the following issues:

- a. The status of land acquisition is to be provided and bids may be received only after completion of 3G.
- b. The item-wise details for the cost increase of the project post PIB appraisal may be provided with justification.
- c. The rationale for having 8 tolls on the project highway of route length of 136 km. may be provided.

7. MoRTH submitted the following with respect to the issues raised:

a. The land acquisition status is as follows: -

Particulars	Pathalgaon to Gumla
Total Land Required (Ha)	849.4847 Ha
Existing Land (Ha)	7.20 Ha
Land to be acquired	842.2847Ha
Forest Land	134.5775 Ha
Additional Land to be Acquired	707.7072 Ha
3A Status in Ha.	842.2847 Ha
3D Status	837.214 Ha
3G Status	810 (Under process)

The process of land acquisition is in full swing, and it is expected that all contractual obligations of the PSA relating to land ROW will be fulfilled in due time.

- b. The total capital cost is 30 % higher than then that mentioned in the PIB note. The item-wise change in cost along with the justification was submitted to the PPPAC which is placed at **Annexure – II** of these minutes. Further, the costs are within the range of normative costs of the project.
- c. The Toll plazas are located at each entry and exit which is through ramps, and are kept at an average distance of 17 km. Further, being an access controlled highway, only one Toll Plaza is located at the main carriageway, thus, there would be minimal impact of the 7 toll plazas on the traffic on main carriageway.

- d. It would be ensured that the schedules of the concession agreement are duly filled in.
 - e. With regard to the project being floated in three packages, the experience of MoRTH is that for projects size of above INR 1500-2000 crore, eligible bidder universe and participation drastically reduces to 4-5, viz.-a-viz., 10-15 for projects below Rs.2000 Crores. Further, development of projects in multiple packages also ensures mutual competition and commencement of work at both project sites simultaneously, thus saving overall project completion time. Also, in the present case, the packages fall in different states and coordination for a package with multiple states and its authorities takes time. Considering the administrative set up of the Regional Offices of the NHAI, the project can be taken up in 2 packages by combining the erstwhile packages 1&2 as a single package.
 - f. Regarding taking up the project on BOT Toll mode, it was informed that the traffic on the route is yet to stabilize and as per the present estimates, to maintain a healthy IRR, more than 40% VGF would have to be provided upfront. Therefore, the project is being proposed on HAM mode with provision of monetization once the traffic stabilizes.
 - g. Lastly, it was informed that all issues raised by the Members shall be duly incorporated in the bid documents.
8. After detailed deliberations, the PPPAC unanimously recommended the project proposal for 'Final Approval' to the Competent Authority, with the following conditions:
- a) Land acquisition and necessary clearances to be obtained by the PSA in a time bound manner so as to avoid any delays in the project due to land acquisition. Bid due date shall be after the 3G declaration.
 - b) Project shall be bid out in 2 packages, by combining package 1&2 as a single package and package 3 as a separate package.
 - c) Monetization of the project to be taken up once the traffic stabilizes.
 - d) Revalidation of its recommendation by the PPPAC is not required for following post recommendation changes in the project costs/bid documents:
 - i. Any change in the date/time period for any time-bound actions like appointed date, financial close, construction period, etc.
 - ii. Non-substantial change in risk allocation.
 - iii. Any other changes/modification in the project proposal with the overall objective of making project successful.
 - iv. Further, MoRTH/NHAI will decide whether the changes proposed post recommendations of the project proposal by the PPPAC fall within the threshold criteria as stated above. All such changes

falling within the threshold criteria as stated above shall be appraised at the level of Secretary (MoRTH)/BoD of NHAI, without any further need of revalidation by the PPPAC and shall proceed with the approval process accordingly.

e) Legal vetting of the revised bid document to be undertaken.

(III) Development of 4 lane access-controlled Economic Corridor from Kharagpur to Moregram Section Km 0.000 to Km 230.957 of NH 116A divided into 5 packages in the state of West Bengal under Bharatmala Pariyojana on HAM model.

1. The basic details of the projects are given in the table below:

Project Description	Package I From Kharagpur to Chandrakona-Ghatal Road Crossing section (From Km 0.00 to Km. 41.00)	Package II: From Chandrakona-Ghatal Road Crossing to Bowaichandi section (From Km. 41.00 to Km.89.814)	Package III: Bowaichandi to Guskara-Katwa Road section (From Km. 89.814 to Km.133.00)	Package IV From Guskara- Katwa Road to Mayurakshi Bridge Approach Section (From Km 133.00 to Km.180.00)	Package V Before Mayurakshi Bridge Approach to Moregram section (From Km. 180.00 to 230.957)
Type of Project	Hybrid Annuity Mode				
Sponsoring Authority	Ministry of Road Transport and Highways (MoRTH)				
Implementing Agency	PIU-Kharagpur, Purba Bardhaman, Krishnanagar, under Nodal Agency RO Kolkata				
Location	West Bengal/ Paschim Medinipur, Hooghly, Bankura, Purba Bardhaman, Birbhum, Murshidabad / Kharagpur & Bardhaman.				
Length	41.00 Kms	48.814 Kms	43.186 Kms	47.00 Kms	50.957 Kms
Civil Construction Cost	Rs. 904.75 Cr.	Rs. 1387.16 Cr	Rs. 1143.32 Cr.	Rs. 961.93 Cr.	Rs. 1109.11 Cr.
Estimated Project Cost	Rs 984.85 Cr	Rs. 1503.29 Cr	Rs. 1231.32 Cr	Rs 1039.26 Cr	Rs 1226.90 Cr
Estimated Bid Project Cost	Rs 1203.65 Cr	Rs 1805.46 Cr	Rs 1492.78 Cr	Rs 1271.72 Cr	Rs 1494.08 Cr
Total project Cost	Rs. 1737.76 Cr	Rs. 2458.52 Cr	Rs. 2279.40 Cr	Rs. 1722.35 Cr	Rs. 2048.69 Cr
	Rs. 10,247 Cr				
Concession Period	17.5 years (2.5 years construction period + 15 years Operation Period)				

Financial Structure	NHAI is to pay 40% of Bid Project Cost adjusted to Price Index Multiple (40% of the Completion Cost) in 10 (five) equal installments of 4% (four per cent) each during the Construction Period. Balance project cost is to be arranged by the Concessionaire through Loan and Equity.					
Land Acquisition Status	Particulars	Package I	Package II	Package III	Package IV	Package V
	Total Land Required	255.38 Ha	289.89 Ha	283.17 Ha	280.75 Ha	280.75 Ha
	Existing ROW (Ha)	0.0 Ha	0.0 Ha	0.0 Ha	0.0 Ha	0.0 Ha
	Additional Land required	255.38 Ha	289.89 Ha	283.17 Ha	280.75 Ha	280.75 Ha
	Govt. Land (Ha)	33.79 Ha	20.46 Ha	16.61 Ha	13.17 Ha	13.17 Ha
	Pvt. Land to be acquired:	221.59 Ha	269.43 Ha	266.56 Ha	267.58 Ha	267.58 Ha
	3A status	Published	Published	Published	Published	Published
	3D status	Published	Published	Published	Published	Published
	3G status	Under progress	Under progress	Under progress	Under progress	Under progress
Financial Viability	Particulars	Package I	Package II	Package III	Package IV	Package V
	Project IRR	12.54 %	11.24 %	12.64 %	12.72%	12.54 %
	Equity IRR	15%	15%	15%	15%	15%
	Project NPV @12% discounting (Rs.in Crore)	Rs. 31.71 Cr.	Rs. -9.9 Cr.	Rs. 17.26 Cr.	Rs. 16.00 Cr.	Rs. 40.06 Cr.
	NPV of revenue streams (Annuity Payment and O&M payments) @12% discounting (Rs.in Crore)	Rs. 465.34	Rs. 790.02 Crores	Rs. 670.51	Rs. 550.66 Crores	Rs. 577.63 Crores
Financial Structure	NHAI is to pay 40% of Bid Project Cost adjusted to Price Index Multiple (40% of the Completion Cost). Balance 60% shall be payable to the Concessionaire in the form of Annuity. The payment during construction and during Operation Period shall be made as per the procedure laid					

	d down in the DCA.					
Status of Clearances	Clearances	Package I	Package II	Package III	Package IV	Package
	Environment clearance	Proposal submitted.	Proposal submitted.	Proposal submitted.	Proposal submitted.	Proposal submitted.
	Forest Clearance	Not required	Not required	Not required	Not required	Not required
	Wildlife Clearances	Not required	Not required	Not required	Not required	Not required
	Coastal Regulated Zone (CRZ) Clearance	Not required	Not required	Not required	Not required	Not required
	GAD approvals in case of ROB/RUB	No ROB in this package	Features has been finalized with Railways, only sign on GAD is in progress, Approval expected by 30.10.2023.	Features have been finalized with Railways, only sign on GAD is in progress, Approval expected by 30.10.2023.	Features have been finalized with Railways, only sign on GAD is in progress, Approval expected by 30.10.2023.	Features have been finalized with Railways, only sign on GAD is in progress, Approval expected by 30.10.2023.
Concession Agreement	Based on MCA for Hybrid Annuity Model dated 9.12.2016 and subsequent amendments					
Bidding Parameter	The bidder who will quote lowest Bid Project Cost shall be declared as "Selected Bidder" as prescribed in Clause 3.8.1 of RFP.					
Bidding Process	Single Stage with two envelopes.					

2. MORTH made the presentation and informed that it plans to develop a 4 lane access-controlled Economic Corridor from Kharagpur to Moregram Section Km 0.000 to Km 230.957 of NH 116A divided into 5 packages in the state of West Bengal under Bharatmala Pariyojana on Hybrid Annuity Mode. The main objective of the project is to develop the Economic Corridor between Kharagpur

and Siliguri to improve the efficiency of freight movement in India. To decongest the existing NH-34, running through the Kolkata city, a direct connectivity between Kharagpur to Moregram is required to directly connect the Northeast bound traffic from Kharagpur to Moregram.

3. The main objective of the project is to develop the Economic Corridor between Kharagpur and Siliguri to improve the efficiency of freight movement to North-Eastern part of India. The length of proposed greenfield alignment is 100 km shorter from existing Kharagpur-Moregram alignment through NH-6 & NH-34. The project road connects 4 important NHs i.e. NH-6, NH-2, NH-60 & NH-34. This will lead to substantial saving of time and costs of logistics. The connection nodes and cross sections with various NHs is through elevated carriageway so as to ensure free-flow of the traffic on the main carriageway at intersections. Meeting held on 12th Sept. 2023 at 3PM. The approval was conveyed vide letter dated 27.09.2023. Compliance of NPG observations has been taken care in the estimate. It was also informed that certain figures of the project have revised since the time of submission of the project and revised particulars were submitted to the PPPAC in the meeting, which have been duly incorporated in the minutes as appropriate.
4. It was also informed that the bid documents for the project have already been floated. However, all recommendations of the PPPAC would be duly incorporated in the revised bid documents which would be issued as corrigendum.
5. The Chair invited PPPAC Members to raise unresolved issues, if any. With the permission of the Chair, the following issues were then raised:
 - a. **Issues raised by NITI Aayog:**
 - i. The schedules of the concession agreement may be filled in completely.
 - ii. The provisions for functions and monitoring of emergency services like highway patrol etc. should be provided in this DCA also.
 - b. **Issues raised by Department of Expenditure (DoE):**
 - i. The project is mentioned as 6 lane in PIB proposal but now it is mentioned as 4 lane. The rationale for the same may be provided.
 - ii. Further, it may be informed whether the project costs are comparable to the Normative costs.
 - iii. Considering the past experience of NHAI, whether the traffic projections for this kind of project is reasonable.
 - iv. The PPPAC Memo does not mention the Scheme under which it is being funded. If the instant project is Proposed to be funded through Bharatmala Pariyojana, then considering the fact that the approval of the CCEA for revised Investment proposal of

Bharatmala Pariyojana is not available, the project should be awarded after requisite approval of the CCEA is available.

- c. **Department of Economic Affairs** said that instead of the five small packages, the possibility of one or 2 packages may be explored. Further, it may be explored that whether the project can be taken up on BOT Toll mode
 - d. **Department of Legal Affairs:** DoLA informed that they do not have further comments.
6. The Chair raised the following issues:
- a. Why the project is being taken up as a greenfield project and can the existing road be upgraded?
 - b. The status of land acquisition to be provided and bids may be received only after completion of 3G.
 - c. The item-wise details for the cost increase of the project post PIB appraisal may be provided with justification.
 - d. The rationale for having 19 tolls on the project highway of route length of 230.957 km. may be provided.
7. MoRTH submitted the following with respect to the issues raised:
- a. The existing road runs through inundated area and suffers from waterlogging during peak rainy seasons and hence, its expansion is not feasible and much costlier alternative. The other side of the existing road is a forested area. Therefore, this alignment is carved out between the two, the inundate land and the forest area, as a greenfield project. This project will lead to substantial time and cost savings for the freight traffic and provide better connectivity to the North Eastern regions of the country.
 - b. Regarding the status of land acquisition, 3G for 85% of the land requirement has been achieved. The process of land acquisition is in full swing, and it is expected that all contractual obligations of the PSA relating to land ROW will be fulfilled in due time.
 - c. The item-wise change in cost along with the justification was submitted to the PPPAC which is placed at **Annexure – III** of these minutes. Further, the costs are within the range of normative costs of the project.
 - d. Toll plazas are located at each respective entry and exit only through ramps, and are kept at an average distance of 12 km. Since this is an access-controlled highway, there would be minimal impact of the toll plazas on the traffic on main carriageway.
 - e. It would be ensured that the schedules of the concession agreement are duly filled in.

- f. The provisions for emergency services like highway patrol etc. shall be duly incorporated.
 - g. The initial proposal for PIB was taken up from the project description in the NIP, wherein inadvertently, 6 lane was mentioned instead of 4 lane. However, the DPR etc. and all other project costs were envisaged and estimated for 4 lane project only.
 - h. The traffic projects are based on standard formulation procedure of NHAI in this regard and past experience also shows that traffic projections have been appropriate.
 - i. Regarding taking up of the project pending approval of the Bharatmala Pariyojna Phase, it was informed that MoRTH is currently developing the VISION-2047 which also includes prioritized project of residual BPP-I. Meanwhile, the projects for which preconstruction activities are in the advanced stage and important for connectivity, are being taken up on a case to case basis and due appraisal and approvals for these projects would be sought from the competent authority. The instant project proposals is one of such identified projects which is also part of Vision-2047.
 - j. Regarding taking up the project in sizable lots, it was submitted that the project bid documents have been already floated and recalling them at this stage would delay award. Further, since 85% 3G of the land has been achieved, therefore, these projects are ripe for awarding and restructuring of packages at this stage may lead to bidders losing interest in the projects. Further, NPG has also approved the projects. Therefore, MoRTH/NHAI requested the PPPAC to consider the projects in the existing 5 packages.
 - k. Regarding taking up the project on BOT Toll mode, it was informed that the traffic on the route is yet to stabilize and as per the present estimates, to maintain a healthy IRR, more than 40% VGF would have to be provided upfront. Therefore, the project is being proposed on HAM mode with provision of monetization once the traffic stabilizes.
 - l. Lastly, it was informed that all issues raised by the Members shall be duly incorporated in the bid documents.
8. After detailed deliberations, the PPPAC unanimously recommended the project proposal for 'Final Approval' to the Competent Authority, with the following conditions:
- a) Land acquisition and necessary clearances to be obtained by the PSA in a time bound manner so as to avoid any delays in the project due to land acquisition. Bid due date shall be after the 3G publication.

- b) Noting that the project will reduce the connecting distance by 100 km, resulting in reduced travel time and cost and since this project is in a mature stage, the packages need not be clubbed/restructured. However, for future proposals MoRTH/NHAI may structure project proposals into sizable biddable lots so as to increase bidder interest and get quality bids.
- c) Provisions regarding functions and monitoring of emergency services etc. to be incorporated in the DCA.
- d) Monetization of the project to be taken up once the traffic stabilizes.
- e) Since this project is in mature stages, it is expected that this project will be completed within due time of 36 months after the date of award and there would be not time or cost overruns for this project.
- f) Revalidation of its recommendation by the PPPAC is not required for following post recommendation changes in the project costs/bid documents:
 - i. Any change in the date/time period for any time-bound actions like appointed date, financial close, construction period, etc.
 - ii. Non-substantial change in risk allocation.
 - iii. Any other changes/modification in the project proposal with the overall objective of making project successful.
 - iv. Further, MoRTH/NHAI will decide whether the changes proposed post recommendations of the project proposal by the PPPAC fall within the threshold criteria as stated above. All such changes falling within the threshold criteria as stated above shall be appraised at the level of Secretary (MoRTH)/BoD of NHAI, without any further need of revalidation by the PPPAC and shall proceed with the approval process accordingly.
- g) Legal vetting of the revised bid document to be undertaken.

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

Annexure – I

List of participants of 114th Meeting of the PPPAC held on 19.02.2024 for considering the project proposals of (I) Development of 6 lane access-controlled Agra-Gwalior greenfield highway in the state of Uttar Pradesh, Rajasthan and Madhya Pradesh on BOT(Toll) Mode (II) Construction of 4-lane Pathalgaon-Kunkuri-CG/JH border-Gumla-Bharda section as part of Raipur-Dhanbad Economic Corridor under Bharatmala Pariyojana in the state of Chhattisgarh and Jharkhand on HAM model.

1. **Department of Economic Affairs, Ministry of Finance**
 1. Shri Ajay Seth, Secretary, EA- In Chair
 2. Shri Baldeo Purushartha, JS(ISD)
 3. Ms. Bhumika Verma, Director (PIU)
 4. Dr. Kartik Agrawal, DD (PIU)
2. **Department of Expenditure**
 1. Shri L K Trivedi, Director
3. **NITI Aayog**
 1. Shri Partha Sarthi Reddy, Adviser (PPP)
4. **DoLA**
 1. Dr. R.J.R. Kasibhatla, Additional Legal Adviser
5. **MoRTH**
 1. Shri Anurag Jain, Secretary
 2. Shri Sanjay Kumar, AS & FA
 3. Shri Vinay Kumar, JS (Highway)
 4. Shri Manoj Kumar, Chief Engineer
6. **NHAI**
 1. Shri Santosh Kumar Yadav, Chairman
 2. Shri V.K. Rajawat, Member(P)

List of participants of 114th Meeting of the PPPAC held on 21st February, 2024, for considering the project proposal of (III) Development of 4 lane Economic Corridor from Kharagpur to Moregram Section Km 0.000 to Km 230.957 of NH 116A divided into 5 packages in the state of West Bengal under Bharatmala Pariyojana on HAM model.

1. **Department of Economic Affairs, Ministry of Finance**
 1. Shri Ajay Seth, Secretary, EA- In Chair
 2. Ms. Bhumika Verma, Director (PIU)
 3. Ms. Arya B. Kumari, JD (PIU)
 4. Dr. Kartik Agrawal, DD (PIU)
2. **Department of Expenditure**
 1. Shri L K Trivedi, Director

3. **NITI Aayog**
 1. Shri Partha Sarthi Reddy, Adviser (PPP)
4. **DoLA**
 1. Shri Neeraj Rawat, Deputy Legal Adviser
5. **MoRTH**
 1. Shri Anurag Jain, Secretary
 2. Shri Sanjay Kumar, AS & FA
 3. Shri Vinay Kumar, JS (Highway)
 4. Shri Manoj Kumar, Chief Engineer
6. **NHAI**
 1. Shri Santosh Kumar Yadav, Chairman
 2. Shri V.K. Rajawat, Member(P)

Annexure – II

Item-wise change in cost along with the justification

Construction of 4-lane Pathalgaon-Kunkuri-CG/JH border-Gumla-Bharda section as part of Raipur-Dhanbad Economic Corridor under Bharatmala Pariyojana in the state of Chhattisgarh and Jharkhand on HAM model.

It is planned to construct access controlled missing portion of Raipur to Dhanbad Economic corridor from Pathalgaon to Bharda(Gumla) which will provide smooth flow of traffic between Chhattisgarh and Jharkhand and decrease travel time by 2.13 Hours and travel length by 19.38 km for the project stretch.

Factored Considered	Cost Escalation (Rs. in Cr.)
PIB Approved TCC	3424
Cost increases due to increase in length from Pathalgaon to CG/JH border (104.25-100) km	95
Impact due to increase in WPI- 23.8% (122)Year 2020 --> (151)Year 2023)	420
Impact due to increase in GST (From 12% to 18%) 6 % increase	222
Environmental mitigation	84
Increase in number of structures e.g. EUP/EOP, viaduct etc. in compliance to MoEF&CC directives to facilitate the uninterrupted movement of elephant and wildlife across the project road which involves higher height of the piers and larger span	241
Saving in LA Component	-14
Overall Increase	1048
Final TCC	4472.87

Annexure – III

Item-wise change in cost along with the justification

Development of 4 lane Economic Corridor from Kharagpur to Moregram Section Km 0.000 to Km 230.957 of NH 116A divided into 5 packages in the state of West Bengal under Bharatmala Pariyojana on HAM model.

It is planned to develop an access controlled Economic Corridor from Kharagpur to Moregram, which will result in movement of traffic to North Eastern Region, thus giving time saving of 5-6 hours.

Factored Considered	Cost Escalation
PIB Approved TCC	8636.00
Cost Escalation due to increase in LA Cost	636.00
Impact due to Inflation	605.00
Impact due increase in GST (From 12% to 18%)	315.00
Final TCC	10247.00