



**Directorate of Institutional  
Finance**  
(Public Private Partnership Cell)  
Government of Madhya Pradesh

No. DIF/PPP/345/SLEC-17/2013/2693

Dated 19-8-2013

To,

1. Additional Chief Secretary, Govt. of M.P. Commerce and Industries Department, Mantralaya, Bhopal.
2. Additional Chief Secretary, Govt. of M.P. Finance Department, Mantralaya, Bhopal.
3. Principal Secretary, Govt. of M.P, Law Department, Vindhyachal Bhawan, Bhopal.
4. Principal Secretary, Govt. of M.P, Planning, Economics & Statistics Department, Mantralaya, Bhopal.
5. Principal Secretary, Govt. of M.P, Public Works Department, Mantralaya, Bhopal.
6. The Managing Director, M.P. Road Development Corporation, Bhopal.
7. The Managing Director, M.P. State Industries Development Corporation, Bhopal.
8. The Managing Director, M.P. Audyogik Kendra Vikas Nigam, Indore.

**Sub: Minutes of the 17<sup>th</sup> meeting of the State Level Empowered Committee for  
Public Private Partnership (PPP) Projects.**

The 17<sup>th</sup> meeting of the State Level Empowered Committee for PPP Projects was held on 14<sup>th</sup> August, 2013 under the Chairmanship of the Chief Secretary. As directed, copy of the minutes of the said meeting is enclosed herewith.

Encl: as above.

Joint Director  
Institutional Finance

Endt. No. DIF/PPP/345/SLEC-17/2013/ 2694

Dated: 19-8-2013

Copy to – Staff Officer to the Chief Secretary, Government of Madhya Pradesh,  
Mantralaya, Bhopal for information please.

Joint Director  
Institutional Finance

## **State Level Empowered Committee for Public Private Partnership Projects**

### **17<sup>th</sup> Meeting**

14<sup>th</sup> August 2013

Venue: CS Ante Chamber

### **Minutes**

The 17<sup>th</sup> Meeting of the State Level Empowered Committee (SLEC) for Public Private Partnership projects was held on 14<sup>th</sup> August 2013. The list of participants is at Annexure A.

Commissioner, Institutional Finance briefed the Committee about the proposals put up for consideration. He apprised that a total of 4 projects are being put up, out of which 3 projects are from MPRDC and 1 project is from the Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Ltd.

The Committee discussed the agenda items in detail and the following decisions were taken:

- 1. Agenda Item No. 1 : Development/ Upgradation of Tikamgarh - Orchha Road on Annuity basis - proposed by MP Road Development Corporation Limited (MPRDC) - Revised approval.**
  - i. Managing Director, MP Road Development Corporation apprised the Committee that this project was considered by SLEC in its meeting held on 14-07-2011 on Annuity basis. The project was awarded to M/s Soubhaya Tikamgarh-Orchha Projects Pvt Ltd. However the concession agreement was terminated.
  - ii. MPRDC has now prepared the proposal for balance work for development of Tikamgarh - Orchha Road on the basis of 2013 SOR of PWD. The Department apprised that the revision in project cost from the earlier estimated cost of ₹ 47.56 crore to ₹ 68.42 crore is only on account of change in SOR.
  - iii. Managing Director, MPRDC also informed that the Company, M/s Soubhaya has been blacklisted. During discussions the Additional Chief Secretary, Finance also discussed the possibility that even though the Company was blacklisted, there was a possibility of the same members forming another

company. Therefore a mechanism needs to be formed within the legal framework to discourage such practices. The department may get it legally examined.

- iv. The Committee discussed the proposal and recommended the project for in-principle approval by the Cabinet. The Committee approved the documents on BOT(Annuity) basis.

**2. Agenda Item No. 2 : Development / Road up-gradation of Babai - Gunjanwada - Rampur - Sankheda - Itarsi Road (MDR) on BOT (Annuity) basis proposed by MP Road Development Corporation Limited (MPRDC) - Revised approval .**

- i. Managing Director, MP Road Development Corporation apprised the Committee that the proposed road was earlier approved in the meeting held on 14th July,2011 on Annuity basis.The project was awarded to M/s Totem Infrastructure Ltd ,Hyderabad. However the Concessionaire could not achieve financial closure, therefore the project was terminated. The project was rebid, but the tender committee found the rates to be very high and rejected the bids. Thereafter the project was sent to E-in-C PWD, who returned the project for executing the project under the PPP mode.
- ii. MPRDC has now prepared the project on SOR 2013 of the PWD and due to this there is a cost escalation of estimated project cost from earlier ₹ 56.31crore to ₹ 93.04 crore. As informed by MPRDC the cost escalation is on account of the revised SOR.
- iii. Managing Director, MPRDC also informed that the company has been blacklisted from bidding under BOT projects.
- iv. The Committee discussed the proposal and recommended the project for in-principle approval by the Cabinet. The Committee approved the documents on BoT(Annuity) basis.

**3. Agenda Item No. 3 : Development / Road up-gradation of Mangrol - Bagalwara Road on (BOT-Annuity ) basis proposed by MP Road Development Corporation Limited (MPRDC) - Revised approval.**

- i. Managing Director, MP Road Development Corporation apprised the Committee that like the earlier project considered by the Committee, this project also was approved by the SLEC in its meeting dated 14th July,2011 on BOT (Annuity) basis. The project was awarded to M/s Totem Infrastructure Ltd, Hyderabad. However the Concessionaire could not achieve financial closure, therefore the project was terminated. The project was rebid, but the tender committee found the rates to be very high and rejected the bids. Thereafter the project was sent to E-in-C PWD, who returned the project for executing the project under the PPP mode.
- ii. MPRDC has now prepared the project on SOR 2013 of the PWD and due to this there is a cost escalation of estimated project cost from earlier ₹ 30.79 crore to ₹ 49.44 crore. As informed by MPRDC the cost escalation is on account of the revised SOR.
- iii. The Committee discussed the proposal and recommended the project for in-principle approval by the Cabinet. The Committee approved the documents on BoT(Annuity) basis.

**4. Agenda Item No. 4 : Development / Construction of Rau to Pithampur Road (4 Laning of existing 2 Lane Road) on BOT (Annuity + Toll) basis proposed by MP Audyogik Kendra Vikas Nigam (Indore) Limited (MPAKVN - Indore).**

- i. Additional Chief Secretary, Commerce and Industries apprised MPAKVN Indore, through MPSIDC has proposed to develop Rau-Pithampur Road from the existing two lane to four lane on BOT (Annuity) basis.
- ii. It was observed that there is already an existing road(Mhow Bypass of NH-3) built by NHAI. ACS, Commerce & Industries informed that legal opinion has been sought whether the existing road of NHAI and the proposed roads would be competing roads. In this regard it was informed as per legal opinion given, the existing NHAI road does not fall under a competing road.

- iii. The Committee decided that to avoid any complications in future, a clarification regarding competing roads is to be mentioned in the documents.
- iv. The Committee discussed the proposal and recommended the project for in-principle approval by the Cabinet. The Committee approved the documents on BoT(Annuity) basis.

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

(Approved by the Chairperson.)

(Ashish Upadhayaya)  
OSD & Commissioner Institutional Finance  
&  
Ex Officio Secretary to the SLEC.

**List of Participants in the 17<sup>th</sup> Meeting of the State Level Empowered Committee (SLEC) for PPP Projects held on 14-08-2013**

1. Shri R. Parasuram, Chief Secretary, in the Chair
2. Shri P.K.Dash, Additional Chief Secretary, Govt. of M.P.,Commerce & Industries Deptt.
3. Shri Ajay Nath, Additional Chief Secretary, Govt. of M.P.,Finance Deptt.
4. Shri. K.D.Khan,Principal Secretary, Govt. of M.P.,Law & Legislative Affairs Deptt.
5. Shri Ashish Upadhyaya, OSD & Commissioner,Institutional Finance Govt. of M.P.
6. Shri Vivek Agarwal, Managing Director,MP Road Development Corporation,Bhopal.
7. Shri.A.K.Bhatt, Managing Director, M. P. State Industries Development Corporation & TRIFAC.
8. Shri Manish Singh, Managing Director, M. P. Audyogik Kendra Vikas Nigam (Indore) Limited.
9. Shri C.P.Agarwal, Advisor, State Planning Commission,Bhopal.

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