

NH-24028/14/2014-H (Vol-II) (e- 134863)
Government of India
Ministry of Road Transport & Highways
(Highways Section)
Transport Bhawan, '1, Parliament Street, New Dethi-110001

Dated:15thMarch, 2024

To,

1. The Chairman, NHAI, G-5 & 6, Sector 10, Dwarka, New Delhi 110075.
2. Director General (Roads) & Spl. Secretary, MoRTH
3. Managing Director, NHIDCL, PTI Building, Parliament Street, New Delhi

Subject: Changes in the Model Bidding document/Model Concession Agreement being used for Monetization of Public-Funded Operational National Highway Projects under Tolling, Operation, Maintenance and Transfer (TOT) Model - reg

Sir,

I am directed to refer to the above-mentioned subject and to say that after extensive deliberations with various stakeholders and implementing agencies in this Ministry, amendments, as annexed, have been approved in the provisions of Model Bidding document / Model Concession Agreement for Monetization of Public-Funded Operational National Highway Projects under Tolling, Operation, Maintenance and Transfer (TOT) Model. The changes mentioned against the clauses in the table herein are forwarded for compliance.

2. This issues with the approval of the competent authority.

Yours faithfully,

(Sanjay Kumar)
Under Secretary to the Government of India
Telephone no. 011-23356805

Encls: as above

Copy to:

1. PSO to Secretary (RT&H)
2. Sr. PPS to AS (H &LA)/ Sr. PPS to JS (EAP)
3. Sr. PPS to ADG (Ptg)/ ADG (Mon)/ CE (S&R and BP&SP)/SE (EAP)/DS (H)
4. Sr. Tech. Director, NIC - with a request to upload this on the website of this Ministry

Annexure

Amendments to Model Bidding documents / Model Concession Agreement being used for Monetization of Public funded operational National Highway Projects under Tolling, Operation, Maintenance and Transfer (TOT) Model

S.no.	Clause	Existing provision	Amendments/ modifications																																																
1.	Clause 24.1:	<p>Variation in Toll collection</p> <p>The Authority and the Concessionaire acknowledge that the toll collections in the month of *** 2030 (the “Target Point 1”) is estimated to be</p> <table><tr><td>Stretch</td><td></td></tr><tr><td>State</td><td></td></tr><tr><td>Start (km)</td><td></td></tr><tr><td>End (km)</td><td></td></tr><tr><td>Length (km)</td><td></td></tr><tr><td>Revenue at Target Point 1 (Rs. Cr.)</td><td></td></tr></table> <p>Rs [...] cr (Rupeesonly) (the “Target Fee 1”) and the toll collections in the month of *** 2037 (the “Target Point 2”) is estimated to be</p> <table><tr><td>Stretch</td><td></td></tr><tr><td>State</td><td></td></tr><tr><td>Start (km)</td><td></td></tr><tr><td>End (km)</td><td></td></tr><tr><td>Length (km)</td><td></td></tr><tr><td>Revenue at Target Point 2 (Rs. Cr.)</td><td></td></tr></table> <p>Rs [...] cr (Rupeesonly) (the “Target Fee 2”) and hereby agree that for determining the modifications to the Concession Period under this Clause, the monthly toll collection at Target Points 1 or 2, as the case may be, shall be derived from the average of the toll collection as determined using traffic sampling to be undertaken, in accordance with Clause 19, in the month that falls one year prior to the Target Points 1 or 2 as the case may be, during the month of the Target Points 1 or 2 as the case may be, and on the first anniversary of the Target Points 1 or 2 as the case may be (the “Actual Fee 1” and the</p>	Stretch		State		Start (km)		End (km)		Length (km)		Revenue at Target Point 1 (Rs. Cr.)		Stretch		State		Start (km)		End (km)		Length (km)		Revenue at Target Point 2 (Rs. Cr.)		<p>Variation in Toll collection</p> <p>The Authority and the Concessionaire acknowledge that the toll collections in the month of *** 2030 (the “Target Point 1”) is estimated to be</p> <table><tr><td>Stretch</td><td></td></tr><tr><td>State</td><td></td></tr><tr><td>Start (km)</td><td></td></tr><tr><td>End (km)</td><td></td></tr><tr><td>Length (km)</td><td></td></tr><tr><td>Revenue at Target Point 1 (Rs. Cr.)</td><td></td></tr></table> <p>Rs [...] cr (Rupeesonly) (the “Target Fee 1”) and the toll collections in the month of *** 2035 (the “Target Point 2”) is estimated to be</p> <table><tr><td>Stretch</td><td></td></tr><tr><td>State</td><td></td></tr><tr><td>Start (km)</td><td></td></tr><tr><td>End (km)</td><td></td></tr><tr><td>Length (km)</td><td></td></tr><tr><td>Revenue at Target Point 2 (Rs. Cr.)</td><td></td></tr></table> <p>Rs [...] cr (Rupeesonly) (the “Target Point 3”)^{&} and hereby agree that for determining the modifications to the Concession Period under this Clause, the monthly toll collection at Target Points 1 or 2 [or 3][@], as the case may be, shall be derived from the average of the toll collection as determined using traffic sampling to be undertaken, in accordance with Clause 19, in the month that falls one year prior to the Target Points 1 or 2 [or 3] as the case may be, during the month of the Target Points 1 or 2 [or 3] as the case may be, and on the first anniversary of the Target Points 1 or 2 [or 3] as the case may be (the “Actual Fee 1”, the “Actual Fee 2” and the “Actual Fee 3”). For the</p>	Stretch		State		Start (km)		End (km)		Length (km)		Revenue at Target Point 1 (Rs. Cr.)		Stretch		State		Start (km)		End (km)		Length (km)		Revenue at Target Point 2 (Rs. Cr.)	
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Revenue at Target Point 2 (Rs. Cr.)																																																			

		"Actual Fee 2"). For the avoidance of doubt, it is agreed that traffic sampling shall be undertaken in respect of any particular toll plaza for a continuous period of at least 7 (seven) days during the month specified herein and the average thereof shall be deemed to be the actual traffic.	avoidance of doubt, it is agreed that traffic sampling shall be undertaken in respect of any particular toll plaza for a continuous period of at least 7 (seven) days during the month specified herein and the average thereof shall be deemed to be the actual traffic. & The Target Date to be specified here shall be every 5 years from the date of this Agreement @ to be modified based on the number of Target Points applicable for the Concession Period
2	Clause 24.2.	Modification of Concession period due to variation in Target Fee 1 Subject to the provisions of Clause 14, in the event that the Actual Fee 1 shall have fallen short of or exceeded the Target Fee 1 by more than 20% (twenty percent) thereof, the Concession Period shall be deemed to be modified in accordance with Clause 24.5.1. For the avoidance of doubt, in the event of any Dispute, the Dispute Resolution Procedure shall apply.	Modification of Concession period due to decrease in Target Fee Subject to the provisions of Clause 14, in the event that the Actual Fee shall have fallen short of the Target Fee by more than 5% (Five percent) thereof, the remaining Concession Period shall be deemed to be modified in accordance with Clause 24.5.1. For the avoidance of doubt, in the event of any Dispute, the Dispute Resolution Procedure shall apply.
3	Clause 24.3	Modification of Concession period due to variation in Target Fee 2 Subject to the provisions of Clause 14, in the event that the Actual Fee 2 shall have fallen short of or exceeded the Target Fee 2 by more than 30% (thirty percent) thereof, the Concession Period shall be deemed to be modified in accordance with Clause 24.5.2. For the avoidance of doubt, in the event of any Dispute, the Dispute Resolution Procedure shall apply.	Modification of Concession period due to increase in Target Fee Subject to the provisions of Clause 14, in the event that the Actual Fee shall have exceeded the Target Fee by more than 5% (Five percent) thereof, the remaining Concession Period shall be deemed to be modified in accordance with Clause 24.5.2. For the avoidance of doubt, in the event of any Dispute, the Dispute Resolution Procedure shall apply.
4	Clause 24.5.1 :	Subject to the provisions of Clause 24.2 and Clause 3.1, in the event Actual Fee 1 shall have fallen short of or exceeded the Target Fee 1 by more than 20% (twenty percent), then for every 1% (one percent) shortfall	Clause 24.5.1 : Subject to the provisions of Clause 24.2 and Clause 3.1, in the event Actual Fee shall have fallen short of the Target Fee by more than 5% (Five percent) , then for every 1% (one percent) shortfall as compared to the Target

		<p>or increase as compared to the Target Fee 1, the Concession Period, subject to fulfilment of terms of this Agreement, shall be increased by 1.5% (one and a half percent) or decreased by 0.75% (point seven five percent) thereof; provided that such increase or decrease in Concession Period shall not in any case exceed not more than limits specified in Clause 3.1. For the avoidance of doubt, and by way of illustration, it is agreed that in the event of a shortfall or increase by 30% (thirty percent) in Target Fee 1, the Concession Period shall be increased by 15% (fifteen percent) or decreased by 7.5% (seven and a half percent) thereof.</p>	<p><u>Fee, the remaining Concession Period</u>, subject to fulfilment of terms of this Agreement, shall be <u>increased by 1% (one percent)</u> respectively thereof; provided that such increase or decrease in the remaining Concession Period shall not in any case exceed the limits specified in Clause 3.1. Further, it is clarified that the subsequent Target Fee as specified in 24.5.2 shall be changed by the same percentage.</p> <p><u>The decrease in target fee in fraction of one percent or part thereof beyond 5% variation shall result in increase in remaining Concession period on pro-rata basis.</u></p> <p>For the avoidance of doubt, and by way of illustration, it is agreed that in the event the Target Fee is expected to be as follows:</p> <table><tr><th>S. No.</th><th>Target Point</th><th>Remaining Concession period</th><th>Target Fee (Rs. Cr.)</th></tr><tr><td>1</td><td>Target Fee 1</td><td>15 years</td><td>100</td></tr><tr><td>2</td><td>Target Fee 2</td><td>10 years</td><td>150</td></tr><tr><td>2</td><td>Target Fee 3</td><td>5 years</td><td>200</td></tr><tr><td></td><td>...</td><td></td><td></td></tr></table> <p>And in case the Actual Fee for Target Fee 1 is Rs. 87.5 Cr, then the remaining Concession Period shall be increased by 7.5% (seven and half percent) to 16.13 years and the subsequent Target Fee shall be revised to:</p> <table><tr><th>S. No.</th><th>Target Point</th><th>Target Fee (Rs. Cr.)</th></tr><tr><td>1</td><td>Target Fee 2</td><td>150*(1-7.5%) = 138.75</td></tr><tr><td>2</td><td>Target Fee 3</td><td>185</td></tr></table>	S. No.	Target Point	Remaining Concession period	Target Fee (Rs. Cr.)	1	Target Fee 1	15 years	100	2	Target Fee 2	10 years	150	2	Target Fee 3	5 years	200		...			S. No.	Target Point	Target Fee (Rs. Cr.)	1	Target Fee 2	150*(1-7.5%) = 138.75	2	Target Fee 3	185
S. No.	Target Point	Remaining Concession period	Target Fee (Rs. Cr.)																													
1	Target Fee 1	15 years	100																													
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1	Target Fee 2	150*(1-7.5%) = 138.75																														
2	Target Fee 3	185																														
5	Clause 24.5.2 :	Subject to the provisions of Clause 24.3 and Clause 3.1, in the event Actual Fee 2 shall have fallen short of or exceeded the Target Fee 2 by more than 30% (thirty percent), then for	Subject to the provisions of Clause 24.3 and Clause 3.1, in the event <u>Actual Fee</u> shall have <u>exceeded the Target Fee</u> by more than <u>5% (five percent)</u> , then for every 1% (one percent) increase as compared to the																													

	<p>every 1% (one percent) shortfall or increase as compared to the Target Fee 2, the Concession Period, subject to fulfilment of terms of this Agreement, shall be increased by 1.5% (one and a half percent) or decreased by 0.75% (point seven five percent) thereof; provided that such increase or decrease in Concession Period shall not in any case exceed not more than limits specified in Clause 3.1. For the avoidance of doubt, and by way of illustration, it is agreed that in the event of a shortfall or increase by 40% (forty percent) in Target Fee 2, the Concession Period shall be increased by 15% (fifteen percent) or decreased by 7.5% (seven and a half percent) thereof.</p>	<p>Target Fee, the remaining Concession Period, subject to fulfilment of terms of this Agreement, shall be decreased by 1% (one percent) thereof; provided that such increase or decrease in the remaining Concession Period shall not in any case exceed not more than limits specified in Clause 3.1.</p> <p>For increase in target fee in fraction of one percent or part thereof beyond 5% variation shall result in decrease in Concession period on pro-rata basis.</p> <p>For the avoidance of doubt, and by way of illustration, it is agreed that in the event the overall Concession Period is 20 years and Target Fee is expected to be as follows:</p> <table><tr><th>S. No.</th><th>Target Point</th><th>Remaining Concession period</th><th>Target Fee (Rs. Cr.)</th></tr><tr><td>1</td><td>Target Fee 2</td><td>15 years</td><td>100</td></tr><tr><td>2</td><td>Target Fee 3</td><td>10 years</td><td>150</td></tr></table> <p>And in case the Actual Fee for Target Point 2 is Rs. 112.50 Cr, then the remaining Concession Period shall be decreased by 7.5% (seven and half percent) to 13.88 years and the subsequent Target Fee shall be revised to:</p> <table><tr><th>S. No.</th><th>Target Point</th><th>Target Fee (Rs. Cr.)</th></tr><tr><td>2</td><td>Target Fee 3</td><td>161.25</td></tr></table>	S. No.	Target Point	Remaining Concession period	Target Fee (Rs. Cr.)	1	Target Fee 2	15 years	100	2	Target Fee 3	10 years	150	S. No.	Target Point	Target Fee (Rs. Cr.)	2	Target Fee 3	161.25
S. No.	Target Point	Remaining Concession period	Target Fee (Rs. Cr.)																	
1	Target Fee 2	15 years	100																	
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