

No. NH-37012/02/2019-H
Government of India
Ministry of Road Transport & Highways
(Highways Section)

Transport Bhawan, 1, Parliament Street, New Delhi-110001.

Date: 3rd December, 2019

CIRCULAR

SUBJECT: AMENDMENTS AND MODIFICATIONS IN THE TOLL-OPERATE-TRANSFER (TOT) MODEL AND SECURITIZATION OF USER FEE RECEIPTS OF NH

The competent Authority has approved the proposal contained in the Note for Cabinet Committee on Economic Affairs (CCEA) dated 29.10.2019 in the meeting held on 20th November, 2019 (case No. 61/CCEA/2019) regarding proposed amendments in TOT Model and further allowing securitization of user fee receipts, and conveyed its approval vide communication No. CCEA/20/2019 (i) dated 25.11.2019.

2. This Ministry vide Circular no. H-24031/07/2014-P&P dated 17th August 2016 had conveyed the approval of Cabinet Committee on Economic Affairs (CCEA) (circular no. CCEA/22/2016 (i) dated 08.08.2016) to authorize National Highways Authority of India (NHAI) to monetize public funded National Highway (NH) projects which are operational and are generating toll revenues for at least two years after the Commercial Operations Date (COD) through the Toll Operate Transfer (TOT) Model subject to approval of the Competent Authority in MoRTH/NHAI on a case to case basis (case no.65/CCEA/2016).

3. Now, with a view to expanding the project base available with NHAI for monetization under TOT mode and for raising finance against toll receipts from identified Public Funded/HAM projects through securitization, the Cabinet Committee on Economic Affairs (CCEA) after considering the proposal of the MoRTH has accorded the following approval:

(i) NHAI is authorized to monetize public funded NH projects which are operational and are collecting toll for at least one year after the COD through the Toll Operate Transfer (TOT) Model subject to approval of the Competent Authority in MoRTH/ NHAI on a case to case basis.

(ii) NHAI is authorized to vary the Concession Period between 15 to 30 years depending on project features.

(iii) The detailed proposal for every TOT bundle, including the proposed project stretches; estimated concession value & proposed concession period shall be approved by NHAI Board (Authority).

(iv) NHAI is allowed to raise long term finance from banks by securitizing the user fee receipts from fee plazas as alternate mode of asset monetization.

4. This issues with the approval of Competent Authority in the Ministry.



(Ramandeep Chowdhary)
Deputy Secretary to the Government of India
Telephone No. 011-23710213

To,

1. CEO, NITI Aayog, Parliament Street, New Delhi
2. Secretary, Department of Economic Affairs, Ministry of Finance, North Block, New Delhi
3. Secretary, Department of Expenditure, Ministry of Finance, North Block, New Delhi
4. Chairman, National Highways Authority of India, Dwarka, New Delhi
5. Special Secretary & Financial Adviser, MoRTH
6. Director General (Roads) & Special Secretary, MoRTH
7. Managing Director, National Highway Infrastructure and Development Company Limited, PTI Building, Parliament Street, New Delhi
8. All ADGs/Co-ordinators/CEs in MoRTH
9. SE (BP&SP - I & II)/ US (P&P)
10. NIC cell for uploading the circular on Ministry's website.

Copy to: Cabinet Secretariat [Shri S.G.P. Verghese, Director] Rashtrapati Bhawan, New Delhi with reference to Cabinet Secretariat's communication No. CCEA/20/2019(i) dated 25.11.2019.

Copy for information to: PS to Hon'ble Minister (RT&H)/ PS to Hon'ble MoS (RT&H)/ Sr. PPS to Secretary (RT&H)/ PPS to JS (H)/ PPS to DS (H).