

Minutes

Minutes of 3rd meeting of 'Empowered Committee' for processing of PPP projects in Bihar held on 16th April, 2013 at 11.30 AM under the chairmanship of and in the office chamber of Shri A.K. Sinha, Chief Secretary, Bihar.

Members:-

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| 1. Shri Rameshwar Singh, Principal Secretary, Finance Department | Member |
| 2. Shri Naveen Verma, Principal Secretary, Industries Department | Member |
| 3. Shri S. Siddharth, Secretary, Urban Development and Housing | Member |
| 4. Shri Dipak Kumar Singh, Managing Director, IDA | Member Secretary |
| 5. Shri Anupam Suman, MD, BUIDCo, Patna | Member |

Agenda No-01

Name of the Scheme/Project: Establishment of Modern Abattoir/Slaughter house in Patna.

Brief Description of the Project: Modern Abattoir/Slaughterhouse has to be set up on design, finance, construct, operate and maintain basis by eligible developer in Patna. The project developer shall be responsible for buying the required land and the concession period shall be of 30 years. The project shall also be eligible for a grant of 10.32 crore as per Ministry of Food Processing Industry guidelines.

In the 27th Board of Directors' meeting of IDA, held on 25.12.2012 the proposal was approved with following observations –

- a) The period of concession should be of shorter duration, preferably 10 years
- b) The private developer should be given right to use rather than lease rights over the earmarked land
- c) The location of the land should be such that it does not hamper the flight operations from the Patna Airport
- d) The concession agreement and the bidding documents should be framed in such a way that the return to the PMC is higher, consistent with the investment of PMC and the State / Central Govt.

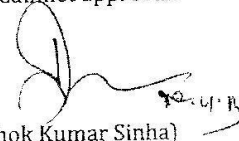
BUIDCo, thereafter submitted revised proposal; which was considered and approved by the 29th Board of IDA on 16/4/13. Thereafter it was considered by the empowered committee.

MD, BUIDCo informed the Committee that the developers have requested for more land area (approximately 25-30 acres); moreover the interested parties have also indicated

that the earlier proposed area is not suitable to set up such project due to closer proximity to the inhabited area. Furthermore, since such a land parcel is unavailable the bid document has been modified in such a way that the private developer shall be responsible for land procurement along with development of the project.

The project developer will invest in the project including investment towards land. The project developer shall pay Annual License Premium to BUIDCo which will start from 3rd year of operations and will be escalated at the rate of WPI or 5% every year. Grant made available by the Government shall be given to the developer. The concession will be for a period of 30 years and after the end of the concession all the assets including land shall be handed over to BUIDCo / the Government. The developer who quotes maximum premium shall be awarded the project.

Recommendation: After detailed discussion the 'Empowered Committee' approved the abovementioned modifications and changes in the bidding documents. With this observation, the Empowered Committee approved the revised bidding document and recommended the revised concession agreement and RFP for Cabinet approval.



(Ashok Kumar Sinha)
Chief Secretary, Bihar-cum-Chairman,
Empowered Committee