

F. No. 3/5/2021 - PPP
Government of India
Ministry of Finance
Department of Economic Affairs
Infrastructure Finance Secretariat
Infrastructure Support & Development Division
Private Investment Unit (PIU)

5th Floor, Jawahar Vyapar Bhawan,
Tolstoy Marg, New Delhi
Dated: 16th October, 2024

Record of Discussion

Subject: - Record of Discussion of the 45th EC Meeting to consider granting final approval to the proposal, 'Development of Affordable Healthcare Facilities' at Angul, Barbil, Bhadrak and Jharsuguda in the State of Odisha: -

The undersigned is directed to forward the Record of Discussion of the 45th EC Meeting held on 14th October 2024 at 03.30 PM to consider the development of affordable healthcare facilities at Angul, Barbil, Bhadrak and Jharsuguda in the State of Odisha.

2. This issues with the approval of the Competent Authority.



(Arya Balan Kumari)
Joint Director, PIU
011-2370 1219

To,

1. The Secretary, D/o Expenditure, North Block, New Delhi-01
2. The CEO, NITI Aayog, Yojana Bhawan, New Delhi-01
3. The Secretary, Ministry of Health & Family Welfare
4. The Principal Secretary, Department of Finance, Government of Odisha
5. The Commissioner cum Secretary, Department of Health, Government of Odisha

Copy to:

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

Record of Discussion

1. The 45th EC meeting to consider granting final approval to the proposal, 'Development of Affordable Healthcare Facilities' at Angul, Barbil, Bhadrak and Jharsuguda in the State of Odisha was held under the Chairmanship of Secretary (EA) on 14th October, 2024 at 3.30 PM. The list of participants is at **Annexure I.**

2. Details of the Proposal:

Project Particulars	Angul	Barbil	Bhadrak	Jharsuguda		
Name of the Project	Affordable Healthcare Project- Angul	Affordable Healthcare Project- Barbil	Affordable Healthcare Project- Bhadrak	Affordable Healthcare Project- Jharsuguda		
Type of PPP (BOT, BOOT, BOLT, OMT)	Design Build Finance Operate and Transfer					
Location	Angul, District- Angul	Barbil District- Keonjhar	Bhadrak, District- Bhadrak	Jharsuguda, District- Jharsuguda		
Proposed under	Sub Scheme -II of VGF Scheme for Pilot/Demonstration projects in Health Sector					
Construction Period	Phase-I (50% Capacity) - 2 years from Effective Date					
	Phase-II (100% Capacity) - 5 years from Effective Date					
Concession Period	32 Years (extendable further on ROFR basis)					
	Angul	Barbil	Bhadrak	Jharsuguda		
Capacity (No. of beds)	200	200	100	100		
Cost of the Project (In INR Cr)	120	125.5	54.4	54.4		
Sources of Financing as per financial close	Project	Capex Grant	Equity	Debt	Total Capex	Opex Grant
	Angul	77.00	11.00	32.00	120.0	43.6
	Barbil	77.5	12.00	36.00	125.5	43.6
	Bhadrak	38.00	4.5	11.9	54.4	38.00
	Jharsuguda	38.00	4.5	11.9	54.4	37.00
Details of TPC and VGF as approved in principle by the 40th EC and as discovered by the market through bidding						
Details	Angul	Barbil	Bhadrak	Jharsuguda		
Project Cost	97.54	97.54	48.35	48.35		

Project Cost as per Financial Close after bidding	120	125.5	54.40	54.40
Total Capex VGF in-principle approved in 40 th EC	78.03	78.03	38.68	38.68
Total Capex VGF as quoted by Bidder	77.00	77.5	38.00	38.00
Total O&M VGF as in-principle approved in 40 th EC	69.82	69.82	53.95	53.95
Total O&M VGF as quoted by Bidder	43.6	43.6	38	37
Gol capital grant out of bid discovered VGF	39.02 cr.	39.02 cr.	19.34 cr.	19.34 cr.
GoO capital grant out of bid discovered VGF	37.98 cr.	38.48 cr.	18.66 cr.	18.66 cr.
Gol opex grant out of bid discovered VGF	34.91 cr.	34.91 cr.	26.98 cr.	26.98 cr.
GoO opex grant out of bid discovered VGF	8.69 cr.	8.69 cr.	11.02 cr.	10.02 cr.

3. On behalf of the Chair, JS(ISD) welcomed the participants to the meeting and requested Government of Odisha to make a presentation to the EC. It was appraised that the proposal was earlier recommended for In-principle approval by the 40th EC for developing affordable healthcare facilities at four locations viz., Angul, Barbil, Bhadrak and Jharsuguda, in the State of Odisha. It was also appraised that the proposal received for Final approval was duly circulated to all the EC members and their response have also been received from the PSA.

4. The Commissioner cum Secretary, Health and Family Department, Government of Odisha has made the presentation. The PSA stated that after In-principle approval, RFP was published on 30th November 2022. The LoA was issued to the selected bidders on 5th May 2023 and the concession agreement was signed on 4th October, 2023. The financial close for Angul and Barbil was achieved on 19th August, 2024 and for Bhadrak and Jharsuguda on 28th July, 2024. The PSA informed that the quoted capex and opex VGF is within the limit of 40th EC approved VGF.

5. After the presentation, the Chair asked the EC members for their observations. NITI Aayog while supporting granting the final approval to the project asked about the change in the consortium members, i.e., CHRC was substituted by Utkal Healthcare Pvt Ltd in Angul and Barbil?

6. Ministry of Health & Family Welfare while supporting granting the final approval to the project asked the PSA for following the standards as per Indian Public Health Standards 2022 (IPHS-2022).

7. DoE supported the grant of the final approval to the project and said that they have no further comments to offer.

8. The Chair suggested the GoO to ensure that:

- i. Remaining approvals may be provided by the GoO in a timely manner.
- ii. Handholding and support may be provided by the GoO to the concessionaire so that the health care facility start functioning at the earliest.

The chair further asked whether the GoO is thinking of integration of their own health care scheme with the PM-Jan Arogya Yojana for enhanced impact and outcome?

9. The GoO submitted the following to the queries raised by the EC members and the Chair.

- i. With respect to the observation on change in consortium member, the GoO submitted that as per the RFP, this change is allowed and accordingly the same was approved by the State Empowered Committee.
- ii. GoO will comply with the provisions of IPHS-2022.
- iii. The process of various approvals has commenced and the same will be provided by 31st October, 2024.
- iv. The hospital shall be operationalized by December, 2026.
- v. With respect to on-boarding Jan-Arogya Yojana, GoO submitted that the scheme is going to be integrated in such a way that none of the beneficiaries are left out.

10. After detailed deliberations, the EC unanimously recommended the proposal to the Hon'ble Finance Minister for granting Final Approval of VGF under Sub-scheme II of the VGF Scheme with the following conditions:

- i. Gol VGF (Capex and Opex) support shall be capped as per table below.

Details	Angul	Barbil	Bhadrak	Jharsuguda
Total Capex VGF in-principle approved in 40th EC	78.03	78.03	38.68	38.68
Total Capex VGF as quoted by Bidder	77.00	77.5	38.00	38.00
Total O&M VGF as in-principle approved in 40 th EC	69.82	69.82	53.95	53.95
Total O&M VGF as quoted by Bidder	43.6	43.6	38	37
Gol capital grant out of bid discovered VGF	39.02 cr.	39.02 cr.	19.34 cr.	19.34 cr.
Gol opex grant out of bid discovered VGF	34.91 cr.	34.91 cr.	26.98 cr.	26.98 cr.

ii. All conditions of the VGF Scheme, such as entering into Tripartite Agreement, etc., shall be adhered to.

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

List of Participants

Department of Economic Affairs

1. **Shri Ajay Seth, Secretary-in Chair;**
2. Shri B. Purushartha, JS(ISD);
3. Ms. Arya Balan Kumari, Joint Director;
4. Ms. Anmol Waraich, Assistant Director.

Government of Odisha

1. Shri. Saswat Mishra, Principal Secretary , Finance, GoO;
2. Ms. Aswathy S., Commissioner cum Secretary, Health & Family Welfare Department;
3. Ms. Jasmine Patnaik, Joint Secretary, Health & Family Welfare Department;

Department of Expenditure

1. Shri Pawan Kumar, Director;
2. Shri Ayush Bansal, Deputy Director.

NITI Aayog

1. Shri CPS Reddy, Senior Advisor;
2. Ms. Nidhi Arora, Consultant.

Ministry of Health & Family Welfare

1. Ms. Neha Garg, Director.

F.No. 3/5/20210-PPP
Government of India
Ministry of Finance
Department of Economic Affairs
ISD Division
(PIU)

17.10.2024
STC Building, New Delhi

Ms. Aswathy S
Commissioner cum Secretary,
Health & Family Welfare Department,
Government of Odisha,
Bhubneswar-751 001.

Sub: Granting Final Approval of VGF to the proposal, 'Development of Affordable Healthcare Facilities at Angul, Barbil, Bhadrak and Jharsuguda in the State of Odisha reg:

Madam,

The undersigned is directed to convey the "Final Approval" of the competent authority for VGF to the "Development of Affordable Healthcare Facilities at Angul, Barbil, Bhadrak and Jharsuguda in the State of Odisha" as per the extant "Scheme and Guidelines for Financial Support to the PPP in Infrastructure."

2. The GoI VGF share as per final approval would be as follows:

Details	Angul	Barbil	Bhadrak	Jharsuguda
Capex VGF (in Crore)	39.02	39.02	19.34	19.34
Opex VGF (in Crore)	34.91	34.91	26.98	26.98

3. The Govt. of Odisha may take further necessary steps to sign the Tripartite Agreement with the Concessionaire, LFI and the DEA at the earliest.


(Arya B K)
Jt. Director (PIU)
011-2370 1219

Copy to:

1. Secretary, Department of Expenditure, North Block, New Delhi-01
2. CEO, NITI Aayog, Yojana Bhawan, New Delhi-01
3. Secretary, Department of Health & Family Welfare, GoI
4. Principal Secretary, Finance Department, Govt. of Odisha.