

Setting up of Medical College on PPP basis:

- Andaman and Nicobar Administration proposes to set up a 100 seat Medical College at Port Blair. Land is available about 4 kms from the 450 bedded G. B. Pant Hospital (State Referral Hospital for A & N Islands).
- HSCCO Ltd., Noida was engaged for preparation of a Concept Plan and Detailed Project Report.
- The Concept Plan and DPR have been forwarded to the Ministry of Health and Family Welfare and Planning Commission on 29.04.2010.
- The DPR envisages PPP mode with the following features.
 - A 50:50 ratio is assumed for capital expenditure sharing between government and private partner respectively.
 - The private partner shall retain the entire revenue generated from the Medical College and bear the entire O & M expenses. There shall be no revenue sharing with the Administration. The private partner will be free to determine its salary structure.
 - It is assumed that the venture would operate at "not for profit" (no profit no loss) basis. The Project would be implemented on BOT basis on an annuity model.
 - The party seeking the lowest annuity would be selected as the private partner.
 - It is assumed that the contract period of the project would be for 30 years initially, and could be extended further on mutually agreed terms.
 - The capital contribution of the private partner will be treated as loan @12% interest per annum for 25 years with a moratorium period of 5 years.
- The estimated cost of setting up the Medical College is Rs.377 crore and for upgradation of the existing G.B. Pant Hospital to Medical College is Rs.118 crore. The project could be completed within 45 months from the date of approval.
- An EIA (Environment Impact Assessment) by M/s Envision Enviro Engineers Pvt. Ltd., Surat is expected to be completed shortly.
- In the meantime, an Expression of Interest (EOI) was invited on 03.05.2010 for setting up of Medical College through Public Private Partnership.
- EOIs from 17 private parties were received, out of which 13 have been short listed.
- Presentations on establishment of Medical College on PPP mode were given by AIMS, Kochi on 21.06.2010 and by Manipal University on 22.06.2010.
- Salient features of various options that have emerged after the above presentations are as below: -

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