F. No. H-24028/14/2014-H (Vol. II) (C. No. 134863)
Government of India
Ministry of Road Transport & Highways
(P&P Section)
Transport Bhawan, 1, Parliament Street, New Delhi–110001
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Dated the October, 2026

To

1. The Chairman, National Highways Authority of India
2. DG (Road Development) & SS, Ministry of Road Transport and Highways
3. MD, National Highways and Infrastructure Development Corporation Limited

Subject: Revision in Clauses/Provisions of MCA for BOT (Toll) and MCA for Capacity Augmentation of Projects Under Tolling.

Sir,

I am directed to refer IMC meeting held on 21.08.2026 and 08.09.2026 on the subject mentioned above and to convey the approval of the changes in the following Clauses/Provisions of the Model Concession Agreement (MCA) for BOT (Toll) and MCA for Capacity Augmentation of Projects under Tolling:

Sr. No.	Clauses/Provisions of MCA for BOT (Toll) and MCA for Capacity Augmentation of Projects under Tolling
1	Clause 29.3
2	Clause 31.4.1
3	Schedule-S (Escrow Agreement), Clause 4.2

2. A statement indicating the existing clause vis-à-vis revised clause of the aforesaid provision is attached at Annexure.

3. This has the approval of Competent Authority.

Encl: as above

Yours faithfully,
Digitally signed by
Harleen Kaur
Date: 15-10-2026
16:51:52
(Harleen Kaur)
Director (Highways)
Telephone No.- 011-23718575
E-mail: ds-highways@gov.in

Copy to:

1. CEO, NITI Aayog
2. Secretary, Department of Economic Affairs
3. Secretary, Department of Financial Services

4. Secretary, Department of Legal Affairs

Copy also to:

1. PS to Hon'ble Minister, RT&H
2. PS to Shri Ajay Tamta, Hon'ble Minister of State, RT&H
3. PS to Shri Harsh Malhotra, Hon'ble Minister of State, RT&H
4. PSO to Secretary (RT&H)
5. PPS to AS&FA
6. O/o all Additional Secretaries/Joint Secretaries in the MoRTH
7. CE(BP&SP), MoRTH
8. CEO, NHLML
9. Director (Technical), NIC, MORTH - to upload the amended Clauses on the website of MORTH.

Annexure

S. No.	Clause	Existing Clause	Modified Clause
1.	29.3	**29.3 Termination for shortfall in Target Traffic** 29.3.1 In the event Actual Weighted Average Daily Traffic shall have fallen short of the Target Traffic by more than 20% (twenty percent) on any two Target Dates within a block of three consecutive Target Dates, the Lenders' Representative shall be entitled, at any time after the third anniversary of the COD, to propose to the Concessionaire to terminate this Agreement, with a copy to the Authority. If the Concessionaire agrees with such termination, the Concessionaire shall issue a Termination Notice to the Authority; provided that before issuing the Termination Notice, the Concessionaire shall by a notice inform the Authority of its intention to issue the Termination Notice and grant 30 (thirty) days to the Authority to make a representation, and may after the expiry of such 30 (thirty) days, whether or not it is in receipt of such representation, issue the Termination Notice. 29.3.2 Upon Termination in accordance with Clause 29.3.1, the Authority shall make a Termination Payment to the Concessionaire in an amount that would be payable under Clause 37.3.1 as if it were a Concessionaire Default.	**29.3 Termination for shortfall in Target Traffic** 29.3.1 In the event Actual Weighted Average Daily Traffic shall have fallen short of the Target Traffic by more than 20% (twenty percent) on any two Target Dates within a block of three consecutive Target Dates, the Lenders' Representative shall be entitled, at any time after the **5th (fifth)** anniversary of the COD **but not later than 4 (four) months from the 5th (fifth) anniversary of the COD**, to propose to the Concessionaire to terminate this Agreement, with a copy to the Authority. If the Concessionaire agrees with such termination, the Concessionaire shall issue a Termination Notice to the Authority; provided that before issuing the Termination Notice, the Concessionaire shall by a notice inform the Authority of its intention to issue the Termination Notice and grant 30 (thirty) days to the Authority to make a representation, and may after the expiry of such 30 (thirty) days, whether or not it is in receipt of such representation, issue the Termination Notice. 29.3.2 Upon Termination in accordance with Clause 29.3.1, the Authority shall make a Termination Payment to the Concessionaire in an amount **equal to:** **(a) 90% (ninety per cent) of the Debt Due; and** **(b) 90% (ninety per cent) of the Adjusted Equity.**
2.	31.4.1	**31.4 Withdrawals upon Termination** 31.4.1 Notwithstanding anything to the contrary	**31.4 Withdrawals upon Termination** 31.4.1 Notwithstanding anything to the contrary contained in this

		contained in this Agreement, all amounts standing to the credit of the Escrow Account shall, upon Termination, be appropriated in the following order: (a) all taxes due and payable by the Concessionaire for and in respect of the Project Highway; (b) outstanding Concession Fee for a period of upto 6 (six) months prior to the Transfer Date; (c) 90% (ninety per cent) of Debt Due excluding Subordinated Debt; (d) all payments and Damages certified by the Authority as due and payable to it by the Concessionaire, including outstanding Concession Fee other than those specified in Clause 31.4.1 (b) above, and any claims in connection with or arising out of Termination; Concessionaire hereby agrees to give irrevocable instructions to the Escrow Bank to make payment from the Escrow Account in accordance with the instructions of the Authority under Clause 17.9.2 and debit the same to O&M Expenses. (e) retention and payments relating to the liability for defects and deficiencies set forth in Article 39; (f) outstanding Debt Service including the balance of Debt Due; (g) outstanding Subordinated Debt; (h) incurred or accrued O&M Expenses; (i) any other payments required to be made under this Agreement; and (j) balance, if any, in accordance with the	Agreement, all amounts standing to the credit of the Escrow Account shall, upon Termination, be appropriated in the following order: (a) all taxes due and payable by the Concessionaire for and in respect of the Project Highway; (b) outstanding Concession Fee for a period of upto 6 (six) months prior to the Transfer Date; (c) 90% (ninety per cent) of Debt Due excluding Subordinated Debt; (d) all payments and Damages certified by the Authority as due and payable to it by the Concessionaire, including outstanding Concession Fee other than those specified in Clause 31.4.1 (b) above, and any claims in connection with or arising out of Termination; Concessionaire hereby agrees to give irrevocable instructions to the Escrow Bank to make payment from the Escrow Account in accordance with the instructions of the Authority under Clause 17.9.2 and debit the same to O&M Expenses. (e) retention and payments relating to the liability for defects and deficiencies set forth in Article 39; (f) outstanding Debt Service including the balance of Debt Due; (g) outstanding Subordinated Debt; (h) incurred or accrued O&M Expenses; (i) any other payments required to be made under this Agreement; and (j) balance, if any, in accordance with the instructions of the Concessionaire: Provided that no appropriations shall be made under Sub-clause

		instructions of the Concessionaire: Provided that no appropriations shall be made under Sub-clause (j) of this Clause 31.4.1 until a Vesting Certificate has been issued by the Authority under the provisions of Article 38.	(j) of this Clause 31.4.1 until a Vesting Certificate has been issued by the Authority under the provisions of Article 38. **Provided further that in the event of Termination in accordance with Clause 29.3.1, no appropriations shall be made under Sub-clause (f) of this Clause 31.4.1.**
3.	Schedule-S (Escrow Agreement), Clause 4.2	**4.2 Withdrawals upon Termination** Upon Termination of the Concession Agreement, all amounts standing to the credit of the Escrow Account shall, notwithstanding anything in this Agreement, be appropriated and dealt with in the following order: (a) all taxes due and payable by the Concessionaire for and in respect of the Project Highway; (b) outstanding Concession Fee for a period of upto 6 (six) months prior to the Transfer Date; (c) 90% (ninety per cent) of Debt Due excluding Subordinated Debt; (d) all payments and Damages certified by the Authority as due and payable to it by the Concessionaire pursuant to the Concession Agreement, including outstanding Concession Fee other than those specified in Clause 31.4.1 (b) above, and any claims in connection with or arising out of Termination; (e) retention and payments arising out of, or in relation to, liability for defects and deficiencies set forth in Article 39 of the Concession Agreement; (f) outstanding Debt Service including the balance of Debt Due; (g) outstanding	**4.2 Withdrawals upon Termination** Upon Termination of the Concession Agreement, all amounts standing to the credit of the Escrow Account shall, notwithstanding anything in this Agreement, be appropriated and dealt with in the following order: (a) all taxes due and payable by the Concessionaire for and in respect of the Project Highway; (b) outstanding Concession Fee for a period of upto 6 (six) months prior to the Transfer Date; (c) 90% (ninety per cent) of Debt Due excluding Subordinated Debt; (d) all payments and Damages certified by the Authority as due and payable to it by the Concessionaire pursuant to the Concession Agreement, including outstanding Concession Fee other than those specified in Clause 31.4.1 (b) above, and any claims in connection with or arising out of Termination; (e) retention and payments arising out of, or in relation to, liability for defects and deficiencies set forth in Article 39 of the Concession Agreement; (f) outstanding Debt Service including the balance of Debt Due; (g) outstanding Subordinated Debt; (h) incurred or accrued O&M Expenses;

		Subordinated Debt; (h) incurred or accrued O&M Expenses; (i) any other payments required to be made under the Concession Agreement; and (j) balance, if any, in accordance with the instructions of the Concessionaire: Provided that the disbursements specified in Sub-clause (j) of this Clause 4.2 shall be undertaken only after the Vesting Certificate has been issued by the Authority.	(i) any other payments required to be made under the Concession Agreement; and (j) balance, if any, in accordance with the instructions of the Concessionaire: Provided that the disbursements specified in Sub-clause (j) of this Clause 4.2 shall be undertaken only after the Vesting Certificate has been issued by the Authority. **Provided further that in the event of Termination of the Concession Agreement in accordance with Clause 29.3.1 thereof, no appropriations shall be made under Sub-clause (f) of this Clause 4.2.**

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