The Chairman
National Highways Authority of India (NHAI)
G5 & 6, Sector 10
Dwarka, New Delhi – 110075

SBI/SARG/INFRA-2/AMT-2/2021-22/ 94 **14.12.2021**

Madam,

SEW Krishnagar-Baharampore Highway Ltd.

Four-laning of Krishnagar-Baharampore section of NH-34 from Km.115.000 to Km.193.000 in the State of West Bengal under NHDP Phase-III on DBFOT (Annuity) Basis

Restoration of lost annuities and anomaly in release of Annuity Payment

We invite a reference to our undernoted letters on the captioned subject addressed to you:

i. SBI SARG/INFRA-II/AMT-2/2021-22/43 dated 20.11.2021
ii. SBI SARG/INFRA-II/AMT-2/2021-22/43 dated 07.08.2021
iii. SBI SARG/INFRAII/AMT3/2020-21/13 dated 09.06.2021
iv. SBI SARG/INFRAII/AMT3/2020-21/88 dated 25.09.2020 and
v. SBI SARG/INFRAII/AMT3/2020-21/214 dated 22.01.2021(addressed to Project Director, NHAI)

2. We are constrained to reiterate that NHAI has not adhered to waterfall mechanism as per the Tripartite Agreement for release and appropriation of 1st, 2nd and 3rd annuities as well as the lost annuities. This had been taken up with the Chairman, NHAI vide our letters mentioned above on serial no. i, ii, iii, iv and v.

3. NHAI, acknowledging this error, had requested vide memo No 22532 /NHAI/PIU-Krishnagar /W-39 dated 17.05.2021 to provide updated figures and required calculation. The same was submitted to NHAI (refer serial no iv). However, evidently, neither the spirit of Tripartite Agreement nor the calculations submitted by us have been taken into consideration while releasing the next annuity.

4. The chart for calculations as detailed on page 3,4, and 5 of NHAI letter NHAI/PIU-Krishnagar /W-39/22795 dated 19.07.2021 is not in accordance with the spirit of the Tripartite Agreement as the amount deducted under 6h(vi) and 6h(vii) is effective only in respect of amount paid for restored annuities and not for the regular annuities. This was brought to the notice of NHAI vide para 4 of our letter SARG/INFRA-II/AMT-3/20-21/12 dated 09.06.2021

5. Since NHAI has not followed waterfall mechanism while releasing 1st, 2nd and 3rd annuities, the following amount has become overdue and needs to be paid immediately:

Interest for annuity	Due Date	Amount
1st	04.07.2020	Rs. 30.92 crore
2nd	04.01.2021	Rs. 41.23 crore
3rd	04.07.2021	Rs. 44.32 crore
4th	04.01.2022	Rs. 49.27 crore
Total (A)		Rs. 165.74 crore

(Details as per annexure)

1% of the Principal Outstanding:

Annuity	Principal Amount	1% of Principal Amount
1	Rs. 584.00 crore	Rs. 5.84 crore
2	Rs. 584.00 crore	Rs. 5.84 crore
3	Rs. 584.00 crore	Rs. 5.84 crore
4	Rs. 584.00 crore	Rs. 5.84 crore
Total (B)		Rs. 23.36 crore
Total (A+B)	Rs. 189.10 crore	

As shown above, an amount of Rs. 189.10 crore (A+B) has become overdue towards interest and 1% of the principal outstanding.

6. In view of the foregoing, it would be in order for your office to:

   a. Release the lenders' share of Rs.49.27 crore towards interest and Rs.5.84 crore towards 1% of principal in 4th annuity due on 04.01.2022 based on the calculation placed in Annexure.

   b. Remit Rs. 189.10 crore with interest towards interest and 1% principal outstanding as repayment of lenders due from annuities in terms of Tripartite Agreement including the fourth annuity.

c. Restore and release 1.66 lost annuities and to expedite release of remaining 5.62 annuities and other claims of Company/Lenders. This is in backdrop of delay in project by 8 years, resulting in loss of 11.20 annuities of which only 3.92 annuities have been restored so far.

We solicit your kind intervention to amicably resolve this issue.

Yours faithfully,

Chief General Manager
Sector-I, SARG

Encl: as above

Annexure

(Amount in Rupees)

	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
	Indian Bank	Allahabad Bank	IOB	ICICI	UBI	SBI	TOTAL
Principal Outstanding	49,93,90,350.00	25,75,08,368.00	49,93,92,180.00	99,79,92,523.00	71,55,07,089.90	1,87,19,66,795.90	**5,83,99,37,306.80**
Interest on Outstanding Since PCOD i.e 10.02.2020							
First Annuity - 04.07.2020							
	Indian Bank	**Allahabad Bank**	**IOB**	**ICICI**	**UBI**	**SBI**	**TOTAL**
10-02-2020 to 29 Feb 2020	4178890.00	1646884.00	4143684.45	8499647.59	6444729.22	14802998.42	3,97,16,833.68
Mar-20	6844553.00	2687020.00	6701832.00	13314202.00	10092189.73	24295138.34	6,39,34,935.07
Apr-20	6748231.00	2600342.00	6557885.00	13088709.00	9917642.95	23738355.33	6,26,51,165.29
May-20	7052265.00	2687020.00	6851466.00	13673406.00	10356705.66	24758755.46	6,53,79,618.12
Jun-20	6904763.00	7687824.00	6706266.00	13382364.00	10132142.16	24191347.84	6,90,04,707.00
04-Jul-20	931078.00	425175.00	904063.35	1677554.84	1365225.63	3255641.33	85,58,738.16
TOTAL	32659780.00	17734265.00	31865196.80	63635883.42	48308635.35	115042236.73	30,92,45,997.30
Second Annuity 04.01.2021							
	Indian Bank	**Allahabad Bank**	**IOB**	**ICICI**	**UBI**	**SBI**	**TOTAL**
05 July 2020 to 31 July 2020	6052002.00	2210911.00	6102427.65	11323495.16	9215273.02	21188023.73	5,60,92,132.56
Aug-20	9692027.00	2636086.00	7086607.00	12850734.64	10695909.94	25467150.04	6,84,28,514.62
Sep-20	10338552.00	2481727.00	6936424.00	12565582.45	10463685.20	24883508.30	6,76,69,478.95
Oct-20	10865186.00	2411646.00	7276850.00	13179756.69	10974685.43	25953133.98	7,06,61,258.11
Nov-20	10090258.00	2333851.00	7122636.00	11598573.26	10735697.33	25358355.07	6,72,39,370.66
Dec-20	10583427.00	2411646.00	7441500.00	14737961.56	11209737.63	26448392.53	7,28,32,664.72
04-Jan-21	1386829.00	388975.00	973833.55	1697093.27	1466064.39	3445635.19	93,58,430.40
TOTAL	59008281.00	14874842.00	42940278.19	77953197.03	64761052.94	152744198.85	412281850.01

Third Annuity 04.07.2021							
	Indian Bank	Allahabad Bank	IOB	ICICI	UBI	SBI	TOTAL
05-01-2021 to 31 Jan 2021	9361090.00	2022672.00	6573376.45	11455379.55	9895934.66	22424521.97	6,17,32,974.63
Feb-21	9858681.00	3399787.00	6894996.00	11956408.57	10373638.75	24344981.11	6,68,28,492.43
Mar-21	11068197.00	5017851.00	7186076.00	14747440.39	11597402.35	27188350.30	7,68,05,317.04
Apr-21	10908951.00	5000145.00	6936781.00	13616270.35	11344705.68	26565264.27	7,43,72,117.30
May-21	11442135.00	5244518.00	7259667.21	14211811.17	11845492.40	27707181.99	7,77,10,805.78
Jun-21	10645185.00	5075340.00	7330264.99	13896457.17	11587198.96	27072206.05	7,56,06,652.17
04-Jul-21	1430161.00	676712.00	955038.62	1871516.47	1561096.65	3643343.90	1,01,37,868.64
TOTAL	64714400.00	26437025.00	43136200.28	81755283.68	68205469.45	158945849.59	443194227.99

4th Annuity Dated 04.01.2022								
	Indian Bank	Allahabad Bank	IOB	ICICI	UBI	SBI	IIFCL	TOTAL
05 July 2021 to 31 July 2021	10364590.00	4729442.00	6438898.00	12372752.39	6245434.00	23711229.20	14519849.09	78382194.68
Aug-21	11978071.00	5490179.00	7470980.00	14262868.97	7170684.00	28499943.12	16857991.84	91730717.93
Sep-21	11771844.00	5400346.00	7306430.00	13942865.13	6939372.00	27846799.72	16497231.84	89704888.69
Oct-21	12383934.00	5693668.00	7659595.00	14148549.19	7170684.00	29043805.64	17267821.17	93368057.00
Nov-21	12204489.00	5595876.00	7490891.00	14763765.63	--	28378198.71	--	68433220.34
Dec-21	12611460.00	5782460.00	--	14913607.74	--	29598047.40	--	62905575.14
04-Jan-22	1627302.00	746140.00	--	1943867.18	--	3855965.21	--	8173274.39
TOTAL	72941690.00	33438111.00	36366794.00	86348276.23	27526174.00	170933989.00	65142893.94	492697928.17