

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2795
ANSWERED ON:17.12.2008
PPP PROJECTS
Barad Shri Jashubhai Dhanabhai

Will the Minister of FINANCE be pleased to state:

- (a) whether Government has issued guidelines for Public- Private partnership (PPP) projects in infrastructure;
- (b) if so, the details thereof;
- (c) whether a small group of contractors and companies are monopolizing all Government sector projects; and
- (d) If so, the steps taken by the Government to widen the base and increase competition in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) and (b) The guidelines for Formulation, Appraisal and Approval of Public Private partnership projects in the Central Sector have been notified. The guidelines, inter alia, provide for appraisal of PPP projects where the capital costs or underlying value of the assets is Rs.250 crore or more (Rs.500 crore or more in respect of National Highway Development Project (NHDP) proposals) by the Public Private partnership Appraisal Committee (PPPAC), headed by Secretary (Economic Affairs). Appraisal mechanisms have also been separately prescribed for Central sector PPP projects with project cost of less than Rs.250 crore (less than Rs.500 crore in respect of NHDP proposals).

(c) and (d) No Sir. The guidelines for formulation, appraisal and approval of the Public Private Partnership (PPP) Projects in the Central Sector mandate the procedure for appraisal and approval of central sector PPP projects. During appraisal/approval of projects, it is ascertained that the PPP projects are bid /procured in a transparent and fair manner, which helps in increasing private participation and competition and allows all companies to bid for projects.