

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

STARRED QUESTION NO:270
ANSWERED ON:16.03.2010
NEW NORMS FOR BIDDING OF HIGHWAY PROJECTS
Kishor Shri Kamal ;Naik Dr. Sanjeev Ganesh

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Government/NHAI have introduced new norms for bidding of National Highway (NH) Projects;
- (b) if so, the details thereof and the reasons therefore;
- (c) whether all the National Highway construction projects which were awarded in 2009 could not attain financial closure during the said year;
- (d) if so, the details thereof and the reasons therefore including the likely impact of the new bidding norms on such defaulters; and
- (e) the details of the projects targeted to be awarded and achieve financial closure during the current financial year alongwith the steps taken to ensure expeditious execution of the same?

Answer

MINISTER OF ROAD TRANSPORT & HIGHWAYS (SHRI KAMAL NATH)

(a) to (b): NHAI has been following the norms laid down in model documents for Build- Operate-Transfer-(BOT) projects i.e. Request for Qualification and Request for Proposal (RFQ/RFP). Consequent to acceptance of the recommendations in Shri B K Chaturvedi Committee's first report, some of these norms have been modified as per the summarized details enclosed as Annexure – I with a view to resolve the procedural impediments. Further, in accordance with the provisions under clause 2.1.18 of Model Request for Proposal (RFP), NHAI has laid down some norms recently in the bidding documents as per the details enclosed as Annexure-II with a view to expedite implementation of the National Highways Development Programme (NHDP).

(c) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN THE REPLY TO THE PART (c) TO (e) OF THE LOK SABHA STARRED QUESTION NO.270 FOR ANSWER ON 16-03-2010 ASKED BY DR. SANJEEV GANESH NAIK AND SHRI KAMAL KISHOR "COMMANDO" REGARDING NEW NORMS FOR BIDDING OF HIGHWAY PROJECTS.

(c) to (e): All projects for which letter of award (LOA) was issued by the NHAI in 2009, except those who have further time under the terms and conditions of the agreement, have been able to tie up loans with lenders within the time, permitted under the Concession agreement. A list of projects for which LOA has been issued by NHAI since 01-01-2009 and financial tie up with lenders have been achieved is enclosed as Annexure - III. The norms introduced in accordance with the provision under clause 2.1.18 of model RFP, by the NHAI, will impact those developers, who have outstanding LOAs but have not yet achieved the financial closure while seeking participation in the bidding process for further projects. For the purpose of determining the eligibility of developers to bid, all projects pending for financial closures are taken into account and not merely those which are overdue. The details of projects awarded during 2009-10 for which scheduled date for financial closure is in the current financial year is enclosed as Annexure - IV. The amendments in the model RFP have been introduced by the NHAI with the view to expedite financial closure by the developers.