

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

UNSTARRED QUESTION NO:2739
ANSWERED ON:10.08.2010
MODIFICATION IN BIDDING NORMS
Dhruvanarayana Shri R.

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

- (a) whether the National Highways Authority of India (NHA) has modified the bidding norms for Build-Operate -Transfer projects and made new provisions under Clause 2.1.18 of the model Request for Proposal (RFP);
- (b) if so, the details and implications for the bidders/concessionaires undertaking three or more projects under NHA;
- (c) the projects likely to be covered under the National Highways Development Programme, Phase-V would be covered under the new dispensations; and
- (d) the manner in which the said modification is likely to impact the developers/concessionaires undertaking NHA projects?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI R.P.N. SINGH)

(a) to (d) Yes, Madam. The Request for Proposal (RFP) documents for the road sector projects have recently been amended for Build-Operate-Transfer (BOT) projects, which would, inter-alia, curb intentional or accidental accumulation of projects for various National Highways projects, by bidders who may overstretch themselves and may result in difficulty in securing financing. According to these amendments, a Bidder shall not be eligible for bidding if,

(i) For projects with the total project cost (TPC) less than Rs.3000 crore, as on Bid Due Date, the Bidder, its Member or any Associate, either by itself or as member of a Consortium has been declared by the Authority as the Selected Bidder for undertaking 3 (three) such projects and the bidder is yet to achieve Financial Closure.

(ii) For projects with TPC in excess or equal to Rs.3000 crore, a bidder shall not be eligible for bidding if, as on bid due date, the Bidder, its Member or any Associate, either by itself or as member of a Consortium has been declared by the Authority as the Selected Bidder for undertaking 2 (two) such projects and the bidder is yet to achieve Financial Closure, subject, however, to the provision that total number projects under(i) & (ii) above for which the bidder is yet to achieve financial closure shall not exceed 3 (three). A bidder shall be considered as a selected bidder for the projects of the National Highways Authority of India (NHA), where the Letter of Award (LoA) has been issued. All projects under National Highways Development Project (NHDP) including those of NHDP Phase V coming up for bidding after introduction of these norms are covered under the new dispensation.