

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

UNSTARRED QUESTION NO:384
ANSWERED ON:27.07.2010
NON PERFORMING ROAD DEVELOPERS
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Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) the criteria and provisions laid down for declaring the road developer as non-performers;
- (b) the number of road developers declared as non-performers during each of the last three years and the current year alongwith the details of non-performed work; and
- (c) the provisions for and the action taken against the non-performers during the said period?

Answer

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

(a) The criteria and provisions laid down for declaring the road developer as non-performers are as follows:-

1. For Individual contract packages

If a contractor does not achieve the minimum performance level as given below, performance on the contract package is considered poor.

- (a) After 1/3rd of contract period : not less than 5%.
- (b) After 2/3rd of the contract period : not less than 20%.
- (c) After full completion period : not less than 50%.
- (d) After 175% completion period, the entire work (100%).
- (e) Linear interpolation between the consecutive milestones specified.

2. For Multiple Packages

Where a contractor (or his JV partners) is implementing more than one contract and the percentage of non-performing contracts is more than 33% of the total contracts being implemented by him, he should be considered a non-performer contractor.

3. For Joint and several liability

If a contracting firm is a Joint Venture firm all the partners of a non performing contracting firm will be declared non-performer.

- (b) & (c) The details are enclosed as Annex.