

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

STARRED QUESTION NO:191

ANSWERED ON:23.11.2010

NEW BIDDING NORMS FOR NH PROJECTS

Nagorao Shri Dudhgaonkar Ganeshrao; Sukur Shri Jadhav Baliram

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

- (a) whether a number of National Highway developers could not achieve financial closure despite having been provided with letter of award;
- (b) if so, the details thereof during each of the last three years and the current year alongwith the reasons therefor;
- (c) whether the Government/National Highways Authority of India have reviewed and modified the bidding norms for awarding National Highways construction projects;
- (d) if so, the details thereof;
- (e) whether such modifications in the norms are likely to infuse transparency in the bidding process and achieve the assigned construction targets; and
- (f) if so, the reaction of the Government thereto?

Answer

MINISTER OF ROAD TRANSPORT AND HIGHWAYS (SHRI KAMAL NATH)

(a) to (f): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) to (f) OF THE LOK SABHA STARRED QUESTION NO.191 FOR ANSWER ON 23-11-2010 ASKED BY SHRI BALIRAM JADHAV AND ADV. GANESHRAO DUDHGAONKAR REGARDING 'NEW BIDDING NORMS FOR NH PROJECTS'

(a) to (b): Financial closure is to be achieved within stipulated period of 180 days from signing of concession agreement, extendable by a further 120 days with penalty. Details of projects awarded during the last three years and current year where financial closure was delayed is enclosed as Annexure-I.

(c) to (d): Certain amendments have been carried out in the Request for Qualification (RFQ) and Request for Proposal (RFP) documents for projects on Build-Operate-Transfer (BOT) basis. The summarised details of the amended provisions of RFQ/RFP are placed at Annexure-II.

(e) to (f): National Highways Authority of India (NHAI) projects are awarded on the basis of International Competitive Bidding process that has evolved after discussions with all relevant stakeholders to make the procedure fair and transparent and to ensue wide participation of bidders. There is no new proposal to review the existing bidding process for award of National Highway projects of NHAI.