

SHRI PRASANTA CHATTERJEE: Sir, we want the Government to check price rise.
...(Interruptions)...

श्रीमती वृंदा कारत: सर, महंगाई का सवाल है...(व्यवधान)... महंगाई का सवाल है...(व्यवधान)...

MR. CHAIRMAN: The House is adjourned till 11.30 a.m.

The House then adjourned at five minutes past eleven of the clock.

The House reassembled at thirty minutes past eleven of the clock,

[MR. CHAIRMAN in the Chair.]

MR. CHAIRMAN: Question No. 382...(Interruptions)...

SHRI M. VENKAIAH NAIDU: We want debate on price rise. ...(Interruptions)...

MR. CHAIRMAN: We cannot have debate in this manner. ...(Interruptions)...

श्रीमती वृंदा कारत: सर, महंगाई पर रोक लगाइए!...(व्यवधान)...

MR. CHAIRMAN: Go back to your places. ...(Interruptions)...

श्री अमर सिंह: सर, जनता रो रही है और सरकार ...(व्यवधान)...

MR. CHAIRMAN: Mr. Ravi Shankar Prasad, please ask your question.
...(Interruptions)...

श्री रवि शंकर प्रसाद: सर, पहले महंगाई पर रोक लगाओ!...(व्यवधान)...

MR. CHAIRMAN: The House is adjourned till 12 o'clock. ...(Interruptions)...

The House then adjourned at thirty-one minutes
past eleven of the clock.

WRITTEN ANSWERS TO STARRED QUESTIONS

Relaxation of norms for executing NH projects

*381. PROF. ALKA BALRAM KSHATRIYA:

SHRIMATI SHOBHANA BHARTIA:

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

(a) whether Government has recently made it easier for builders to execute highway projects by relaxing the norms for Public-Private Partnership (PPP) in the sector;

(b) if so, the details thereof;

(c) whether the recommendations of the B.K. Chaturvedi panel on highway development have been accepted *in toto*; and

(d) if so, the details thereof and to what extent the relaxation of norms for PPP is going to speed up execution of road projects?

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS (SHRI KAMAL NATH): (a) to (d) Yes, Sir. With a view to resolve the procedural impediments, Government has accepted the

recommendations made by Shri B.K. Chaturvedi Committee with the proviso that the financing plan for 2010-11 onward would be considered by the Empowered Group of Ministers for further action, including such changes to the work plan as may be necessary and the summarised details are given in the Statement-I (*See below*). A statement in this regard mentioning details is placed on the Table of the House and is enclosed as Statement-II.

Statement-I

Relaxation of Norms for Executing NH projects

It has been decided by the Government that henceforth all changes in the RFQ/RFP will be carried out by the Ministry of Road Transport and Highways (MoRT&H) on the basis of recommendation of NHAI Board. MCA related issues would be referred to an Inter-Ministerial Group (IMG) under the Chairmanship of Secretary, MoRT&H with representatives of DEA, Department of Expenditure, Planning Commission and Ministry of Law and Justice. Where there is unanimity in the decision, the same will be then put up to the Minister, Road Transport and Highways for approval. Where there is no unanimity in the decision, the matter will be placed before the Empowered Group of Ministers (EGoM) comprising the Finance Minister, Minister of Road Transport and Highways and Deputy Chairman, Planning Commission. The implementation of the recommendations of the Committee headed by Shri B.K. Chaturvedi have already resolved many of the concerns of the bidders adequately and further created a faster mechanism to address their concerns, as may arise, with a view to facilitate their participation in road projects with greater interest.

Following the acceptance of Shri B.K. Chaturvedi Committee report, there is no requirement for a project to be considered sequentially on all the above mentioned modes of procurement. If traffic does not merit implementation on BOT (Toll), a project can be implemented directly on BOT (Annuity) basis subject to the overall ceiling on the availability of the budget as envisaged in the work plans. Some procedural impediments affecting the bid process have also been removed. It is expected that the changes introduced would generate higher interest among the highway developers to bid for projects under NHDP.

Statement-II

Main Recommendations of the Committee headed by Shri B.K. Chaturvedi

Subject: Statement indicating summarized details of the main recommendations of the Committee headed by Shri B.K. Chaturvedi given in his report on - "Revised strategy for implementation of the National Highways Development Project (NHDP) - Framework and Financing" as approved by the Government.

- (i) Modifications to the existing MCA, RFQ, and RFP documents for the road sector, as per details given below:—
 - a. Termination Provisions in Road Concession Agreements (**Para 5.1.1**).

- b. Exit Policy for (Developer) Concessionaire in MCA. **(Para 5.1.2).**
 - c. Issue of Security to Lenders in MCA **(Para 5.1.3).**
 - d. RFP Provisions — Forfeiture of bid security of bidders on account of non-responsiveness **(Para 5.1.4).**
 - e. Eligibility of applicants/conflict of interest as per RFQ provisions-common shareholding levels **(Para 5.1.5).**
 - f. Eligibility of applicants/conflict of interest as per RFQ provisions —Continuation of conflict of interest **(Para 5.1.6).**
 - g. Associate — definition in RFQ thereof **(Para 5.1.7).**
 - h. “Threshold technical capability” “Eligible projects” (TTC) in latest RFQ **(Para 5.1.8).**
 - i. Increase in Equity Grant (VGF) to 40% by merging 20% equity and 20% O&M Grant into Equity Grant **(Para 5.1.9).**
 - j. RFQ process — project wise pre-qualification be substituted with annual/periodic pre-qualification **(Para 5.1.10).**
 - k. Premium provisions under RFP/MCA **(Para 5.1.11).**
- (ii) Issuance of the RFQ and RFP for the road sector projects after incorporating the recommendations made by the Committee in the Model RFQ and RFP documents issued by the Ministry of Finance, as referred to at clause 1 (i) above.
 - (iii) Further amendments to RFQ and RFP provisions, where necessary, will be carried out by the Ministry of Road Transport and Highways (MoRTH) on the basis of recommendations of the NHAI Board.
 - (iv) Setting up of an Inter-Ministerial Group (IMG) under the Chairmanship of Secretary, MoRTH with representatives of DEA, Department of Expenditure, Planning Commission and Ministry of Law and Justice to consider issues relating to MCA. Where there is unanimity in the decision, the same will be then put up to the Minister, Road Transport and Highways for approval. Where there is no unanimity in the decision, the matter will be placed before the Empowered Group of Ministers (EGoM) comprising the Finance Minister, Minister of Road Transport and Highways and Deputy Chairman, Planning Commission. The EGoM will also consider and take decision on all issues where there is no unanimity in committees at the level of officers and which do not require approval of the Cabinet/CCI.
 - (v) Continuance of endeavour to award projects within the available overall budgetary ceilings, as per the detailed Work Plan for the current year (2009-10) for 12,652 Km. presented by the NHAI to the Committee.
 - (vi) Recommendations made by the Committee as regards the ‘Modes of Delivery’ and the ‘Financing Plan’ approved with the proviso that the financing plan for 2010-11 onward

would be considered by the Empowered Group of Ministers for further action, including such changes to the work plan as may become necessary.

- (vii) Carrying out implementation of road projects on all the three modes of delivery *viz.* BOT (Toll), BOT (Annuity) and EPC (Item Rate Contract) concurrently rather than sequentially. Roads below a certain threshold in terms of traffic do not merit testing on BOT (Toll) as the process only leads to delays in implementation and award. Hence, a road not found *prima facie* suitable for BOT (Toll) can be implemented directly on BOT (Annuity) subject to the overall cap as envisaged in the Work Plan. The decision of shifting a project from BOT (Toll) to BOT (Annuity) would be taken by the IMG chaired by Secretary, MoRTH and approved by Minister, Road Transport and Highways.
- (viii) Before implementing a project on EPC basis, it will be compulsorily tested for BOT (Annuity) and only if unacceptable bids are received then only the project will be awarded on EPC basis. Normally, an Annuity bid working out to an Equity IRR of up to 18% will be acceptable as per these norms. However, in the event of bids exceeding the Equity IRR of 18%, the same will be bid out on EPC. In case of difficult areas having law and order problems, security, inhospitable terrain etc., a bid working out to an Equity IRR of up to 21% will be acceptable considering the risk premium of 3%, on case to case basis. PPPAC will be empowered to give approval for projects to be moved from Annuity to EPC where acceptable bids have not been received.
- (ix) In case of projects under NHDP Phase IV, if the traffic is less than 5,000 PCUs, the project will directly be taken up on EPC. For the specific EPC km lengths recommended in the Work Plan, specific EPC packages will be presented before the existing EFC in the MoRTH for approval.
- (x) Based on the feasibility report, the projects would be tried first on BOT (Toll) and in case of non-viability/poor response, the same would be shifted to BOT (Annuity) failing which on EPC. For the projects where NHAI is not able to get bids, the process of preparation of detailed project report may be initiated immediately to save time in case such projects are required to be taken up on EPC.
- (xi) Empowering the Board of NHAI to accept single bids after examining the reasonableness of the same.
- (xii) Raising of overall VGF cap of 5% to 10% for the entire six-laning programme, and consideration of individual projects in low traffic GQ stretches with VGF up to 20% within an overall cap of 500 Km out of the 5080 Km of the Phase-V programme yet to be awarded.

(xiii) Funding of the NHDP Projects under SARDP-NE and in Jammu and Kashmir with Additional Budgetary Support (ABS) over and above the cess that the Government provides to NHAI on a yearly basis.

(xiv) 'In Principle' approval of the Government Support to the NHAI for:—

- a. Issuance of Tax exempted bonds.
- b. Guarantee cover to the Borrowing Plan of NHAI.
- c. Out of the borrowing approval of Rs. 30,000 crores earlier provided to Indian Infrastructure Finance Company Limited (IIFCL), Rs. 10,000 crores under the fiscal stimulus package will be transferred to NHAI, as per the its borrowing requirement.
- d. Assistance in negotiating non-sovereign multilateral loans from World Bank, ADB, JBIC etc. by providing back to back support, if necessary.
- e. Providing a Letter of Comfort from Ministry of Finance confirming the availability of Cess at least till 2030-31.

Ghost employees of MCD

† *382. SHRI RAVI SHANKAR PRASAD:

SHRI SHIVANAND TIWARI:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether it is a fact that total number of employees including officers in MCD is 1,27,094;

(b) if not, then the correct number and the system in place to record the attendance of employees coming to work;

(c) the number of officers and staff engaged in this system;

(d) whether it is also a fact that there are 22,853 ghost employees who do not turn up for work but get monthly salary; and

(e) if so, the facts in this regard and the number of officers and employees suspended for this scam?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MULLAPPALLY RAMACHANDRAN): (a) The Municipal Corporation of Delhi (MCD) has Informed that as per the details furnished by the Drawing and Disbursing Officers in the month of July, 2009, the total number of employees working in the MCD is 1,27,094.

(b) For recording the attendance of the employees of the MCD, the Corporation has introduced the Bio-metric Finger Scan Time Attendance System.

(c) The MCD has informed that the total number of employees who have enrolled in the

†Original notice of the question was received in Hindi.