

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI RADHAKRISHNAN P.): (a) and (b) The Motor Vehicles Act, 1988, vests powers for Control of Transport Vehicles to the respective State Governments. In pursuance of the advisory issued by the Ministry of Home Affairs, Government of India dated 7th December, 2014, all the web based operators, who were plying their taxis, without proper authorization, were banned *vide* Public Notice dated 8th December, 2014 by Transport Department, Government of National Capital Territory of Delhi till such time that they acquired license/authorization from the appropriate authority. The Transport Department, Government of NCT of Delhi has modified their existing 'Radio Taxi Scheme, 2006' and allowed for aggregation concept and also allowed the App based operators to apply for registration/licensing.

**Transparency in bidding process of NHAI**

1228. SHRI ARVIND KUMAR SINGH:

SHRI NEERAJ SHEKHAR:

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

(a) whether as per the recent report of CAG, inconsistencies in fixing the total toll period on 9 stretches of National Highways by NHAI would force users to pay an additional ₹ 28,000/- crore as toll charges;

(b) if so, the details thereof and Government's response thereto;

(c) whether as per the report, there is lack of transparency in bidding process and poor monitoring of projects;

(d) if so, the reasons therefor; and

(e) the steps Government would take to ensure transparency in bidding process of NHAI projects and proper monitoring in view of above reports?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI RADHAKRISHNAN P.): (a) and (b) (i) The CAG in their report No. 36 of 2014-Implementation of PPP Projects in NHAI (Para No. 4.3.1) has pointed out that the concession period determined by considering tollable traffic (instead of total traffic) in 8 projects, resulted in fixing of longer concession period which put an extra burden on road users to the tune of ₹ 28095.54 crores.

(ii) The details of 8 projects referred by CAG in their report is given in Statement

(See below). The base for fixation of the concession period rests on the "PCU" definition of the MCA.

(iii) In response to CAG observations it is submitted that:

- The base for fixation of the concession period rests on the "PCU" definition of the MCA. The PCU definition in the MCA read as "PCU" shall have the meaning ascribed to a passenger car unit in the Indian Roads Congress Publication No. IRC-64, 1990 or any substitute or modification thereof, and when used in this Agreement, shall include only motorised vehicles liable to payment of user charges at the Toll Plazas in accordance with the Fee Rules and the Exempted Vehicles specified therein, but does not include Tractors, Tractors with Trailer, Motor Cycles and non-motorised vehicles.
- The concession period for projects are fixed to synchronize with the probable year in which the current traffic, with normal growth, will reach the levels where upgradation to higher lane capacity will fall due. Earlier, there was no clear cut guideline for uniform adoption of tollable or total traffic criteria for fixing the concession period. The concession period of the project was to be worked out on the basis of the lower end of assessed traffic on the stretch of the project so as to make the concession period more realistic and the project viable. As such total tollable average traffic, was considered for calculation of concession period in many cases as pointed out by Audit in Table 9 of the Audit Report.
- The Bids for road projects are invited duly specifying the concession period up-front as a fixed parameter. The bids are made by bidders considering the revenue they are likely to receive during the pre-specified concession period.
- Hence, the choice between either of these base values, *i.e.*, Total Traffic or Tollable traffic, cannot translate to an extra benefit to the bidders, and conversely, an extra cost to road users. The amount of VGF or Premium, co-relates with concession period. If the concession period is less there will be more VGF requirement or lesser premium share realization, which would have to be met from public funding.
- The NHAI had now streamlined the procedure, prescribing that the concession period of any stretch is to be fixed based on the total traffic

on the toll plaza having the lowest traffic or 30 years whichever is lower. Subsequently, the PPP Cell of Ministry of Finance (Department of Economic Affairs) has recommended that average total traffic should be adopted for arriving at the concession period. Thereafter, average total traffic is uniformly being taken for determining the concession period.

(c) to (e) The bidding process in NHAI is transparent as it is completely electronic (e-bidding).

***Statement***

*Transparency in bidding process of NHAI*

*Para No. 4.3 of C and AG Report No. 36 of 2014*

Table 9: Extra burden on road users due to longer concession period as worked out by Audit

Successful Bidder/ Concessionaire	Name of project	Concession period in years based on		Excess concession period (in yrs.)	Alleged Extra burden on road users (₹ in crore)
		Total Traffic	Tollable Traffic		
1	2	3	4	5	6
M/s IRB Jaipur Deoli Tollway Pvt. Ltd.	Jaipur Tonk Deoli	23	25	2	2061.39
M/s L and T BPP Tollway Pvt. Ltd.	Beawar Pali Pindwara	21	23	2	2142.97
M/s Varanasi Aurangabad Tollway Pvt. Ltd.	Varanasi Aurangabad	15/23	30	7	11547.75
M/s PS Toll Road Pvt. Ltd.	Pune-Satara	20	24	4	3421.08
M/s DA Toll Road Pvt. Ltd.	Delhi-Agra	22	26	4	752.80

1	2	3	4	5	6
M/s. Kiratpur Nerchowk Expressway Ltd.	Kiratpur-Nerchowk	24	28	4	4631.46
M/s Himalayan Expressways Ltd.	Zhirakpur-Parwanoo	14	20	6	501.00
M/s Sambalpur Baragarh Expressway Pvt. Ltd.	Sambalpur-Baragarh	27	30	4	1641.01
TOTAL					₹ 28095.54 (NPV: ₹ 3233.71)

#### Upgradation of State Highways as NHS in Andhra Pradesh

1229. SHRI C.M. RAMESH: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- whether Government has completed the upgradation of 11 State Highways covering 1,817 Kms. in Andhra Pradesh as National Highways;
- if so, the details thereof; and
- if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI RADHAKRISHNAN P.): (a) to (c) State Government of Andhra Pradesh, on 19.09.2012, had submitted proposal for upgradation of nine State Roads covering about 1810 kms. as new National Highway, out of which six roads covering about 1332 kms have been declared as new National Highway, keeping in view the requirement of connectivity, *inter-se*-priority and availability of funds.

#### Ban on sale of alcohol on highways

1230. DR. PRABHAKAR KORE: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- whether the committee appointed by the Supreme Court on road safety has recommended ban on sale of alcohol on State and National Highways to curb road accidents in the country;