GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
RAJYA SABHA
UNSTARRED QUESTION NO-3024
ANSWERED ON-22/03/2021

PROVISION OF PENALTY FROM CONCESSIONAIRE FOR NOT COMPLETING WORK

3024 # SHRI NEERAJ DANGI:

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

(a) whether there is any provision to recover penalty from the concessionaire for not completing the construction of Pali to Pindwara NH-62 toll road in the stipulated time;

(b) if so, the details of the agreement between National Highways Authority of India (NHAI) and the concessionaire;

(c) by when the work shown in the 'Punch List' will be completed; and

(d) the provision of penalty per day and maximum penalty for not completing the work of 'Punch List' within the stipulated time?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) to (b) Clause 14.4.1 of Article-A, Clause17.7.3 of Article-17 and Clause 17.8.1 of Article-17 of the Concession Agreement has provision to recover damages from the Concessionaire for non-compliance of contract provisions.

(c) Most of the works which were listed in the Punch List items have been completed. Tunnel work is about 60-70% completed and timeline for completion of balance work is July 2021.

(d) As per Clause 14.4.1 of Article-14 regarding completion of Punch List Items of the Concession Agreement which state that “Authority shall be entitled to recover damages from the Concessionaire to be calculated and paid for each day of delay until all items are completed, at the lower of (a) 0.1% of the Performance Security, and (b) 0.2% of the cost of completing such items as estimated by the Independent Engineer”.

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