

Infrastructure (Roads)

BSE Sensex: 8,915

S&P CNX: 2,693

21 November 2008

NHAI project awards delayed by bid withdrawals, credit squeeze, execution challenges

16 projects left with less than 5 bidders each, indicating lower interest from bidders; No project awards till October 2008: NHAI has commenced the process of bid evaluation and award for 53 projects, under NHDP Phase III and Phase V. Initial bids for 27 projects that were targeted to be awarded by November 2008 have been delayed, given the bid withdrawals post clause 2.1.18 of RFP which restricts the number of bidders and the tightening credit scenario. *Please Refer Annexure A for complete list of bidders for 27 projects and Annexure B for clause 2.1.18 of RFP.* Of the 27 highway stretches for which initial bids have been received and evaluated, 16 projects are left with less than five bidders each, while for 2 projects there are no bidders. In a significant relaxation, NHAI has stated that restrictions imposed by clause 2.1.18 will not be applicable for new offers made, in case the number of short listed bidders is less than 5.

L&T, Reliance Infra, Maytas - NCC at the forefront, in terms of short-listings: Based on the initial short listing by NHAI for bid submission at RFP stage, consortiums with highest pre-qualifications include Maytas-NCC (total length 2,231kms, total project cost Rs192b), HCC (2,148 kms, Rs73b), Reliance Infra (1,936 kms, Rs80b), L&T (1,726kms, Rs162b), GVK (1,319 kms, Rs174b), GMR Infra (926 kms, Rs98b) etc. Of the initial 27 projects taken up for bid evaluation, HCC and Maytas - NCC consortiums had been shortlisted for 21 projects each. Post withdrawals, shortlisted consortiums in the fray for submitting financial bids are Maytas-NCC (1,022 kms), Reliance Infra (1,017 kms), L&T (851 kms), HCC (700 kms), GVK (382 kms), and GMR Infra (314 kms).

Credit squeeze delaying financial closures: Several developers are facing challenges in terms of financial closure for road projects, given tightening credit scenario. For instance, financial closure of five road projects awarded under NHDP Phase V during January 2008, have been delayed. We also understand that for projects under construction phase, sanction terms are being revised, leading to construction delays.

Tight credit scenario, execution challenges, etc have impacted project returns: Given the current tight credit scenario, increased interest rates and execution constraints, RoE's for road projects have been impacted. We believe companies with robust cash flow profile like L&T, Reliance Infrastructure and IRB Infra are relatively better positioned to address the financing issues. Further, most of the projects in the existing portfolio have already achieved financial closure. Companies with large road BOT portfolios include IRB (782 kms, Not Rated), L&T (400 kms, Neutral), GMR (346 kms, Neutral), Gammon Infra (217 kms, Not Rated), Reliance Infra (197 kms, Buy), etc.

BOT PORTFOLIO IN ROAD SEGMENT

COMPANY	PROJECT		OPERA- TIONAL KMS*	UNDER CONST KMS*	STATUS
	COST*	TOTAL			
	(RS B)	KMS*			
IRB Infrastructure	59	782	448	334	FC for Surat-Dahisar pending, Bharuch-Surat to commission by June 2009
Larsen & Toubro	41	400	107	293	L1 for 3 projects (state highways) at cost of Rs45b in Gujarat
GMR Infrastructure	24	346	113	233	FC achieved for all projects, 2 already operational, Balance by end FY09
Gammon Infrastructure	21	217	101	116	FC achieved for all projects
Reliance Infrastructure	16	197	0	197	FC achieved for all projects, Likely commissioning by end FY10
IVRCL Infrastructure	12	149	0	149	FC achieved, Likely completion by FY10
Nagarjuna Construction	11	106	21	85	FC achieved for all project, 1 already operational, balance by FY10
GVK Power & Infrastructure	6	91	91	0	Already operational

* Calculated based on the proportionate stake in project SPVs; FC = financial closure

Source: Company

NHAI has commenced the process of bid evaluation and award for 53 projects, comprising of 44 projects under NHDP Phase III and 9 projects under Phase V

Bid withdrawals driven by clause 2.1.18 of RFP, credit squeeze

NHAI has commenced the process of bid evaluation and award for 53 projects, comprising of 44 projects under NHDP Phase III and 9 projects under Phase V. The bidding in phase III has been divided in two parts, with the first part comprising of 23 projects and the remaining in second part. Initial bids for 27 projects were targeted to be awarded by Nov 08, which have been delayed, given the bid withdrawals post clause 2.1.18 of RFP which restricts the number of bidders and the tightening credit scenario. Please Refer Annexure A for complete list of bidders for 27 projects and Annexure B for clause 2.1.18 of RFP. The total length of 27 projects stand at 2,820kms, and estimated project cost at Rs242b, an average of Rs9b/project, indicating the increased project size.

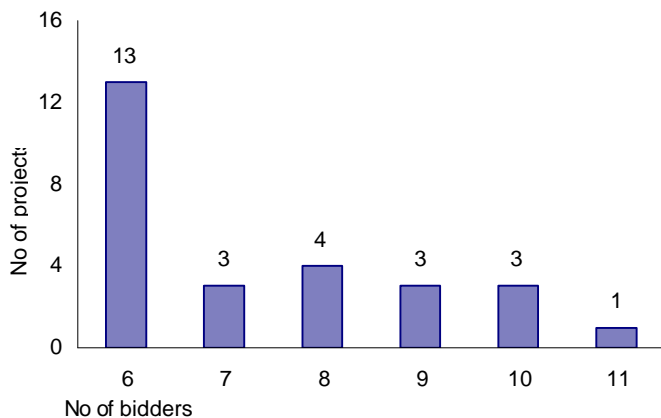
16 projects left with less than 5 bidders each

Of the 27 highway stretches for which initial bids have been received and evaluated, 16 projects are left with less than five bidders each, while for 2 projects there are no bidders

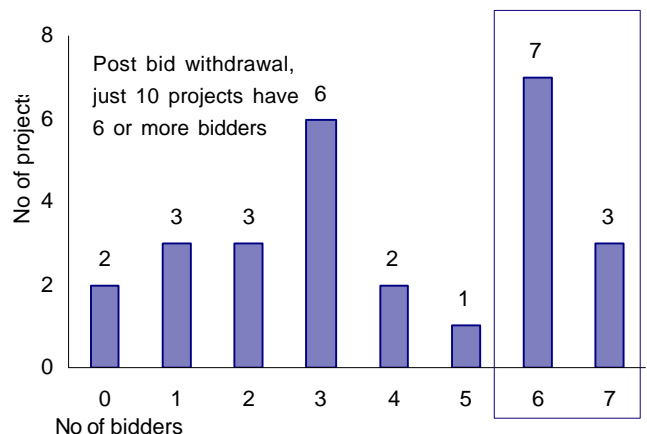
Of the 27 highway stretches for which initial bids have been received and evaluated, 16 projects are left with less than five bidders each, while for 2 projects there are no bidders. The bid withdrawals have been to comply with clause 2.1.18 of RFP that caps number of initial bids a company can make, to allay concerns of possible cartelization. The condition stipulates that a company will not be eligible for bidding if it has been during 2 months preceding the bid due date 1) short listed for the bid stage (RFP) for 8 or more projects 2) awarded 4 or more projects or 3) unable to achieve financial closure for 2 or more projects within the stipulated time.

POST BID WITHDRAWALS, JUST 10 PROJECTS HAVE 6 OR MORE BIDDERS

QUALIFIED BIDDERS SHORT LISTED (PRE-WITHDRAWAL)



QUALIFIED BIDDERS POST BID WITHDRAWAL



Note: Number of bidders have been calculated based on number of bids short listed

Source: NHAI

PROJECTS WITH NO BIDDERS (POST WITHDRAWALS)

	KMS	COST (RS B)	INITIAL SHORT LISTED BIDDERS
Vijayawada-Machilipatnam	65	5	Maytas Infrastructure - NCC - CR18G, HCC - John Laing, GVK - TLI - OSE, Isolux - SOMA - OMAXE, GMR - Punj Lloyd, Madhucon - GALFAR - WADE - Adam and SREI
Kundapur-Surathkal	90	6	SREI - Sadbhav -Atlantia S.p.A, HCC-John Laing, Reliance Infra - Reliance Innoventures, B. Seenaiah - CR18G, Larsen & Toubro, Isolux – Soma

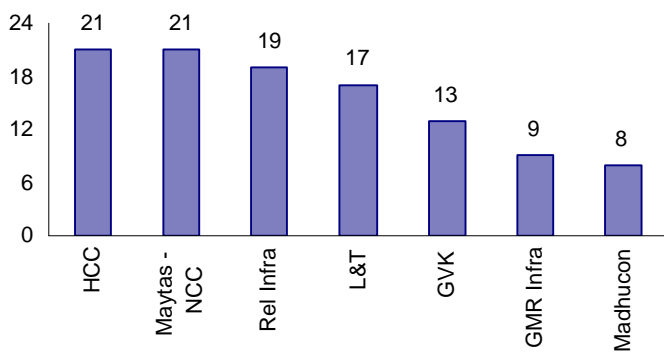
Source: NHAI

L&T, Reliance Infra, Maytas - NCC at the forefront, in terms of short-listings

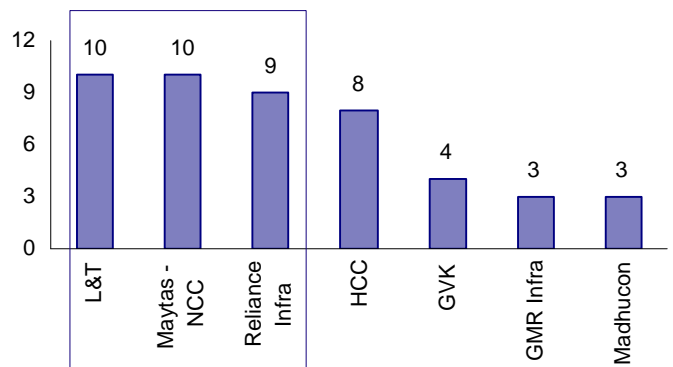
Based on the initial short listing by NHAH for bid submission at RFP stage, consortiums with highest pre-qualifications include Maytas-NCC (total length 2,231kms, total project cost Rs192b), HCC (2,148 kms, Rs73b), Reliance Infra (1,936 kms, Rs80b), L&T (1,726kms, Rs162b), GVK (1,319 kms, Rs174b), GMR Infra (926 kms, Rs98b) etc. Of the initial 27 projects taken up for bid evaluation, HCC and Maytas - NCC consortiums had been shortlisted for 21 projects each.

LOWER INTEREST FROM BIDDERS GIVEN THE CURRENT CREDIT SCENARIO, EXECUTION CHALLENGES

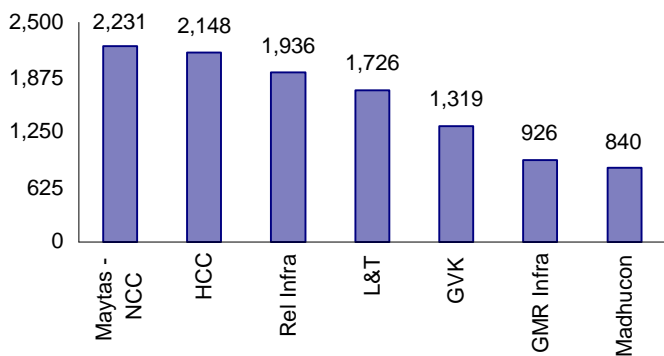
BIDDERS SHORT-LISTED (NO OF PROJECTS)



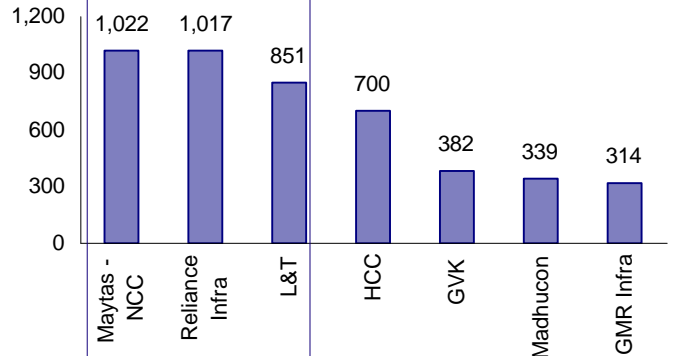
BIDDERS POST BID WITHDRAWAL (NO OF PROJECTS)



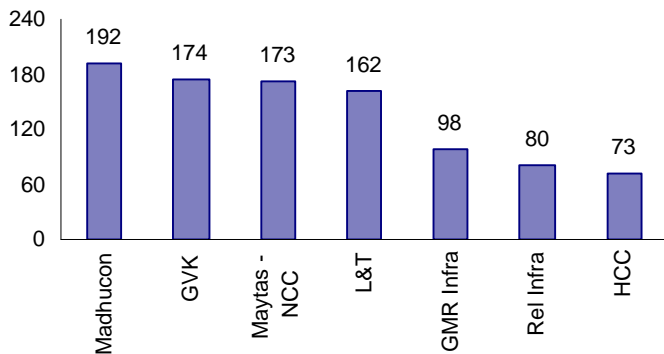
BIDDERS SHORT-LISTED (KMS)



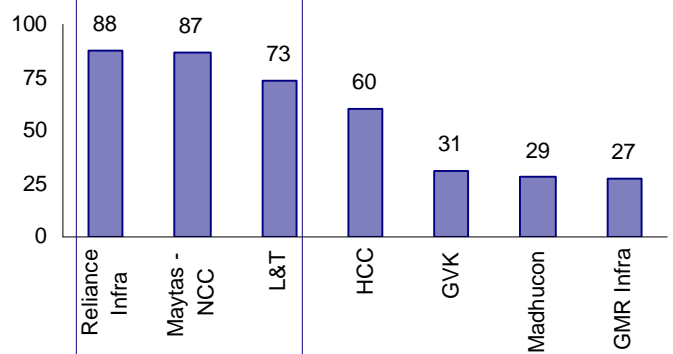
BIDDERS POST BID WITHDRAWAL (KMS)



BIDDERS SHORT-LISTED (RS B)



BIDDERS POST BID WITHDRAWAL (RS B)



Note: Various qualified players have submitted bids in consortiums. Some of the consortiums include: (1) HCC - John Laing, (2) Maytas - NCC - CR18G, (3) GVK - TLI – OSE, (4) GMR - Punj Lloyd, (5) Madhucon - GALFAR - WADE – Adam, (6) Reliance Infra & Reliance Innoventures, (7) Larsen & Toubro.

Larsen and Toubro which was short-listed for financial bidding of 17 projects, withdrew from 7 projects

To comply with clause 2.1.18 of RPF, Larsen and Toubro which was short-listed for financial bidding of 17 projects, withdrew from 7 projects. Reliance Infrastructure, which had been shortlisted for 19 projects, has withdrawn from 10 projects. GMR Infra which was shortlisted for bidding for 9 projects has withdrawn from 6 projects. Similarly, HCC and Maytas – NCC consortiums have withdrawn from 13 and 11 projects respectively. Post withdrawals, consortiums shortlisted for submitting financial bids include: Maytas-NCC (1,022 kms), Reliance Infra (1,017 kms), L&T (851 kms), HCC (700 kms), GVK (382 kms), Madhucon (339 kms) and GMR Infra (314 kms).

Restrictions imposed by clause 2.1.18 shall not apply to the fresh offer, which means that the project will not be counted while considering the short-listing or bid award for other projects

Fresh offers not under the purview of Clause 2.1.18

The norms stipulate that in the event the number of revised list of short-listed bidders is less than 5 after completion of initial round of substitution, NHAI shall undertake a second round of substitution and make fresh offers to all pre-qualified applicants. Restrictions imposed by clause 2.1.18 shall not apply to the fresh offer, which means that the project will not be counted while considering the short-listing or bid award for other projects. However, the consortiums who had not withdrawn and continued to be in the list of shortlisted bidders, will continue to attract the restrictions. NHAI also reserves the right to invite bids even where the number of bidders, as per the final list of short-listed bidders, is <5.

Delhi High Court upholds decision to restrict bidders

Delhi High Court has upheld the decision to restrict the number of eligible bidders, for submission of financial bids. However, the cap is applicable only to current 60 projects of NHAI for which bids have been invited, as finance ministry has directed the removal of such clause for future projects.

Government clears NHAI Amendment Bill

Government has cleared the National Highways Authority of India Amendment Bill, paving the way for restructuring the authority enabling it to execute its delegated powers. Restructuring exercise includes increasing the number of part-time members of the authority from the existing four to six, and the two additional members will be from non-Government sector. It also includes appointment of six full-time members, against five at present, one each for finance, administration, public-private partnership, two members for projects and one for technical. Besides, it includes creation of quality assurance cell for promotion of quality assurance initiatives and standardization and research and development cell for tracking technical developments in road construction.

Improved pace in terms of project execution

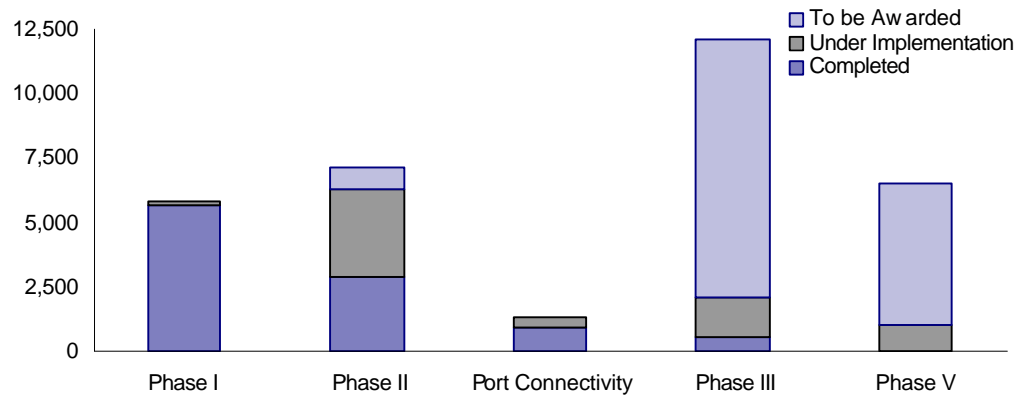
As at October 2008, of the 33,097 kms of National Highway Development Project (NHDP) which has been approved by the Union Cabinet, comprising of Phase 1, II, III and V; 10,071 (vs 9986 kms in September, 2008) have been completed, while 6,517kms (vs 6,604 kms in September 2008) is under construction. In terms of phase wise progress, 97% of

Phase 1 and 39% of Phase 2 have been completed. During FY03 to FY08, 8,174kms of NHDP road projects were completed, at an average of 1,362kms per annum; and the average completion during FY06-08 stands at 1,854kms per annum. During YTD FY09, there has been an accelerated pace in terms of project execution, given that 1,309 (vs 1,224kms in September 2008) of projects have been completed till date.

NHDP PROJECT PROGRESS (KMS)

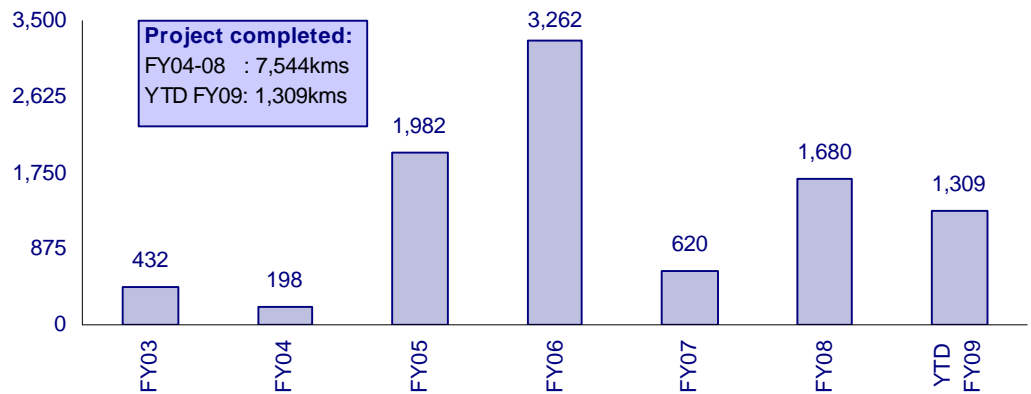
PHASEWISE PROJECT PROGRESS

PHASE	COMPLETED	
	KMS	%
I	5,699	98
II	2,838	40
Port	906	65
III	554	5
V	33	0

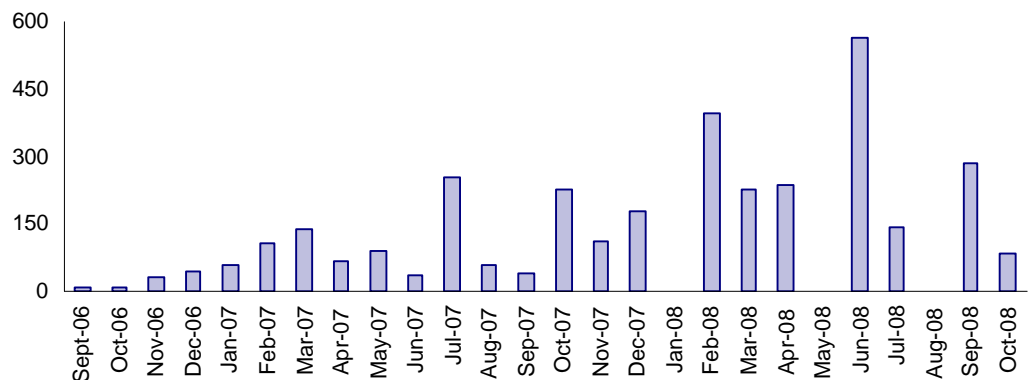


NHDP PROJECT COMPLETION (KMS)

During FY09, there has been an accelerated pace of project execution, given that 1,309 kms of projects have been completed during April – Oct 08



NHDP PROJECT COMPLETION MOM (KMS)



Source: NHAI

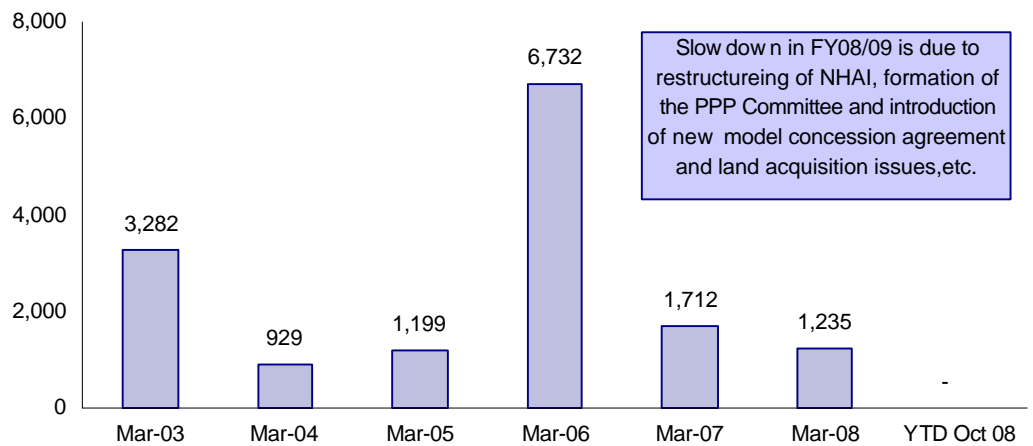
No project awards YTD till October 2008

During April - Oct 08, NHAI had invited tenders for 82 road projects (8,542kms) with an estimated cost of Rs670b on BOT basis. The recent delays in terms of project awards have been largely due to the issues in terms of restriction of the number of bidders for submission of financial bids, and also lower interest from bidders given the tightening credit scenario, execution challenges, etc.

In Sept 2008, while the Finance Ministry deleted the clause that limits number of financial bidders for all future PPP highway projects, the 60 projects which NHAI is already processing are not excluded and have to be dispensed with as per the earlier RFQ.

In terms of contract awards, 11% of Phase 2, 83% of Phase 3 and 84% of Phase 5 are yet to be awarded. This entails a pipeline of 16,507kms of projects to be awarded

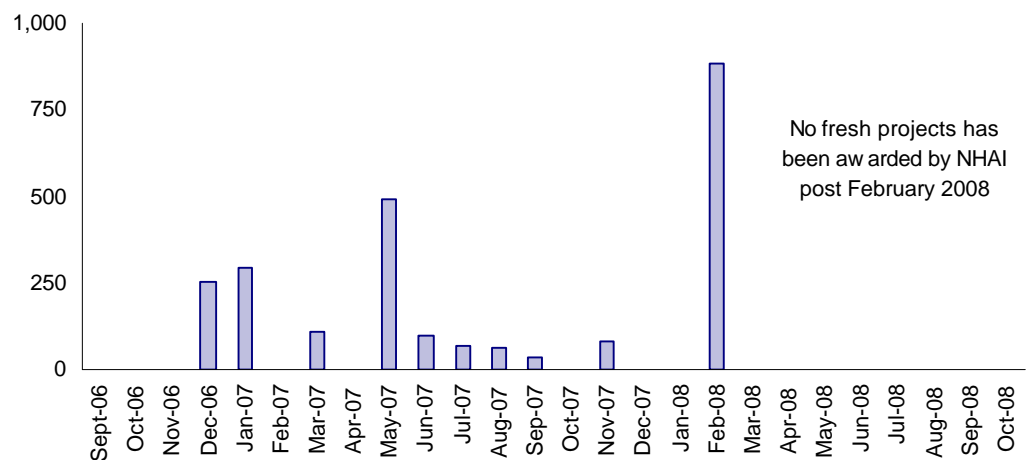
NHDP: PROJECT AWARDS (KMS)



Slow down in FY08/09 is due to restructuring of NHAI, formation of the PPP Committee and introduction of new model concession agreement and land acquisition issues, etc.

During April - Oct 08, no projects have been awarded by NHAI, while tenders for 78 projects (Rs866b) have been invited

NHDP: PROJECT AWARDS (KMS)



No fresh projects has been awarded by NHAI post February 2008

Source: NHAI

STATUS OF NHDP PROJECTS AS OF OCT-08 (KMS)

~50% of approved NHDP projects are still to be awarded

PHASE	LENGTH			
	TOTAL	COMPLETED	UNDER CONST	YET TO BE AWARD
Phase I	5,846	5,699	147	-
Phase II	7,300	2,879	3,442	979
Port Conn & Others	1,342	906	410	26
Phase III	12,109	554	1,521	10,034
Phase V	6,500	33	997	5,470
Total	33,097	10,071	6,517	16,509

Source: NHAI

Since April 2008, NHAI has invited RFQs for 82 projects valued at Rs913b, to be awarded over the next 12-18 months

Since April 2008, NHAI has invited RFQs for 82 projects valued at Rs913b, which is expected to be awarded over the next 1-2 years. Projects with estimated cost Rs10b+ (4,819kms) comprises of 69% of the total value, clearly indicating shift towards larger project sizes. The projects awarded under New Model Concession Agreement during Feb 08, too were Rs10b+ in value, where companies bid largely in JVs or in consortium.

TENDERS INVITED BY NHAI SINCE APRIL 2008 (RS5B+)

From Apr-Oct 2008, a total of 78 PPP projects constituting 8,011kms were offered by NHAI on BOT/ Annuity basis. The total cost of these projects stand at Rs866b

MONTH	LENGTH	COST
	(KMS)	(RS B)
April	1,598	209
May	1,377	183
June	728	78
July	2,261	203
August	205	19
September	181	16
October	737	73
November	925	85
Total	8,011	866

Source: NHAI

Annexure A

NHAI: SHORTLISTED BIDDERS LIST FOR INITIAL 27 PROJECTS BASED ON BID EVALUATION

PROJECT	LENGTH (KMS)	COST (RS B)	QUALIFIED BIDDER / CONSORTIUM IN FRAY	QUALIFIED BIDDER / CONSORTIUM BIDS WITHDRAWN
Ghaziabad-Aligarh	126	13	B. Seenaiah, CR18G Rel Infra, AAA Comm, Jiangsu Prov GMR Infrastructure, Punj Lloyd	Cintra Concesiones, Shapoorji Pallonji HCC, John Laing Investments Isolux, Soma Const, Omaxe Infra Larsen & Toubro
Amritsar- Pathankot	102	7	SREI Infra, Valecha Engg, Atlantia S.p.A Rel Infra, AAA Comm, Rel Innoventure IRB Infra, Modern Road Maker	HCC, John Laing Investments Maytas Infra, CR18G Isolux, Soma Const, Larsen & Toubro Madhucon Projects, S K Engg & Const. GMR Infrastructure, Punj Lloyd
Pimpalgaon – Nashik – Gonde Section of NH-3	60	8	HCC, John Laing Inv, Sadbhav Engg NCC, Maytas Infra, CR18 G TLI, IDFC, OSE Larsen & Toubro, ABL Isolux, Soma Const, Omaxe Infra IJM, IRCON, Punj Lloyd	
MP/ Maharashtra Border - Dhule Section of NH 3	97	7	HCC, John Laing Inv, Sadbhav Engg Maytas Infra, NCC, CR18G TLI, IDFC, OSE Larsen & Toubro, ABL Isolux, Soma Const, Omaxe Infra IJM, IRCON, Punj Lloyd	
TIRUPATI – TIRUTHANI – CHENNAI NH -205	125	8	Navinya, Atlantia S.p.A Rel Infra, AAA Comm, Rel Innoventure GMR Infrastructure, Punj Lloyd	GVK, Leighton, Mitsui HCC, John Laing Investments Maytas Infra, CR18G Isolux, Soma Const, Omaxe Infra Larsen & Toubro
Jaipur-Reengus	53	3	Larsen & Toubro DLF, Gayatri, Laing O Rouke Navayuga, KPCL, SEW	GVK, Leighton, Oriental Structures HCC, John Laing Investments Maytas Infra, NCC, CR18G Isolux, Soma Const Rel Infra, AAA Comm, Jiangsu Prov Gammon, Omaxe Infra SREI Infra, Galfar, Wade Adams, Ashoka Buildcon
Kishangarh-Beawar	94	7	Navinya, Atlantia S.p.A GVK, Leighton, Mitsui HCC, John Laing Investments Maytas Infra, CR18G IJM, Abertis, IDFC Isolux, Soma Const	
Panikoili-Rimuli Project	166	11	Maytas Infra, NCC, CR18G Cintra Concesiones, Shapoorji Pallonji Gammon Infra, Macquarie Sec	HCC - Laing Investments GVK, Leighton, Oriental Structures Isolux, Soma Const, Omaxe Infra GMR Infrastructure Rel Infra, Jiangsu Prov

NHAI: SHORTLISTED BIDDERS LIST FOR INITIAL 27 PROJECTS BASED ON BID EVALUATION (CONTD...)

PROJECT	LENGTH (KMS)	COST (RS B)	QUALIFIED BIDDER / CONSORTIUM IN FRAY	QUALIFIED BIDDER / CONSORTIUM BIDS WITHDRAWN
Chandikhole-Dubari-Talcher Project	133	8	Cintra Concesiones, Shapoorji Pallonji	Maytas Infra, NCC, CR18G HCC, John Laing Investments GVK, Leighton, Oriental Structures Isolux, Soma Const, Omaxe Infra GMR Infrastructure Rel Infra, Jiangsu Prov Gammon Infra, Macquarie Sec Navyuga Engg, Krishnapatanam Port, Teesta Urja Patel Engg, KNR Const, DS Const
Hyderabad -Vijaywada			Maytas Infra, NCC, CR18G HCC, John Laing Investments GVK, Leighton, Oriental Structures Cintra Concesiones, Shapoorji Pallonji Larsen & Toubro, B. Seeniah Isolux, Soma Const	
Rimuli-Roxy Rajamunda	96	7	Gammon Infra, Macquarie Sec, Macquarie Securities	Maytas Infra, NCC, CR18G HCC, John Laing Investments GVK, Leighton, Oriental Structures Isolux, Soma Const, Omaxe Infra GMR Infrastructure Rel Infra, Jiangsu Prov Navyuga Engg, Krishnapatanam Port, Teesta Urja Shapoorji Pallonji Patel Engg, KNR Const, DS Const DLF, Gayatri, Laing O Rouke
Muzaffarnagar -Haridwar -Dehradun	127	13	B. Seenaiah, CR18G Maytas Infra, CR18G Rel Infra, AAA Comm, Jiangsu Prov Isolux, Soma Const, Omaxe Infra	Cintra Concesiones, Shapoorji Pallonji HCC, John Laing Investments GMR Infrastructure, Punj Lloyd Larsen & Toubro
Patna Buxar Section	125	16	SREI Infra, Galfar, RKD Konaseema, SREI, Galfar	Rel Infra, Rel Innoventure, Jiangsu Prov Maytas Infra, CR18G Larsen &Tourbro Isolux, Soma Const Madhucon, S K Engg & Const, KMC Const DLF, Gayatri
Khagaria Bakhtiarpur section	120	17	SREI Infra, Galfar, RKD	Rel Infra, Rel Innoventure, Jiangsu Prov Konaseema, SREI, Galfar, Maytas Infra, CR18G Larsen &Tourbro Isolux, Soma Const Madhucon, S K Engg & Const, KMC Const DLF, Gayatri

NHAI: SHORTLISTED BIDDERS LIST FOR INITIAL 27 PROJECTS BASED ON BID EVALUATION (CONTD...)

PROJECT	LENGTH (KMS)	COST (RS B)	QUALIFIED BIDDER / CONSORTIUM IN FRAY	QUALIFIED BIDDER / CONSORTIUM BIDS WITHDRAWN
Vijayawada-Machilipatnam	65	5		Maytas Infra, NCC, CR18G HCC, John Laing Investments GVK, Leighton, Oriental Structures Isolux, Soma Const, Omaxe Infra GMR Infrastructure, Punj Llyod SREI Infra,Galfar, Wade dams, Madhucon
Kundapur-Surathkal & Manglore-KNT/ Kerala Border	90	6		SREI Infra, Sadbhav Engg, Atlantia S.p.A HCC, John Laing Investments Rel Infra, Rel Innoventure B. Seenaiiah, CR18G Larsen & Toubro Isolux, Soma Const
Cuddappah - Kurnool	189	16	Navinya, Atlantia S.p.A Larsen &Tourbro	HCC, John Laing Investments Rel Infra, Rel Innoventure, Jiangsu Prov GVK, Leighton, Mitsui Maytas Infra, CR18G
Goa/ KNT Border - Panaji	65	4	SREI Infra, Ashoka Buildcon, Atlantia Isolux, Soma Const Larsen & Toubro Madhucon, S K Engg & Const IDEB - SUCG	HCC, John Laing Investments
Kuttipuram-Edapally	112	12	Isolux, Soma Const, Omaxe Infra	Navinya, Atlantia S.p.A Maytas Infra, CR18G HCC, John Laing Investments Rel Infra, AAA Comm, Jiangsu Prov Larsen & Toubro
Pune - Sholapur	110	9	Navinya, Atlantia S.p.A HCC, John Laing, Sadbhav Engg Rel Infra, AAA Comm, Jiangsu Prov	GVK, Leighton, Mitsui B. Seenaiiah, CR18G Isolux, Soma Const
Coimbatore - Mettupalayam	50	5	SREI Infra, Ashoka Buildcon, Atlantia Maytas Infra, CR18G HCC, John Laing Investments Plus Expressway, IVRCL Isolux, Soma Const IDEB, SUCG Larsen & Toubro	Reliance Infrastructure -RIPL- JTEG
Rohtak - Hissar (Shortlisting completed, RFP to be issued after approval by PPPAC)	89	6	SREI Infra, Sadbhav Engg, Atlantia SREI Infra, Valecha Engg, Atlantia Rel Infra, AAA Comm, Rel Innonventure IRB Infra, Modern Road Makers	HCC, John Laing Investments Maytas Infra, CR18G Isolux, Soma Const Larsen & Toubro Madhucon, S K Engg & Const GMR Infrastructure, Punj Lloyd Ltd

NHA: SHORTLISTED BIDDERS LIST FOR INITIAL 27 PROJECTS BASED ON BID EVALUATION (CONTD...)

PROJECT	LENGTH (KMS)	COST (RS B)	QUALIFIED BIDDER / CONSORTIUM IN FRAY	QUALIFIED BIDDER / CONSORTIUM BIDS WITHDRAWN
JAIPUR-TONK-DEOLI	149	11	Cintra Concesiones, Shapoorji Pallonji GVK, Leighton, Mitsui HCC, John Laing, Sadbhav Engg HCC, John Laing Investments Maytas Infra, CR18G B. Seenaiah, CR18G Isolux, Soma Const	
GUJ/MAH BORDER- SURAT-HAZIRA	140	13	Cintra Concesiones, Shapoorji Pallonji GVK, Leighton, Mitsui HCC, John Laing, Sadbhav Engg HCC, John Laing Investments Maytas Infra, CR18G B. Seenaiah, CR18G Isolux, Soma Const	
Baihata Chariali-Tejpur	134	12	Isolux, Soma Const Rel Infra, Rel Innoventure, Jiangu Prov Larsen & Toubro Madhucon, S K Engg & Const IL&FS Trans, Oriental Structure	Note: This Project has been delisted by the Ministry from NHDP III. Ministry has been written for further directions on 13.08.08.
Patna-Hajipur-Muzaffarpur	63	6	B. Seenaiah, CR18G Rel Infra, Rel Innoventure Larsen & Toubro GMR Infrastructure, Punj Llyod Gammon Infra, KMC	
Khagaria-Purnia Section	140	13	Rel Infra, Rel Innoventure, Jiangu Prov Maytas Infra, CR18G Isolux, Soma Const Larsen & Tourbro Madhucon, S K Engg & Const, KMC	
Total	2,820	242		

Source: NHA

Annexure B

Clause 2.1.18 of RFP

2.1.18 Other Bid conditions shall include:

- (a) The Bidder, in case it does not have the O&M experience specified in Clause 2.2.3 of the RFQ, by submitting its Bid, shall be deemed to acknowledge and agree that for a period of at least 5 (five) years from the date of commercial operation of the Project, it shall enter into an operations & maintenance (O&M) agreement with an entity having the specified experience, failing which the Concession Agreement shall be liable to termination.

- (b) A Bidder shall not be eligible for bidding hereunder if the Bidder, its Member or Associate was, during a period of 2 (two) months preceding the Bid Due Date, either by itself or as member of a consortium; (i) prequalified and short-listed by the Authority for the Bid Stage comprising RFP in relation to 8 (eight) or more projects of the Authority; or (ii) declared by the Authority as the selected bidder for undertaking 4 (four) or more projects of the Authority; or (iii) unable to achieve financial close, for 2 (two) or more projects of the Authority within the period specified in the respective concession agreements entered into with the Authority; Provided that in the event the Bidder, its Member or Associate, as the case may be, shall have, within one week of receiving a notice of prequalification and short-listing for the Bid Stage of any such project, withdrawn from the bid process and notified the Authority of the same, the project so notified shall be excluded from the purview of this clause 2.1.18.

N O T E S



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