

*Summary of recommendations*

1. *The Authority should strengthen its planning machinery to monitor and take corrective action as required for timely execution of projects.*
2. *The Authority should establish procedures and define staff accountabilities*
  - *for computing the concession period after sound financial evaluation has been carried out;*
  - *to ensure that detailed project reports are prepared for each project planned to be undertaken after extensive consultation with the district officials and public representatives; and*
  - *to review DPRs before commencement of tendering process for any significant variations between the DPR and tenders received to avoid award of additional items of work on nomination basis. The Authority should establish a review system at the appropriate level that includes fixing of responsibility for inaccurate traffic projections, project costs and other significant deficiencies in the DPR.*
3. *The Authority should strengthen the supervision mechanism by improving the quality assurance systems and methodologies.*
4. *The Authority should review the need to specify two levels of quality parameter viz. 'desirable' and 'acceptable'. Only the acceptable level of quality specifications in respect of structural and functional parameters viz. roughness and deflection should be specified in the concession agreement to ensure road safety, quality of construction, and riding comfort; and acceptance of deviation should be fully justified and approved at the appropriate level in the Authority.*
5. *The Authority should on completion of every road project and at periodical intervals thereafter, conduct tests through reputed agencies other than the Independent Consultant to ensure that all the quality specifications have been complied with and continue to be within the level mentioned in the agreement. In case of deviations, immediate remedial measures should be undertaken through the Concessionaire.*
6. *The Authority should establish procedures to ensure that bonus for early completion of project is approved only after the Independent Consultant fully reflect and justify the impact of addition/deletion of items of work on the scheduled completion date.*
7. *The Authority should ensure that the agreement clauses relating to opening and periodical submission of escrow account and the appointment of independent auditors are complied with.*

8. *The Authority should*

- *ensure commencement of toll collection through timely action to prevent loss of toll revenue and should ensure that the toll rates are fixed based on the latest available wholesale monthly price index;*
- *ensure that agreement clauses relating to levy of penalty are implemented in spirit ; and*
- *incorporate penalty clauses for non-achievement of financial closure and individual project milestones.*