

Recommendations of Member (Finance) and Chairman, AAI on the Evaluation Report submitted by consultants in connection with restructuring and modernization of Delhi and Mumbai airports – Discussions in IMG Meeting held on 14th December 2005

Having regard to the report of the Government Review Committee (GRC), findings of the independent review undertaken with reference to the bid documents submitted by the bidders, the extensive discussions with the consultants during IMG meetings on the approach adopted by them for undertaking the evaluation process, clarifications furnished by the consultants some of which were not found to be satisfactory, rationale for the allocation of marks for various sub-criteria, the assessment made by them, the scoring of marks for bidders for various criteria and the concern expressed by some members regarding possible conflict of interest of the consultants, we are of the considered opinion that it would be difficult to endorse the findings of the consultants in toto. This is due to the fact that certain infirmities in inter-se weightages across some of the sub-criteria (criteria Nos.1.2.2 and 1.2.3, 3.1.1 and 3.1.2), inequitable assessment beyond the realm of subjectivity (Criteria Nos.1.1.4, 1.1.6, 1.1.8, 1.1.9, 2.2.1(b), 4.1.1, 4.1.2 and 6) and as a consequence inconsistent scoring of marks across the same criteria for various bidders with similar experience/expertise etc. were noticed by us. It also appears that in case of one of the bidders, there has been some lenient marking in respect of certain criteria.

2. With regard to the Development Plans of Bidder "E", certain deficiencies noticed like the inadequate terminal capacity, parking stands as also the delay in construction of various facilities at Delhi Airport and the closure of cross runway immediately upon handing over and no addition to capacity of international terminal during the next 10-15 years at Mumbai Airport, were discussed with the consultants but the explanations provided by them were not convincing and therefore it is felt that the marks given to Bidder "E", in this regard, appear to be high and need reconsideration/ review. Detailed observations, in this regard, are enclosed as Annexure-A.