

# GVK bags ₹2,815 cr MP highway

Ashutosh Kumar • NEW DELHI

GVK Power and Infrastructure has emerged as a preferred bidder for the ₹2,815 crore Shivpuri-Dewas national highway project in Madhya Pradesh, by offering a premium of ₹180.90 crore.

Bids for the 330 km project were opened on Tuesday.

"The government was rather expecting a 15% viability gap funding (VGF) for the project of ₹422.25 crore. The project has a concession period of 30 years," said a National Highways Authority of India (NHAI) official.

The second-best bidder,

Tata Realty and Infrastructure Ltd, put in a bid with a premium of ₹110 crore, while the third-best, Essar Projects, offered a premium of ₹100 crore.

This continues the trend of bidders paying a premium to bag highway projects, to the glee of the government, which in normal course would have had to chip in with grants.

In two projects whose bids were opened on Friday — ₹1,232 crore Orissa border - Aurang-Saraipalli and ₹900 crore Hospet-Bellary — the authority got a premium of ₹47 crore as against a total

## GVK Power

Share price on BSE in ₹



VGF demand of ₹705 crore expected from the private sector. In the case of the Orissa border-Aurang-Saraipalli project, the government ex-

pected the developer to demand a VGF of ₹381 crore. The winning bidder, B Seenaiah, however, put in a bid with a premium offer of ₹29 crore to the government.

GVK has earlier implemented the Jaipur-Kishangarh build-operate-transfer project, a 90 km segment of the Golden Quadrilateral. The project involved the conversion of a two-lane track to a world-class six-lane highway at a cost of \$154 million.

The company has also submitted requests for qualification for eight projects announced by the NHAI.