

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:2028
ANSWERED ON:09.03.2010
CANCELLATION OF ROAD PROJECT
Jeyadural Shri S. R.

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

- (a) whether the Rs. 600 crore Chennai-Ennore road connectivity project has been cancelled by the National Highways Authority of India (NHA);
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) the salient features of this project and the total cost of the project as was initially envisaged;
- (d) whether the Government/NHA proposes to reconsider its decision; and
- (e) if so, the details thereof and the time by which construction work on the project is likely to commence?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI R. P. N. SINGH)

(a) to (c): Chennai Ennore road project had been conceived as a Port Connectivity Project to be implemented by a Special Purpose Vehicle (SPV) with members from NHA, State Government and the concerned Port Trusts.

The original project cost was Rs.165.3 crores in the year 2003, which was revised to Rs. 309 crores in December 2005. The project envisaged

- (i) Improving & Widening of 4-lanes of Ennore Expressway-6.8 Kms. (from km. 7/0 to Km 12/8)
- (ii) Improvements to Manali Oil Refinery Road-5.4 Kms (from 0/0 to Km 5/4)
- (iii) Improvements to Northern Segment of Inner Ring Road - 8.1 Kms (from Km 17/5 to Km 25/6)
- (iv) Widening to 4 lane and strengthening of Tiruvottiyur-Ponneri-Panchetti (TPP) Road-9.0 Kms (from Km 4/5 to Km 13/5)

Due to change in scope and for various other reasons, the total project cost increased to Rs. 600 crores in the year 2009. NHA called the bid and the same was received on 10-11-2008. The SPV partners were requested to increase their equity/debt contribution proportionately. But no clear commitment from all the stakeholders (SPV partners) was made available. Due to this, the Bid for the above work received on 10-11-2008 has been cancelled in December, 2009.

(d) and (e): The project will be taken up only if the other SPV partners give assurance of proportionately increased equity contribution.