

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

UNSTARRED QUESTION NO:1560  
ANSWERED ON:03.08.2010  
AUCTION OF TOLL PLAZAS  
Vardhan Shri Harsh;Yadav Shri Dinesh Chandra

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

- (a) whether the National Highways Authority of India (NHAI) has decided to auction its toll plazas to the private sector for collection of toll tax on the National Highways for a fixed period;
- (b) if so, the details and the reasons therefor;
- (c) the additional revenue likely to accrue to NHAI from such a move;
- (d) whether the NHAI has taken adequate steps to protect the interests of the tax payers from the tendency of private companies to earn more profit; and
- (e) if so, the details thereof?

**Answer**

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

- (a): National Highways Authority of India (NHAI) has decided to engage user fee collecting agencies for a fixed period through open competitive bidding system and not through Auction.
- (b): NHAI has been facing lot of problems in the management of toll plazas currently undertaken through Directorate General of Resettlement (DGR) sponsored ex-servicemen. They are as follows:
  - (i) Sub-letting of the plazas by the ex-servicemen.
  - (ii) Non payment of DGR salary to the employees.
  - (iii) As per the requirement of DGR the agency has to employ at least 90% ex-servicemen but in most of the sections percentage of ex-servicemen was much less.
  - (iv) Pilferage of revenue.
  - (v) Delay in sponsorship by the DGR.
- (c): The Toll plazas will be given to the eligible bidders who quote the highest amount and market forces will decide the bid amount. Therefore, the likely revenue cannot be forecast.
- (d) & (e): Yes Sir. There is a mandatory provision to deploy minimum number of personnel at the plaza so that all lanes will be kept open all the time. Also there is a penal provision for over charging, viz; (i) 50 times of actual amount overcharged per day for 30 days;ii) on occurrence of 3 such incidences, performance security to the extent of one months agreed remittance shall be forfeited and if the incident of excess charging is again observed, the contract shall be terminated.