

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

UNSTARRED QUESTION NO:1875
ANSWERED ON:26.03.2012
TOLL TAX POLICY
Owaisi Shri Asaduddin

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

- (a) whether the Government's policy mandates that private developers can continue to charge toll during expansion of phase of projects being executed under Public-Private Partnership mode;
- (b) if so, whether the private developers and National Highways Authority of India are sharing the revenue collected as toll;
- (c) whether the toll is charged for giving better services to the consumers;
- (d) if so, whether there is a demand for not charging toll during expansion of the project and giving constrained services to the consumers;
- (e) if so, whether the Government proposes to exempt toll during this period; and
- (f) if so, the details thereof and the time by which a final decision is likely to be taken in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI JITIN PRASADA)

- (a) In case of up gradation of 4 lane section to 6 lane, collection of user fee is continued during expansion. Rule 3(3) of the National Highways Fee Rules 2008 specifically provides that in case of private investment projects, collection of fee should be made in terms of the agreement entered into by the concessionaire. Each project undertaken under (BOT) Toll bringing in private investments is regulated by bilateral contract agreement. As per concession agreement on and from the COD (Date of Commercial Operation) till the transfer date, the concessionaire shall have the sole and exclusive right to demand, collect and appropriate fee from the users subject to and in accordance with this agreement and the National Highways Fee (Determination of Rates and Collection) Rules, 2008.
- (b) Share of revenue by the Private Developers depends upon the out come of the bidding process. If, the bidder has quoted any premium (revenue share), the contractor will share the revenue as per quotation, other wise not.
- (c) Yes Madam.
- (d) to (f) No Madam. It has now been decided that for the public funded projects, which are presently four-lane highways tolled under Fee Rule 1997 and being taken up as a six-lane projects under PPP mode before taking up on BOT Toll bidding, the transition plan from 1997 rules to 2008 rules (Rule 4, sub-rule (6) of N.H. Fee Rules 2008) be notified and thereafter the project be bid, for which the same toll notification shall apply till the completion of the construction. This will apply to PPP projects being undertaken in future.