

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

STARRED QUESTION NO:324
ANSWERED ON:03.09.2012
FOREIGN INVESTMENT IN NH PROJECTS
Ramkishun Shri

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

- (a) whether the Government proposes to encourage foreign investment for highway projects in the country;
- (b) if so, the details of the highway projects being constructed with foreign investment along with the steps taken by the Government to promote foreign investment in the road projects;
- (c) whether a number of investors from China have expressed concerns over investment in highway projects of India; and
- (d) if so, the details thereof and the reaction of the Government thereto?

Answer

MINISTER FOR ROAD TRANSPORT AND HIGHWAYS (DR. C. P. JOSHI)

- (a) to (d) A statement is laid on the table of the house.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 324 ANSWERED ON 03.09.2012 ASKED BY SHRI RAMKISHUN REGARDING 'FOREIGN INVESTMENT IN NH PROJECTS'

- (a) Yes, Madam.

(b) Details of projects constructed/being constructed by foreign companies are placed at Annexure. Foreign Direct Investment up to 100 % is allowed in road sector under the automatic route in Construction and maintenance of roads and highways offered on Build Operate Transfer (BOT) basis including collection of Toll. To attract foreign investors in this sector, Ministers had bilateral meetings and also visited many countries to meet the investors and apprised them about project opportunities in road sector. Delegations of the Ministry of Road Transport & Highways have also conducted road shows to explain Government policy and guidelines to foreign investors. Government has also announced the setting up of Infrastructure Debt Funds (IDFs) to provide long-term, low-cost debt for infrastructure projects. The funds would allow infrastructure developer's access to domestic and offshore investors on a long-term basis. Several foreign companies have successfully participated in the award process for developing highways.

- (c) No, Madam.

- (d) Does not arise.