

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

UNSTARRED QUESTION NO:1084
ANSWERED ON:04.03.2013
CONTRACTS FOR ROAD PROJECTS
Mani Shri Jose K.

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

- (a) whether NHAI has awarded project contracts for 719.86 km. only during April-November 2012 in comparison to projects awarded for 3646.41 km. during the same period last year;
- (b) if so, the reasons therefor;
- (c) whether leading vendors have recently quit major road projects collectively worth around Rs. 10,700 crore;
- (d) if so, the facts in this regard;
- (e) whether the vendors terminating projects have cited issues surrounding environmental clearances as reasons for leaving the project; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI SARVEY SATHYANARAYANA)

(a) & (b) National Highways Authority of India (NHA) has awarded 9 projects for a length of 879 kilometer (km) during April – November, 2012 and NHA awarded 28 projects for a length of 4,099 km during the same period last year. The primary reason for lukewarm response on the part of concessionaires to take up road projects is lack of equity, and also problems in achieving financial closure with the lenders. The fact that the traffic in certain stretches has not shown the projected growth, has dampened the spirit of the potential concessionaires/investors. The delays on account of environment clearance and the various circulars issued in pursuance to the Supreme Court's orders regarding extraction of aggregates and soil, too, have resulted in abnormal increase in the cost of construction.

(c) & (d) NHA has received termination notice for 6-laning of Kishangarh-Udaipur- Ahmedabad section of National Highway (NH) Numbers (Nos.) NH-79, NH-76 and NH-8 including the new Udaipur bypass from concessionaire M/s. GMR Kishangarh Udaipur Ahmedabad Expressways Limited and similarly in case of 4-laning of Shivpuri-Dewas section on National Highway NH-3 in the state of Madhya Pradesh, a termination notice is received from concessionaire M/s. GVK Shivpuri Dewas Expressway Private Limited.

(e) & (f) M/s. GMR Kishangarh Udaipur Ahmedabad Expressways Limited issued termination notice citing delays in environment clearance and M/s. GVK Shivpuri Dewas Expressway Private Limited issued notice of termination citing various issues under force majeure clauses.