

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

UNSTARRED QUESTION NO:4543

ANSWERED ON:22.04.2013

PAYMENT OF PREMIUM BY ROAD DEVELOPERS

Adhalrao Patil Shri Shivaji; Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Yadav Shri Dharmendra; Yaskhi Shri Madhu Goud

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

(a) whether the Government is mooted any proposal to allow road developers to start/make premium payments after completion of a road project;

(b) if so, the details thereof along with the reasons therefor and the reaction of the National Highways Authority of India (NHAI) thereto; and

(c) the number of road projects awarded on premium during each of the last three years and the current year and the steps taken by the Government for amicable solution of the projects which are facing problem in one way or the other?

**Answer**

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

(a) and (b) Some of the concessionaires have represented before the National Highways Authority of India (NHAI) for reschedulement of the premium payable to the NHAI during construction phase in such a way that Net Present Value (NPV) of the premium offered to NHAI remains the same. Recently, the NHAI Board has considered and forwarded one such proposal for consideration of the Government.

(c) Details of road projects awarded on premium during each of the last three years and the current year are placed at Annexure. There has been slow down due to the reasons of lack of equity with the concessionaires, unavailability of debt with the financial institutions and stringent stipulation introduced by the Ministry of Environment and Forests pursuant to the judgment of Hon'ble Supreme Court in the case of TN Godavarman versus Union of India and others [LaFarge case] by linking the Environment Clearances with Forest Clearance. Non-availability of aggregate and imposition of conditional ban on digging of ordinary earth and imposition of provision of the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 has also created additional problems leading to further slow down the pace of the road projects. As a result of the efforts made by the Government, Environment Clearances has now once again been delinked with the Forest Clearance and Ministry of Environment & Forests has also directed all the State Governments not to invoke provision of the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 in case of linear road projects. Recently, the Reserve Bank of India has also decided that in case of Public-Private Partnership (PPP) projects, the debts due to the lenders may be considered as secured to the extent assured by the project authority in terms of Concession Agreement.