

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

UNSTARRED QUESTION NO:2999  
ANSWERED ON:10.02.2014  
REVIVAL OF STALLED HIGHWAY PROJECTS  
Thamaraiselvan Shri R.

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

- (a) whether certain National Highway Projects including those taken up under Public-Private Partnership (PPP) mode are stalled because concerned developers have not signed agreements with the National Highways Authority of India after winning the contracts in competitive bidding;
- (b) if so, the details of such projects, State-wise;
- (c) whether the Government has taken or proposes to take any action to revive these stalled projects; and
- (d) if so, the details thereof and if not, the reasons therefor?

**Answer**

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

(a) and (b) Letters of Award has been withdrawn in respect of 3 projects

where concession agreements were not signed. State-wise details are as follows:

Serial Number Name of the projecttate Length(in Kilometer)

- |   |  |         |
|---|--|---------|
| 1 | Charthalai-Ochira Kerala                               | 83.600  |
| 2 | Maharashtra/Goa Border-<br>Panaji Goa/KNT<br>BorderGoa | 139.000 |
| 3 | Coimbatore -<br>Mettupalayam Tamil Nadu                | 53.930  |

(c) and (d) Government has recently taken a number of initiatives to boost sentiment of investor/lender and encourage more investment in the road sector. These include formation of high level Expert Settlement Advisory Committee for one time settlement of old cases pending in the courts; to complete all pre-construction approvals prior to award of a project; streamlining the process of grant of Environment Clearances by the Ministry of Environment & Forests; facilitating exit to equity investors to unlock growth capital for utilisation in future projects and infuse fresh capital into the sector and to let Financial Institutions consider debts to the road sector as "secured" to the extent assured in terms of Concession Agreement. The Ministry of Road Transport & Highways also placed a proposal before the Cabinet Committee of Economic Affairs (CCEA) with three options pertaining to 'Policy for rationalisation of premium quoted by concessionaires in respect of Highways Projects'. CCEA, while accepting one of the options, decided to refer the modalities to an Expert Group headed by the Chairman of the Economic Advisory Council to the Prime Minister. This Expert Group was mandated to develop a framework for determining whether a project is stressed, the discount rate to be used for calculating net present value (NPV) of the amount of deferred premium payable and the conditions to be imposed. The Expert Group has recently submitted its recommendations to the Government and the same is presently under consideration.