

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:4198
ANSWERED ON:19.02.2014
INFRASTRUCTURE PROJECTS UNDER PPP MODE
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Will the Minister of PLANNING be pleased to state:

- (a) whether there are several infrastructural projects being carried out under the Public Private Partnership (PPP) mode during the last three years;
- (b) if so, the details during the last three years, year, project and state-wise;
- (c) whether there is any agreement for sharing dividend in these projects; and
- (d) if so, the details thereof including the monitoring mechanism that is in place to supervise these projects?

Answer

MINISTER OF STATE FOR PARLIAMENTARY AFFAIRS AND PLANNING (SHRI RAJEEV SHUKLA)

(a) & (b) Yes, Madam. The number of PPP infrastructure projects completed and under implementation during the last three years in the Central sector are given below:

Sector	Projects Completed		Projects Under Implementation	
	during 2010-11, as on March		2011-12 and 31, 2013	
	No. of Projects	Cost (Rs. crore)	No. of Projects	Cost (Rs. crore)
National Highways	32	15,537	161	1,55,438
Major Ports	7	3,417	29	8,561
Airports	0	0	2	25,237
Railways	1	395	3	3,441
Total	40	19,349	195	1,92,677

(c) The PPP framework provides for a capital grant up to a maximum of 40 per cent of the project cost based on transparent competitive bidding. In viable projects which do not require grant, bidders are free to offer a premium in the form of share in revenue instead of seeking a capital grant.

(d) The Government has issued Guidelines for Monitoring of PPP projects to be followed by all Ministries, Departments, statutory authorities and Public Sector Undertakings. These Guidelines also apply to State Governments for state projects that receive Viability Gap Funding (VGF) from the Central Government. The Guidelines have created an institutional framework to ensure compliance of the concession agreements for PPP Projects mainly with a view to safeguarding the interests of the public exchequer and the consumers / users. The Guidelines require the Project Authorities to create a two-tier mechanism for monitoring the performance of PPP Projects which should consist of:

- (i) PPP Projects Monitoring Unit (PPP PMU) at the project authority level; and
- (ii) PPP Performance Review Unit (PPP PRU) at the Ministry or State Government level, as the case may be.

A quarterly report is placed before the Cabinet Committee on Economic Affairs for review of the compliance by the Ministries with the aforesaid Guidelines.