

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

UNSTARRED QUESTION NO:661
ANSWERED ON:26.02.2015
HIGH TOLL RATES
Venugopal Dr. Ponnusamy

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

- (a) whether the Government has been reported of high toll rates and undue benefits given to private parties by fixing a longer concession period by National Highways Authority of India;
- (b) if so, the details thereof along with action taken thereon;
- (c) whether instances of diversion of toll revenue by the private builders as investments rather than being spent on construction work have been brought to the notice of the Government; and
- (d) if so, the details thereof along with action taken thereon?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI PON. RADHAKRISHNAN)

- (a) No, Madam.
- (b) Does not arise.
- (c) Yes, Madam.
- (d) The following instances of diversion of toll revenue are reported:
 - (i) The Concessionaire of 6-laning of Pune-Satara section of NH-4 in the state of Maharashtra, M/s P S Toll Road Pvt. Ltd., has invested an amount of Rs. 78.87 Cr in a company under the management of the Concessionaire, i.e., Reliance Liquid Fund.
 - (ii) The Concessionaire of 6-laning project of Delhi Agra section of NH-2, Ms D A Toll Road Pvt. Ltd., has invested Rs 303.11 crore, as on 31st Oct 2014, in mutual fund. Out of the same, Rs 302.56 crore and Rs. 1.78 crore of investment income is redeemed back. Rs 2.33 crore was balance in mutual fund account on 31st Oct, 2014.

The Concessionaires maintain that they have invested aforesaid money in mutual funds as per the clause of Supplementary Escrow Agreement signed as per Concession Agreement. NHAI has imposed a Penalty @20%, on M/s P S Toll Road Pvt. Ltd., of the income earned on the investment made in mutual fund; which has been deposited by Concessionaire on 27th January 2015.