

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

UNSTARRED QUESTION NO:2320
ANSWERED ON:24.07.2014
ROAD PROJECTS UNDER EPC
Karandlaje Km. Shobha;Kateel Shri Nalin Kumar

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

- (a) whether the Government is considering to undertake highway projects under Engineering, Procurement and Construction (EPC) in place of Public Private Partnership (PPP);
- (b) if so, the details thereof;
- (c) whether it is a fact that due to the stalling of 260 road projects, large percentage of funds sanctioned has become non-performing asset for public sector banks;
- (d) whether the Government has decided to review such stalled projects and if so, the details thereof; and
- (e) the new road building works being considered in Leh, Ladakh, North-Eastern States, Uttarakhand, Himachal Pradesh and Chhattisgarh during the current year?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI KRISHANPAL GURJAR)

- (a) and (b) This Ministry has decided to take up all projects costing more than Rs. 50 crore on Engineering, Procurement and Construction (EPC) mode.
- (c) Due to delay/stalling of many road projects, a large sum of funds became non-performing assets.
- (d) In order to expedite stalled / delayed project the Bottom of Form

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 utilization 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. This Government has recently approved Policy for rationalization of premium quoted by concessionaires in respect of Highways Projects wherein re-scheduling of premium has been permitted for all projects that are stressed.

- (e) Various types of developmental works have been taken up for development of NH network in Leh, Ladakh, North-Eastern States, Uttarakhand, Himachal Pradesh and Chhattisgarh under various approved progammes of the Ministry as well as under National Highway (Original) {NH(O)} under Annual Plan during the current financial year 2014-15.