

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

UNSTARRED QUESTION NO:2915

ANSWERED ON:06.08.2015

Pending Highway Projects

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

- (a) whether a large number of the National Highway projects that are lagging far behind the targets;
- (b) if so, the details thereof indicating the number of such projects and the reasons therefor, State/UT-wise;
- (c) the time and cost escalation as a result thereof;
- (d) whether the Government has held any discussion with the private contractors for completion of these projects and if so, the outcome thereof along with the instructions issued for the completion of projects in the extended time; and
- (e) the other proactive action taken by the Government to expedite the pending projects?

Answer

THE MINISTER OF STATE IN THE
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(SHRI PON. RADHAKRISHNAN)

(a) & (b) Some National Highway projects have been delayed mainly due to land acquisition, utility shifting, non-availability of soil/aggregate, poor performance of contractors, environment/forest/wildlife clearances, ROB & RUB issues with Railways, public agitation for additional facilities, arbitration/contractual disputes with contractors etc. The details of delayed projects are annexed.

(c) Cost overrun is applicable only to EPC/item rate contracts. In such contracts, there is a provision for payment of escalation due to delay if it is not attributable to Contractor. In case the project is delayed due to reasons attributable to the Contractor, liquidated damages are to be imposed and no escalation is payable. Actual escalation due to delay or cost overrun is known only after completion of the project and final settlement of bills.

(d) & (e) In order to ensure timely completion of the projects, regular meetings are held with project developers, State Governments and contractors. Regular review meetings are held in Head Quarter by NHAI with Regional Officers, concessionaires /contractors to make the construction of projects hassle free. To expedite completion of these projects various steps are taken which include streamlining of land acquisition & environment clearances, exit for equity investors, premium re-schedulement, close coordination with other Ministries, revamping of dispute resolution mechanism, frequent reviews at various levels etc.