

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

UNSTARRED QUESTION NO:3079  
ANSWERED ON:31.07.2014  
DISPUTE BETWEEN NHAI AND PRIVATE PLAYERS  
Kumar Shri Ashwini;Venkatesh Babu Shri T.G.

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

- (a) whether the Government has released any white paper on the performance of the National Highways Authority of India (NHA);
- (b) if so, the salient features of the white paper;
- (c) whether the disputes between the NHA and private players has resulted in huge loss to the Government due to cost escalation and delay in execution of projects;
- (d) if so, the details thereof, State-wise; and
- (e) the remedial steps taken by the Government to improve the performance of the NHA?

**Answer**

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

(a) and (b) National Highways Authority of India (NHA) had submitted a white paper covering basic objectives of NHA, major impediments during the last 5 years, corrective action taken in the last 3 years, and suggestions for further corrective action required. NHA has suggested that functional autonomy of NHA should be enhanced, clear targets be given to them, empowerment of NHA to chart its own course to achieve such targets, power to NHA to carry out necessary changes in project documentation, adoption of market oriented delivery mechanism if market responds and alternate strategies for commercially non-viable projects and stretches which are critical in the completion of grids keeping the financial commitments within the budgetary flows promised, positive approach towards critical clearances by concerned Ministries/ Departments for orderly execution of road projects, optimum co-operation by State Governments for state support measures and sector specific relaxations from the Reserve Bank of India for road sector encouraging more funds.

(c) and (d) No, Madam. However total amount pending in disputes between NHA and developers/concessionaires was ₹ 26,556.40 crores. Disputes relating to 45 contract packages have been resolved under the one time settlement scheme. Disputes of ₹ 9860 crores approx have been settled for ₹ 922 crores.

(e) Ministry of Road Transport & Highways and NHA have taken a number of steps for improvement in the performance of the NHA and speedy completion of National Highway (NH) projects including streamlining of process of land acquisition and other statutory clearances, harmonious substitution of Concessionaire, re-schedulement of Premium quoted by concessionaires, securitisation of road sector loans, introduction of revamped dispute resolution mechanism and close coordination with other ministries etc. Ministry of Environment & Forests (MoEF) has also de-linked the grant of Environment Clearance from the Forest Clearance for linear projects and treated the strengthening and widening of NH projects differently from the new projects and allowed the construction of the NH in the Non-Forest areas. Reserve Bank of India (RBI) has also advised all scheduled commercial banks to treat road sector debt as secured within the limits of 90 % of debt due enabling banks to allocate a larger portion of lending to road sector and also to reduce the cost thereon.