

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 2589

TO BE ANSWERED ON 21st DECEMBER, 2021/ 30 Agrahayana, 1943 (Saka)

Annuity Scheme in Infrastructure Financing

2589. SHRI JOHN BRITTAS:

Will the Minister of Finance be pleased to state:

- (a) the definition of annuity scheme in infrastructure financing,
- (b) whether the Union Government uses annuity schemes in infrastructure financing;
- (c) the number of annuity schemes and their outlay by the Union Government and State Governments in 2019-20 and 2020-21, the details of BOT-Annuity Model Projects and BOT Hybrid Annuity Model Projects separately; and
- (d) whether the annuity-based funding schemes are considered as public borrowing of the Union Government in the budget accounts?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a) to (d) A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO RAJYA SABHA UNSTARRED QUESTION NO. 2589 RAISED BY SHRI JOHN BRITTAS: HON'BLE MEMBER OF PARLIAMENT FOR REPLY ON 21ST DECEMBER, 2021 REGARDING ANNUITY SCHEME IN INFRASTRUCTURE FINANCING

(a) to (d): There are no annuity schemes in infrastructure financing. There are annuity-based PPP models such as Build-Operate-Transfer (BOT) Annuity, BOT Hybrid Annuity Model (HAM), etc. where the annuity is a fixed payment made by the Project Authority regularly to the concessionaire in return of services and obligations. The details of Annuity projects are at Annexure I.

4. LIABILITY ON ANNUITY PROJECTS

(In ₹ Crores)

Ministry/ Department	Name of the Project	Value of the Project	Total Annuity Committed	Term in years (Annuity Period)			Annual Annuity	Amount of unpaid annuity Liability at the end of the financial year 2019-20
				From	To	No.of Years		
Ministry of Road Transport & Highways								
1	AP/Karnataka border- Nandi Hill crossing & Devenhalli (KNT-1)	402.34	1185.84	20-04-2009	25-03-2027	18	65.88	461.16
2	Mokama-Munger	351.54	998.50	19-07-2013	14-05-2026	12.5	79.88	439.34
3	Two laning with Paved Shoulder of Purnea-Khagarai Section of NH-31 from Km. 270 to Km. 410 in the State of Bihar	664.00	1624.00	02-04-2014	02-10-2028	14.5	112.00	952.00
4	Tambaram-Tindivanam	564.30	1255.68	03-05-2005	09-11-2019	15	83.72	...
5	4 Laning of Hajipur-Muzaffarpur section on NH77 from km 0.000 to km 46.300 and construction of 16.870 Km New by pass starting at km 46.300 and connecting NH-28 East West Corridor at Km 515.045 in the state of Bihar.	671.70	2365.00	01-03-2017	01-09-2029	12.5	189.20	1702.80
6	Kosi River on NH-57	418.04	1084.60	04-04-2010	04-04-2027	17	63.80	446.60
7	Maharashtra Border-Belgum	542.80	1515.30	20-06-2005	20-12-2019	15	101.02	...
8	Panagarh-Palsit	350.00	1665.00	21-06-2005	21-12-2019	15	111.00	...
9	Palsit - Dankuni	432.40	1199.94	27-08-2005	27-02-2020	15	80.00	...
10	Gorakhpur Bypass	600.24	1701.00	04-04-2010	04-04-2027	17.5	97.20	729.00
11	Gwalior Bypass from KM 42.033 to KM 103.000 of NH-3	300.93	928.55	06-10-2009	06-04-2027	17.5	53.06	371.42
12	Kottakata-Kurnool (Hyderabad Bangalore Section) (NS-2/BOT/AP-5) km 135.740-Km 211.000	611.00	1978.20	15-03-2009	13-09-2026	17.5	113.04	734.76
13	Hazaribagh-Ranchi	625.07	1986.48	14-03-2013	25-09-2028	15.5	128.16	1025.28
14	Amritsar-Wagha Border	205.88	664.20	13-06-2010	30-06-2028	18	36.90	313.65
15	Jammu Udhampur Section (Jammu Bypass) (Udhampur bypass) (NHDP/Phase-II/BOT/VIJ&K)	1500.00	6864.60	01-06-2014	01-06-2031	17	403.80	4643.70
16	Rehabilitation, strengthening and four laning of Chenani to Nashri section of NH-1A including 9 km long tunnel (2 lane) with parallel escape tunnel on BOT Annuity basis in the UT of J&K (NHDP/Phase-II/BOT/VIJ&K)	2519.00	9525.60	07-09-2017	08-03-2032	15	635.04	7620.48
17	Jhansi to Lalitpur (NS-1/ BOT/ UP-2)	355.06	1048.25	27-03-2010	27-03-2027	17.5	59.90	419.30
18	Jhansi to Lalitpur (NS-1/ BOT/ UP-3)	276.09	838.25	27-03-2010	27-03-2027	17.5	47.90	335.30
19	Orai-Bhognipur (Km 220.00 to Km 255.00) & Bhognipur-Barah (Km 421.20 to Km 449.00)	465.00	1344.60	24-10-2009	24-04-2024	15	89.64	403.38
20	Two Lane with paved shoulder of Trichy Karaikudi Section of NH 210 and including Trichy bypass on NH 677	374.00	554.97	16-08-2014	15-02-2027	13	42.69	298.83
21	4 laning of Lucknow-Raebareilly Section from Km. 12.700 to km 82.700 of NH-24B on DBFOT on Annuity Basis.	635.90	1461.60	16-07-2015	15-07-2029	14.5	100.80	957.60

(In ₹ Crores)								
Ministry/ Department	Name of the Project	Value of the Project	Total Annuity Committed	Term in years (Annuity Period)			Annual Annuity	Amount of unpaid annuity Liability at the end of the financial year 2019-20
				From	To	No. of Years		
22	2-Laning of km. 0.00 to km 89.00 Muzaffarpur-Sonbarsh Section	512.00	1834.00	25-11-2013	24-05-2031	17.5	104.80	1205.20
23	Four laning of Nagpur-Saoner- Betul section of NH-69	2498.76	9596.40	18-08-2015	18-08-2031	16.5	581.60	6688.40
24	Lakhnadon-MH Border (NS-1/BOT/MP-2)	263.17	673.05	26-09-2009	26-03-2027	17.5	38.46	269.22
25	Lakhnadon - MP/MH Border (Km.596.75 - 653.225 of NH-7) in MP NS-1/BOT/MP-3	407.60	762.65	22-05-2010	22-10-2027	17.5	43.58	326.85
26	Nellore Bypass	152.91	388.80	27-04-2005	27-10-2019	15	25.92	0.00
27	Kadal to Armur (NS-2/BOT/AP-8)	271.73	856.80	29-04-2010	29-10-2027	18	47.60	380.80
28	Islam Nagar to Kadatal (NS-2/BOT/AP-7)	518.46	1597.32	03-08-2010	29-02-2028	18	88.74	709.92
29	MH/AP Border to Islam Nagar (NS-2/BOT/AP-6)	360.42	1133.28	02-05-2010	02-11-2027	18	62.96	503.68
30	Armur - Kalkallu Village (NS-2/AP-2)	546.15	1896.30	26-03-2009	25-09-2026	18	108.36	704.34
31	Palampur to Swaroopganj	498.00	1296.30	24-03-2009	24-03-2024	15	86.42	345.68
32	Tuni-Dharmavaram (AP-16)	212.00	837.36	30-11-2004	29-11-2019	15	55.82	...
33	Dharmavaram-Rajahmundry (AP-15)	219.00	888.57	30-11-2004	29-11-2019	15	59.24	...
34	Four laning of Jorabat-Shillong (Barapani) Section of NH-40 from Km 0.000 to Km 61.800 in the State of Meghalaya and Assam on BOT (Annuity) Basis under SARDP-NE.	536.00	2465.34	28-07-2016	28-01-2031	17	145.02	1885.26
35	Shillong Bypass	226.00	596.88	25-09-2013	25-03-2025	12	49.74	248.70
36	Reengus to Sikar section from Km 298.075 to Km 341.962	333.51	544.39	01-09-2014	01-09-2028	14.5	37.54	319.09
37	Rehabilitation, Strengthening and Four Laning of Srinagar to Banihal Section from Km 187.000 to Km 189.350 (Banihal Bypass) and Km 220.700 to Km 286.110 of NH 1-A in the UT of Jammu & Kashmir (Package No: NHDP-Phase-II/BOT/I/J&K)	1600.00	4583.88	27-03-2018	27-03-2035	17	269.64	4044.60
38	Two laning with paved shoulder of Raebareli to Jaunpur section (Km. 0.000 Km. to Km 166.400) of NH-231 in the state of Uttar Pradesh under NHDP phase IV-A on BOT (Annuity) on DBFOT Pattern	569.36	1929.00	02-12-2016	02-06-2031	15	128.60	1478.90
39	Ankapalli-Tuni	295.00	884.43	09-11-2004	08-11-2019	15	58.96	...
40	Four-laning of Krishnagar-Baharampore Section of NH-34 from Km 115 to Km 193 in the State of West Bengal under NHDP-III on DBFOT (Annuity) Basis. [Cont. Pkg. NHDP-III/BOT/WB/02].	702.16	1530.00	04-01-2015	04-01-2027	12.5	122.40	856.80
Total- Ministry of Road Transport & Highways		23,587.52	76,084.91				4,810.03	41,822.04
Ministry of Home Affairs								
(i)	Delhi Police Development of Residential Complex at Dheerpur, New Delhi	790.58	1822.12	Project is yet to be started		See Note 1	125.50	...
(ii)	Delhi Police Development of New Police Headquarter at Jai Singh Road, Parliament Street, New Delhi	202.00	1178.80	2020-21	2033-34	13	78.00	...
Total- Ministry of Home Affairs		992.58	3,000.92				203.50	...

(In ₹ Crores)

Ministry/ Department	Name of the Project	Value of the Project	Total Annuity Committed	Term in years (Annuity Period)			Annual Annuity	Amount of unpaid annuity Liability at the end of the financial year 2019-20
				From	To	No.of Years		
Ministry of Jal Shakti								
(i)	Development of 82 MLD Sewage Treatment Plants at Haridwar, Uttarakhand	279.65	219.05	01-10-2020	30-09-2035	15	14.60	...
(ii)	Development of 50 MLD Sewage Treatment Plant at Varanasi, Uttar Pradesh	247.36	201.07	01.03.2021	28.02.2036	15	13.40	...
(iii)	Rehabilitation and renovation of Existing Sewage treatment plant and construction of 30 MLD new STP and 20 MLD TTP at Mathura, Uttar Pradesh	728.25	614.51	01.06.2021	31-03-2036	15	40.97	...
(iv)	Interception, Diversion and Sewage Treatment work for Naini (42MLD), Phaphamau (14MLD) and Jhunsi (18MLD) Sewage Treatment plants, Rehabilitation of existing Treatment infrastructure and O&M for 15 years in Prayagraj, Uttar Pradesh	1418.57	1239.99	01-01-2022	31-12-2037	15	82.67	...
(v)	Interception, Diversion and Sewage Treatment work for UNNAO (13MLD), Shuklaganj (06MLD), STP of 30 MLD capacity in Pankha along with integration of exiting STPs in Kanpur, Uttar Pradesh	1263.08	1145.18	01-01-2022	31-12-2037	15	76.35	...
(vi)	10 MLD Budhana STP projects	416.33	339.45	01-12-2022	31-11-2037	15	22.63	...
(vii)	52.5 MLD Muzzafarnagar STP projects	183.44	155.02	01-03-2023	28-02-2038	15	10.33	...
(viii)	25 MLD Moradabad STP projects							
(ix)	Interception, Diversion and Treatment work for Kankarbagh, Patna (50MLD) and Digha, Patna (100MLD)	1460.27	543.37	31-12-2022	30-11-2037	15	36.22	...
(x)	45 MLD STP in Bhagalpur	623.06	504.07	01-01-2024	31-12-2039	15	33.60	
(xi)	Interception, Diversion and Sewage Treatment work for Howrah (65 MLD), Bally (40 MLD), Baranagar & Kamarhati (60 MLD) in West Bengal	876.69	743.03	31-12-2022	30-11-2037	15	49.54	...
Total-Ministry of Water Resources, River Development & Ganga Rejuvenation		7496.70	5704.74				380.31	
Grand Total		32076.80	84790.57				5393.84	41822.04

Ministry of Home Affairs

1. Show cause notice reply for termination of agreement is under consideration.

Ministry of Jal Shakti

2. The value of projects under Hybrid Annuity based PPP mode also includes payment of 40% of indexed capital cost during construction, interest on 60% balance outstanding and indexed O & M payments for 15 years.
3. Total Annuity committed includes 60% of indexed capital cost paid as Annuity for 15 years, interest on balance outstanding and indexed O & M cost.
4. The equalised Annuity mentioned may vary as during initial years the amount of payment will be higher and lower in the later part of 15 years concession period.

Note: Liability on account of approved annuity contracts as intimated by Ministries/Departments have been reported.