

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
RAJYA SABHA
UNSTARRED QUESTION NO-2977
ANSWERED ON- 26/03/2025

ROAD ASSETS FOR MONETISATION

2977. SHRI SANJAY KUMAR JHA:
DR. BHAGWAT KARAD:
SMT. MAMATA MOHANTA:
DR. ANIL SUKHDEORAO BONDE:
SHRI NARAYANA KORAGAPPA:

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

- (a) the safeguards in place to ensure that road asset monetisation does not lead to excessive toll rates for commuters;
- (b) the manner in which NHAI ensure that the revenue generated from monetisation is reinvested into national highway infrastructure development and maintenance;
- (c) the measures exist to monitor private concessionaires and prevent them from prioritizing profits over public interest;
- (d) the manner in which accountability measures will be implemented to ensure transparency in the selection of road assets for monetisation?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) The user fee is collected at a fee plaza for the use of any section of National Highway as per the user fee notification published in the Gazette of India in accordance with the provisions of National Highways Fee (Determination of Rates and Collection) Rules, 2008 and respective Concession Agreement. The base rates for various vehicle categories are uniform across the country.

Further, as per the Clause 23 of the Model Concession Agreement, while the Concessionaire has the exclusive right to demand, collect, and appropriate fees from users according to the agreement and the NH Fee Rules, 2008, along with its amendments, the Concessionaire is not entitled to and cannot revise the user fee rates.

(b) The fund raised through Toll Operate Transfer (TOT) mode is transferred into the Consolidated Fund of India (CFI), which is received through ploughback under budgetary support for highway development.

The project “Delhi-Mumbai Expressway” is under securitization mode through Special Purpose Vehicle (SPV). The funds are utilized for the project expenses of Delhi-Mumbai Expressway.

(c) Model Concession Agreement (MCA) and its recent amendments, several oversight measures are in place to monitor private concessionaires and prevent them from prioritizing profits over public interest. Frequent toll collection monitoring, lower deviation thresholds (5%), and pro-rata concession adjustments prevent revenue manipulation. Intelligent tolling (Clause 23.11) and fee transparency (Clause 23.10) are designed to prevent any misuse. Escrow accounts audits (Clause 26.1), and independent traffic surveys ensure financial transparency.

(d) The accountability measures that are implemented to ensure transparency in the selection of road assets for monetization are as under:

1. Selection for monetization of public funded National Highway (NH) projects are on a case-to-case basis.
2. Transparency by way of publishing of macroeconomic assumption and proposed list of assets to be monetized on NHAI Website.
3. Traffic Due Diligence and Technical Due Diligence are done by Empanelled Traffic Surveyor and Empanelled Technical Consultant
4. Initial Capex suggested by Technical Consultant and Traffic Data suggested by Traffic Surveyor are then deliberated in Project Appraisal & Technical Scrutiny Committee (PATSC) and then recommended to Executive Committee of NHAI for approval.
5. Recommendation of PATSC is then finally discussed and approved in Executive Committee.

All these decisions are subject to the audit by Comptroller and Auditor General of India.
