

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

LOK SABHA
UNSTARRED QUESTION NO. 1214
ANSWERED ON 09TH FEBRUARY, 2017

FUNDING PATTERN OF PRIVATE INVESTORS

1214. ADV. NARENDRA KESHAV SAWAIKAR:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS

सड़क परिवहन और राजमार्ग मंत्री

be pleased to state:

- (a) the funding pattern of private investors in road development projects in the country;
- (b) whether the existing policy of resource mobilization is working to the satisfaction of the Government; and
- (c) if so, the details of resource mobilized during the last three years and if not, the steps proposed to be taken by the Government to improve the situation?

ANSWER

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

(SHRI PON. RADHAKRISHNAN)

(a) to (c) As per Model Concession Agreement (MCA) under Public-Private-Partnership (PPP) pattern of infrastructure development, the Concessionaire(s)/Contractor(s) is expected to raise project funding through infusion of equity and financial assistance provided by the senior lender by way of loans, guarantees, subscription to non-convertible debentures and other debt instruments. Wherever applicable, equity support / grant is released by NHAI in accordance with the Concession Agreement. Under the MCA, the Concessionaire(s)/Contractor(s) raises funds for the project on their own.
