

GOVERNMENT OF INDIA  
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4238**  
ANSWERED ON 18<sup>TH</sup> JULY, 2019

**FINANCING OF HIGHWAY PROJECTS**

4238. SHRI MAHABALI SINGH:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS  
सडक परिवहन और राजमार्ग मंत्री

be pleased to state:

- (a) whether the development and construction works of various highways are facing financial crisis due to the reluctance of nationalised banks to finance the same;
- (b) if so, the details thereof and the steps being taken by the Government to address the issue;
- (c) whether the Government proposes to establish a specific/dedicated financial institution for financing highway projects in the country on the lines of PFC and other infrastructure financial institutions;
- (d) if so, the details thereof; and
- (e) if not, the other steps being taken by the Government for adequately financing such projects in the country?

**ANSWER**

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) & (b) No Sir. However, Banking Sector has been raising various concerns. Ministry is in continuous interaction with the lenders of PPP projects to resolve the issues. Steps being taken by the Ministry to address the concerns being raised by Banking Sector:

- (i) Ministry is planning to share the information through its PMIS (Project Monitoring Information System).
- (ii) Substitution cases are being expedited at NHAI.
- (iii) The Model Concession Agreement (MCA) is under consideration for amendment taking into consideration most of the issues raised by Bankers.

(c) to (e) Yes Sir. Recently a Memorandum of Understanding has been signed between NHAI and National Investment & Infrastructure Fund (NIIF) for financing Highway Projects.

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