

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

LOK SABHA
UNSTARRED QUESTION NO. 2469
ANSWERED ON 05TH MARCH, 2020

BUDGETARY ALLOCATION FOR ROAD SECTOR

2469. SHRIMATI NUSRAT JAHAN RUHI:

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

be pleased to state:

- (a) the budgetary allocation for road sector in 2019-20;
- (b) whether it is a fact that private sector's investment in the road development programme has depleted in recent years and if so, the reasons therefor;
- (c) whether the Ministry is facing shortage of funds due to the said reason; and
- (d) if so, the various alternatives proposed by the Ministry to manage requisite funding?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) to (d) Budgetary allocation of the Ministry during the year 2019-20 is Rs. 83,015.97 crore. Apart from the above, National Highways Authority of India (NHAI) has been authorized to raise Rs. 75,000 crore as Internal and Extra Budgetary Resources (IEBR).

There has been a decline in the private sector participation due to various factors such as non-availability of equity with Concessionaires, difficulties in getting financing from Financial Institutions, failure of projects awarded during 2010-11 & 2011-12, etc. The Ministry took initiatives thereafter to implement projects primarily on Engineering-Procurement-Construction (EPC) mode and Hybrid Annuity Model (HAM) of Contracting. For projects awarded on HAM, 40% of the Project Cost is paid by Government/ NHAI as contribution support / grant to the Private Developer and the balance 60% is arranged by the successful bidder in lieu of deferred Annuity Payments during Concession Period.

Government has also taken initiatives for raising funds through monetization of completed road projects on Toll-Operate-Transfer (TOT) mode. Further NHAI has been authorized to raise funds through Infrastructure Investment Trust (InvIT) and securitization of toll revenue so as to get long term borrowing from Banks, etc. These measures have successfully enabled mobilization of additional resources.
