

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

LOK SABHA
UNSTARRED QUESTION No. 3102
ANSWERED ON 12TH MARCH, 2020

DECLARATION OF SHs AS NHs

3102. SHRI CHANDRA SEKHAR SAHU:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS

सड़क परिवहन और राजमार्ग मंत्री

be pleased to state:

- (a) the details of the State Highways (SHs) declared as National Highways(NHs) by the Government since 2014;
- (b) whether the Government has declared more NHs than it can afford to finance resulting in huge burden on exchequer as the NH projects are facing shortage of funds;
- (c) if so, the details thereof;
- (d) the details of the road projects which are stuck due to the shortage of funds along with the estimated cost involved therein; and
- (e) the steps taken by the Government to mobilize resources to complete the stuck projects without further delay?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) The Ministry keeps on receiving proposals from various State Governments/ Union Territories (UTs), etc., for declaration of State roads, including State Highways (SHs), as new National Highways (NHs). The Ministry considers declaration of some State roads, including SHs, as new NHs from time to time based on requirement of connectivity, inter-se priority and availability of funds.

About 41,147 km length of State Roads, including SHs, have been declared as NHs since April, 2014.

(b) No, Sir.

(c) Does not arise.

(d) and (e) No projects are stuck up due to shortage of fund. However, some NH projects are delayed due to multiple reasons, such as poor performance of contractor, utility shifting, delay in environment/ forest clearance, land acquisition, cash flow problem of the concessionaire/ contractor, law and order problems, etc.

Government holds regular review meetings at various levels with Regional Officers, State Governments and Concessionaires/ Contractors to resolve the issues and ensure completion of projects within stipulated time. Further, various steps such as streamlining of land acquisition, one time fund infusion, close coordination with other Ministries, revamping of dispute resolution mechanism, etc. have been taken up.

The Government has taken initiatives 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/ National Highways Authority of India (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.
