

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

LOK SABHA
UNSTARRED QUESTION NO. 3134
ANSWERED ON 12TH MARCH, 2020

TARGETS OF NH CONSTRUCTION

3134. SHRI RAHUL KASWAN:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS

सड़क परिवहन और राजमार्ग मंत्री

be pleased to state:

- (a) whether the Government has fixed any new target for construction of National Highways (NHs) in the country;
- (b) if so, the details thereof along with the length of the highways proposed to be constructed in the country, State-wise;
- (c) the details and the salient features of the models being adopted for construction of such highways along with the length of roads likely to be constructed under each model; and
- (d) the details of share of the Government and the private sector under such models of construction?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

- (a) & (b) Development and maintenance of National Highways (NHs) is a continuous process. NH projects are identified annually as per available budgetary outlay, inter se priority, requirement of connectivity and traffic density. Government has fixed a target of 11000 Km for construction in the country for the current fiscal year.
- (c) & (d) Salient features of different models being adopted for construction of highways are placed at **Annexure-I** and length of roads likely to be constructed under each model is placed at **Annexure-II**.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (c) to (d) OF LOK SABHA UNSTARRED QUESTION NO. 3134 FOR ANSWER ON 12.03.2020 ASKED BY SHRI RAHUL KASWAN REGARDING TARGET OF NH CONSTRUCTION.

Salient features of the models being adopted for construction of National Highways:

1. Public Funded Projects: In such types of model, 100% funding is provided by Government. Different types of Public Funded Models are as under:

(i) **Item Rate:** Detailed design, specifications & estimates are provided by the employer and contractor is paid for the quantities executed as per item wise rates quoted in the Bid. Cost/Risk of any variation in quantity is borne by the employer.

(ii) **Engineering, Procurement and Construction (EPC):** In such types of models, full freedom to plan, design and construction is given to the contractor and core requirements of design, construction, operation and maintenance are specified in schedules. Scope for adopting best practices and innovation to optimize the efficiency and economy is available in such types of model. Payments are linked to specified stages of construction. The Contract Price is subject to adjustment on account of variation in the cost and change in scope ordered by employer.

2. Public Private Partnership Projects (PPP):

Different types of PPP Models are as under:

(i) **BOT (Toll):** Private developers/ operators, who invest in toll-able highway projects, are entitled to collect and retain toll revenue for the tenure of the project concession period. Responsibility for design and development of the project is vested with the Concessionaire under this mode. He is also responsible for Operation and Maintenance (O&M) of the project for the entire concession period after it is developed and put to commercial operation. The tolls are prescribed by the authority on per vehicle per km basis for different types of vehicles.

(ii) **BOT (Annuity):** As in case of BOT (Toll) Projects, responsibility for design, development and O&M of the Project Section for the entire Concession Period is vested with the Concessionaire for the Project. Concessionaire is given Annuity Payments during the O&M period as per provisions of the Concession Agreement. Tolling rights during O&M period vest with the employer after declaration of Commercial Operation of the developed section.

(iii) **Hybrid Annuity Model (HAM):** Under this model, 40% of the Project Cost is paid by the Government/ Executing Agency as Construction Support/ Grant to the private developer and the balance 60% is to be arranged by the successful bidder during the construction period. The Concessionaire is paid back the amount of 60% along with interest and Operation & Maintenance (O&M) payment in the form of annuities during operation period. While the concessionaire is responsible for the Operation & Maintenance during the concession period. The traffic risk is taken by the project Executing Agency/ Employer. Tolling rights during the O&M period are vested with the employer after declaration of commercial operation of the developed section.

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PART (c) & (d) OF LOK SABHA UNSTARRED QUESTION NO. 3134 FOR ANSWER ON 12.03.2020 ASKED BY SHRI RAHUL KASWAN REGARDING TARGET OF NH CONSTRUCTION.

Details of NHs under implementation in the country, as on 31.12.2019 under different models are as below:

S. No	Model	No.	Length (in km)	Cost (in Rs. crore)
1	Item Rate	330	5476	24565
2	EPC	929	30594	340722
3	BOT (Toll)	53	6348	63870
4	BOT (Annuity)	12	934	16658
5	Hybrid Annuity	116	6388	139766
Total		1440	49740	585582
