

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

LOK SABHA
STARRED QUESTION NO. 139
ANSWERED ON 26TH JULY, 2018

BUY-BACK POLICY FOR HIGHWAY PROJECTS

*139. DR. PRITAM GOPINATH MUNDE:
SHRI R. GOPALAKRISHNAN:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS

सड़क परिवहन और राजमार्ग मंत्री

be pleased to state:

(a) whether the Union Government has decided to introduce buy-back policy for National and State Highway Projects, if so, the details thereof and the reasons therefor;

(b) whether the National Highways Authority of India (NHAI) is planning to buy-back 20 National Highway and 19 State Highway projects;

(c) if so, the names and details of these projects along with their cost and completion schedule, State-wise;

(d) whether private players have failed to speed up the construction of important National and State Highway Projects to meet the increased traffic demand and if so, the details thereof; and

(e) whether NHAI has taken any action against them or imposed penalty for delaying projects and if so, the details thereof?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) to (e) A STATEMENT is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PART (A) TO (E) OF LOK SABHA
STARRED QUESTION NO.139 ANSWERED ON 26TH JULY, 2018 ASKED BY DR.
PRITAM GOPINATH MUNDE AND SHRI R. GOPALAKRISHNAN REGARDING
'BUY-BACK POLICY FOR HIGHWAY PROJECTS'.**

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(a) to (c) The Ministry proposes to formulate a Buy-back Policy. A draft Buy-back Policy has been considered by NHA Board which has been sent for legal vetting. After legal vetting, it will be submitted to the Ministry for consideration.

(d) No Madam. 119 no. of projects have been completed under PPP so far. However, there are 68 BOT projects which are delayed due to multiple reasons such as delay in completion of pre-construction activities, poor performance of the concessionaires, financial problems of the concessionaires etc. All efforts have been made to revive the delayed projects by taking the following steps;

- (i) One time fund infusion
- (ii) Deferment of premium
- (iii) Exit policy
- (iv) Streamlining the process of land acquisition
- (v) Rationalized compensation

Further, another model called the Hybrid Annuity Model under PPP has been introduced and so far 107 projects have been awarded upto June 2018 under this model.

(e) The delaying of projects is dealt with in accordance with the Contract / Concession Agreements.
