

conceived to provide for an estimated Equity Internal Rate of Return (EIRR) of 15% and these are bid out in the International Competitive Bidding environment where the successful bidders wins the award of the project on the basis of the best bid received from pre-qualified bidders. The criteria for the best bid is either the least Viability Gap Funding (VGF) or the highest premium in case of Built-Operate-Transfer (BOT) (Toll) projects and the least Annuity amount sought, payable on semi-annual basis, in case of BOT (Annuity) Projects, as determined by market in competitive environment. As per Government approved norms, EIRR ranging upto 18% is considered acceptable in case of BOT (Annuity) projects in normal situations and in case of difficult areas having law & order problems, security issues, inhospitable terrain etc., maximum of 21% EIRR could be accepted. The post tax EIRR is calculated assuming a debt equity ratio of 70:30 and varies from project to project.

#### **EGoM on development of roads**

†2565. SHRI MEGHRAJ JAIN:

SHRI RAGHUNANDAN SHARMA:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether Empowered Group of Ministers (EGoM) has agreed in principal to develop 10,000 km. long roads in the States as National Highways;
- (b) if so, whether the Ministry has prepared a comprehensive plan for it and forwarded it to Planning Commission for approval;
- (c) if so, the details of those State roads which are likely to be declared as National Highways; and
- (d) by when required infrastructure facilities etc. are likely to be provided to these newly declared National Highways?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI JITIN PRASADA): (a) to (d) The Ministry has, so far, received proposals for declaration of various State Roads as National Highways (NHs) from various State Governments and Union Territories for a total length of about 62,000 km. The Empowered Group of Ministers (EGoM) in its meeting held on 17.3.2010, *inter-alia*, approved "In-Principle", declaration of about 10,000 km of State Roads as new

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†Original notice of the question was received in Hindi.

National Highways (NHs). As per the suggestions of the Planning Commission, the Ministry has set-up an Inter-Ministerial Committee (IMC) under the Chairmanship of Secretary (Road Transport & Highways) with representatives from Ministry of Finance and Planning Commission also. The Terms of Reference (TOR) of the IMC inter-alia includes identification of the 10,000 km of new NHs, out of the proposals received from the State Governments. The State-wise and length-wise details of these 10,000 km of State Roads have not yet been finalized.

**Amendment of toll-tax rules**

2566. SHRI BHARATSINH PRABHATSINH PARMAR:

SHRI NATUJI HALAJI THAKOR:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether it is a fact that a proposal to amend toll-tax rules 2008 relating to road is being considered;
- (b) if so, the details of the proposal;
- (c) the mechanism evolved by Government for consideration of this proposal;
- (d) whether representation of common people have been included in this mechanism for protection of their interest; and
- (e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI JITIN PRASADA): (a) Yes, Sir.

(b) (i) The following proposal to amend toll tax rules 2008 is being considered to remove the ambiguity in the threshold limit of Rs. 2.5 crore per kilometre at 1.4.2008 prices for collection of user fee for section of NH having two lanes on which the average investment for upgradation is Rs.2.5 crore per kilometre at the 1.4.2008 Prices by deleting the conditionality of "at the 1.4.2008 Prices" from the Sub Rule-3 of Rule-4 of NH Fee (Rules), 2008.

(ii) Prospective amendment to the NH Fee Rules, 2008 for incorporating the following provision to be applied to existing public funded projects which will be taken up for further lane upgradation, is as follows:

"Increase in rates will be staggered in a phased manner. In the first phase, fee notifications for projects envisaging increase in rates up to 25% will be published on immediate basis. The balance of