

**Slow growth of road sector**

1314. SHRIMATI WANSUK SYIEM: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether over-dependence on the private sector is one of the reasons for slow growth of road sector;

(b) whether during 2013-14, Government could not award even a single project through Public-Private-Partnership (PPP) mode, while 2,500 km projects were awarded under Engineering, Procurement and Construction (EPC) mode, thereby ruling out a primary role for the private sector in highways construction; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI KRISHAN PAL): (a) to (c) Under the current situation of economic downturn, there has been a lukewarm response from the bidders for the projects under Public-Private Partnership (PPP) mode. Among other reasons, lack of equity in the market is responsible for this situation. During the year 2013-14, National Highways Authority of India (NHAI) had awarded 17 projects for a total length of 1435.84 kms of which two projects are on PPP mode. Due to problems of liquidity at the end of concessionaire/contractors during 2012-13 and 2013-14, the response to National Highways projects under PPP mode was poor, with 21 projects bid out by NHAI through PPP mode not receiving any response. Out of the projects awarded during 2012-13 and 2013-14, 23 PPP projects aggregating 2500 km in length had to be terminated by NHAI.

**Maintenance of highways**

1315. SHRI P. BHATTACHARYA:

SHRI K.C. TYAGI:

SHRI PRAMOD TIWARI:

SHRIMATI RAJANI PATIL:

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

(a) whether there is any specific clause about the period of maintenance of roads/highways after these have been completed and put to use;

(b) if so, whether bank guarantees are taken from the private developers or part of their final payment is retained for this purpose; and

(c) how many such incidents have happened during last three years when private developers did not fulfil their contractual commitments and bank guarantees had to be enforced?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI KRISHAN PAL): (a) Yes Sir, There is a specific provision under Design, Build, Finance, Operate & Transfer (DBFOT) contract where the concessionaire is under obligation to maintain the project highway during the concession period in accordance with the specified standards laid down in the agreement. There is also provision in Engineering Procurement & Construction (EPC) contract for maintenance of project highway for a period of 4 years by the contractor upon completion of construction. In Operation, Maintenance and Toll (OMT) contract, the concessionaire is under obligation to maintain the project highway for the entire concession period.

(b) In DBFOT projects, performance security is taken from the concessionaire which is retained till expenditure on project construction is not less than 20% of the Total Project Cost; provided, however, that the performance security is not released if the concessionaire is in breach of this agreement. Performance security is taken from contractor in EPC contract and the same is retained till completion of DLP. In OMT projects performance security is taken from concessionaire which is retained upto ensuring all the obligations of the concessionaire under the concession agreement including the maintenance obligation.

(c) During the last 3 years bank guarantees have been encashed in three instances due to non fulfillment of maintenance obligations by concessionaire.

#### **Poor condition of Delhi-Dehradun National Highways**

†1316. SHRI MAHENDRA SINGH MAHRA: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether Government is aware that the stretch between Muzaffarnagar and Dehradun on the Delhi-Dehradun National Highway is not fit for plying vehicles;

(b) if so, when was the decision taken to convert the Delhi-Dehradun National Highway into four lane;

(c) whether the construction work has been completed;

(d) if not, the reasons therefor; and

(e) by when the construction work would be completed?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI KRISHAN PAL) : (a) to (e) Delhi-Dehradun Highway (NH-58) is four laned respect in stretches Muzaffarnagar-Haridwar and Haridwar-Dehradun where

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†Original notice of the question was received in Hindi.