Exploring all legal options: DND operator on toll row

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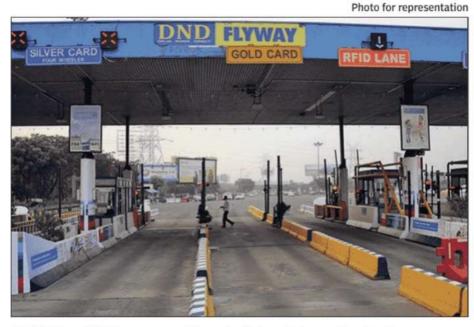
Noida: With nearly a decade gone since Allahabad high court scrapped toll collection at DND Flyway, its operator NTBCL on Saturday put a series of FAQs and its perspective on them in a public letter to stakeholders along with latest financial results.

The FAQs related to legal and administrative questions about the Flyway that arose from the scrapping of the toll, an order that was later upheld by Supreme Court.

NTBCL said Supreme Court, while doing so, did not terminate its concession agreement with Noida Authority and that it remains bound by the contract and will respond legally if Noida seeks termination or takeover of the project. It also said it had been maintaining DND Flyway, which lakhs of commuters use to travel between Noida and south Delhi daily. without a toll and would spend another Rs 5 crore on its maintenance.

On Oct 26, 2016, Allahabad HC barred NTBCL from collecting toll, delivering its judgment in a petition filed by an RWA federation. The company approached Supreme Court, which on Dec 20, 2024, upheld HC's judgment.

The stopping of toll, NTBCL said in its letter to shareholders, resulted from a "skewed assessment" based entirely on one aspect of a Comptroller and Auditor



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General (CAG) report and "undermines the confidence of investors in long-gestation infrastructure projects."

"The CAG mandate was to look into the independent auditor's report and ascertain if the company has made project returns in accordance with the terms of concession agreement. However, we understand that while implementing the mandate-especially to determine the unrecovered project cost and returns - instead of using actual costs, expenses and income - certain assumed or adjusted figures were used and the shortfall in returns or recovery was then calculated based on these figures," it said.

NTBCLsaidthat while the review petition was dismis-

sed by SC, it has options to file further remedial petitions, including a clarificatory petition, to make its case.

Under one question – "If toll was stopped, does not that automatically end the concession period?" – NTBCL said that tolling is only one part of the concession that has been "ended by the court in the public interest". "However, the concession period is governed by separate clauses of the concession agreement. There is no direction at all from the courts to terminate the agreement," it added.

Asked about NTBCL's reference to termination of the concession agreement, a senior Noida Authority officer said, "We are exploring all legal options in this matter."