

**One for the Road** The Kiratpur-Nerchowk Expressway stretch is the first of IL&FS' stuck road projects to be settled through the out-of-court conciliation process

# NHAI Settles NH-21 Project with IL&FS for ₹672 Crore

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**New Delhi:** The National Highways Authority of India (NHAI) has settled a road project with Infrastructure Leasing & Financial Services (IL&FS) at ₹672 crore, one of the first as the debt-laden group moves to resolve stuck projects through conciliation.

"The first of the IL&FS settlements has been finalised," a government official told ET. "This (the Kiratpur-Nerchowk Expressway) is a significant one. There are three to four more small projects that will be resolved soon," said the official, asking not to be identified.

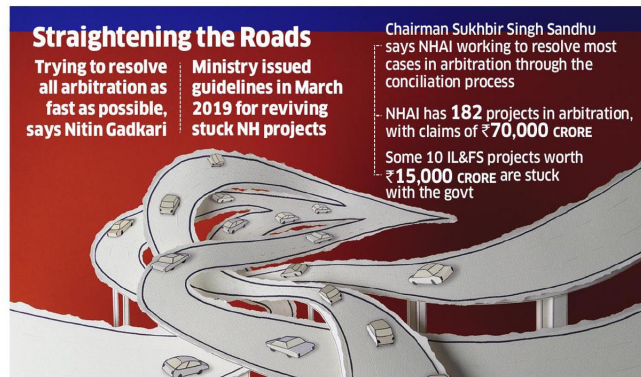
IL&FS was entrusted with four-laning the section of NH-21 in Punjab and Himachal Pradesh, to be executed as build-operate-transfer, or BOT (toll), on DBFO pattern under NHDP Phase-III, as per the website of IL&FS Transportation Network (ITNL).

"We have resolved one project of IL&FS through the conciliation process," said a second official.

NHAI has 182 projects in arbitration, with claims of around ₹70,000 crore.

On the sidelines of an event on Tuesday, highways minister Nitin Gadkari said the ministry was trying to resolve all its arbitration as fast as possible.

NHAI chairman Sukhbir Singh Sandhu,



hu, in an interview to ET on January 13, said the authority was working to resolve most of its cases in arbitration through the conciliation process.

The highways ministry had, in March, issued a set of guidelines for reviving stuck national highway projects under execution. According to them, recourse may be taken for foreclosure by a mutually agreed and executed agreement between the parties for projects awarded under the engineering, procurement, construction (EPC) mode that qualify as stuck.

The authority — NHAI, National Highways and Infrastructure Development Corporation or Public Works Department — would pay for the executed or completed work in terms of milestone payment criteria set in the agreement, the guidelines say.

Around 10 IL&FS projects worth ₹15,000 crore are stuck with the government. While three projects under the ministry of road transport and highways have already been taken over from IL&FS, NHAI is still in the process of resolving them.