

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:876
ANSWERED ON:17.08.2007
HYDERABAD METRO RAIL
Jagannath Dr. M.

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether the Government of Andhra Pradesh has sought financial assistance from Union Government for construction of proposed Metro Rail network in Hyderabad;
- (b) if so, the details thereof including the quantum of assistance sought;
- (c) whether the Government has examined the proposal of the State Government;
- (d) if so, the amount of financial assistance to be provided to the State;
- (e) whether any policy/guidelines have been formulated in this regard for extending financial assistance to similar Metro Rail Projects; and
- (f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI AJAY MAKEN)

(a): Yes, Sir.

(b): The Government of Andhra Pradesh (GOAP) has sought Central financial assistance in the form of Viability Gap Funding (VGF) for Metro Rail Project in Hyderabad which they propose to implement through Public Private Partnership (PPP) on the following routes:-

Miyapur- LB Nagar - 29.87kms.
Secunderabad - Falaknuma - 14.78 kms
Habsiguda-Shilparamam - 21.74 kms

Total - 66.39 kms.

The project cost estimated by the State Govt. is Rs.8760 crores. The State Govt. has not specified the exact amount of Central assistance required. This amount will depend upon the amount of VGF demanded by selected bidder.

(c): The Empowered Institution of the Ministry of Finance which considered the project on 1.5.2007 under the `scheme of financial support to Public Private Partnership in infrastructure` has permitted GOAP to shortlist the technical bidders.

(d): This will be as indicated in reply to para (b) above.

(e): Yes, Sir.

(f): 20% of the project cost is permissible in the form of capital grant at the stage of project construction as VGF under the Scheme of M/o Finance and balance upto 40% VGF can be considered provided the State Govt. or statutory authority that owns the project provides additional grants out of its Budget. Proposals for any other form of assistance may be considered by the Empowered Committee and sanctioned with the approval of Finance Minister on a case-by-case basis.