

# Nhai Signs MoU with NIIF for funding highway projects

## Shri Gadkari Says, Road Sector Can Help Achieve Prime Minister's Dream Of Making India A Five Trillion Dollar Economy

National Highways Authority of India (NHAI) today signed an MoU with National Investment and Infrastructure Fund (NIIF) in the presence of Shri Nitin Gadkari, Minister of Road Transport & Highways and Gen (Retd) V K Singh, MoS. NIIF is a fund promoted by Government of India to give boost to the infrastructure sector in the country. The MoU is related to co-operation in formation of SPVs to execute the fund arrangement for large size road projects particularly green field projects to be executed by NHAI in future.

Speaking on the occasion, Shri Gadkari said, NHAI is raising finances for its mega projects, and is not dependent only upon budgetary support. Several funding models were adopted in the past towards this, which have yielded good results. He hailed the MoU and expressed hope that it will provide innovative financial models including for the 24,000 km 7.5 lakh crore Bharatmala Pariyojana. The Minister exuded confidence that the road sector can contribute in a big way in achieving the Prime Minister's dream of making India a five trillion dollar economy.

Gen (Retd) V K Singh welcomed the coming together of two big entities – NHAI and NIIF, and expressed satisfaction at the pace of development in the country's infrastructure sector.

This arrangement of innovative alternate source of funding is being looked into by NHAI to attract international investors and fund houses who are willing to invest in road projects in India but not very keen to take risk related to the project execution. This arrangement is expected to bring huge amount of investment at economical rate for highway development in India and reduce the stress of borrowing on NHAI balance sheet also.

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