



Press Release

NHAI Saves Around Rs. 1,000 Crore of Interest Through its Robust Debt Payment Plan

06 Aug 2024, New Delhi: In a major step to reduce its overall debt liability, NHAI achieved a significant financial milestone with the successful pre-payment of bank loan amounting to Rs. 15,700 Crore. Retiring this debt ahead of schedule will result in an estimated interest savings of around Rs. 1,000 Crore. With this pre-payment, the outstanding debt liability of NHAI has come down to around Rs. 3,20,000 Crore.

As per Government of India directions, InvIT monetization proceeds are to be exclusively used for NHAI debt repayment. The sum of Rs. 15,700 Crore was generated in FY 2023-24 through InvIT. During the Financial Year 2024 - 25, NHAI intends to monetize projects worth Rs. 15,000 – 20,000 Crore through InvIT. With this, the overall debt liability of NHAI is expected to further reduce to around Rs. 3,00,000 Crore at the end of fiscal 2025.

As a part of the robust debt payment plan and using InvIT monetization proceeds, NHAI has been actively engaging with the lender banks to reduce the interest rates. As a result, banks have reduced their interest rate from 8.00-8.10% to 7.58-7.59%. In this process, bank loans where interest rates could not be reduced have been repaid Rs. 15,700 crore and this will result in significant interest savings of around Rs.1,000 crores.

NHAI remains steadfast in its mission to enhance the efficiency of India's National Highway infrastructure. Robust asset monetisation proceeds along with effective financial planning indicate strong financial performance of NHAI. The savings realized from this debt reduction will play a pivotal role in advancing ongoing and future National Highway projects.

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