

CHAPTER II

YEAR AT A GLANCE

Road Development

National Highways Development Project (NHDP)



Under Phase I and II of this project, widening and development of the National Highways of Golden Quadrilateral (GQ) connecting the four metropolitan cities of the country namely Delhi, Mumbai, Chennai and Kolkata, and North South and East West (NSEW)

Corridors connecting Srinagar to Kanyakumari and Silchar to Porbandar have been envisaged. Links to major ports and some other projects on National Highways have also been taken up under these phases of NHDP.

2.1.1 5154 km (88%) of Golden Quadrilateral has been completed by December 2005 and 692 km (12%) is under implementation. It is expected that 96% of Golden Quadrilateral will be completed by June 2006.

2.1.2 The NSEW Corridor covers the widening and development of 7300 km of National Highways. In this Corridor, four laning works on 797 km have been completed up to 31 December 2005 and works in 4490 km are under completion. Remaining contracts are scheduled for award by the end of this financial year except some stretches in Jammu & Kashmir where there are difficulties of terrain and complex engineering and in West Bengal where the alignment had to be shifted because environmental clearance for the original alignment was not given.

2.1.3 Twenty three projects valued at Rs.6997.00 crore have been taken up on BOT basis up to 31 December 2005. The list of the BOT projects is at **Annex-I.**

2.1.4 Last year in the budget speech of 2005-06, additional cess of Rs. 50 paise per litre on consumption of petrol and diesel was announced to provide additional funds exclusively for the development of National Highways under NHDP. Presently, a total cess of Rs. 2.0 per litre on petrol and high-speed diesel is being levied. Rs. 4805.11 crore (Rs.3269.74 crore for National Highways and Rs.1535.37 crore for state roads) have been provided for National Highways and for state roads out of the same.

2.1.5 New Model Concession Agreement (MCA) to Build, Operate and Transfer (BOT) toll-based) Project for four / six laning of Highways has been



approved by the Committee on Infrastructure (COI).

The new MCA has the following provisions to attract private investment:

- More Equitable Risk Allocation
- More clarity in defining rights and obligations of the parties
- Partial traffic risk sharing
- Concession period to increase/decrease depending on variations in actual traffic vis-à-vis projected traffic
- Revenue sharing in the form of negative grant and concession fee
- Concession fee linked to toll revenue from 10th year onwards of the appointed date (date on which financial closure is achieved)
- Provision of capacity augmentation during operation period with exit option for the concessionaire and NHAI.
- Protection of the concessionaire from risks of
 - Additional Tollway and competing road
 - Force Majeure conditions
- Interest of concessionaire and lenders safeguarded in case of termination of account of NHAI event of default
- Strong dispute resolution mechanism
- Robust institutional and legal set up comfort to the investors

2.1.6 Upgradation (widening to 4-lanes) of 4000 km of National Highways at an estimated cost of Rs. 22,000 crore on BOT basis under NHDP Phase IIIA has been approved by the government on 5 March 2005.



Krishnagiri-Vaiyambadi Section of NH-46



Contracts for 936 km have been awarded under NHDP Phase IIIA.

2.1.7 Preparation of Detailed Project Reports (DPRs) for another 6,000 km for National Highways under NHDP Phase IIIB to be taken up on BOT basis was also approved by the government on 5 March 2005.

2.1.8 The government has approved implementation of Phase A and preparation of DPR of Phase B of the Special Accelerated Road Development Programme (SARDP-NE) for the North Eastern Region on 22 September 2005. Phase A of the SARDP-NE includes 1110 km of National Highways and 200 km of state roads. The Phase B comprises of 5122 km of roads which includes 2141 km of National Highways.

2.1.9 Committee on Infrastructure has approved six laning of 6500 km of GQ and selected stretches of National Highways under NHDP Phase V at a cost of Rs. 22,750 crore.

2.1.10 1060 km of National Highways was widened to four lanes by National Highways Authority of India (NHAI) during the calendar year 2005.

2.1.11 129 contracts aggregating to a length of 5429 km at a cost of Rs. 32,000 crore were awarded during calendar year 2005 by NHAI for four/ six laning of National Highways, which is the highest number of contracts ever awarded in a calendar year by the NHAI. The charts showing the award of contracts under NHDP Phase I, II and III during the last five years are at **Annex II and III.**

2.1.12 Several initiatives have been taken to expedite the implementation of the contracts and making improvements in its internal processes, which are as under:

2.1.13 A Committee of Secretaries chaired by Cabinet Secretary has been constituted to resolve inter-ministerial and centre-state issues.

2.1.14 Land acquisition procedures have been streamlined. Notifications for the acquisition of land are now being approved in the Department itself without referring them to the Ministry of Law by amending the Allocation of Business Rules.

2.1.15 The state governments have appointed senior officers as nodal officers for resolving the problems in pre-construction activities.

2.1.16 For speedy construction for ROBs/RUBs, an MOU had been signed with M/s. IRCON, a Public Sector Undertaking under the Ministry of Railways, which will have the authority to give clearances in many cases,



without reference to the Ministry of Railways.

2.1.17 Bharat Stage-II emission norms, which are akin to Euro-II norms have been brought into force throughout the country in respect of all four-wheeled vehicles to be manufactured on or after 1 April 2005 except for certain regions / states namely Rajasthan, Western Uttar Pradesh, Madhya Pradesh, Uttaranchal, Himachal Pradesh, J&K and Punjab, where these have been brought into force at different dates up to 1 October 2005.

2.1.18 The Government has taken a decision to join the 1998 Agreement of W.P-29 (World Forum for harmonization of vehicles regulations). Joining this Agreement would enable the country to adopt international best practices in emission and safety regulations of Motor Vehicles.

2.1.19 Agreements have been signed with Pakistan for introduction of bus services between Amritsar and Lahore, and Amritsar and Nankana Sahib. Amritsar-Lahore bus service has commenced in January 2006 whereas Amritsar-Nankana Sahib will commence in February/March 2006.

2.1.20 A bill to repeal Carriers Act, 1865 and to enact Carriage by Road Act, 2005 has been introduced in Rajya Sabha on 7 December 2005. This legislation would help to make the transport system transparent and modernise the systems and procedures of transportation trade by road.



Emergency Call Box on Jaipur-Kishangarh Section of NH-8



2.1.21 The Committee on Infrastructure chaired by the Prime Minister in their meeting on 13 January 2005 decided that Department of Road Transport and Highways should consider creation of a Directorate of Road Safety and Traffic Management and amendment of Traffic Laws in the country to address comprehensively the issue of road safety. The matter is under active consideration of the Government.

2.1.22 The Committee on Infrastructure has also directed that one per cent of the cess amount under Central Road Fund available to the Department be earmarked as a dedicated Road Safety Fund. Mechanism for setting up the Fund is being evolved.

2.1.23 A total of 95 NGOs have been provided grants-in-aid for administering road safety programmes.

2.1.24 More than 45,000 drivers are targeted to be trained under the scheme of refresher training to heavy vehicle drivers in unorganized sector during the year under report.

