

# NHAI holds road show for third phase of Toll-Operate-Transfer project

## Nine stretches of 566 kms to be monetised

National Highways Authority of India organised a road show for the third phase of Toll-Operate-Transfer project for prospective bidders in New Delhi today. The TOT bundle 3 comprises of nine stretches traversing a total length of approx. 566 kms in UP, Bihar, Jharkhand and Tamil Nadu. This phase has initial mandated capital works approx. Rs 400 crore lower than Bundle 1 and Bundle 2 which will lead to significant savings for investors. Almost 43 per cent of bundle length is under annuity for almost 8-10 years which will lead to saving on at least one major maintenance cycle.

Stretch 1 and 2 connecting Jhansi to Lalitpur in Uttar Pradesh on NH 25 and 26 has a total length of over 99 kms. Stretch 3 connecting Lucknow to Raibareli in Uttar Pradesh on NH 24B is 70 kms long. Stretch 4 connecting Kotwa to Muzaffarpur in Bihar on NH 28 has a length of 80 kms. Stretch 5 connecting Hazaribagh to Ranchi in Jharkhand on NH 33 is about 74 km long. Stretches 6,7, 8 and 9 connecting Madurai to Kanyakumari in Tamil Nadu on NH is over 243 km long.

Speaking on the occasion, Chairman of NHAI Shri Narendra Nath Sinha said, the government has taken initiatives to increase the investment in highways sector since 2014. Transport sector has been allocated enhanced outlay of Rs 83,000 crore in the Union Budget for development of roads and highways in the country. The remaining funding requirements to meet ambitious plans are being managed through private sector investments.

Shri Sinha said, several more bundles will be offered in the months to come. He called upon the private investors to bid for these bundles, saying TOT is a risk-free model. He also invited investors to come up with more innovative investment models for the infrastructure sector. Exhorting investors for qualitative improvement, he called upon the concessionaires to concentrate upon improving road safety, quality of maintenance and improving toll collection methods so that waiting time at toll plazas is cut down drastically.

National Highway projects having approximately 6400 k.m. of length have been identified under Toll Operate Transfer Model. The first bundle of nine projects, totalling approximately 681 kms of roads in two states of Andhra Pradesh and Gujarat, was awarded in 2018. Huge interest was shown by foreign investors. TOT Bundle-I was awarded to Macquarie for Rs. 9,681 Crore, which was 1.5 times the Authority's estimate. The second bundle of over 586 kms spread over four States – Rajasthan, Gujarat, West Bengal and Bihar with 12 toll plazas across four highways was also offered last year. Bid for TOT Bundle-3 has been invited with due date of 11<sup>th</sup> September, 2019.



*Shri Narendra Nath Sinha, Chairman NHAI addressing the gathering at the Road show for third phase of Toll-Operate-Transfer project for prospective bidders in New Delhi today.*

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