ROADS & HIGHWAYS
With a total road length of **5.4 Mn Km**, India has the **2nd largest** road network in the world comprising National Highways, State Highways and Project and Rural roads.

As of February 2018, National Highways road length **1,20,543 Km**

In 2017-18, NHAI awarded contracts for **17,055 Km** of National Highways, out of which 9,829 km has been constructed.

National Highways account for only 1.9% of the total road network but carry **40%** of the total traffic.

Rods carry **60%** of the freight and **80%** of the passenger traffic.
Growth Drivers

Surfaced roads
49% of the roads in India are surfaced roads

High demand for transportation
India’s passenger market to go up to 4 Mn by 2020 from 1.47 Mn in 2014
Expected Road freight CAGR over the next 10 years in 15%

Thrust on building infrastructure
Under the Pradhan Mantri Gram Sadak Yojana (PMGSY)
1,25,000 Km of road length will be upgraded by 2024
Length of national highway network to reach 2,00,000 Km by 2022

Government Initiatives
The Government of India has plans to develop 66,100 Km of National Highways under the Bharatmala Project
Allocated budget for roads increased to USD 11.7 Bn in 2019-20
Government Initiatives/Policies

- 100% FDI under automatic route
- Innovative Hybrid Annuity Model where 40% of the project cost will be provided by the Government as construction support
- Fast track dispute resolution
- Ministers’ Group on Infrastructure for improved inter-ministerial coordination
- Nationwide Electronic Toll Collection based on passive Radio Frequency Identification (RFID)
- 100% exit available to enable developers to liquidate stake and raise funds; potential fundraising of USD 847 Mn
Key National Highways

- Srinagar
- Delhi NCR
- Silchar
- Porbandar
- Mumbai
- Kolkata
- Silchar
- Porbandar
- Mumbai
- Bengaluru
- Chennai
- Kanyakumari

Key Players

- Hindustan Construction Company
- Sadbhav Engineering
- IRB Infrastructure Developers
- Ashoka Buildcon Ltd
- Gayatri Projects
- Supreme Infrastructure India Ltd
- J Kumar Infraprojects Ltd
- C&C Constructions Ltd
- ARSS Infrastructure Projects Ltd
Invest India Successes

USD 1.45 Bn Investment in Toll Operate Transfer Project of NHAI Background

Highway construction in India has gone through a paradigm shift with programmes such as Bharatmala, which focus on improving the efficiency of the National Highways Network. To finance the funding needs of NHAI, one of the financing models deployed was the monetisation of operational assets under the Toll-Operate-Transfer (TOT) programme. 75 road assets have been identified under this model that can get NHAI an estimated amount of USD 5-6 Mn. This model was implemented for the first time in India by NHAI and the first set of 9 roads successfully bid out for USD 1.4 Bn to an Australian fund manager, Macquarie.

Invest India started working on the Project in April 2016 and started promoting the project at various forums across multiple events. A dedicated pitch deck was prepared, and specific research-based investor lists were generated to shortlist targets. Invest India made specific pitches during the Global Infrastructure Summit and London Stock Exchange in June 2016, with a follow-up presentation at the Berlin Infrastructure Summit in March 2017. Invest India team also conducted 200+ meetings with investors for promoting the project. Invest India supported the promotion strategy discussions with MoRTH and NHAI. Invest India team developed pitch presentations for MoRTH and NHAI and also provided specific inputs on the messaging for investors. Invest India furthermore supported MoRTH and NHAI in organising Road Shows in Singapore, London, Washington, Hong Kong, Mumbai, and Delhi. Invest India provided feedback on the Model Concession Agreement, Request for Proposal and other relevant documentation. Invest India meticulously followed up with all potential bidders, investment bankers, banks and, other service providers.

All information in this brochure was last updated on Feb 25th, 2020.
How we help investors

- Research content provided
- Policy advisory/representation
- Stakeholder meeting
- Site visits
- Location analysis
- Issue resolution
- Regulatory clearance facilitation

To find out more
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