

Rs. 5.35 lakh crore for new road project

The project will be executed through the National Highways Authority of India (NHAI), National Highways and Infrastructure Development Corporation Limited (NHIDCL), Ministry of Road, Transport and Highways and State Public Works Department (PWDs). The Centre has set a target for completion of the projects in the next five years.

Under the programme, roads will be built along the borders with Nepal and Bhutan, bottlenecks on the existing Golden Quadrilateral highway network will be removed. Also, road connectivity to small industries will be ensured and manufacturing centres will be connected with national highways, Finance Secretary Ashok Lavasa said.

Logistics boost

“With the implementation of this programme, India could get the much-needed cost competitiveness in the manufacturing sector by bringing down the logistics cost which is currently one of the highest amongst the emerging markets and way above that prevalent in developed economies,” said Jagannarayan Padmanabhan, Director, Transport and Logistics, CRISIL Infrastructure Advisory.

The BharatMala project will be funded in a three-pronged manner – market, private investment and asset recycling of NHAI’s toll assets. While Rs. 2.09 lakh crore will be raised as debt from the market, Rs. 1.06 lakh crore will be mobilised through public-private partnership. The remaining Rs. 2.19 lakh crore will flow from accruals of the Central Road Funds, Toll-Operate-Maintain-Transfer monetisation proceeds and toll collections, the statement said. PwC India Infrastructure Partner and Leader Manish B. Agarwal said that the Bharatmala programme will ensure that investments are focussed on economic returns.

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