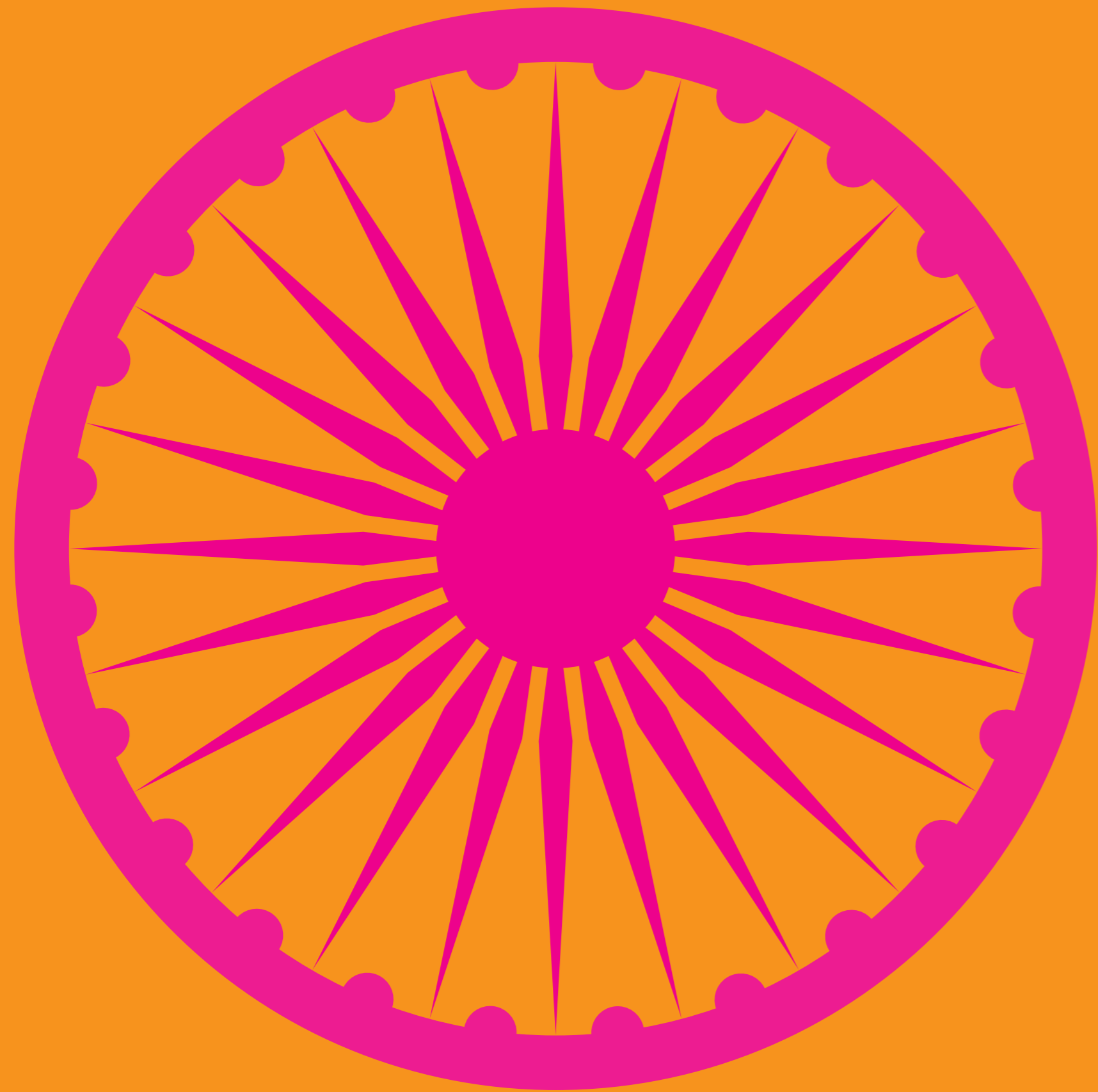




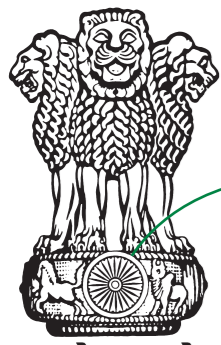
MAKE IN INDIA

ROADS &
HIGHWAYS





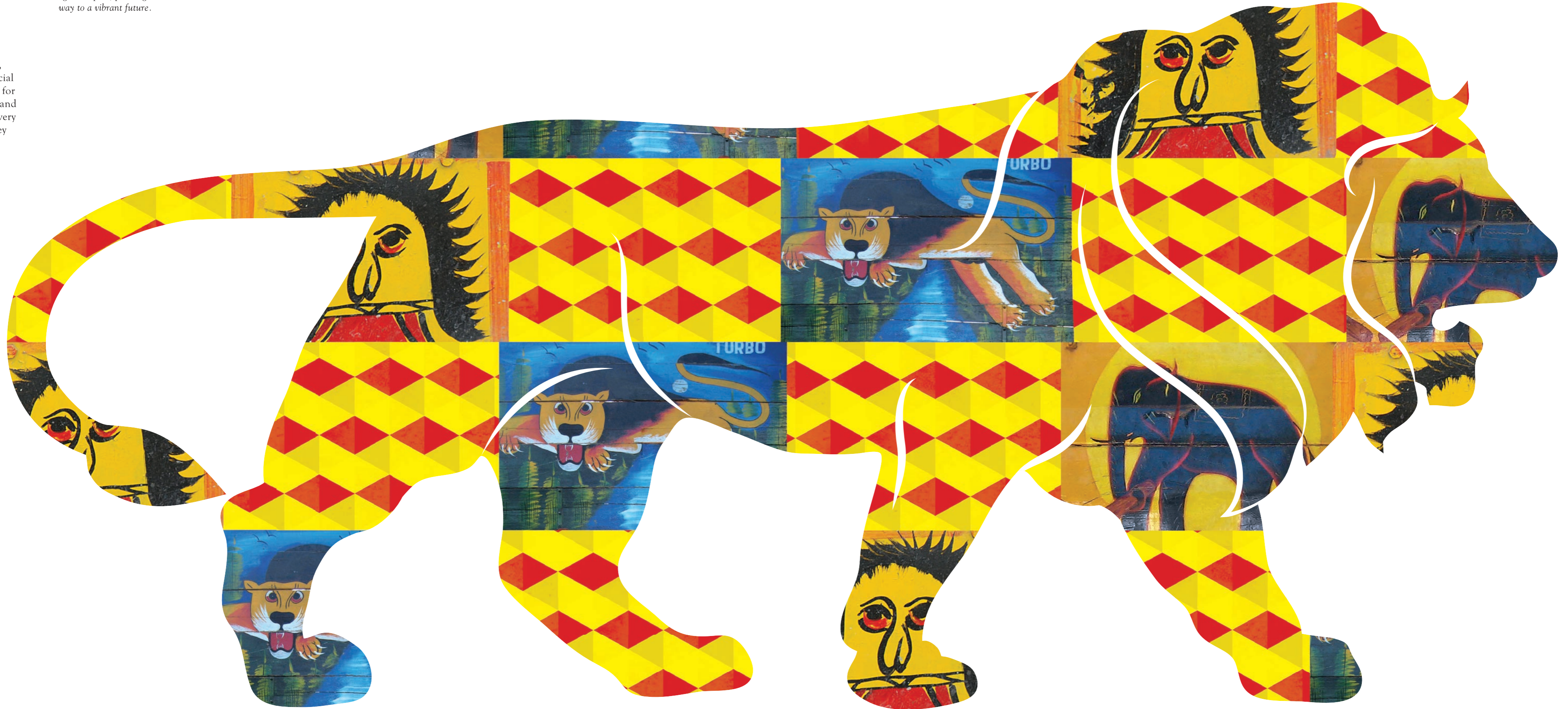
**FROM AGRICULTURE TO AUTOMOBILES
FROM HARDWARE TO SOFTWARE
FROM SATELLITES TO SUBMARINES
FROM TELEVISIONS TO MOVIES
FROM BRIDGES TO BIOTECHNOLOGY
FROM PAPER CLIPS TO POWER PLANTS
FROM ROADS TO CITIES
FROM FRIENDSHIP TO PARTNERSHIP
FROM PROFIT TO PROGRESS
WHATEVER YOU WANT TO MAKE:
MAKE IN INDIA**



The Ashoka Chakra is a central element in India's national emblem and also forms the centrepiece of India's national flag. The wheel denotes peaceful progress and dynamism – a sign from India's enlightened past, pointing the way to a vibrant future.

सत्यमेव जयते

Since time immemorial, the Lion has been the official emblem of India. It stands for strength, courage, tenacity and wisdom – values that are every bit as Indian today as they have ever been.





PROJECT GREENLIGHT.

THE WORLD'S SECOND LARGEST ROAD NETWORK IS FAST-TRACKING EXPANSION PLANS.



USD 3.8 BILLION OUTLAY PLANNED FOR HIGHWAYS
4.86 MILLION KILOMETRES OF ROADS AND HIGHWAYS
100 COMPLETED PPP PROJECTS

USD 19 BILLION INFRASTRUCTURE DEVELOPMENT BETWEEN 2012-17
100,000 KMS OF NATIONAL HIGHWAY BY THE END OF 2017

NEW INITIATIVES

THE MAKE IN INDIA PROGRAM INCLUDES MAJOR NEW INITIATIVES DESIGNED TO FACILITATE INVESTMENT, FOSTER INNOVATION, PROTECT INTELLECTUAL PROPERTY AND BUILD BEST-IN-CLASS MANUFACTURING INFRASTRUCTURE.

1 NEW PROCESSES

- SPECIAL FOCUS ON EASE OF DOING BUSINESS
- DE-LICENSING & DEREGULATION

2 NEW INFRASTRUCTURE

- INDUSTRIAL CORRIDORS
- INDUSTRIAL CLUSTERS
- SMART CITIES
- NURTURING INNOVATION
- SKILL DEVELOPMENT

3 NEW SECTORS

- OPENING OF CRITICAL SECTORS LIKE DEFENSE, CONSTRUCTION AND RAILWAYS FOR FDI

4 NEW MINDSET

- DEDICATED TEAMS THAT WILL GUIDE AND ASSIST FIRST-TIME INVESTORS FROM TIME OF ARRIVAL
- FOCUSED TARGETTING OF COMPANIES ACROSS SECTORS

FACTS + FIGURES

REASONS TO INVEST

- The transport sector constitutes 6% of the country's GDP and 70% of the share of the roads sector.
- India has an extensive road network of 4.86 Million kms which is the second largest in the world.
- More than 60% of freight and 90% of passenger traffic in the country is handled by road.
- The government of India has launched major initiatives to upgrade and strengthen highways and expressways in the country.
- The private sector has emerged as a key player in the development of road infrastructure.
- The value of roadways and bridge infrastructure in India is expected to grow at a CAGR of 17.4% between 2012-17, to reach USD 10 Billion.

STATISTICS

- The length of National Highways is expected to grow from 92,850 kms in 2013-14 to 100,000 kms by the end of 2017.
- India has completed 100 Public Private Partnership projects and 165 are ongoing as of March, 2014.
- The type of Public Private Partnership modules used in the highway sector are Build Operate Transfer (BOT) toll and BOT annuity.
- During the next five years, investment through Public Private Partnerships are expected to be in the region of USD 31 Billion for national highways.
- The National Highway Authority of India (NHAI) and the Ministry of Road Transport & Highways had sanctioned projects for 3,700 kms in 2013-14.

GROWTH DRIVERS

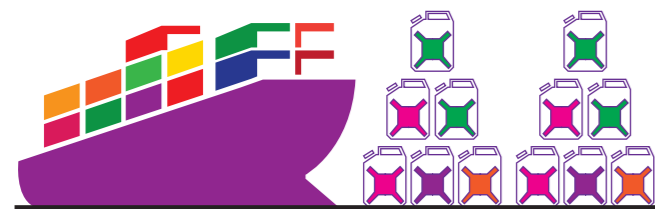
- For 2013-14, an outlay of USD 3.8 Billion for the highway sector has been provided.
- During 2014-15, around 8,470 kms of National Highways are to be improved along with 10 bypasses.
- The NHAI aims to award 5,000 kms of projects in 2014-15 and another 400 kms will be awarded by MoRT&H directly.
- The government of India aims to develop a total of 64,340 kms of National Highways under various programmes such as The National Highway Development Project (NHDP), Special Accelerated Road Development Program for the North-east region and Left Wing Extremist (SARDP-NE), National Highways Interconnectivity Improvement Project (NHIP).
- The National Highway Development Project (NHDP), a USD 60 Billion, seven-phase programme - one of the largest in the world - focuses on the widening, upgradation and rehabilitation of 47,054 kms of National Highways.
- The rise in two-wheeler and four-wheeler vehicles, increasing freight traffic, strong trade and tourist flows between states are all set to augment growth.

INVESTMENT OPPORTUNITIES

- The Public Private Partnership model will continue to be the favoured way of executing the remaining NHDP phases.
- Priority expressway project for implementation on the Public Private Partnership Mode.
- The Eastern Peripheral Expressway - a 135 km-long, 6 lane expressway with a total project cost of USD 750 Million that will decongest Delhi.
- The Delhi - Meerut Expressway (a 150 km long project with a total project cost of USD 1 Billion).
- The Vadodra-Mumbai Expressway, a 473 km expressway with a total project cost of USD 4.3 Billion will provide faster access to the economic hubs of Mumbai, Vadodara and Ahmedabad.
- The Special Accelerated Road Development Programme for the North-eastern region (SARDP-NE) is aimed at developing road connectivity between remote areas in the North-eastern region with state capitals and district headquarters - a three phase project; facilitating connectivity of 88 district headquarters in the North-eastern state to the nearest national highways.

FDI POLICY

- 100% FDI is allowed under the automatic route in the road and highways sector, subject to applicable laws and regulation.



FINANCIAL SUPPORT

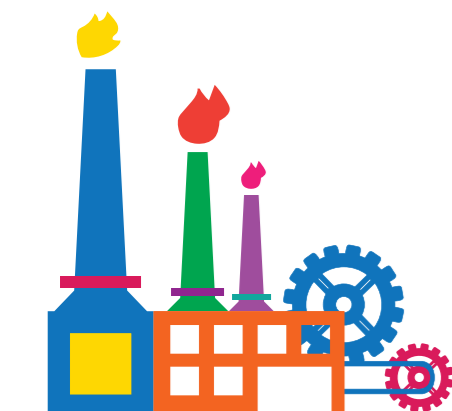
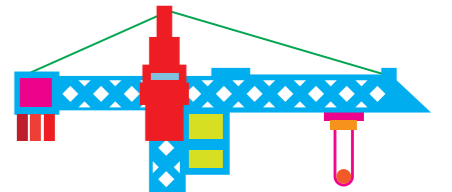
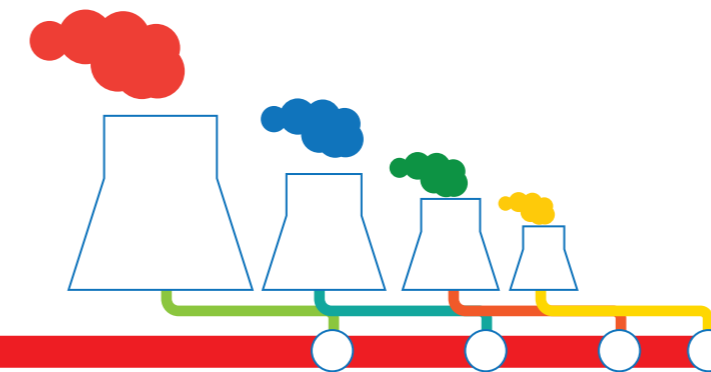
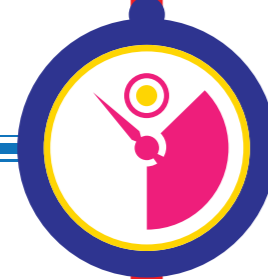
PROVISIONS OF THE 2014-2015 UNION BUDGET:

- INR 378.8 Billion has been allocated towards the proposed investment in the National Highways Authority of India and state roads which includes INR 30 Billion for the North-east.
- INR 143.89 Billion has been allocated towards the Pradhan Mantri Gram Sadak Yojana.
- INR 5 Billion has been allocated to set up an institution to provide support to mainstreaming Public Private Partnerships in India called 3P India.
- It is clarified that road construction machinery imported duty-free can be sold within 5 years of import, subject to the payment of customs duty on depreciated value and that individual constituents of the consortium whose names appear in the contract can import goods without payment of duty.
- The requirement of certification by the Ministry of Road Transport for availing customs duty exemptions on specified goods required for the construction of roads is to be done away with.

- Plants and equipment imported prior to 2008 for use in projects financed by the UN or an international organization, which hitherto could not be transferred/sold/re-exported out of the project site, are now permitted to be transferred/sold/re-exported from the project site.
- The FII investment limit in infrastructure corporate bonds was raised from USD 5 Billion to USD 25 Billion.
- Companies enjoy 100% tax exemption in road projects for 5 years and 30% relief for the next five years.
- Capital gains of up to 40% of the total project cost to enhance viability.
- Financial institutions have received government approval to issue tax-free bonds for a total value of USD 9.2 Billion in 2014-15.
- The India Infrastructure Finance Company (IIFC) is to provide long-term funding for infrastructure projects.
- Interest payments on borrowings for infrastructure are now subject to a lower withholding tax of 5%.
- Infrastructure Debt Fund income is exempt from income tax.

SECTOR POLICY

- Road infrastructure is a key government priority - the sector has received strong budgetary support over the years.
- Standardised processes for PPP projects - a clear policy framework relating to bidding and tolling.
- A regulatory authority is being constituted for the road sector.
- Environmental clearance is de-linked from forest clearance.
- Harmonious Substitute of Concessionaires is permitted in ongoing and completed projects for improving the availability of equity in the market for re-investment in highway projects.
- An entity exclusively for the development of roads in the North-eastern region and border areas is being created under MoRT&H.
- The Prime Minister's Gram Sadak Yojana (PMGSY) and Construction of Rural Road Project (CRRP) focuses on the development of rural roads.
- The Central Road Fund assists the State Government and Union Territories in the development of state roads.





FOREIGN INVESTORS

- Jiangsu (China)
- PLUS Expressway Berhad Consortium (Malaysia)
- Hyundai Engineering Construction Company Ltd. (Korea)
- Isolux (Spain)
- Yongma Engineering Company Ltd. (Korea)
- Apollo, JLI & LOR (UK)
- OJSC Consortium, SIBMOST (Russia)
- GALFAR Consortium (UAE)
- Zignego Company Inc. (USA)
- Galfar Engineering and Contracting, SAOG (Oman)
- ITD (Thailand)

AGENCIES

- Ministry of Road Transport & Highways (<http://morth.nic.in>)
- The National Highway Authority of India (<http://nhai.org>)
- The Indian Roads Congress (<http://irc.org.in>)
- The Central Road Research Institute (<http://crridom.gov.in>)



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