

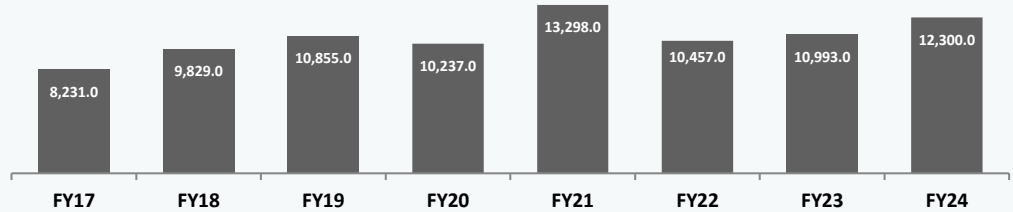


ROADS



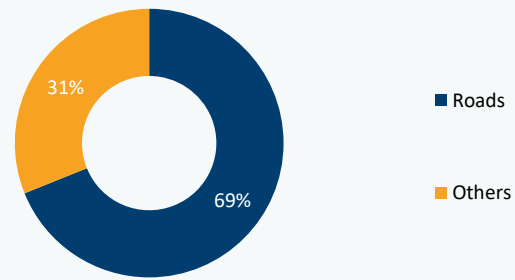
MARKET SIZE

Highway Construction in India (kilometres)



SECTOR COMPOSITION

Total PPP Projects in India (as of February 2024)

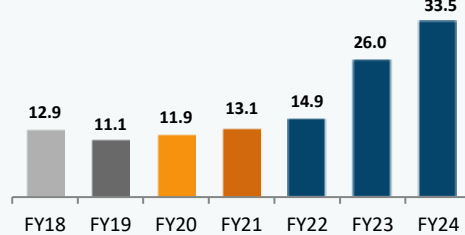


Source: Department of Economic Affairs

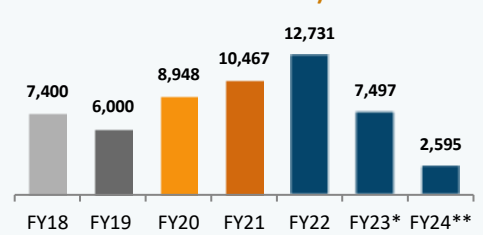


KEY TRENDS

Outlay for Roads under the respective Union Budget (US\$ billion)



Projects Awarded by NHAI (in kilometres)



Note: NHAI - National Highways Authority of India *Until February 2023, **Until October 2023



GOVERNMENT INITIATIVES

National Investment and Infrastructure Fund (NIIF)



Central Road Fund (CRF)



Pradhan Mantri Gram Sadak Yojana



ADVANTAGE INDIA

- Robust demand:** Passenger vehicle (PV) sales rose by 10.5% year-on-year in FY24. The total passenger vehicle dispatches increased to 38.90 lakh units.
- Higher Investments:** Transfer from National Investment Fund (NIF) was estimated at Rs. 20,000 crore (US\$ 2.61 billion) as of March 2022. Under the Union Budget 2022-23, the Government of India has allocated Rs. 199,107.71 crore (US\$ 26.04 billion) to the Ministry of Road Transport and Highways.
- Policy support:** 100% Foreign Direct Investment (FDI) is allowed under the automatic route in the road and highways sector, subject to applicable laws and regulations. In October 2021, the government issued a notice related to concessions under the Vehicle Scrapping Policy (effective from April 2022) to encourage vehicle owners towards discarding old vehicles which have higher fuel consumption costs.
- Attractive opportunities:** As of July 2023, there were 202 national highway projects totaling Rs. 79,789 crore (US\$ 9.59 billion) in progress in the country, covering a length of 6,270 km. India has joined the league of 15 of global alliance which will work towards the ethical use of smart city technologies. A network of 35 Multimodal Logistics Parks are planned to be developed as part of Bharatmala Pariyojana, with a total investment of about Rs. 46,000 crore (US\$ 5.55 billion), which can handle around 700 MMT of cargo. A total of 202 national highway projects worth Rs. 79,789 crore (US\$ 9.59 billion) are at the implementation stage in the country and are 6,270 km in length.