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The National Highways Authority of India (NHAI) has awarded a major project involving a 251-km stretch of the Hyderabad-Nagpur corridor to Highway Infrastructure Trust under the Toll-Operate-Transfer (TOT) model.

Valued at Rs 6,661 crore, the project will see the private concessionaire maintaining and operating the NH-44 stretch located in Telangana for 20 years. During this period, they will collect and retain user fees as per the National Highway Fee Rules.

The financial bids for TOT Bundle-16 were opened on 18 September 2024, and Highway Infrastructure Trust emerged as the successful bidder. This project is part of the broader National Monetisation Plan aimed at promoting private investment in India's highway infrastructure.

NHAI Chairman Santosh Kumar Yadav highlighted the success of the TOT model, stating it achieved a 100 per cent success rate in financial year 2024 (FY24), and praised the growing interest from private players in highway projects. "The encouraging response from bidders reflects robust interest in private participation," Yadav noted.

The awarding of this contract contributes to NHAI's ambitious National Monetisation Plan, which has seen total asset monetisation surpass Rs 1 lakh crore. Of this, Rs 48,995 crore has been raised from the TOT model, Rs 25,900 crore through Infrastructure Investment Trusts, and Rs 42,000 crore via securitisation, reports Economic Times.

In FY23-24, NHAI exceeded its monetisation target by awarding four TOT bundles worth Rs 15,968 crore, well above the target of Rs 10,000 crore for the year. The TOT model is designed to enhance the efficiency of road maintenance and operation by fostering private investment, which in turn improves road conditions and user experience across the national highway network.