PRIVATISATION
THE CONCEPT

Infrastructure -- be it roads, ports, bridges, energy -- is the key to economic development, employment, integration and social welfare of any nation. Increasingly, the spiraling cost of infrastructure investment is growing beyond government resources. Hence only a partnership of private and public capital can help bridge the infrastructure gap, particularly so in cash strapped developing countries.

COIMBATORE BYPASS PROJECT

To overcome the problems of traffic-congestion in Coimbatore, the Manchester of Southern India, a two-lane 28 km long bypass road has been built and commissioned by L&T Transportation Infrastructure Limited (LTTIL) under the first road privatisation scheme to be implemented in South India, on Build, Operate, Transfer (BOT) basis.

The Bypass Road takes off at Km 141 on the Salem side of the National Highway 47 (NH-47) at Nilambur and rejoins it at Km 171/200 on the Palghat side near Madukkarai. Integrated with this road project, to make cost recovery viable for the developer, construction of a major bridge was added to the package. The bridge across River Noyyal at Athupalam runs adjacent to the existing one on NH-47, in Coimbatore.

L&T has completed the construction of this landmark project, using mechanised and innovative construction methods to meet international quality/safety standards. This project is the outcome of an agreement made between the Union Ministry of Surface Transport, the Government of Tamil Nadu and Larsen & Toubro Limited (L&T).

This scenario has led to delegation of responsibility, for providing public services, to autonomous authorities or private promoters, operating along commercial lines, under the ‘USER PAYS’ concept. Countries all over the world have accepted this concept. Europe and the West have set the trend, encouraging the private sector to play a more proactive role for infrastructure development – in the form of Build, Operate, Transfer (BOT) and many similar schemes. The users’ interest in all such schemes is well protected through an appropriate regulatory system.

SALIENT FEATURES
OF CONCESSION AGREEMENT

<table>
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<tr>
<th>Signed on</th>
<th>October 03, 1997</th>
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<tbody>
<tr>
<td>Signatories</td>
<td>Government of India, Ministry of Surface Transport, and Government of Tamil Nadu, Department of Highways, and Larsen &amp; Toubro Limited, ECC Construction Group</td>
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| Construction Period | Bypass Road - 2 years  
                     | Athupalam Bridge - 1 year |
| Fee Collection Period | Bypass Road - 30 years 
                        | Athupalam Bridge - 20 years |
| Special Purpose Vehicle | L&T Transportation Infrastructure Limited (LTTIL) |
| EPC Contractor | ECC Construction Group of L&T |
PROJECT HIGHLIGHTS

The scope of the Bypass consists of construction, operation and maintenance of:

- A two lane carriageway of 7m width with 1.5m wide paved shoulders and 1.0m wide earthen shoulders on either side
- A road overbridge across broad gauge railway line near Irugur
- A road overbridge across meter gauge railway line near Chettipalayam
- A major bridge across river Noyyal, eleven minor bridges, over/under passes, cross drainage works as per stringent specifications
- Junction improvement works for the roads crossing the Bypass – two major junctions at Trichy and Pollachi road crossing, Neelambur and Madhukarai ends and 11 other road crossings.
- Retro-reflective road signs, thermo plastic road markings, crash barriers and other appropriate road furniture.
- Passenger oriented wayside amenities like toilets, parking facilities, service station, drinking water, telephone, first aid facilities, snack bars, kiosks... at suitable locations.
- Fee collection from users of the project facilities as per agreed terms and
- Handing over the facility to the Government in proper condition at the end of concession period.
QUALITY & SAFETY

Construction of this project was carried out by India's largest Construction Organisation L&T-ECC Group, who are known for their quality and timely completion of projects.

This project has been completed to international standards with stringent specifications and standards under strict supervision by Ministry of Surface Transport, National Highways Dept., Govt. of Tamil Nadu and Southern Railways. In addition to above, L&T-Rambøll Consulting Engineers, a joint venture between L&T and Rambøll of Denmark, was employed for Quality Control supervision and review of the critical pavement design. This association brought in International expertise for enhancing the quality of the highway project.