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L&T IDPL is now the largest road developer in India

FY 2012 came to a close with L&T IDPL entering into the big league. It emerged as the successful bidder in two long contiguous road project bids offered by NHAI. Together, these account for 475 kms of road to be built at a cost of approximately Rs 5000 Crore. The company has surpassed the targets it has set for itself for this year as far as project acquisition is concerned and with these additions, it is now the number one Road developer in the country (in terms of lane kilometres & project cost).

The road sections are part of NH 6 connecting Hazira/Surat to Kolkata and is a prominent East -West connector. The projects are entirely in Maharashtra state and is the longest stretch to be offered in the state as on date on BOT basis. The stretch extends from Amravati to Jalgaon (275 km, Project 1) and Jalgaon to Maharashtra/Gujarat border near Surat (209km, Project 2). Currently, the road is in two lane configuration and has to be widened to four lanes along with other facilities like bypasses, flyovers, underpasses, bridges, etc. Both the projects are to be built within 30 months. NH6 is also called the Great Eastern Road and passes through mineral rich states like Orissa & Chattisgarh and industrial states like West Bengal, Maharashtra and Gujarat.

The projects were bid out among stiff competition and received 12 and 17 bids respectively. The Letter of Award was received from NHAI for both these projects on 31/03/2012. Preparatory works for getting the Concession Agreement signed has begun and separate SPVs will be incorporated to house these projects. The projects also add significant value to the parent company, L&T, who will be executing construction of the project as contractors for the SPV.