



# India: Maharashtra State Road Improvement Project

Project Name	Maharashtra State Road Improvement Project				
Project Number	52298-001				
Country	India				
Project Status	Proposed				
Project Type / Modality of Assistance	Loan				
Source of Funding / Amount	<table border="1"> <tr> <td>Loan: Maharashtra State Road Improvement Project</td> <td></td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 195.00 million</td> </tr> </table>	Loan: Maharashtra State Road Improvement Project		Ordinary capital resources	US\$ 195.00 million
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Strategic Agendas	Environmentally sustainable growth Inclusive economic growth				
Drivers of Change	Governance and capacity development				
Sector / Subsector	Transport - Road transport (non-urban)				
Gender Equity and Mainstreaming	Effective gender mainstreaming				
Description	The project will upgrade and maintain over 450 kilometers of state roads forming part of the core road network in Maharashtra, which will enhance transport accessibility and efficiency, and improve the safety of the road network, in line with the state's Road Development Plan 2001 -2021. It will involve upgrading state roads to a two-lane standard and performance-based maintenance contracts to maintain the improved road assets for 5 years after construction. It also includes initiatives to build institutional capacity within the Public Works Department, Government of Maharashtra, focusing on improved road safety and road asset management.				
Project Rationale and Linkage to Country/Regional Strategy	<p>The state of Maharashtra is in the central and western part of India and shares borders with the states of Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Karnataka, and Madhya Pradesh. It is the third largest in terms of area at 0.3 million square kilometers (9.4% of India's total area) and the second most populated state with 112.4 million people. Amravati, Aurangabad, Kolhapur, Mumbai, Nagpur, Nasik, Pune, Ratnagiri, Sangli, Solapur, and Thane are the major cities in the state. Maharashtra's population is forecast to increase to 133.3 million by 2026.</p> <p>Maharashtra provided the highest contribution to India's gross domestic product at 14.9% in 2017 -2018. Gross state domestic product in 2017-2018 was \$351.47 billion at current prices, growing at a compound annual growth rate of 11.7% per annum since 2011- 2012. Maharashtra is the most industrialized state in India and has maintained its leading position in the country's industrial sector. Key export products are gems and/or jewelries, petrochemicals, textiles, garments, metal, motor vehicles, ships and boats, pharmaceuticals, and plastic. The state contributes to about 25% of India's cotton production. The agriculture sector contributes 14%, industry 35%, and the services sector 55% to the state economy. While Maharashtra has a strong state economy, the benefits of economic growth have not been distributed equally across the state's regions and districts, partly on account of poor road connectivity.</p> <p>While Maharashtra ranks high in terms of per capita income in comparison to other states, it houses a large proportion of India's poor. The state also records wide rural -urban disparity in terms of income, human development, and poverty. While the overall poverty level for Maharashtra is lower than the national average, this is skewed by the relatively high average income levels in the four main urban centers (Mumbai, Nagpur, Pune, and Thane). The proportion of the population below the poverty line residing in rural areas is 35%, higher than the national average (25%). Districts in the north and east of the state continue to record a high incidence of poverty. The districts identified with highest poverty headcount ratio were Amravati, Chandrapur, Hingoli, Nanded, Nandurbar, and Parbhani, in 2009 -2010; and Akola, Thane, and Washim in 2011 -2012. Literacy rates are higher than the national norm, but gender disparities exist: 11% of males record low levels of literacy versus 25% for women. Rural women are lagging in terms of education attainment, with 33% of rural females recording low levels of literacy.</p> <p>Strong economic growth over the last 10 years has generated significant passenger and freight traffic demand. The number of registered vehicles in Maharashtra was 31.4 million in 2018, having increased at a rate of 9.4% per annum from 2006 -2016. The average annual daily traffic on the state highways is currently 8,000 equivalent passenger car units per day and traffic volumes are expected to continue to grow at a compound annual growth rate of 5%. The physical capacity of the state highway network is constrained nearly 80% of state highways in Maharashtra are either single or intermediate lane standard. Road safety indicators have also worsened. In 2017, 35,853 road accidents (7.7% of India's national road accidents) were reported in Maharashtra, including 12,264 fatalities (8.3% of India's national road deaths). The state ranked sixth in terms of number of accidents and third in road fatalities in India. Key challenges in the road sector currently include road widths, poor pavement condition, road quality, and a lack of holistic planning incorporating road asset management, maintenance and safety. This leads to inefficiencies including high vehicle operating costs and increased travel times, as well as road safety risks. To meet the transport accessibility needs of a growing economy, road infrastructure in Maharashtra requires significant investment to (i) widen roads, (ii) improve road safety, especially for women and other vulnerable groups, and (iii) improve the condition of road network assets.</p>				
Impact	Connectivity enhanced between industrial areas, agricultural areas, and economic centers of Maharashtra				
Outcome	Transport accessibility, efficiency, and safety of the core road network in Maharashtra improved				
Outputs	State highways and major district roads of the core road network upgraded and maintained Safety of state highways improved				
Geographical Location	Maharashtra				

Safeguard Categories	
Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	

## Indigenous Peoples

### Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

### Business Opportunities

**Consulting Services** PWD will also engage consulting firms to assist with authority engineer tasks for the works contracts, and will be recruited according to ADB's Procurement Regulations (2017, as amended from time to time).

**Procurement** For procurement of goods, works, and consulting services, ADB Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time) shall apply.

Responsible ADB Officer	Kirsty Rowan Marcus
Responsible ADB Department	South Asia Department
Responsible ADB Division	Transport and Communications Division, SARD
Executing Agencies	Public Works Department of the Government of Maharashtra Mantralaya, Madam Cama Road, Hutatma Rajguru Square, Nariman Point, Mumbai - 400032

### Timetable

Concept Clearance	16 Jul 2019
Fact Finding	01 Oct 2019 to 10 Oct 2019
MRM	05 Dec 2019
Approval	-
Last Review Mission	-
Last PDS Update	16 Jul 2019

Project Page	<a href="https://www.adb.org/projects/52298-001/main">https://www.adb.org/projects/52298-001/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=52298-001">http://www.adb.org/forms/request-information-form?subject=52298-001</a>
Date Generated	19 July 2019

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