



Project Summary Information

Date of Document Preparation/Updated: 07/29/26	
Project Name	Maharashtra Road Upgradation Project (MAHA-RUP)
Project Number	P001119
AIIB member	India
Sector/Subsector	Transport
Alignment with AIIB's thematic priorities	Connectivity and Regional Cooperation; Green Infrastructure; Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	The objective is: To improve the quality, efficiency, safety, and climate resilience of economic growth corridors in Maharashtra and enhance institutional capacity of Maharashtra's Public Works Department to better manage its road network.
Project Description	The proposed Project aims to significantly improve connectivity along high-traffic strategic State Highway (SH) and Major District Road (MDR) corridors within Maharashtra's Core Road Network (CRN), which connect key economic and social hubs including industrial areas, agricultural markets, ports, and tourist centres, and also work as collectors of traffic from the vast rural road network. The Project will achieve this by upgrading approximately 750 km of economic growth corridors to high-speed two-lane standards with concrete pavements and earthen/paved shoulders, using a 30-year design life, value engineering, and lifecycle planning, and by institutionalizing modern asset management practices within the Public Works Department (PWD). Expected outcomes include improved quality, capacity, and safety of strategic corridors, reduced travel times and vehicle operating costs, and stronger sustainability of state road assets. The Project will have the following three components. Component A will finance the upgrading of about 750 km of Economic Growth Corridors under PWD's Core Road Network to two-lane high-speed State Highway and Major District Road standards, as required, through improvement of geometry, road safety, climate resilience, drainage, wayside facilities, use of bio-engineering measures and green construction, as well as rehabilitation of existing and construction of new bridges, culverts, and structures. The roads will be designed mostly to

	two-lane carriageway with earthen/paved shoulders for a design life of 30 years, using value engineering for economic efficiency, lifecycle planning, and a 10-year in-built provision of post-construction maintenance under the works contracts, with a 5-year maintenance provision for asphalt roads. Component B will support pilot interventions covering (i) Value Engineering: demonstration of value engineering over the project lifecycle and use of best practices on design and construction of modern two-lane highways of about 40–45 km; and (ii) RAMS Implementation: demonstration of the Road Asset Management System as a tool to optimally apply available funds through implementation of civil works (construction and maintenance) contained in the investment and maintenance plans prepared by RAMS in a typical district/sub-district, using performance-based maintenance contracts. Component C will provide technical assistance to support implementation of initiatives under PWD's Road Sector Policy, including (i) development and operationalization of a GIS-based Road Asset Management System (RAMS) and a Long-Term Asset Management Plan; (ii) establishment and implementation of a Human Resources Professional Development Strategy for training and capacity building of PWD engineers; (iii) studies on monitoring of project development objectives and socio-economic impact assessment and contribution to the state economy; and (iv) enhancement of PWD engineering and business processes, including value engineering guidelines, a road sector financing study for PWD's Amrit Kaal Road Development Plan, a PWD-wide design policy, and a quality assurance policy similar to the PMGSY program.
Expected Results	• Quality: Significant proportion of roads in fair or good condition under the International Roughness Index ($IRI \leq 4$); • Capacity: Higher flow of traffic through roads, with reference to a 10% increase in PCU on sample roads; • Safety: Significant proportion of roads with "reasonable" safety rating under the International Road Assessment Programme (iRAP), with a 50% reduction in fatalities and serious injuries upon project completion; • Socio-economic: Reduction in travel time by 20% and vehicle operating cost (VOC) by 15% on sample project roads.
Environmental and Social Category	B
Environmental and Social Information	Applicable Policy and Categorization. AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESSs) and Environmental and Social Exclusion List (ESEL), applies to the Project. ESS 1 is applicable. As works will be implemented largely within the existing right of way (RoW), the applicability of ESS 2 (Land Acquisition and Involuntary Resettlement) is expected to be limited. ESS 3 (Indigenous Peoples) applicability will be confirmed during appraisal once the final road sections and designs are determined. Based on the nature and scope of the proposed activities, anticipated risks and impacts typical of brownfield state highway upgradation, the Project is categorized as Category B.

Environmental and Social Instruments. A Project-level Environmental and Social Management Framework (ESMF) will be prepared in line with AIIB's ESP. DPRs for each road section will integrate road-specific environmental and social screening and proportionate assessments to identify section-specific risks and mitigation measures. Site-specific instruments, including Environmental and Social Management Plans (ESMPs), Construction ESMPs and Environmental Codes of Practice (ECoPs), will be prepared as applicable. Although involuntary resettlement is not envisaged, as a prudent measure, a Resettlement Policy Framework (RPF) will be prepared to address any potential involuntary resettlement aspects, in accordance with AIIB ESS 2. If ESS 3 is triggered, an Indigenous Peoples Planning Framework (IPPF) will also be prepared.

Environmental and Social Aspects. Environmental risks and impacts are typical of brownfield highway upgradation and are expected to be localized, temporary, and manageable through standard mitigation measures. Key impacts include vegetation clearance, dust, noise and vibration, construction waste, borrow area and material sourcing, utility shifting, minor drainage modifications, and pollution from fuel spills or improper waste handling. DPR assessments will identify environmentally sensitive receptors and biodiversity values and apply the mitigation hierarchy (avoid–minimize–mitigate). Risks related to erosion, slope instability, and drainage, particularly in ghat sections and high-rainfall areas, will be addressed through appropriate engineering and site rehabilitation measures. Social risks include temporary construction disruptions, utility relocations, temporary land use for construction facilities, labor influx, and community health and safety risks. The Project is designed to avoid land acquisition and involuntary resettlement. Where minor land requirements arise, voluntary land donation approach would be followed in line with the established practice under prior MDB-financed projects, with clear eligibility criteria, documentation, and avoiding adverse livelihood impacts. Land acquisition and resettlement impacts are expected to be limited. Any such impacts will be managed through the RPF and site-specific ES plans, as applicable.

Occupational Health and Safety (OHS), Labor and Working Conditions. Key risks include construction accidents, heavy machinery operation, dust and noise exposure, waste generation, water contamination, traffic and electrical hazards, and extreme weather conditions. These will be managed through ESMPs and CESMPs incorporating OHS measures, Contractor OHS Plans, provision of PPE, worker training, emergency preparedness, and incident reporting. Labor risks, including labor influx and GBVH, will be addressed through fair working conditions, grievance mechanisms, contractor codes of conduct and compliance with national labor laws and good international industry practice.

Stakeholder Engagement and Information Disclosure. The Project Team conducted site visits to proposed and completed road sections, including ghat sections and MDB-financed roads, and consulted PWD engineers, safeguards consultants, and local communities including vulnerable groups, who expressed strong support for the Project. Further

	consultations during DPR preparation will inform road selection, design optimization, and mitigation measures. The ESMF, RPF, and IPPF will be disclosed on PWD's and AIIB's websites at least 30 days prior to financing approval. Project Grievance Redress Mechanism (GRM). PWD will operationalize a Project-level GRM for communities and workers, including confidential procedures for handling complaints. Information on AIIB's Project-Affected People's Mechanism (PPM) and the process for submitting complaints will be disclosed alongside Project ES documentation and communicated through stakeholder engagement activities. Monitoring and Reporting Arrangements. The Project's ES management will rely on PWD's established institutional arrangements and implementation practices for MDB-financed road projects, strengthening them where necessary. A PMU/PIU structure with designated environmental and social staff will oversee implementation, monitoring, and reporting. Semi-annual ES monitoring reports will be submitted to AIIB in an agreed format, supplemented by AIIB field supervision missions as required.		
Cost and Financing Plan	Total project cost: USD 715.00 million; Proposed AIIB Financing: USD 500.00 million		
Borrower/Investee Company/Counter party/Guaranteed entity	Republic of India		
Implementing Entity/Sponsor	Public Works Department (PWD), Government of Maharashtra		
Estimated date of loan closing (SBF)/Estimated date of last disbursement (NSBF)/ Estimated Date of first disbursement (Fund)	Q4 2032		
Contact Points:	AIIB	Borrower	Implementation Organization/Sponsor

Name	Pawan Karki	Ms. Tulsipura Rajkumari	Mr. Raj Bhog
Title	Senior Investment Officer	Director, Republic of India, Département of Economic Affairs EA.	Chief Engineer, Public Works Department (PWD) Government of Maharashtra
Email Address	pawan.karki@aiib.org	Tulsipriya.rk@nic.in	cepd.mpwd@gmail.com
Date of Concept Decision	29 July 2026		
Estimated Date of Appraisal Decision	16 September 2026		
Estimated Date of Financing Approval	Q4 2026		

Independent Accountability Mechanism	AIIB's Policy on the Project-affected Peoples Mechanism (PPM) applies to this Project. The PPM has been established by AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRMs or the Bank's management processes. Information on AIIB's PPM is available at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html
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