

PUBLIC WORKS DEPARTMENT

Government of Uttar Pradesh, India

UTTAR PRADESH STATE ROADS PROJECT Under IBRD Loan No. 4684-IN

Technical Assistance for Implementation of
Institutional Reforms in the Road Sector of Uttar Pradesh

REPORT TO IMPLEMENT MEDIUM-TERM 'PSP' ROAD PROJECTS PLAN (FINAL)

Report No. 39

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LEA International Ltd., Canada

in joint venture with

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in association with

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Glossary

ADB	Asian Development Bank	IL & FS	Infrastructure Leasing and Financial Services
ADT	Average Daily Traffic	IPTS	Integrated Public Transit System
AE	Assistant Engineer	IRC	Indian Road Congress
AMPM	Active Management Payment Mechanism	IT	Information Technology
BOOT	Build Own Operate Transfer	ISAP	Institutional Strengthening Action Plan
BOT	Build Operate Transfer	ILO	International Labour Organisation
BQ	Bill of Quantities	JE	Junior Engineer
CBO	Community Based Organisation	LPVR	Least Present Value of Revenue
CBR	California Bearing Ratio	MCA	Modal Concession Agreement
CE	Chief Engineer	MDR	Major District Roads
CEO	Chief Executive Officer	MLA	Member of Legislative Assembly
CPI	Consumer Price Index	MIS	Management Information System
CRF	Central Road Fund	MOST	Ministry of Surface Transport
CRRRI	Central Road Research Institute	MoSRTTH	Ministry of Shipping, Road Transport & Highways
CSR	Civil Service Reforms	MoRTH	Ministry of Road Transport and Highways
DAO	Divisional Account Officer	MoEF	Ministry of Environment and Forest
DASP	Diversified Agriculture Support Program	M&E	Monitoring and Evaluation
DBC	Dense Bitumen Concrete	MIS	Management Information System
DBFO	Design Build Finance and Operate	MSS	Mixed Seal Surface
DPR	Detailed Project Report	NABARD	National Bank of Agricultural and Rural Development
DRDA	District Rural Development Authority	NITHE	National Institute for Training of Highway Engineers
EC	Executive Committee	NH	National Highway
EE	Executive Engineer	NHAI	National Highways Authority of India
E-in-C	Engineer in Chief	NHDP	National Highways Development Project
GC	Governing Council	NOIDA	New Okhla Industrial Development Authority
GIDB	Gujarat Infrastructure Development Board	NPV	Net Present Value
GNIDA	Greater Noida Industrial Development Authority	NTBCL	Noida Toll Bridge Company Limited
GNP	Gross National Product	ODR	Other District Roads
GO	Government Order	O&M	Operation and Maintenance
GOI	Government of India	PAC	Public Accounts Committee
GoUP	Government of Uttar Pradesh	PCC	Project Coordinating Consultant
GSDP	Gross State Domestic Product	PCI	Pavement Condition Index
GSRDC	Gujarat State Road Development Corporation	PCD	Provincial Communications Department
GQ	Golden Quadrilateral	PCU	Passenger Car – equivalent Unit
HDM	Highway Design Model	PFI	Private Finance Initiative
HGV	Heavy Goods Vehicle	PICUP	Pradeshya Industrial & Investment Corporation of UP
HQ	Head Quarter	PMS	Pavement Management System
HR	Human Resource	PPB	Provisional Preferred Bidder
HRD	Human Resource Development	PPP	Public Private Partnership
HRM	Human Resource Management	PRI	Panchayat Raj Institution
IBRD	International Bank for Reconstruction and Development	PSP	Private Sector Participation
IDS	Institutional Development Strategy	PWD	Public Works Department
IDSP	Institutional Development And Strengthening Plan	RAP	Resettlement Action Plan
IDSAP	Institutional Development Strengthening Action Plan	RES	Rural Engineering Services

RFMC	Road Fund Management Committee
RIDF	Rural Infrastructure Development Fund
RMMS	Road Maintenance Management System
RSPEU	Road Safety Planning and Engineering Unit
RSC	Road Safety Cell
RFP	Request for Proposal
SDBC	Semi Dense Bitumen Carpet
SE	Superintending Engineer
SH	State Highway
SHA	State Highway Authority
SPV	Special Purpose Vehicle
SRF	State Road Fund
SRP-II	State Road Project-II
SRB	State Road Safety Board
SRSC	State Road Safety Council
SRSF	State Road Safety Fund
SRSC	State Road Safety Council
SRSF	State Road Safety Fund
TA	Technical Assistance
ToR	Terms of Reference
UP	Uttar Pradesh
UPRNN	Uttar Pradesh Rajkiya Nirman Nigam
UPSBC	Uttar Pradesh State Bridge Corporation
UPSIDC	Uttar Pradesh State Industrial Development Corporation
UPSRTC	Uttar Pradesh State Road Transport Corporation
UPSRP	Uttar Pradesh State Road Project
UPSHA	Uttar Pradesh State Highway Authority
UNDP	United Nations Development Programme
VOC	Vehicle Operating Cost
VR	Village Roads
WB	World Bank
WBM	Water Bound Macadam

1. INTRODUCTION

1.1 PURPOSE OF REPORTS NOS. 7 AND 39

In the Terms of Reference for the TA Consultant Reports Nos. 7 and 39 had the same title, namely "Implementation of Mid-Term 'PSP' Road Project Plans". The decision was taken to write two Reports: the first would detail the current situation and the second would be written one year later giving details of the progress made. Report N° 7, therefore, looked at progress to date i.e. May 2007 and identified the immediate short term actions required to be 'followed up'.

The first Report was finalised in May 2007: this Report, No. 39, is dated May 2008 and describes the progress made in the intervening year. The content of both these Reports relates to Report No. 22, the title of which is: 'Establishment of "Roads PSP Development" Functions and Cell with Specialised Partnership / s and Resources of PWD'. That Report, which was presented to the Project Steering Committee in July 2007, states that the Cell referred to in the Report title has in fact been established in the form of Uttar Pradesh State Highway Authority (UPSHA).

1.2 SUMMARY AND CONCLUSIONS OF REPORT NO. 22

The 'Summary and Conclusions' given in Report No. 22 state:

Private Sector Participation [PSP] in Public, Private Partnership [PPP] is a cooperative venture between the public and private sectors, built on the expertise of each partner, that best meets clearly defined public needs through the appropriate allocation of resources, risks and rewards.

The objective in respect to PSP has been identified in the IDSP as the enhancement of ".....PWD support for Private Sector Participation in roads development". In terms of actions required this has been more literally encapsulated in the "Status during Mid-Term Review¹" statement which states:

"GoUP has already established Uttar Pradesh Highway Authority for PSP, privatisation and outsourcing".

No new Cell was to be established for "Roads PSP Development" since UPSHA was in existence. The TA Consultant reviewed UPSHA and their findings are given in the following Section.

¹ Institutional Development and Strengthening Action Plan - Aide Memoire, World Bank Mid-Term Review Mission 3rd to 13th April 2006.

1.3 OBJECTIVE OF THIS REPORT

The objective of this Report is to review and comment on the progress made by UPSHA as the vehicle for developing Private Sector Participation. The methodology adopted was to record the status of UPSHA at April 2007 under the headings of 'Organisational' and 'Technical', to compare it with their current status, and to comment on the implementation of the Proposed Action Strategy given in Report No. 22.

2. UTTAR PRADESH STATE HIGHWAY AUTHORITY (UPSHA) – APRIL 2007

2.1 ESTABLISHMENT OF UPSHA

The Uttar Pradesh State Highways Authority [UPSHA] was established in August 2004 under Act N° 1228(2)/VII-V-1-1(ka)17-2004. UPSHA is a corporate body over which there is a Governing Council responsible for all policy decisions. The Governing Council is chaired by the Chief Minister with the Minister of Public Works Department acting as Vice Chairperson.

The mandate of UPSHA is to implement State Highway Projects using a commercial format. As such, and bearing in mind the project requirement to develop; “..... roads PSP (Private Sector Participation) ... capabilities in PWD, in partnership with external expertise...” and “.... implementation of medium-term PSP roads project plan”, it is to be noted that it was agreed² that the UPSHA would be assigned as the vehicle [cell] to be used for PSP, privatisation and outsourcing.

2.2 STATUS OF UPSHA AS AT APRIL 2007

UPSHA has an established office on the 4th Floor of the Mandi Bhawan building, Lucknow. Whilst the Act allows for an original staffing of 14 personnel, at the time of publication of Report N° 22³ the staffing of the authority comprised only six persons, of whom it is currently understood that some may now have retired or been replaced.

Organisational

UPSHA is governed by a Governing Council but the day to day working is administered by a Executive committee.

The Governing Council of UPSHA comprises

Chairperson	:	the Chief Minister
Vice Chairperson	:	the Minister, Public Works Department
Member	:	the Minister of Finance
Member	:	the Minister of Planning
Member	:	the Chief Secretary
Member	:	the Principal Secretary, Finance
Member	:	the Principal Secretary, Planning
Member	:	the Principal Secretary, Public Works Department
Member	:	the Engineer in Chief, Public Works Department
Expert Members	:	two [2] nominated by the Council
Member Convenor	:	Chief Executive Officer of UPSHA

² Institutional Development & Strengthening Action Plan - Aide Memoire, World Bank: Mid-Term Review Mission 3rd to 13th, April 2006

³ Establishment of “Roads PSP Development” functions and cell with specialised partnership(s) and resources of PWD – November 2006

All the members of the General Council are 'ex-officio' with the exception of the Expert Members who were deemed to comprise one from the field of economics, finance, administration or banking and the other from the field of civil construction works [preferably roads]. The latter members of the General Council have a tenure of three years. The timing of General Council meetings is not specified.

In addition to the GC, provision is also made for an Executive Committee whose function is to run and operate UPSHA and report directly to the General Council. The Executive Committee comprises the following:

Chairperson : Chief Executive Officer

Member : Finance

Member : Technical

Member : Administration

In terms of the technical staffing, and that identified within the documentation obtained from UPSHA, the current situation is as shown in the Table No. 1.

Table No. 1 : Technical Staff of UPSHA as at April 2007

Position	Name	Remarks
Chief Executive Officer	VACANT	Previously T Venkatesh [IAS] who has been transferred
Member Administration	M Chouhan	Previously M Kumar Meshram [IAS] who has been transferred. It is to be noted that the current member has been assigned this position as an 'additional charge' to his position in PWD since May 2006
GM Administration	VACANT	
Manager IT	VACANT	
Computer Operator	VACANT	
Member Technical	K B Bansal	Assigned as an 'additional charge' and is scheduled for retirement from PWD at end June 2006
GM Technical	VACANT	
Manager	G K Srivastava	On 'deputation' from PWD with the 'additional charge' of GM Technical as and when required
Manager	S Raj	Previously U N Pradhan who has been transferred – Mr Raj is on 'deputation'
Computer Operator	VACANT	
Member Finance	VACANT	
GM Finance	R P Singh	On 'deputation' from Finance Dep't Since June 2006 - previously R Srivastava who has been transferred
Accountant/Cashier	R C Singh	On 'deputation'
Computer Operator	VACANT	

Technical

Nine State Highways, totalling some 1,250 kilometres, six were given to UPSHA in order to pursue PSP. The State Highways are listed in Table No. 2.

Table No. 2 : Roads Entrusted to the Uttar Pradesh State Highways Authority¹

Sl. No.	Name of Road	Road Category	Length [kms] entrusted to SHA
1	Delhi-Bagpat-Saharanpur	SH No 57	200
2	Kalpi- Hamirpur	SH No 90	60
3	Bareilly-Baheri-Kichchha	SH No 37	64
4	Sitapur-Bilgram-Hardoi	SH No 21	110
5	Lumbini-Duddhi	SH No 5	100
6	Badaun-Bahoji-Sambhal-Gajraula- Bijnore	SH No 51	195
7	Bilhaur-Rasulabad-Bela-Etawah	SH No 40	104
8	Bahraich-Sultanpur-Azamgarh	SH No 26	217
9	Raibareilly-Sultanpur-Azamgarh	SH No 34	215
Total Length of State Highway			1,265

Notes :

¹ Source; GOUP – PWD Private Sector Participation document

In the case of the nine state highways, it is understood that UPSHA called for tenders for both feasibility studies and DPR's for five of the roads in question. In May 2005 a short list was issued and following the receipt of the technical and financial proposals in July, these were evaluated and the Consultants selected in August 2005. UPSHA forwarded the results of the selection process to PWD for agreement in order that contracts could be awarded. To date it is believed that there has been no further action and the proposals of the potential Consultants will now have undoubtedly lapsed. The reason for the non award of contracts is unclear.

Six railway over bridges, detailed in Table No. 3, were given to UPSHA in 2005.

Table No. 3 : Details of Railway Over Bridges

Sl. No.	S.H. No.	Level Crossing No.	Location
1	SH-14	28 A	Near Baghpat
2	SH-13	161 B	Near Raibareilly
3	SH-5	30 SPL	Near Mirzapur
4	SH-33	342 A	Near Bharatnagar
5	SH-18	13 A	Near Bulandshahar
6	SH-5	7 B	Near Madivahun

Feasibility studies for the six railway over bridges were undertaken by Feed Back Consultants, the results of which indicated that all projects exhibited a FIRR in excess of 20%. It is understood that all six ROB's have been passed to the UP State Bridge Authority for implementation.

Finance

It is understood that the UPSHA has created a specific State Highways Authority Fund which has been credited with a loan of 150 crore by GoUP.

2.3 PROPOSED ACTION STRATEGY

2.3.1. Commitment from GoUP

The first step in the process of establishing a functional Authority requires commitment from Government as to the State Highways Authority establishment and a clear and unambiguous mandate as to its position within overall organisational structure of Government, its role and objectives. In essence, Government has already shown commitment for a State Highways Authority given the Act of establishment and the provision of an office and certain personnel.

2.3.2. Organisational Task Structure at Senior Level

Table No. 4, taken from Report No. 22, lists the Organisational Task Structure at Senior Level.

Table No. 4 : Organisational Task Structure at Senior Level

Action/Task No 1	Select and/or confirm persons for the positions within the Authority of CEO and Member(s) Administration, Technical and Finance.	Steering Committee to undertake preliminary review and selection of potential candidates: final review and candidate selection by the Governing Council (GC)
Action/Task No 2	Develop a clear mandate for the CEO and each member with contractual arrangements and period of tenure.	IDS cell to develop and present to Steering Committee for review and ultimate presentation to the Governing Council for endorsement
Action/Task No 3	Review the UPSHA Act and identify the tasks that the SHA require to undertake. Prepare a "Mission Statement" and define objectives and scope of work.	Each Member individually and then as the Executive Committee pass agreement and submit to GC for agreement and endorsement.

Action/Task No 4	Prepare detailed short term and outline of proposed medium term work programme for roads entrusted to the Authority and for State Highways in general	Member Technical for endorsement by Executive Committee (EC)
Action/Task No 5	Review staffing requirements and prepare a short and medium term personnel staffing plan.	Member Administration in consultation with each member and CEO for endorsement by the EC
Action/Task No 5A	Develop/identify <ul style="list-style-type: none"> - grade and salary structure - identify grades for "deputation" and contract hire - terms and conditions for "deputation" and contract hire plus tenure, as applicable - methods for advertising and requirements of applicants - interviewing/selection procedures and protocols 	Member Administration in consultation with each member and CEO for endorsement by the GC
Action/Task No 6	Prepare job descriptions based on agreed staffing requirements/plan	Member Administration for endorsement by EC
Action/Task No 7	Identify office equipment needs and furniture requirements	Member Administration for endorsement by EC
Action/Task No 8	Prepare an operations budget plan for the SHA authority	Member Finance for endorsement by EC
Action/Task No 9	Take the necessary steps to ensure that the "Uttar Pradesh State Highways Authority Fund" account is open and operational	Member Finance for endorsement by EC
Action/Task No 10	Develop financial systems, operational procedures and control [for cash and 'fund' accounting], disbursement and monitoring etc.	Member Finance for endorsement by EC
Action/Task No 11	Develop a proposal for a phased 'take-over' of the UP Core State Highways network	EC to present proposals to the Governing Council [GC] for discussion with PWD Steering Committee for final agreement and endorsement

3. UTTAR PRADESH STATE HIGHWAY AUTHORITY (UPSHA) – APRIL 2008

3.1 STATUS OF UPSHA AS AT APRIL 2008

UPSHA is still based at the same location.

Organisational

The General Council has not met during the intervening year, and last met in February 2005. The last meeting of the Executive Committee was on 9th April 2008.

The current Technical Staff of UPSHA is given in Table No. 5.

Table No. 5 : Technical Staff of UPSHA as at April 2008

Position	Name	Remarks
Chief Executive Officer	Deepak Kumar	Mr. Deepak Kumar is the Secretary, PWD. Part time responsibility as a CEO.
Member Administration	Sanjeev Kumar	Mr. Sanjeev Kumar is the Special Secretary, PWD.
GM Administration	VACANT	
Manager IT	VACANT	
Computer Operator	In post	On Contract through an agency, hired as individuals.
Member Technical	VACANT	Mr. R.K. Garg CE, World Bank Projects is unofficially working, there is a proposal that Mr. R. K. Garg be nominated to act as Member Technical.
GM Technical	G K Srivastava	
Manager	Sriraj	Mr. Sriraj is on 'deputation' from PWD
Manager	Rajesh Kumar	Mr. Rajesh Kumar is on 'deputation' from PWD
Computer Operator	VACANT	
Member Finance	VACANT	
GM Finance	V.K. Srivastava	On 'deputation' from Finance Department
Accountant/Cashier	R C Singh	On 'deputation'
Computer Operator	VACANT	

Apart from changes of staff members the only significant changes are the appointment of the GM Technical and a Computer Operator.

Technical

Six additional State Highways were handed over to UPSHA thus increasing their total number from nine to fifteen, with an increase in length from 1,265 kms to 1,770 kms. Further details are given in Table No. 6.

Table No. 6 : Roads Entrusted to the Uttar Pradesh State Highway Authority

Sl. No.	Name of Road	Road Category	Length [kms] entrusted to SHA
1	Delhi-Bagpat-Saharanpur	SH No 57	200
2	Kalpi- Hamirpur	SH No 90	60
3	Bareilly-Baheri-Kichchha	SH No 37	64
4	Sitapur-Bilgram-Hardoi	SH No 21	110
5	Lumbini-Duddhi	SH No 5	100
6	Badaun-Bahoji-Sambhal-Gajraula- Bijnore	SH No 51	195
7	Bilhaur-Rasulabad-Bela-Etawah	SH No 40	104
8	Bahraich-Sultanpur-Azamgarh	SH No 26	217
9	Raibareilly-Sultanpur-Azamgarh	SH No 34	215
10	Kairana-Muzafernaga	SH No 12	56
11	Bareilly-Badaun	SH No 33	45
12	Kashipur Muradabad	SH No 41	44
13	Faizabad-Akbarpur-Azamgarh	SH No 30	150
14	Varanasi-Azamgarh-Doharighat	SH No 73	90
15	Varanasi-Shaktinagar	SH No 5A	120
Total Length of State Highway			1,770

In February 2008 Uttar Pradesh State Bridge Corporation transferred 15 No. Category I Railway Over Bridges and 106 No. Category II Railway Over Bridges to UPSHA bringing their total to 127 No. A full list detailing these Railway Over Bridges is given in Table No. 7.

Table No. 7 : Road Over Bridges by Category

Category -1

Sl. No.	S.H. No.	Level Crossing No.	Location
1	SH-51	45 B	Near Gajraula
2	SH-33	252 A & 2 A	Near Bareilly
3	SH-33	270 A	Near Badayun
4	SH-33	310 SPL	Near Kasganj
5	SH-59	530 B	Near Saharanpur
6	SH-14	28 A	Near Baghpat
7	SH-13	161 B	Near Raibareilly
8	SH-5	30 SPL	Near Mirzapur
9	SH-12	90 A	Near Shyarnli
10	SH-33	342 A	Near Bharatnur
11	SH-18	13 A	Near Bulandshahar
12	SH-5	7 B	Near Madivahun
13	SH-5	75 B	Near Shahganj
14	SH-33	288 A	Near Badayun
15	SH-33	299 A	Near Soron
16	SH-34	29 A	Near Bilaisa
17	SH-46	202 A	Near Bhognipur
18	SH-51	27 B	Near Chandpur
19	SH-41	1 B / 2 T	Near Moradabad
20	SH-41	2 B / 2 T	Near Moradabad
21	SH-46	60 B	Near Ghatampur

Category-2

North – Central Railway

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
1	477	853393	1318/32-0	Jhansi-Agra	Kheragarh-Iradat Nagar Marg	State Highway
2	83D	781002	1018/S27-S	Allahabad-Kanpur		District Road
3	77-B	681335	1014/ 0-1	Allahabad-Kanpur	Shyam Nagar 9G.T. Road-Naubasta by pass Road)	District Road

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
4	28	430124	1157/13-15	Kanpur Tundla	Near Ram Nagar	District Road
5	62A	360599	973/29-31	Allahabad-Kanpur	Banda Kanpur Road PWD	SH
6	85-B/E-3	293916	163/8-9	Aligarh Jn.-Bareilly	Patwari Nagla University Marg (Aligarh-Killa Road) PWD	SH
7	84/E-3	292320	161/8-9	Aligarh Jn.-Bareilly	Agra-Moradabad-SH-93 N.SAI Aligarh-Anoopshar.	SH
8	139	283360	1397/29-31	Tundla-Ghaziabad	Sikandrabad-G. Noida Road	District Road
9	37	267512	907/31-33	Allahabad-Kanpur	Khaga-Kishanpur Road PWD	Village Road
10	19	243635	882/17-19	Allahabad-Kanpur	Saini-Dhatta Road PWD	Village Road O.D.R
11	182	215442	1240/13-14	Jhansi-Kanpur		State Highway
12	48	175080	641/25-27	Allahabad-Kanpur		SH
13	8	148443	1100/31-33	Kanpur-Tundla	SH-21 Km. 292	SH
14	492	141889	1338/8-10	Jhansi-Agra Cantt.	NH-3 Barauli (Malpura) Marg.	District Road
15	102	135936	1312/31-33	Tundla-Ghaziabad	Hanuman Chauki-Nabauni (Daud Kha) Road	District Road
16	147	131493	1179/8-9	Jhansi Kanpur		State Highway
17	83	121716	160/3-4	Aligarh Jn.-Bareilly	Atrauli-Anoopnashahar Road	District Road
18	86B/E-3	309099	163/15-16	Aligarh Jn.-Bareilly	Barobaly pass to Aligarh City (PWD)	SR PWD
19	64	234883	1234/27-29	Kanpur-Tundla	NH-2 Alorapur Village Road	Village Road
20	90	205603	1288/1-3	Tundla-Ghaziabad	Hathras City-Jaleswar Road	District Road
21	51	200263	1211/11-13	Kanpur-Tundla	Shikohabad to Aotashwari Road (PWD)	District Road
22	1 B	1 85908	108/1-3	Kanpur-Tundla	Sikandrabad-Rasolabad Road	District Road
23	147	1015672	1415/35-37	Tundla-Ghaziabad	Dadri Surajpur Chatera Mara to Noida	District Road

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
24	63	728042	1232/9-11	Kanpur-Tundla	Labour Colony Road (PWD)	Village Road
25	62A	715532	1228/25-27	Kanpur-Tundla	Asifabad-Datawali Road	District Road
26	35	706300	818/15-17	Mughal Sarai-Allahabad	Mirjapur-Allahabad Road	District Road
27	491	263846	1337/4-6	Jhansi-Agara Cantt.		Other Road
28	99	178233	1305/21-23	Tundla-Ghaziabad	Sansi-Vijaygarh Road	District Road
29	490	168448	1335/28-30	Jhansi-Agara Cantt.	NH-3 Itora-Katra Marg.	District Road
30	454	142225	1318/8-9	Jhansi-Allahabad		District Road
31	78	125580	1261/23-25	Tundla-Ghaziabad		District Road
32	94	124300	1062/11-13	Kanpur-Tundla		Village Road
33	532	117600	1407/8-10	Agra Cantt.-Palwal	Vrandavan Radha Kund-Chatikara Road	DH
34	115	111645	1338/27-29	Tundla-Ghaziabad	G.T. Road to Anoopshahar Road	Village Road
35	100	107306	1307/10-11	Tundla-Ghaziabad	Sansni-Nanauna-krabad Road	District Road
36	96	1 06734	1299/9-11	Tundla-Ghaziabad	Sasni-Jaleswar Road	District Road
37	94	100229	1294/29-31	Tundla-Ghaziabad	Hathras-Arya Road	District Road

North – Eastern Railway

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
1	243	465948	313/2-3	Izzatnagar-Bareilly City	Bareilly-Nainital Marg (PWD)	SH-27
2	42	176092	60/11-12	Bahraich-Raisia	Bahraich-Bhingra Marg (PWD)	SH-56
3	145	143934	479/3-4	Gauri Bazar-Chauri Chaura	Gorakhpur-Deoria Marg UP PWb (now NH)	SH

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
4	8	127845	10/10/2011	Salempur-Lar Road	Deaoria-Lar town Marg	SH-1
5	140 (169A)	104615	471/5-6	Gauri Bazar-Chauri Ghaura		SH
6	CBJ-14	101376	0/10-11	Izzatnagar-Cluckterbuckganj	Bareilly-Nainital Marg (PWD)	SH-37
7	2	121519 2	2/7-8	Kanpur-Anwarganj-Rawatpur	Nagar Nigam Zarib Chauki	Other Road
8	178	195432	537/14-15	Maghar-Kalilabad (HH-46Khalilabad)		Other Road
9	20	185592	134/14-15	Ghazipur City-Ankuspur	Varanasi-Gkp Road (PWD)	
10	31	172752	64/6-7	Bansdih Road-Balia	Municipal Road (Bansdin-Baria Road)	Other Road
11	253	168630	328/2-3	Ram Ganga Br. Makrandpur	Bareilly-Badaun Road PWD	Other Road
12	140 (169A)	104615	471/5-6	Gauri Bazaar-Chauri Chaura		SH
13	CBJ-1	101376	0/10-11	Izzatnagar-Cluckterbuckgani	Bareilly-Nainital Road (PWD)	SH-37

Northern Railway

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
1	48	1065489		Allahabad-Kanpur		SH
2	176	762682	1026/7-8	Bachharwan-Srirai Nagar	Lucknow Varanasi Road Km. 59	SH
3	30	597187	72/3-4	Meerut Cantt.-Pablikhas	Meerut-Karnal Marg	District Road
4	39A	439750	60/1-24-15	Hafizpur-Hapur	Hapur-Garh Marg (PWD)	Village Road
5	52	251000	75/6-7	Garhmukteswar - Simbhaul	Bhur Chauraha-Kala Aam Mara (PWD)	Village Road
6	90	223575	86/12-13	Shamli-HID	Shaharanpur-Shamli Marg No-57	SH
7	359	215165	00/1-23-14	Chaundausi-Bareilly		SH
8	1 AS	206762	745/3-4	Barabanki Yard	Barabanki-Deva Fatehpur Marg, PWD	District Road

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
9	34	191110	54/15-17	Unnao-Magarwara		District Road
10	96	186816	934/2-3	Gosaigang-Ulnabhari	Bahraich-Faizabad-AzamQarh Marg (PWD)	SH
11	1B	185000	2/31-33	Lucknow-Manaknaqar	Chawak-Alambagh PW.D	DR
12	9B	168495		Zafrabad-Lucknow		SH 36
13	320	164883	1233/17-18	Rosa-Shahjahanpur	P.W.D. Shahjahanpur-Moradabad Lakhimpur Marg	SH-93
14	7	163544	829/1-2	Jaunpur City Yard		SH
15	7B	165520		Zafrabad-Lucknow		SH 5
16	14	160879	47/14-15	Modinagar-Mohiuddinpur	PW.D. Modinagar-Tivara Road	SH
17	318	151984	1231/18-19	Rosa-ShahiahanDur	Shaharanpur-Sitapur Road (PWD)	SH
18	480	148658	1493/10-11	Murshadapur-Najibabad	Najibabad-Rampur-Murshidpur Road. (PWD)	MDR
19	75	137093	889/9-10	Malipur-Jafarganj	Bahraich-Faizabad-Azamgarh Road	SH
20	150	136340	995/14-15	Raibareilly-Gangaganj	Nagar Palika Road	SH
21	530	135256	1579/13-14 1579/20-22	Choidala-Baliakheri		SH
22	112	132500	131/3-1	Thana Bhawan-HID	Delhi-Yamnotri Marg PWD	SH
23	147b	115230	992/4-5	Rupamau-Raibarilly	Raibareilly Sultanpur Road	SH
24	280	112784	117/6-7	Hardoi-Kaurha	Kardoi-Pihani Road (PWD)	Village Road
25	116	103384	965/D-1	Ayodhya-Acharya Narendra Dev Nagar	NH-28 to AHahabad	District Road
26	13	102875	45/14-15	Muradnagar - Modinagar	Modinagar-Sikim Road (PWD)	District Road
27	10	1 02600		Ghaziabad-Saharanpur	Muradnagar-Aurangha Factory (municipal camp)	Other Road
28	75	102121	916/12-13	Sultanpur-Bhadaiyun	Sultanpur-Kudwar Haliapur Marg	District Road

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
29	71	100200	102/9-10	Baboogarh-Hapur		Village Road
30	44	1561406	100/11-12	Khatuali	Khatuali-Jaunshat Road	District Road
31	53	1423265	122/1-2	JDW-Muzaffar Nagar		District Road
32	71	1002290	102/9-10	Moradabad-Ghaziabad	Hapur-Vijhipur-Dayomi Road Km.-2	Other Road
33	2	882164		Ghaziabad-Saharanpur	Nehru Nagar-Jain Mandir	Other Road
34	26	530955	67/12-13	Meerut Cantt.-Meerut City	Meerut-Badot Marg	District Road
35	55	475854	89/1-25	Kharkhaunda-Meerut City		District Road
36	55	378048		Ghaziabad-Saharan pur		Other Road
37	41	362490	64/9-10	Hapur-Kharkhunda		Village Road
38	485	359764	1499/08-09	Najibabad-Fazalpur	Najibabad-Fazalpur Road (PWD)	Village Road
39	152A	317310		Delhi-Ghaziabad	NH-20 Dvdusbad Area Nagar Nigam	Other Road
40	92	312430	200/15-17	Sarsawa-Kalanour	Saharanpur-Brahaimpur Cholkane Marg PWD	Other Road
41	30	301064		Ghaziabad-Saharanpur		Other Road
42	35	276648	83/5-6	Pablikhas-Daurala	GZD-Saharanpur Marg Lucknow	District Road
43	218	270860	1076/3-4	Lucknow-Alambagh	Chawak-Alambagh PWD	District Road
44	74	270500	105/8	HaDur-Pikhuwa		Village Road
45	482	261231	1496/01-02	Murshadpur-Naiibabad	Najibabad-Kodwar Road (PWD)	District Road
46	45	184636	53/1-29	Gajraula-Kankather	Vilan Road	Village Road
47	175	165625	1025/1-2	Kundanganj-Bachhrawan	Bahraich Banda Marg	Village Road
48	176	151549	1066/5-6	Rasuali-Barabanki	Barabanki-Deva Fatehpur Marq, PWD	District Road
49	35	129053		Ghaziabad-Lucknow		Other Road
50	52	128950	85/5-6	Kharkhaunda-Meerut City	Meerut-Badaun Marg PWD	Village Road

Sl. No.	Crossing No.	TVU	Location	Rail Section	Name of Road	Category of Road
51	47	128750	76/1-2	Kharkhaunda-Meerut City	Kharkhunda-Moiddipur Marq PWD	Village Road
52	9	122730	24/7-8	Raja ka Sajaspur-Jargaon	Bilasi-Sirsi Marg	ODR PWD
53	1-A	122730		Moradabad-Chandausi		Other Road
54	51	119735	73/4-5-4	Kankather-Garmuktehwar	Garmukteshwar-Syana Road (PWD)	District Road
55	148	117750	993/11-12	Rupamau-Raibarilly	Lucknow Varanasi Road SH-36 (Now NH 24B)	SH
56	26	112558		Ghaziabad-Saharanpur		Other Road

Finance

It is understood that the UPSHA has been credited with a budget of 25 crore for the Financial Year 2008 – 2009.

3.2 WORK UNDERTAKEN BY UPSHA DURING PERIOD APRIL 2007 TO APRIL 2008

3.2.1. Procedures and Systems

In 2004 the decision was made to prepare Detailed Project Reports (DPR) and contracts awarded accordingly. Initially UPSHA adopted the NHAI guidelines. In May 2007 the Planning Commission, Government of India changed the strategy for implementation, so that now Feasibility Studies are required to be undertaken first.

Thus the staff at UPSHA have spent much of the last year producing procedures and systems to implement these changes. These guidelines have been accepted by the Chief Executive Officer and now require approval from the Chief Secretary. The request for approval was submitted in February 2008: formal approval is awaited.

3.2.2. Feasibility Studies on State Highways

The selection of Consultants for providing consultancy services for Feasibility Studies and preparation of project documents required to undertake upgradation / maintenance works on a Public-Private-Partnership basis is currently underway. The roads in question are listed in Table No. 8.

Table No. 8 : List of Roads Selected for Public-Private-Partnership Basis

Sl. No.	Name of Road	Road Category	Length [kms] entrusted to SHA
1	Kalpi- Hamirpur	SH N. 90	60
2	Bareilly-Baheri-Kichchha	SH No 37	64
3	Bilhaur-Rasulabad-Bela-Etawah	SH No 40	104
4	Raibareilly-Sultanpur-Azamgarh	SH No 34	215
5	Varanasi-Shaktinagar	SH No 5A	120

On 15th December 2007 the UPSHA had prepared requests for proposals for the above five road sections and are now considering award of contract.

3.2.3. Feasibility Studies on Railway Over Bridges

The UPSHA had prepared requests for proposals for 106 No. Railway Over Bridges as detailed in Table No. 6. These were split into three packages as per the Railway jurisdiction i.e. North-Central Railway, North-Eastern Railway, and Northern Railway. Bids were to be returned by 22nd April 2008. In the event no bids were received for two of the packages and only two bids received for the third package. UPSHA now seeking guidance on what to do since normally a minimum of three bids are required before any contract can be awarded.

3.2.4. Fixing of Tolls

Toll rates have not yet been finalised but the decision was taken to fix the rates on a per kilometre rate for the entire State of Uttar Pradesh. Thus the concession period and other parameters will be open for negotiation in Public-Private-Partnership. The Finance Department has given its approval, now a notification period is required.

4. IMPLEMENTATION OF PROPOSED STRATEGY

The implementation of the proposed strategy for UPSHA is given in Table No. 9.

Table No. 9 : Organisational Task Structure at Senior Level and Action Taken

Action/Task Number	Activity	Action to be Taken by	Action Taken During Period April 2007 to April 2008
Action/Task No 1	Select and/or confirm persons for the positions within the Authority of CEO and Member(s) Administration, Technical and Finance.	Steering Committee to undertake preliminary review and selection of potential candidates: final review and candidate selection by the Governing Council (GC)	Previous CEO replaced. Member Administration appointed No appointments made for posts of Member Technical or Finance
Action/Task No 2	Develop a clear mandate for the CEO and each member with contractual arrangements and period of tenure.	IDS cell to develop and present to Steering Committee for review and ultimate presentation to the Governing Council for endorsement	No clear mandate produced for CEO
Action/Task No 3	Review the UPSHA Act and identify the tasks that the SHA require to undertake. Prepare a "Mission Statement" and define objectives and scope of work.	Each Member individually and then as the Executive Committee pass agreement and submit to GC for agreement and endorsement.	Changes to guidelines governing actions of UPSHA by Planning Commission, Government of India. New procedures and systems prepared
Action/Task No 4	Prepare detailed short term and outline of proposed medium term work programme for roads entrusted to the Authority and for State Highways in general	Member Technical for endorsement by Executive Committee (EC)	Not done
Action/Task No 5	Review staffing requirements and prepare a short and medium term personnel staffing plan.	Member Administration in consultation with each member and CEO for endorsement by the EC	Not done

Action/Task Number	Activity	Action to be Taken by	Action Taken During Period April 2007 to April 2008
Action/Task No 5A	Develop/identify <ul style="list-style-type: none"> - grade and salary structure - identify grades for "deputation" and contract hire - terms and conditions for "deputation" and contract hire plus tenure, as applicable - methods for advertising and requirements of applicants - interviewing/selection procedures and protocols 	Member Administration in consultation with each member and CEO for endorsement by the GC	Not done
Action/Task No 6	Prepare job descriptions based on agreed staffing requirements/plan	Member Administration for endorsement by EC	Not done
Action/Task No 7	Identify office equipment needs and furniture requirements	Member Administration for endorsement by EC	Not done
Action/Task No 8	Prepare an operations budget plan for the SHA authority	Member Finance for endorsement by EC	Done
Action/Task No 9	Take the necessary steps to ensure that the "Uttar Pradesh State Highways Authority Fund" account is open and operational	Member Finance for endorsement by EC	Done
Action/Task No 10	Develop financial systems, operational procedures and control [for cash and 'fund' accounting], disbursement and monitoring etc.	Member Finance for endorsement by EC	Not complete
Action/Task No 11	Develop a proposal for a phased 'take-over' of the UP Core State Highways network	EC to present proposals to the Governing Council [GC] for discussion with PWD Steering Committee for final agreement and endorsement	Not done

5. CONCLUSIONS

The UPSHA is not fully operational and vital staff have not been appointed. Although they do have a clear mandate, in that they are authorised to collect tolls and enter into agreements in the form of Public-Private-Partnerships, there does not seem to be any sense of urgency.

The fact that they received only two bids for just one of the groups of railway over bridges is of considerable concern. The situation needs careful analysis to determine the reasons as to why two groups receiving no bids and the other received only two bids. The results point to fundamental flaws in the process which need to be addressed.

Unless UPSHA can be adequately staffed there would seem to be good reason to suspend operations. They are not in a position to consider performance based contracts. Their staff have no experience of these types of contract and it is debatable if the PWD State Highways are all in a maintainable condition which is generally a pre-requisite for performance based contracts, especially when they are being introduced and tested.

6. FOCUS GROUP MEETING

A meeting of Focus Group C was held on Wednesday 28th May 2008.

The Report was accepted but the request was made for the following points and comments to be included in the Final Report.

1. The Governing Council, the membership of which is detailed below, would appear to be 'top heavy'.

The Governing Council of UPSHA comprises

Chairperson	:	the Chief Minister
Vice Chairperson	:	the Minister, Public Works Department
Member	:	the Minister of Finance
Member	:	the Minister of Planning
Member	:	the Chief Secretary
Member	:	the Principal Secretary, Finance
Member	:	the Principal Secretary, Planning
Member	:	the Principal Secretary, Public Works Department
Member	:	the Engineer in Chief, Public Works Department
Expert Members	:	two [2] nominated by the Council
Member Convenor	:	Chief Executive Officer of UPSHA

It is very difficult to arrange a time when The Chief Minister, three Ministers, the Chief Secretary, and four Principal Secretaries can all be present, which is one reason why the Governing Council has not met since February 2005. For UPSHA to be operational it is proposed that a new General Council should be constituted in which the Chairperson would be the Minister, Public Works Department: other members can be appointed accordingly.

To this Mr. S. S. Ray, the TA Consultant's Legal Specialist, replied that this issue will be briefly dealt with in Report No. 26: Report to Submit Draft Legislation and associated recommendations to GoUP.

2. The Chief Engineer, IDS, Computerisation and IT Management, said that the Infrastructure Development Department (IDD) is the only department which can make decisions on PPP/ PSP in the State. The Principal Secretary PWD had written a letter to IDD pointing out that since UPSHA was formed by an Act of Legislature, they were free to operate without recourse to the IDD.

This proposal was rejected with the result that UPSHA now has to follow the new guidelines of the Infrastructure Development Department (IDD). In real terms this means that UPSHA has to start all over again and prepare a new procedures manual.

Any proposals prepared by UPSHA must be submitted to the IDD for approval. UPSHA is not free to function without prior approval of the IDD.

7. PRESENTATION TO PROJECT STEERING COMMITTEE

Report No. 39 : Report to implement medium-term 'PSP road projects plan'

FOCUS GROUP - C	
Sri Tribhuwan Ram	Engineer in Charge – HOD and Development
Sri Arvind Kumar Gupta	SE World Bank Circle, Lucknow
Sri Ashok Kumar Mishra	Executive Engineer, CD3
Sri Prem Prakash Pathak	Executive Engineer, CD4, [SRP-II] Kanpur
Sri S P Singh	World Bank Division 1, Lucknow
Sri Ashok Gupta	TY-DCU-1 [Roads], Lucknow
Sri Sanjay Kumar Srivastava	CD3, World Bank, Lakhimpur
Sri Shri Raj	UPSHA, Lucknow
Sri P K Saxena	EE, CD-3 Ghazipur
Sri Rajesh Kumar	UPSHA Lucknow
LEA International & LEA Associates South Asia Pvt. Ltd	
Mr Alan Stanbury	Team Leader



Report No. 39: Report to implement medium-term 'PSP road projects plan'

Terms of Reference (ToR) for the TA Consultant:

Reports Nos. 7 and 39 had the same title, "Implementation of Mid-Term 'PSP' Road Project Plans".

- Decision was taken to write two Reports: the first would detail the current situation and the second would be written one year later giving details of the progress made.
- Report No. 7 finalised – looked at progress to date i.e. May 2007 and identified the immediate short term actions required to be 'followed up'
- Report, No. 39 dated May 2008 and describes the progress made in the intervening year.
- The content of both these Reports relates to Report No. 22: 'Establishment of "Roads PSP Development" Functions and Cell with Specialised Partnership / s and Resources of PWD'.



Report No. 39: Report to implement medium-term 'PSP road projects plan'**Summary and Conclusions of Report No. 22**

“Development of ‘roads PSP (Private Sector Participation) development’ capabilities in PWD, in partnership with external expertise and, implementation of medium-term PSP roads project plan.”

(Source: ToR for TA for Implementing Institutional Reforms in the Road Sector of UP)

“GoUP [has] already established Uttar Pradesh State Highway Authority for PSP, privatisation and outsourcing. The ISAP consultants to study the present system and suggest some modifications, if necessary, for [the] smooth functioning of the Authority.”

(Source: IDS Action Plan – Aide Memoire World Bank April 2006)

No new Cell to be established for Roads PSP Development



Report No. 39: Report to implement medium-term 'PSP road projects plan'**UPSHA****Establishment and Organisation**

- Established on 13th August 2004 - UP Act No 1228(2)/VII-V-1-1(ka)17-2004
- A corporate body overseen by a Governing Council
- An Executive Committee shall administer the day to day running of UPSHA



Report No. 39: Report to implement medium-term 'PSP road projects plan'

OBJECTIVE OF REPORT NO. 39

The objective of this Report is to review and comment on the progress made by UPSHA as the vehicle for developing Private Sector Participation.

The methodology adopted was to record the status of UPSHA at April 2007 under the headings of 'Organisational' and 'Technical', to compare it with their current status, and to comment on the implementation of the Proposed Action Strategy given in Report No. 22



STATUS / PROGRESSOrganisational

The General Council has not met during the intervening year, and last met in February 2005. The last meeting of the Executive Committee was on 9th April 2008.



Report No. 39: Report to implement medium-term ‘PSP road projects plan’

Technical

Status at April 07	Status at April 08
<p>Nine State Highways, totalling some 1,250 kilometres, six were given to UPSHA in order to pursue PSP.</p>	<p>Six additional State Highways handed over to UPSHA increasing their total number from 9 to 15. Increase in length from 1,265 kms to 1,770 kms.</p>
<p>Six railway over bridges, were given to UPSHA in 2005.</p>	<p>In February 2008 UPSBC transferred 15 No. Category I Railway Over Bridges and 106 No. Category II Railway Over Bridges to UPSHA bringing their total to 127 No.</p>
<p>Procedures and Systems: Initially UPSHA adopted the NHAI guidelines. In 2004 decision made to obtain Detailed Project Reports but no contracts awarded.</p>	<p>Procedures and Systems: In May 2007 the Planning Commission, Government of India changed the strategy for implementation, so that now Feasibility Studies are required to be undertaken first.</p>



Technical

Status at April 07	Status at April 08
<p>Feasibility studies on State Highways:</p> <p>On 15th December 2007 UPSHA prepared requests for proposals for 5 road sections: now considering award of contract.</p>	<p>Feasibility studies on Railway Over Bridges:</p> <p>Prepared requests for proposals for 106 No. Railway Over Bridges. These were split into three packages as per the Railway jurisdiction i.e. North-Central Railway, North-Eastern Railway, and Northern Railway.</p> <p>Bids were to be returned by 22nd April 2008. In the event no bids were received for two of the packages and only two bids received for the third package. UPSHA now seeking guidance on what to do since normally a minimum of three bids are required before any contract can be awarded.</p>



Report No. 39: Report to implement medium-term 'PSP road projects plan'

- UPSHA is not fully operational and vital staff have not been appointed.
- The fact that they received only two bids for just one of the groups of railway over bridges is of considerable concern. The situation needs careful analysis to determine the reasons as to why two groups receiving no bids and the other received only two bids. The results point to fundamental flaws in the process which need to be addressed.
- UPSHA not in a position to consider Performance Based Contracts (PBC) –inexperienced staff
- PWD State Highways may not be in a maintainable condition which is a prerequisite for PBC



Report No. 39: Report to implement medium-term 'PSP road projects plan'**ACTION STRATEGY**

- UPSHA needs to be adequately staffed
- Implement the 'Actions' as described in TA Consultants Report No 22

