



The Yamuna Expressway

- The YE was conceived in 1997 as a dream project of Ms Mayawati, the then CM of UP.
- Amidst issues concerning land acquisition, various protests & litigations, the project took off in 2012.
- The project cost escalated from Rs 2500 cr in the Year 2000 to about Rs 10,000 cr as of Dec. 2010.

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List the different controversies regarding the YE model?

- ❑ **Non fixation of toll rates**
- ❑ **Location of townships**
- ❑ **Land acquisition and compensation costs:**
 - 4,100 hecs = 1,600 for expressway on BOT for concession period of 36 years + 2,500 for 5 townships to be leased out for 90 years period.
 - JAL was required to pay the LA cost plus Rs 100 per hectare per year for the land.
 - Initially, Govt. offered low rates to owners → protests till Jan. 2009 → Urgency clause invoked → denied farmers' to voice → Tappal conflict.

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List the different controversies regarding the YE model?

- ❑ **A new RR policy was introduced, which offered:**
 - Rs 2.4 lakh per acre (without annuity) or Rs 20,000 per acre for 33 years with an increase of Rs 600 per acre per year.
 - Rs 1.85 lakh for the farmer who had lost all his land
 - 25% shares in the company that acquired their land, if it was a private company acquiring the land.
 - 7% of reservation of land for farmers if the land was acquired for development.

However, the policy was applicable only to the Tappal farmers and not for others.

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List the different controversies regarding the YE model?

- ❑ **Benefits from related projects:**
 - The bid for the Ganga Expressway to Ballia is also bagged by JAL.
 - The agricultural land would now be used for urbanization because of rezoning.
- ❑ **Risks related to legal proceedings:**
 - The change of government led to stoppage of construction and inquiry from 2003-06.
 - There were allegations against the Mayawati.
 - Government on 250 acres land in Noida.
 - The CA permitted JIL to acquire land only within 100 m of the road.

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Identify the key takeaways to improve future projects

- ❑ **Land acquisition issues:**
 - Uncertainty about the land availability.
 - The notification for the entire land stretch could have been done in the beginning with all the RR matters being looked into before the invitation for bids.
- ❑ **Leveraging of land:**
 - Allegations against JAL as the land owners were offered low compensation for their land initially.
 - The benefits and problems of this pattern of leveraging could be taken this into consideration while offering the compensation for land to farmers.

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Identify the key takeaways to improve future projects

- ❑ **Lack of a performance guarantee:**
 - In such projects the concessionaire might need to compromise on the levels desired.
 - The authorities should give due consideration to this aspect of including a performance guarantee, while structuring the CA.
- ❑ **No protection against political risk:**
 - The three years project halt after the change in government in 2003, led to a fourfold increase in the costs.
 - Large scale projects tend to affect the political scenario.

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Identify the key takeaways to improve future projects

- ❑ **JAL's role:**
 - JAL was to develop the YE and five townships.
 - A possibility of favoritism could exist could be avoided if due consideration is paid at the time of structuring the CA.
- ❑ **Differential treatment in RR:**
 - Differential treatment to farmers.
 - An option to resolve the issue could be to offer land by estimation of its value 20 years down the line.

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Identify the key takeaways to improve future projects

- ❑ **Competition from other related projects:**
 - Competing for traffic from other corridors like NH 2 and NH 91
 - The Noida – GN metro line
- ❑ **Implications of reclassifying 1187 villages along the expressway as urban areas:**
 - The GoUP had rezoned the land adjacent to the expressway for urbanization.
 - This allowed land to be bought from farmers for purposes other than farming.

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- ❑ **Non fixation of toll rates:**
 - Once toll rates are fixed, applications are invited for development of the project.

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Arguments in favour and against the concept of land leveraging.

- ❑ Much more revenue was likely to be generated through the project of townships though it required 10% of the total cost to generate it.
- ❑ The 90 year lease period for development of townships ensured any shortfall in toll collection to be made up for the project to be financially viable.
- ❑ Leveraging land also aided the economic and industrial development of the region.
- ❑ It would also lead to creation of job opportunities in the region.

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Arguments in favour and against the concept of land leveraging.

- ❑ The leveraging of land only increased the complexity of land acquisition.
- ❑ Most of the farmers' agitation was against the acquisition of land for the townships and not the expressway.
- ❑ Agricultural land would be saved from being used for commercial purposes.
- ❑ The project could have been completed earlier as the number of litigations in the court would have been fewer.
- ❑ The natural environment would be less disturbed, thus resulting in green cover and less pollution.

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