



## HIMACHAL PRADESH ROAD AND INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED (HPRIDCL)

*Government of Himachal Pradesh*

### PROJECT INFORMATION DOCUMENT

## Progressive Roads for Agro-Logistics, Growth and Accessibility through Technology and Innovation (P R A G A T I)

Proposed Externally Aided Project

**Financed by the World Bank**

|                                           |                                              |
|-------------------------------------------|----------------------------------------------|
| <b>Sector</b><br>Roads & Agro-Logistics   | <b>Coverage</b><br>221 km across 5 districts |
| <b>Total Project Cost</b><br>₹2,754 crore | <b>Implementation Period</b><br>6 years      |

## Project at a Glance

|                               |                                                                                                                                                                                                                               |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Project Title</b>          | Progressive Roads for Agro-Logistics, Growth and Accessibility through Technology and Innovation (PRAGATI)                                                                                                                    |
| <b>Sector</b>                 | Roads and Transport / Agro-Logistics                                                                                                                                                                                          |
| <b>Implementing Agency</b>    | Himachal Pradesh Road and Infrastructure Development Corporation Limited (HPRIDCL)                                                                                                                                            |
| <b>State Government</b>       | Government of Himachal Pradesh                                                                                                                                                                                                |
| <b>Funding Agency</b>         | The World Bank                                                                                                                                                                                                                |
| <b>Total Project Cost</b>     | ₹2,754 crore                                                                                                                                                                                                                  |
| <b>World Bank Assistance</b>  | ~71.5% of project cost                                                                                                                                                                                                        |
| <b>State Government Share</b> | ~28.5% of project cost                                                                                                                                                                                                        |
| <b>Coverage</b>               | Approximately 221 km of priority road corridors                                                                                                                                                                               |
| <b>Districts</b>              | Hamirpur, Bilaspur, Kangra, Mandi and Shimla                                                                                                                                                                                  |
| <b>Implementation Period</b>  | Approximately 6 years                                                                                                                                                                                                         |
| <b>Current Status</b>         | Approved by DEA (February 2026); World Bank identification missions undertaken; DPRs and environmental & social studies at advanced stages; administrative approval and expenditure sanction accorded by the State Government |

## 1. Introduction and Background

Himachal Pradesh's economy rests substantially on horticulture, agriculture, dairy, fisheries and allied rural activities, yet the movement of produce from farm to market is constrained by gaps in all-weather road connectivity and a limited agro-logistics network. High transportation costs, post-harvest losses and weak first-mile linkages reduce the incomes realised by farmers, horticulturists and fishing communities across the State. PRAGATI has been conceived as a targeted intervention to strengthen this logistics backbone and unlock the untapped economic potential of production clusters across the State.

Rather than a conventional road-construction programme, PRAGATI integrates transport infrastructure with the State's agricultural economy. It combines the upgradation of strategically identified road corridors with dedicated logistics interventions, institutional strengthening, and the piloting of new first-mile connectivity technologies, so that improved roads translate directly into stronger rural livelihoods, lower logistics costs and better market access.

The initiative is aligned with national priorities including the PM Gati Shakti National Master Plan and the National Logistics Policy, which seeks to reduce the cost of logistics in India from an estimated 14–18% of GDP towards the global best-practice benchmark of about 8% through integrated infrastructure planning and logistics-efficiency enhancement.

### Project Origin and Approvals to Date

- A logistics study conducted under the earlier Himachal Pradesh State Road Transformation Project (HPSRTP) initially identified over 500 km of candidate roads across the State.

- Using a multi-variate prioritisation framework, approximately 221 km were prioritised for upgradation under PRAGATI, forming a balanced portfolio across horticulture-dominant regions, high-traffic transport corridors, industrial clusters and socio-economically sensitive zones.
- The project received approval from the Department of Economic Affairs in February 2026.
- The World Bank has since undertaken identification missions, and preparation of Detailed Project Reports (DPRs) and environmental and social studies is at an advanced stage.
- Administrative approval and expenditure sanction have been accorded by the State Government.

## 2. Project Aim, Objectives and Expected Outcomes

**Aim.** To develop an integrated, climate-resilient and economically efficient road network that enhances first-mile and last-mile connectivity across key production clusters in Himachal Pradesh, thereby linking transport infrastructure to the State's agricultural and rural economy.

### Key Objectives

- Provide all-weather connectivity to remote and underserved regions, improving access to markets and employment opportunities.
- Improve first-mile connectivity in high-value horticulture, agriculture, pisciculture and industrial regions, reducing travel time, easing transportation bottlenecks and strengthening logistics linkages.
- Reduce post-harvest losses and enhance farmer income realisation through better market linkages and agro-logistics infrastructure.
- Strengthen institutional capacity within the State's transport ecosystem and encourage private-sector participation in logistics infrastructure development.
- Develop climate-resilient road infrastructure capable of withstanding the State's geographical and climatic challenges.
- Align State logistics planning with the PM Gati Shakti National Master Plan and the National Logistics Policy.

### Expected Outcomes

- Approximately 221 km of priority road corridors upgraded and rehabilitated, significantly enhancing connectivity to agro-horticultural regions, industrial clusters and fishing communities.
- A dedicated institutional framework for logistics planning, coordination and monitoring, sustaining governance improvements beyond the project lifecycle.
- Critical viaduct and tunnel infrastructure constructed to improve alignment efficiency and resilience in vulnerable terrain.
- Enhanced accessibility and last-mile connectivity to industrial clusters in Gawalthai, Basdehra and the Bilaspur region.
- Strengthened connectivity to fishing communities around Gobind Sagar Lake, one of India's major reservoir fisheries.
- An integrated digital portal for real-time monitoring of warehouses, cold-storage capacity and logistics flows.

### 3. Project Components

PRAGATI is structured under three complementary pillars: institutional strengthening and logistics-efficiency enhancement; climate-resilient transport infrastructure development; and technology adoption and innovation. Together these ensure that road upgradation is embedded within a broader agro-logistics and governance framework.

#### Pillar 1 — Institutional Strengthening and Logistics-Efficiency Enhancement

- Mainstreaming of project management and monitoring systems developed under HPSRTP — such as the electronic Project Management System (ePMS), Early Warning Systems and the Road Asset Management System — to ensure their continued use and improvement.
- Capacity-building programmes for engineers, contractors and other project stakeholders to improve execution quality and sustainability.
- Engagement of a dedicated Project Management Consultant and sector experts through competitive procurement to ensure high standards of technical and financial oversight.

#### Pillar 2 — Climate-Resilient Transport Infrastructure Development

- Upgradation and rehabilitation of approximately 221 km of strategically identified corridors connecting horticulture zones, agricultural clusters, industrial centres and fisheries hubs.
- Engineering interventions such as viaducts and tunnels where necessary to optimise alignments, reduce environmental impacts, improve safety and lower lifecycle costs.
- Focus on drainage improvement, slope stabilisation and debris management to enhance resilience against climate-induced disasters.

#### Pillar 3 — Technology Adoption and Innovation

- Piloting of innovative first-mile connectivity solutions such as lightweight monorail or ropeway systems in suitable terrain, drawing on experience from comparable pilots elsewhere in the country.
- Development of digital platforms for real-time monitoring of warehouses, cold-storage capacity and logistics flows, including a State Logistics Platform / Application.
- Development of a pilot aggregation/storage centre, a district-level logistics park/processing unit, and infrastructure improvements around the Shri Naina Devi Ji Temple to support religious tourism and local livelihoods.

#### Priority Road Corridors

The prioritised road portfolio spans multiple districts and is being taken up in a phased manner. The indicative corridors and their configuration are summarised below.

| No. | Road Corridor                                                                                        | Total Length | Configuration           | Phase   |
|-----|------------------------------------------------------------------------------------------------------|--------------|-------------------------|---------|
| 01  | Nadaun–Dhaneta–Barsar–Shahtalai–Bhroli Kalan–Bagchal Bridge–Thapna (at NH-205)                       | 93 km        | 2-Lane + Paved Shoulder | Phase 1 |
| 02  | Kainchi Mod Junction–Shri Naina Devi Ji–Bhakra Dam, including spur/connecting roads (MDR-31, MDR-32) | 45.49 km     | 2-Lane + Paved Shoulder | Phase 1 |

| No. | Road Corridor                              | Total Length | Configuration           | Phase   |
|-----|--------------------------------------------|--------------|-------------------------|---------|
| 03  | Slapper–Tattapani–Suni–Luhri Road (MDR-22) | 18 km        | 2-Lane + Paved Shoulder | Phase 1 |
| 04  | Hamirpur–Sujanpur Road                     | 24 km        | 2-Lane + Paved Shoulder | Phase 2 |
| 05  | Sujanpur–Palampur Road                     | 40.51 km     | 2-Lane + Paved Shoulder | Phase 2 |

*Note: The Hamirpur–Sujanpur and Sujanpur–Palampur stretches together form the ~64.51 km Hamirpur–Sujanpur–Palampur corridor. Corridor lengths, alignments and phasing are indicative and subject to confirmation at the DPR stage.*

## 4. Cost Estimate and Financing Arrangement

The total estimated cost of the PRAGATI project is ₹2,754 crore. Of this, about 71.5% is proposed as assistance from the World Bank, with the Government of Himachal Pradesh contributing the remaining 28.5%. All financial figures are indicative at the present stage of preparation and are subject to refinement during detailed project design and appraisal.

### Indicative Financing Plan

| Source                         | ₹ Crore      | Share       |
|--------------------------------|--------------|-------------|
| World Bank Assistance          | ~1,969       | 71.5%       |
| Government of Himachal Pradesh | ~785         | 28.5%       |
| <b>Total</b>                   | <b>2,754</b> | <b>100%</b> |

*Note: The multilateral and State shares (71.5% / 28.5%) are as per the current project concept; the indicative rupee split shown is derived from the total project cost and is subject to change during negotiation, including on account of foreign-exchange variation and final financing terms.*

## 5. Implementation Arrangements

**Executing / Implementing Agency.** HPRIDCL will be the implementing agency, responsible for project management, procurement, construction supervision and coordination with line departments — including the Departments of Agriculture, Horticulture, Animal Husbandry and Fisheries — and other agencies. The project management and monitoring systems established under HPSRTP will be leveraged and strengthened.

**Implementation Period.** The project is proposed to be implemented over approximately six years, with corridors taken up in phases. Phase 1 comprises the Nadaun–Thapna, Kainchi Mod–Naina Devi–Bhakra and Slapper–Tattapani–Suni–Luhri corridors, while the Hamirpur–Sujanpur–Palampur stretches fall under Phase 2 as their DPRs are finalised. DPRs for over 50% of the prioritised roads were targeted for completion by March 2026.

**Procurement.** Works and consultancy services will be procured in accordance with the World Bank's procurement framework and applicable Government guidelines. Design, third-party design review, project management and construction supervision consultancies are being packaged and phased to align with corridor readiness, with tendering for priority components targeted to commence from October 2026.

## Indicative Consultancy Procurement Packages

| No. | Procurement Package                                                                                      | Indicative Cost | Tentative Start | Duration  |
|-----|----------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------|
| 01  | Consultant for the Agro-Logistics System Development Study along PRAGATI roads                           | ₹3.0 Cr + GST   | July 2026       | 12 months |
| 02  | Third-Party Design Review of the PRAGATI DPRs (premier transport/academic institute)                     | ₹2.0 Cr + GST   | July 2026       | 12 months |
| 03  | Project Management Consultant (PMC)                                                                      | ₹30.0 Cr + GST  | October 2026    | 60 months |
| 04  | Construction Supervision Consultant (CSC)                                                                | ₹25.0 Cr + GST  | March 2027      | 60 months |
| 05  | Consultant for the Integrated Road Safety and Asset Intelligence Centre (IRSAIC), Hamirpur               | ₹35.0 Cr + GST  | January 2027    | 36 months |
| 06  | Logistics Interventions Implementation Support Consultant (incl. State Logistics Platform / Application) | ₹5.0 Cr + GST   | July 2027       | 24 months |

*Procurement packages, timelines and costs are indicative and subject to revision during project preparation and appraisal. The Terms of Reference for the Agro-Logistics Study and the Third-Party Design Review have been cleared by the World Bank for direct selection.*

## 6. Environmental and Social Safeguards

PRAGATI is being designed with a strong emphasis on climate resilience, environmental sustainability and social inclusion. Environmental and social due diligence will be carried out in accordance with the World Bank's Environmental and Social Framework and applicable national and state regulations, including the norms of the Ministry of Environment, Forest and Climate Change. Environmental and social studies are being progressed alongside the DPRs.

### Environmental

- Environmental and social assessments and management plans will be prepared as part of project preparation, in line with World Bank safeguard requirements.
- Climate-resilient design features — enhanced drainage, slope stabilisation, debris management and durable materials suited to high-altitude, high-rainfall conditions — will be integral to corridor design.
- Viaducts and tunnels will be incorporated where necessary to optimise alignments and minimise tree cutting, surface disruption and environmental impact.
- Relevant environmental and forest clearances will be identified and processed during the DPR stage.

### Social and Community

- The extent of land acquisition will be assessed during DPR preparation, with Resettlement and Rehabilitation provided as per applicable norms and guidelines, supported by social impact assessment.
- Stakeholder and community consultations will be undertaken along the corridors, engaging farmer, horticulturist, dairy and fishing communities within the project influence area.
- Local employment opportunities will be generated during construction and operation, with attention to inclusion of women and vulnerable groups.

## 7. Beneficiaries and Anticipated Benefits

The primary beneficiaries of PRAGATI are the rural communities, farmers, horticulturists, dairy producers and fishing societies located within the influence area of the project corridors, together with industrial clusters, traders and road users across the five project districts. Illustrative of the corridor-level potential, the Nadaun–Thapna corridor alone spans about 110 villages across Hamirpur and Bilaspur, benefiting an estimated 33,000-plus people, including around 8,200 farmers, 48 HP-SHIVA horticulture clusters, a buffalo-dominated dairy economy, and 13 fishing societies with over 720 fishermen around Gobind Sagar reservoir.

At the network level, the project is expected to reduce transportation costs and post-harvest losses, improve farmer and fisher income realisation, strengthen first-mile and last-mile logistics for agriculture, horticulture, dairy, fisheries and industry, and support religious tourism around the Shri Naina Devi Ji Temple. By embedding logistics planning and digital monitoring within a strengthened institutional framework, PRAGATI aims to deliver benefits that endure beyond the construction period.

## 8. Current Status and Way Forward

Following approval by the Department of Economic Affairs in February 2026, the project has advanced through World Bank identification missions, with DPRs and environmental and social studies at advanced stages and administrative approval and expenditure sanction accorded by the State Government. The immediate priorities are finalising DPRs and clearances for Phase 1 corridors, engaging the early consultancy packages, and commencing tendering for priority components.

- Engagement of the Agro-Logistics Study, Project Management and Construction Supervision consultants is being undertaken in a phased procurement plan.
- Commence tendering for priority (Phase 1) components from October 2026 onwards.

## 9. Contact for Further Information

Members of the public seeking further information on the PRAGATI project may contact:

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|----------------------------|----------------------------------------------------------------------------------|
| <b>Implementing Agency</b> | Himachal Pradesh Road & Infrastructure Development Corporation Limited (HPRIDCL) |
| <b>Office</b>              | Director (Projects), HPRIDCL, Shimla, Himachal Pradesh                           |
| <b>Telephone</b>           | 0177-2627602                                                                     |
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| <b>Funding Agency</b>      | The World Bank                                                                   |

**Disclaimer:** This Project Information Document is prepared for public disclosure at the project-preparation stage. All figures, alignments, timelines and arrangements are indicative and subject to change during detailed project design, appraisal and negotiation with the World Bank.