Delhi Noida Direct Flyway^(c)

Over 30% of Delhi's population lives on the eastern side of the river Yamuna. Vehicular traffic across the river Yamuna to Delhi is served by several links. One is the Delhi Noida Direct (DND) Flyway, which is owned and operated by the Noida Toll Bridge Company Limited.

Two government- owned and operated bridges compete with the DND Flyway. The Nizamuddin Bridge lies upstream and carries about 135,000 PCUs per day. The Okhla Barrage lies downstream and carries 85,000 PCUs per day. At peak times, the government bridges operate at full capacity. The government bridges lack resources for maintenance and expansion of capacity.

The DND Flyway was opened in February 2001. The Flyway is 6 km long and comprises eight lanes. It has interchanges with the Ring Road at the western end and the Delhi-Noida link road at the eastern end. The Flyway includes a 552 metre long bridge with 13 spans.

Traffic on the DND Flyway has grown steadily to exceed 50,000 vehicles per day. Consultants Halcrow remarked that recent traffic growth had exceeded forecasts for two reasons. One was substantial commercial development in the Noida area. Another was the sharply rising price of fuel. Higher fuel prices have increased the monetary benefit to drivers who use the DND Flyway and reduce distance traveled.

Toll rates on DND Flyway are revised annually according to changes in the Consumer Price Index (CPI) for urban non-manual employees. The adjustment is based on the increase in CPI, but rounded off to the nearest rupee for two-wheelers and cars and to the nearest 5 rupees for other classes of vehicles.

Initially, the Flyway gave substantial discounts to vehicles using electronic toll collection. Over time, these discounts have been reduced and now vary from 5 to 22% for the various classes of vehicle. The rate of electronic payment is 19.2% among two-wheelers, 32.8% among cars, and between 0% to 19.5% among other classes of vehicles.

In 2005, the Flyway carried an average of 52,838 vehicles daily, comprising 14,587 two-wheelers, 37,040 cars, and 1,211 buses and trucks. Average revenue per vehicle was 13.94 rupees. The corresponding numbers for 2004 were 47,552 vehicles per day and 12.92 rupees. The capacity of the Flyway

⁽c) 2006, I.P.L. Png. This case is based in part on Fairwood Consultants, "Residential Development on Noida-Greater Noida Expressway – Traffic Impact Study", December 2004 and Halcrow Consulting India Limited, "Noida Toll Bridge Company Limited: DND Flyway Traffic Forecast Validation and Revenue Forecasts", February 2006.

is the minimum of the capacities of the toll plaza (11,500 PCU per hour) and road (8,900 PCU per hour in each direction).

Despite the sustained growth of population and commercial developments east of the Yamuna, the Noida Toll Bridge Company Ltd has incurred persistent losses. In 2005, the Company generated revenue from all sources of 290.08 million rupees but incurred a loss of 91.09 million rupees before depreciation and taxes.

Noida Toll Bridge Company Ltd Profit/loss (Million rupees)

	2005	2004
Operating revenue	290.08	226.34
Operating expenditure	91.05	80.34
Operating profit	199.03	146.00
Interest	290.12	279.12
Gross profit (before depreciation and taxes)	(91.09)	(133.12)

In 2005, the estimated population of Noida and Greater Noida was 660,000. By 2007, this was estimated to grow by 128,266 and generate 2,212 additional daily trips on the DND Flyway.