

IL&FS crisis deals fresh blow to Ladakh road link

All-Weather Tunnels To Cost ₹1,400cr More, Take 6-7 Years

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New Delhi: The endless wait for all-weather connectivity to Ladakh just got longer, due to the crisis at IL&FS, pushing up the cost by over 20%, or around Rs 1,400 crore, to over Rs 8,200 crore.


With the road transport and highways ministry ousting the troubled concessionaire for the strategic projects — Zoji La and Z-Morh tunnels — it could take another six-seven years for the the 20.5-km tunnels on NH-1A, connecting Srinagar with Leh, to be completed.

The Zoji La project is headed back to the Cabinet for fresh approval due to the cost increase after bids were invited, officials said. In January 2018, when the Cabinet had approved the Zoji La project, it was estimated to cost Rs 6,800 crore.

So far, the Z-Morh tunnel is only 37% complete, while the Zoji La is yet to see any action on ground.

This is despite Prime Minister Narendra Modi himself laying the foundation stone for the Zoji La tunnel in

TALE OF TUNNELS

ZOJILA TUNNEL		Z-MORH TUNNEL
14.08 km		6.5 km
First in-principle approval 2005		First in-principle approval 2005
Project cleared by Cabinet Jan 3, 2018		Work started May 2015
Work started by PM Modi May 19, 2018		Status Project terminated in 2019; Fresh bids invited; 4 bids received
Status Project terminated in 2019; Fresh bid invited; Tender cancelled due to high cost escalation		

May 2018. Going by the current calendar, the projects will now only be ready around 2025 — two decades after they were conceptualised.

Both the projects were bagged by IL&FS Transportation Network Ltd, a subsidiary of the beleaguered infrastructure major IL&FS. The state-owned National Highways and Infrastructure Development Corporation (NHIDCL), which is responsible for building highways in hill states and the northeast, terminated the contracts earlier this year.

While the 6.5 km Z-Morh project was bagged by a consortium of ITNL and Soma Isolux, the 14-km Zoji La tunnel had gone to ITNL.

Sources said the revised estimate includes the escalation in labour cost, price of raw materials and a new component of “fire safety rating” which has been incorporated in the project.

“This additional feature will allow transportation of oil and gas tankers to use the tunnel. This is essential since the tunnel has been planned to provide round-the-year connectivity to transport man and material. This component will require about Rs 300 crore expenditure,” said an official.

As of now, there has been no work on the ground at the Zoji La tunnel while the physical progress at the Z-Morh tunnel is about 37%. Officials said that in the case of Z-Morh, NHIDCL has received four bids and it will soon award the work. It will take around four years to complete the remaining works.

Completing the two projects is crucial to push development in what would soon become the Union territory of Ladakh. The region remains cut off for nearly six months by land route due to heavy snow.