

FIRST

[A Road Too Far?]

BANGALORE'S AUTOBAHN

FAR FROM his 18th-century colonial mansion in Philadelphia, Ashok Kheny has been waging a ten-year battle to build a \$600 million, 111-kilometer toll road connecting Bangalore to Mysore, the second-largest city in the state of Karnataka.

His opponents: Indian environmentalists who have labeled the project a land grab, and local politicians reluctant to give up property they own or control. The road, about 40% completed, may be called NICE (for Nandi Infrastructure Corridor Enterprises), but getting it built has been far from that.

The project, which includes the construction of five new townships, a convention center, and a bypass road—a \$4 billion development in all—was conceived in 1995 as a way of easing congestion in Bangalore, the hub of India's tech revolution. The city's population has grown from 200,000 in the 1960s to 7.5 million today, with 500 vehicles a day added to already crowded roads.

But getting things done in India is never easy. Kheny, a 56-year-old serial entrepreneur and managing director of the project, has spent a decade obtaining the required permits, pushing 18 legislative acts through congress, and fighting more than 300 writs and three supreme court appeals trying to stop the project. He has seen seven Prime Ministers and 15 public works ministers come and go. Ask Kheny what took so long, and his reply is blunt: "Corruption. There are too many payoffs involved."

Kheny says his refusal to pay any bribes slowed things down. Others say the delays had more to do with bureaucracy. "Too many agencies come in play when it comes to any

decision-making, and there is a lack of coordination among these agencies," says Mohandas Pai, head of human resources at Infosys Technologies, who along with other IT chieftains has been trying to improve Bangalore's infrastructure. Still others say the problem has to do with a lack of urban planning. "There's not a single qualified urban planner in the government," observes V. Ravichandar, CEO of Feedback Consulting and a former member of a Bangalore infrastructure task force. All agree that if land acquisition procedures were more transparent, infrastructure projects would see the light of day much faster.

But opponents of the project, which is being funded by a consortium of a dozen Indian banks, have a different view. "He is acquiring more land than is necessary for the project and displacing poor farmers," says Leo Saldanha, coordinator of the Environment Support Group, an Indian organization fighting the project. Similar charges about excessive land acquisitions by developers have been made across India as land prices have shot up.

Kheny, who made a fortune in the U.S. by starting engineering construction companies that laid fiber-optic cable networks, denies buying more land than the project requires. And he says that far from displacing farmers, the road will make them rich. "We are not only trying to construct a world-class infrastructure project that would decongest the city, shorten the commute, and encourage companies to go beyond Bangalore," says Kheny, "but we are also creating millionaires out of thousands of poor and illiterate villagers."

"THERE'S NOT A SINGLE URBAN PLANNER IN THE GOVERNMENT."



A MAN, A PLAN
Ashok Kheny (above) has spent a decade trying to build a highway in India.

Typically, Kheny explains, villagers own three to ten acres of land but remain poor because the land has little agricultural or residential value. He says he not only paid double the market rate but also gave sellers 2,400 square feet of land near the new townships for each acre he bought. A villager who sold ten acres would have ten such sites. "At the current price of \$125,000 per site," says Kheny, "he is worth a million-plus dollars."

The last hurdle was cleared in early November with a supreme court decision allowing the project to continue. When the toll road is completed in 2008, it will be the autobahn of Bangalore, allowing heavy trucks and other vehicles to bypass the city. More important, the integrated corridor project will create green areas out of barren lands, generate employment in the new townships, and lessen the burden on the city's infrastructure.

Opponents of the project say most commuters will not be willing to pay the 2-cents-a-kilometer toll. But P.B. Mahishi, Karnataka's special secretary who is also in charge of the state's public works projects, thinks otherwise: "When people want to drive on good roads, they will pay." —*Sufia Tippu*