

What is meant by Hybrid Annuity Model? How do the recently changes in the model contribute to the development of road sector in the country? Explain

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Hybrid Annuity Model (HAM) is the type of Public Private Partnership (PPP) where the Government (Govt) take all the major problems like land acquisition, registration and the pvt. sector has to deal with the technical work like construction & etc.

The profit or the revenue is distributed among the Govt and the pvt. in 40:60 ratio where 60% is for pvt. sector and 40% is for Govt sector.

★ Contribution in Development :

→ It holds the project of approx. ₹ 1 lakh crore over the period of ~~FY 20~~ FY 25 - FY 25.

→ The total construction is approx. 46-50% of the total project which cover 2932 km.

→ These are imp. highway and routes which help in economic develop, transport, employment and etc.

→ There has been increase the no. of
project from FY 16-17 to FY 20-21

→ the increase or growth in every year
was around 1.6% to 3.5%.

★ Recent Changes in the Model to

→ The Bank rate ^{of money} for the cost of used
on project has been reduced to gain
been easily

→ The installment time is has also
increased from 5 times to 10 times
with proper and req. interest

→ The Commercial bank plus 1.2% bank
rates have equal with interest rate

→ These steps have done to recover the
economy and avoid adverse impact
of COVID-19.

Conclusion!

The changes done for the betterment and
better growth for the PPP Model and
faster to bring the economy and development
on track after the adverse impact of
COVID-19 on economy.