

No. H-25011/05/2025-Toll (E- 255443)
Government of India
Ministry of Road Transport & Highways
(Toll Section)
Transport Bhawan, 1, Parliament Street New Delhi -110001

Dated the 01st September, 2025

To,

1. The DG (RD) & SS, MoRT&H, New Delhi
2. The Chairman, NHAI, New Delhi-110075
3. The Managing Director, NHIDCL, New Delhi

Subject: Finalization of Concessionaire Compensation Mechanism due to implementation of Annual Pass Facility on NHs-reg.

Reference: Ministry's OM of even No. dated 02nd July, 2025

Sir,

In continuation to the Ministry's OM dated 02.07.2025 cited under reference, the Government has amended the National Highways Fee (Determination of Rates and Collection) Rules, 2008, vide the Gazette amendment Notification No. G.S.R. 388 (E) published on 17th June, 2025. The amendment introduces sub-rule 3(B) under rule 9, an Annual Pass for non-commercial cars, jeeps, and vans, which has come into effect from 15th August, 2025.

2. Further, after due deliberations, the concessionaire compensation mechanism due to the implementation of the Annual Pass facility on National Highways (NHs), is finalized as follows along with certain guiding principles as mentioned in para-3 below:

$$\text{Daily Compensation} = A \times \text{NAP} \times F$$

Where:

A = Plaza Constant

NAP = Number of Annual Pass Transactions

F = Single Side Fare of Car/Jeep/Van applicable on the day

A = Monthly Average of $[R_m / (T_m \times F_m)]$ over April, 2024 to March, 2025

or:

A = $(1/12) \times \sum [R_m / (T_m \times F_m)]$ for m = April, 2024 to March, 2025

Where:

R_m = Total ETC Revenue from car/jeep/van in month m of Financial Year 2024-25 (single journey, return journey, monthly pass - 50 trips)

T_m = Total ETC Transactions of car/jeep/van in month m of Financial Year 2024-25 (single journey, return journey, monthly pass - 50 trips)

F_m = Single Side Fare of car/jeep/van in month m of FY 2024-25

3. Further, the limitation and adjustment for the compensation are as follows:
- Individual Vehicle Compensation Limit: The Compensation for individual vehicle shall be limited to 2 crossings per vehicle per day even if the vehicle crosses the plaza multiple times.
 - Quarterly Reconciliation for Adjustment of Exempted Vehicles: The total compensation shall be reconciled every quarter starting October-December 2025 to account for any reduction in exempted vehicles as under:

$$P' = P - [50\% \times (E_p - E_c) \times T_q \times F] \quad \text{if } E_p > E_c$$

$$P' = P \quad \text{if } E_p \leq E_c$$

Where

P' = Reconciled compensation for Quarter under consideration

P = Compensation for Quarter under consideration calculated by above Formula

$E_p = \frac{\text{(Total Exempted Car / Van / Jeep in same Quarter of FY 2024-25)}}{\text{(Total ETC Transactions of Car / Van / Jeep in Same Quarter of FY 2024-25)}}$

$E_c = \frac{\text{(Total Exempted Car / Van / Jeep in same Quarter of current FY)}}{\text{(Total ETC Transactions of Car / Van / Jeep in Same Quarter of current FY)}}$

T_q = Total ETC Transactions of Car / Van / Jeep in same Quarter of current FY

F = Single Side Fare of Car / Jeep / Van in same quarter of current FY

- The first quarter for reconciliation may be considered from launch of Annual Pass up to 30.09.25.
4. It is further informed that the compensation mechanism may be reviewed after 31.03.2026, based on the emerging trends and adoption levels of the Annual pass.
5. This issues with the approval of **Competent Authority**.
Encl.: As stated above.

Yours sincerely,



(Shantanu Bhattacharjee)

Under Secretary to the Govt. of India

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5. PPS to AS (Highways / Toll), MoRT&H
6. PS to CGM (Commercial Operation), NHAI
7. Director (NIC) - with a request to upload this on website.