

**METHODOLOGY FOR ESTIMATING INVESTMENT IN ROADS**

This annexure is an illustration of the working of the framework for prioritisation suggested in section 5 of the sector paper on transportation. It may be noted that this illustration is based on hypothetical data and is aimed to highlight the working of the framework.

Rural and District Roads (A working example)									
		Project Ranking							
Parameter	Weightage	A	B	C	D	E	F	G	H
Villages connected	10	8	6	5	2	7	1	3	4
Impact on people	15	3	8	4	1	5	7	6	2
Capital Investment	15	1	5	8	2	7	5	3	6
Labour Commitment	10	5	7	2	4	1	6	3	8
Access to Mandis/Markets		5	2	6	1	7	3	8	4
Vehicular Traffic	20	6	8	3	1	5	4	7	2
Access to Government Institutions	10	5	1	7	8	2	4	6	3
Environmental Impact	10	5	3	8	6	1	4	2	7
Impact on the tribal population	10	6	2	5	3	4	8	1	7
<b>TOTAL SCORE</b>	<b>100</b>	<b>470</b>	<b>545</b>	<b>510</b>	<b>295</b>	<b>430</b>	<b>490</b>	<b>425</b>	<b>450</b>

The working of the model is as follows:

- ◆ 8 projects (A-H) have been taken for the purpose of illustration
- ◆ These projects have been analysed along 9 parameters. Each parameter has been assigned a weightage depending upon its relative importance
- ◆ Each of projects has been ranked on a scale of 1-8 on each of the parameters on a relative basis. 8 indicates the top rank and 1 indicates the lowest rank
- ◆ The final score is the sum of the weighted score of the ranks under each. As can be seen, as part the prioritisation model, project B should be allocated the highest priority followed by project C and F

It is important to note that the project ranking could change if the number of parameters is different or the weightage assigned to each parameter is changed.