

**GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

STARRED QUESTION NO:125
ANSWERED ON:25.02.2009
COST OVERRUN IN PROJECTS UNDER NHDP
Suman Shri Ramji Lal

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Government has recently enhanced the cost of projects being implemented under the National Highways Development Project (NHDP) as reported in The Economic Times dated 26 January, 2009;
- (b) if so, the details thereof along with the reasons therefore; and
- (c) the steps being taken by the Government to achieve the targets fixed for development of the National Highways?

Answer

THE MINISTER MINISTRY OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU)

(a) to (c) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 125 FOR ANSWER ON 25TH FEBRUARY, 2009 ASKED BY SHRI RAMJI LAL SUMAN REGARDING COST-OVERRUN IN PROJECTS UNDER NHDP.

(a) and (b) Government has approved increase in Total Project Cost (TPC) by 20% and 10% for the projects under the National Highways Development Project (NHDP) for which the project reports were prepared in 2006 and 2007 respectively, with a view to improve the bankability of these projects offered for bidding on Public Private Partnership (PPP) mode and also keeping in view substantial increase in price of key inputs. The details of various projects and the increase in Total Project Cost are indicated in Annexure-I.

(c) The details of steps taken by the Government to achieve targets fixed for development of the National Highways are given at Annexure-II.