

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

STARRED QUESTION NO:449

ANSWERED ON:04.08.2009

INCREASE IN COST OF ROAD CONSTRUCTION

Sharma Shri Jagdish;Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether the construction cost of National Highways has increased due to the delay in execution of various projects;
- (b) if so, the percentage increase thereof and the average construction cost of roads during each of the last three years and the current year;
- (c) whether rise in the prices of the raw materials used in the construction is a major reason behind the increase;
- (d) if so, the details thereof alongwith the other reasons attributed for rise in this regard; and
- (e) the steps taken / proposed to be taken by the Government thereon?

**Answer**

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS (SHRI KAMAL NATH)

(a) & (b) Yes, Sir. Construction cost of some National Highway projects has increased due to delay in execution. Cost of construction of National Highways (NHs) depends upon the nature of work and as such, there is no unique average cost of construction of NHs. Reply to parts (c) to (e) is given in Annexure which is laid on the Table of the House.

**ANNEXURE**

ANNEXURE REFERRED TO IN REPLY TO PART (a) AND (b) OF LOK SABHA STARRED QUESTION NO. 449 TO BE ANSWERED ON 4th AUGUST, 2009, ASKED BY SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH AND SHRI JAGDISH SHARMA REGARDING INCREASE IN COST OF ROAD CONSTRUCTION

(c) & (d) Yes, Sir. Besides cost of materials, cost of equipments and plants, cost of labour etc. are the other reasons attributed for rise in the project cost. The extent of escalation depends upon nature of work and the contract provisions.

(e) Steps taken for expeditious implementation of the projects includes; regular monitoring at various level, appointment of nodal officer in each State for coordinating land acquisition, shifting of utilities and obtaining various clearances, simplification of process of issue of notification for land acquisition, appointment of an officer of Railways in National Highway Authority of India to coordinate with Railways, grant of advances to the Contractors and punitive action against the non-performing Contractors.