

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
RAJYA SABHA
UNSTARRED QUESTION NO - 1231
ANSWERED ON - 30/07/2025

PENDING WORKS AND RISING COSTS IN NH PROJECTS

1231. SHRI SANDEEP KUMAR PATHAK:

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

- (a) whether it is a fact that more than 400 National Highway projects remain pending despite repeated extensions till March 2025, if so, the reasons therefor and the details thereof;
- (b) whether there has been a cost overrun exceeding 35 per cent in these projects on account of delays in land acquisition, contract execution and administrative bottlenecks;
- (c) whether any independent audit has been conducted to ascertain accountability for the stalled projects; and
- (d) whether Government has made any improvements in the approval process to prevent such systemic failures, if so, the details thereof?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) Completion of about 489 projects, originally scheduled to be completed within March 2025, are pending due to land acquisition, forest/wildlife clearances, railway approvals, utility shifting, and other issues like contractor's slow progress, force majeure events, etc. The government is making all efforts to resolve the pending issues in close coordination with the State Governments and other stakeholders, to complete these projects.

(b) & (c) Cost overrun has been incurred in some of the delayed projects due to various factors like enhanced cost of compensation for land and structures, price escalation, Goods & Services Tax (GST) impact, additional VUPs/PUPs on public demand or otherwise, change in General Arrangement Drawing (GAD)/design for Road Over Bridges/Road Under Bridges (ROBs/RUBs) to meet the Railway standards, etc. However, there is no cost overrun on aggregated basis to the extent of 35%.

If projects are inordinately delayed due to some reasons and further progress under the ongoing contract is not envisaged, the contract is terminated/foreclosed and re-awarded, with or without modification in the project configuration.

(d) In order to avoid time and cost overrun in projects and prevent contractual disputes, the Ministry of Road Transport and Highways have issued a policy circular on 06th May, 2025 laying down milestones for land acquisition and Forest/Wildlife clearances, to be adhered by all project implementing agencies, for approval, award and declaration of appointed dates.
