

Q) The investments in road infrastructure have huge multiplier effect in the country. Justify the statement

Roadways are nervous system of economic growth, better maintenance is essential to achieve \$5 trillion economy.

India road infrastructure have had problems like

- ↳ Traffic congestion
- ↳ Unscientific planning - signals, humps
- ↳ Poor maintenance - potholes, drainage
- ↳ specialized corrodent

If investment is made properly then it offers benefits

- ✓ Free flow of labours creates a knowledge spillovers & brings out employment opportunity
- ✓ If India spends 13% of GDP as logistic cost, which is much higher than developed economy, if can be brought down to global average leads to ease of doing business
- ✓ As commute time to work plays affect the productivity, for example Bangalore being slower 22 km per hour people threatened to leave city if traffic problem not solved

- ✓ Bad road condition affect fuel cost, loss of labour hour & health of commuters
- ✓ Short & cheaper commute helps to attract skilled labour & it will enhance economy
- ✓ with less transportation time & cost of goods production increases & leads to higher export earnings
- ✓ Better managed roads bring commutes confidence & then willing to pay taxes
Ex:- estimated that every 1 km good condition road can bring ₹430 per capita revenue to ULB.

Government of India in last 8-10 years investing huge amount in road infra through programmes like implemented FASTags in toll plaza, sagarmala, parvansh & recent BHATI shakti yojna