

Cabinet approves construction of 4-Lane Paramakudi - Ramanathapuram Section (NH-87) in Tamilnadu worth Rs.1853 crore

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The Union Cabinet has approved construction of 4-Lane Paramakudi - Ramanathapuram Section (46.7 km) in Tamilnadu. The project will be developed on Hybrid Annuity Mode (HAM) at a total capital cost of Rs.1,853 crore.

Currently, connectivity between Madurai, Paramakudi, Ramanathapuram, Mandapam, Rameshwaram, and Dhanushkodi is dependent on existing 2-lane National Highway 87 (NH-87) and associated State Highways, which experience significant congestion due to high traffic volumes, especially in densely populated stretches and key towns along the corridor. To address these challenges, the project will upgrade approximately 46.7 km of NH-87 from Paramakudi to Ramanathapuram to a 4-lane configuration. This will decongest the existing corridor, improve safety, and cater to the mobility needs of rapidly growing towns such as Paramakudi, Sathirakudi, Achundanvayal and Ramanathapuram.

The project alignment integrates with 5 major National Highways (NH-38, NH-85, NH-36, NH-536, and NH-32) and 3 State Highways (SH-47, SH-29, SH-34), providing seamless connectivity to key economic, social, and logistics nodes across southern Tamil Nadu. Additionally, the upgraded corridor will enhance multi-modal integration by connecting with 2 major Railway Stations (Madurai and Rameshwaram), 1 Airport (Madurai), and 2 minor ports (Pamban and Rameshwaram), thereby facilitating faster movement of goods and passengers across the region.

Upon completion, the Paramakudi-Ramanathapuram section will play a pivotal role in regional economic growth, strengthening connectivity between major religious and economic centers, boosting tourism to Rameshwaram and Dhanushkodi, and opening new avenues for trade and industrial development. The project will also generate approximate 8.4 lakh person-days of direct and 10.45 lakh person-days of indirect employment, and will open new avenues of growth, development and prosperity in surrounding regions.

Map of Corridor



Appendix - I: Project Details

Feature	Details
Project Name	4-Lane Paramakudi - Ramanathapuram Section
Corridor	Madurai – Dhanushkodi Corridor (NH-87)
Length (km)	46.7
Total Civil Cost (Rs. Cr.)	997.63
Land Acquisition Cost (Rs. Cr.)	340.94
Total Capital Cost (Rs. Cr.)	1,853.16
Mode	Hybrid Annuity Mode (HAM)
Major Roads Connected	National Highways - NH-38, NH-85, NH-36, NH-536, and NH-32 State Highways - SH-47, SH-29, SH-34
Economic / Social / Transport Nodes Connected	Airports: Madurai, Ramnad (Naval Air Station) Railway Stations: Madurai, Ramehswaram Minor Port: Pamban, Rameswaram
Major Cities / Towns Connected	Madurai, Paramakudi, Ramnathapuram, Ramehswaram
Employment Generation Potential	8.4 lakh man-days (direct) & 10.5 lakh man-days (indirect)
Annual Average Daily Traffic (AADT) in FY-25	Estimated at 12,700 Passenger Car Units (PCU)

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