Bill No. 279 of 2024

THE INFRASTRUCTURE PROJECT (MONITORING AND MANAGEMENT) BOARD BILL, 2024

By

Shri Jagdambika Pal, M.P.

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to establish an Infrastructure Project (Monitoring and Management) Board for the monitoring, management, and oversight of large infrastructure projects in India to ensure timely execution, cost control, and quality assurance and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Seventy-fifth Year of the Republic of India as follows:—

1.(1) This Act may be called the Infrastructure Project (Monitoring and Management) Board Act, 2024.

Short title, extent and commencement.

- (2) It extends to the whole of India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.

- 2. In this Act, unless the context otherwise requires,—
- (a) "Board" means the Infrastructure Project Monitoring and Management Board established under Section 3;

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- (b) "infrastructure project" means any project related to public works including but not limited to highways, bridges, ports, airports, and public utilities exceeding a specified capital investment threshold as notified by the Central Government, from time to time.
- (c) "project stakeholder" includes government bodies, private contractors, consultants, and financiers involved in the infrastructure project;

Establishment of the Infrastructure Project Monitoring and Management Board.

- 3.(1) The Central Government shall, within six months from the commencement of this Act, establish a Board to be called the Infrastructure Project Monitoring and Management Board for carrying out the purposes of this Act.
- (2) The Board shall be a body corporate, having perpetual succession and a common seal, with the power to acquire, hold, and dispose of property and to contract, and shall, by its name, sue or be sued.

Composition of the Board.

- 4. The Board shall consist of,—
- a Chairperson to be appointed by the Central Government having expertise in public infrastructure management, finance, or engineering in such manner as may be prescribed:
 - (a) two representatives from the Central Government (not below the rank of Joint Secretary) member;
 - (b) one representative each from three different State Governments (on a rotational basis) member;
 - (c) three experts in infrastructure development, public-private partnerships, or project finance;
 - (d) One member from the public sector or private sector with experience in large-scale project management; and
 - (e) to be appointed by the Central Government in such manner as may be prescribed.

Setting up of Regional offices.

- $\mathbf{5.}(I)$ The Central Government shall establish regional offices of Infrastructure Project Monitoring and Management Board in key locations across India for carrying out the purposes of this Act.
- (2) These regional offices of the Board shall work in coordination with the State Governments to ensure that projects are managed efficiently at the local level.

Functions of the Board.

- **6.** The Board Shall,—
- (a) monitor real-time progress of ongoing projects using digital platforms and advanced technologies to track progress;
- (b) identify risks related to time, cost, and quality during project execution and recommending mitigation strategies;

- (c) conduct technical inspections and ensuring projects meet national and international standards for infrastructure development;
- (d) conduct workshops, seminars, and training programs for project management professionals;
- (e) facilitate coordination between various government departments, contractors, and other stakeholders to ensure smooth project execution;
- (f) provide mechanisms for the speedy resolution of disputes related to delays, quality issues, or contractual disagreements; and
- (g) submit regular reports to the Central and State Governments on project status, challenges, and recommendations for improvement.
 - 7. The Board shall have the authority to:-

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Powers of the Board.

- (a) Issue guidelines for the monitoring, management, and quality assurance of infrastructure projects;
- (b) Recommend penalties for contractors, consultants, or other stakeholders failing to meet project deadlines, quality standards, or cost controls;
 - (c) Conduct independent audits and inspections of infrastructure projects;
- (d) Recommend the termination or renegotiation of contracts in case of persistent non-performance; and
- (e) Set up regional offices to oversee infrastructure projects in different regions of the country.
 - 8. The Central Government shall, after due appropriation made by Parliament by law in this behalf, provide adequate funds for carrying out the purposes of this Act.

Central Government to provide funds.

9.(1) The Board shall prepare an annual report on the state of infrastructure projects in the country and submit it to the Parliament within three months after the end of each financial year.

Annual Report.

- (2) The report shall include:-
 - (a) status of all ongoing projects;
 - (b) performance analysis;
 - (c) challenges faced and actions taken; and
 - (d) financial performance and expenditure status.
- **10.** (*I*) Any contractor, consultant, or entity that intentionally misrepresents the status of a project, or fails to meet quality and time standards as required under this Act, shall be liable to a penalty of not less than INR 50 lakh, extendable to INR 5 crore.

Offences and Penalties.

- (2) In cases where there is wilful misconduct, negligence, or fraudulent actions, additional criminal penalties may apply as per relevant laws.
- **11.** (*I*) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act, including but not limited to:—

Power to make rules.

- (a) Financial management and budgeting of the Board;
- (b) Procedures for real-time monitoring and data integration;
- (c) Mechanisms for audit and reporting; and
- (d) Standards for project management and quality assurance.

(2) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both the Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

STATEMENT OF OBJECTS AND REASONS

The Infrastructure Project Monitoring and Management Board Bill, 2024, addresses key inefficiencies in India's infrastructure projects, including delays, cost overruns, and quality deficiencies, which have hampered timely completion and effective use of public funds. Current mechanisms, such as the Infrastructure and Project Monitoring Division (IPMD) and Central Sector Projects Coordination Committees (CSPCCs), are limited in scope, often reactive, and lack real-time monitoring and enforcement powers.

The Bill proposes the creation of the Infrastructure Project Monitoring and Management Board (IPMMB), an autonomous body using advanced technologies for real-time project tracking, independent audits, and accountability measures, including penalties for non-performance. Regional agencies will also be set up to manage local-level projects more efficiently.

Reports from the Comptroller and Auditor General (CAG), Economic Survey 2020-21, and NITI Aayog have highlighted the need for such an independent body to improve oversight and governance in public infrastructure. This Bill aims to implement those recommendations, ensuring transparency, timely execution, and optimal resource utilization, driving India's economic growth.

Hence this Bill.

New Delhi; November 11, 2024

JAGDAMBIKA PAL

FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for Establishment of the Infrastructure Project Monitoring and Management Board. Clause 8 provides that Central Government shall, after due appropriation made by Parliament by law in this behalf, provide adequate funds for carrying out the purposes of this Act. The Bill, therefore, if enacted, would involve expenditure from the Consolidated Fund of India. It is estimated that an annual recurring expenditure of about rupees One Thousand Five Hundred and Fifty crore will be involved from the Consolidated Fund of India.

A non-recurring expenditure of about rupees Five Hundred Fifty crore is also likely to be involved.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 11 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. As the rules relate to matters of detail only, the delegation of legislative power is of a normal character.

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