

GOVERNMENT OF INDIA
MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

RAJYA SABHA
UNSTARRED QUESTION NO. 762
TO BE ANSWERED ON FRIDAY, THE 08TH FEBRUARY, 2019

COST OVERRUN OF INFRASTRUCTURE PROJECTS

762. SHRIMATI AMBIKA SONI:
DR. T. SUBBARAMI REDDY:

Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

- (a) the number of infrastructure projects, each worth ₹ 150 crore or above, where cost overruns took place, as on January, 2019;
- (b) the reasons for the cost overruns,
- (c) the anticipated completion cost, as against the original cost, both in terms of figure and percentage;
- (d) the number of projects where time escalation is noticed and their period of targeted completion; and
- (e) the steps taken by Government to remove the bottlenecks and putting these infrastructure projects on the fast track?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS [SHRI VIJAY GOEL]

(a) The Ministry of Statistics and Programme Implementation monitors on-going Central Sector Infrastructure Projects costing Rs. 150 crore and above on time and cost overruns, on the basis of information provided by the project implementing agencies. As on 01.12.2018, a total of 1443 projects were on the monitor of this Ministry. Of these, 347 projects are showing cost overruns.

(b) The causes for cost overruns are project-specific, depend on a variety of technical, financial and administrative factors, and differ from project to project. However, as reported by the project implementing agencies on this Ministry's OCMS, the main reasons for cost overrun of the Projects are: law and order problems, delay in land acquisition, delay in environment and forest clearances, funding constraints, rehabilitation and resettlement issues, local body / municipal permissions, utility shifting, contractual issues, etc.

(c) The details of such projects are available in the flash report at <http://www.cspm.gov.in/english/publication.html>.

(d) As on 01.12.2018, out of total 1443 projects, 360 are running behind their schedule of completion. The details of such delay projects are available in the flash report at <http://www.cspm.gov.in/english/publication.html>.

(e) The major steps undertaken to ensure completion of Central Sector Infrastructure Projects without time and cost overruns include; Periodic review of projects under PRAGATI through video conferencing; rigorous project appraisal; On-line Computerized Monitoring System (OCMS) for better monitoring; setting up of Revised Cost Committees in the Ministries for fixation of responsibility for time and cost overruns; regular review of infrastructure projects by the concerned administrative Ministries; and setting up of Central Sector Projects Coordination Committees (CSPCCs) in the States under the Chief Secretaries for removal of bottlenecks and for facilitating the speedy implementation of major projects.
