

GOVERNMENT OF INDIA  
MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 636**  
TO BE ANSWERED ON 12.12.2022

COST AND TIME OVERRUN IN INFRASTRUCTURE PROJECTS

636. AKHILESH PRASAD SINGH:

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

- (a) the details regarding the expected and actual investment in infrastructure projects by Government, year-wise;
- (b) whether it is a fact that out of 1559 projects, 428 infrastructure projects, each entailing an investment of ₹ 150 crore or more, have been hit by cost overruns of more than ₹ 4.98 lakh crore;
- (c) if so, the details thereof and reasons therefor;
- (d) whether it is also a fact that out of 1559 projects, 647 projects, each entailing an investment of ₹ 150 crore or more, were delayed; and
- (e) if so, the details thereof and reasons therefor?

**ANSWER**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS [RAO INDERJIT SINGH]

(a) The Ministry of Statistics and Programme Implementation (MoSPI) monitors ongoing Central Sector Infrastructure Project costing Rs.150 crores and above on time and cost overruns, on the basis of information provided by the implementing agencies on the Online Computerized Monitoring System (OCMS). The year wise details regarding expected/anticipated and actual/original cost/investment provided to infrastructure projects by Government during the last 04 years and current financial year is at Annexure-I.

(b) Yes Sir, as on 01.05.2022, a total of 1559 projects were on the monitor of this Ministry. Out of these 1559 projects, 428 projects were showing cost overruns of Rs. 4.98 lakh crore with respect to their original project implementation cost.

(c) The Sector-wise list of cost overruns in projects is at Annexure-II. The reasons for cost overruns are project-specific and depend on a variety of technical, financial and administrative factors. However, as reported by the project implementing agencies on this Ministry's OCMS, the main reasons for increase in cost of the projects are:

- i. Under-estimation of original cost;
- ii. Changes in rates of foreign exchange and statutory duties;
- iii. High cost of environmental safeguards & rehabilitation measures;
- iv. Spiralling land acquisition costs;
- v. Shortage of skilled manpower/ labour;
- vi. Changes in Project scope;
- vii. Monopolistic pricing by vendors of equipment services;
- viii. General Price rise / inflation
- ix. Time overruns

(d) Yes Sir.

(e) The Sector-wise list of time overruns projects is at Annexure-III. However, the main reasons for time overruns as reported by the project implementing agencies on this Ministry's OCMS are:

- i. law and order problems,
- ii. delay in land acquisition,
- iii. delay in environment and forest clearances,
- iv. funding constraints,
- v. rehabilitation and resettlement issues,
- vi. local body / municipal permissions, utility shifting,
- vii. contractual issues, etc

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**ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE RAJYA SABHA**  
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<b>Year wise investment on infrastructure projects more than Rs.150 crore</b>				
<b>S.No.</b>	<b>Financial year</b>	<b>Total no. of Project</b>	<b>Original Cost (Rs in crore)</b>	<b>Anticipated Cost (Rs in crore)</b>
1	2018-19	1405	18,09,681.47	21,39,924.38
2	2019-20	1686	20,66,771.94	24,71,947.66
3	2020-21	1737	22,33,409.53	26,69,649.35
4	2021-22	1579	21,95,196.72	26,78,365.62
5	2022-23 (upto Oct 2022)	1521	21,18,597.26	25,76,797.62

**ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE RAJYA SABHA**  
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<b>Sector wise extent of cost overrun in projects with respect to original cost (As on 01.05.2022)</b>					
<b>Sl.No</b>	<b>Sector</b>	<b>Total no. of projects</b>	<b>Total original Cost (Rs in Cr)</b>	<b>Total anticipated cost (Rs in Cr)</b>	<b>No. of cost overrun projects</b>
1	ATOMIC ENERGY	5	1,16,741.00	1,32,609.00	3
2	CIVIL AVIATION	24	15,443.94	16,984.22	4
3	COAL	118	1,66,313.91	1,70,665.88	10
4	FINANCE	3	786.27	831.04	1
5	FERTILISERS	1	426.72	426.72	0
6	MINES	6	7,333.99	8,585.67	3
7	STEEL	8	21,826.22	28,241.22	1
8	PETROLEUM	135	3,68,598.63	3,88,067.00	27
9	POWER	79	1,98,648.02	2,58,669.52	26
10	HEAVY INDUSTRY	1	1,718.00	3,558.60	1
11	HEALTH AND FAMILY WELFARE	28	13,696.26	14,182.35	12
12	RAILWAYS	211	4,08,405.75	6,66,542.74	158
13	ROAD TRANSPORT AND HIGHWAYS	835	4,96,769.50	5,46,394.56	156
14	SHIPPING AND PORTS	1	5,369.18	4,633.81	0
15	TELECOMMUNICATIONS	3	14,013.36	25,373.62	2
16	URBAN DEVELOPMENT	27	2,84,108.54	3,04,523.01	8
17	WATER RESOURCES	41	23,466.28	69,585.83	9
18	SOCIAL JUSTICE	1	170.99	170.99	0
19	DEFENCE PRODUCTION	1	246.31	200.00	0
20	COMMERCE	1	302.64	302.64	0
21	DEPARTMENT OF HIGHER EDUCATION	21	9,720.55	9,599.74	1
22	HOME AFFAIRS	5	2,025.73	2,546.47	3
23	DPIIT	2	17,352.09	18,990.30	2
24	DONER	1	151.33	151.33	0
25	RENEWABLE ENERGY	1	271.90	365.00	1
	<b>Total</b>	<b>1559</b>	<b>21,73,907.11</b>	<b>26,72,201.26</b>	<b>428</b>

^ - Cost Overrun = Anticipated Cost minus Original Cost

**ANNEXURE REFERRED TO IN REPLY TO PART (e) OF THE RAJYA SABHA**  
**UNSTARRED QUESTION NO. 636 TO BE ANSWERED ON 12/12/2022**

<b>Sector wise extent of time overrun in projects with respect to original schedule (As on 01.05.2022)</b>					
<b>Sl.No</b>	<b>Sector</b>	<b>Total no. of projects</b>	<b>Total Original Cost (Rs in Cr)</b>	<b>Total Anticipated cost (Rs in Cr)</b>	<b>No. of time over run Projects</b>
1	ATOMIC ENERGY	5	1,16,741.00	1,32,609.00	4
2	CIVIL AVIATION	24	15,443.94	16,984.22	21
3	COAL	118	1,66,313.91	1,70,665.88	37
4	FINANCE	3	786.27	831.04	1
5	FERTILISERS	1	426.72	426.72	1
6	MINES	6	7,333.99	8,585.67	6
7	STEEL	8	21,826.22	28,241.22	4
8	PETROLEUM	135	3,68,598.63	3,88,067.00	79
9	POWER	79	1,98,648.02	2,58,669.52	46
10	HEAVY INDUSTRY	1	1,718.00	3,558.60	0
11	HEALTH AND FAMILY WELFARE	28	13,696.26	14,182.35	4
12	RAILWAYS	211	4,08,405.75	6,66,542.74	126
13	ROAD TRANSPORT AND HIGHWAYS	835	4,96,769.50	5,46,394.56	243
14	SHIPPING AND PORTS	1	5,369.18	4,633.81	0
15	TELECOMMUNICATIONS	3	14,013.36	25,373.62	2
16	URBAN DEVELOPMENT	27	2,84,108.54	3,04,523.01	15
17	WATER RESOURCES	41	23,466.28	69,585.83	36
18	SOCIAL JUSTICE	1	170.99	170.99	0
19	DEFENCE PRODUCTION	1	246.31	200.00	1
20	COMMERCE	1	302.64	302.64	0
21	DEPARTMENT OF HIGHER EDUCATION	21	9,720.55	9,599.74	15
22	HOME AFFAIRS	5	2,025.73	2,546.47	5
23	DPIIT	2	17,352.09	18,990.30	1
24	DONER	1	151.33	151.33	0
25	RENEWABLE ENERGY	1	271.90	365.00	0
	<b>Total</b>	<b>1559</b>	<b>21,73,907.11</b>	<b>26,72,201.26</b>	<b>647</b>