

GOVERNMENT OF INDIA
MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

RAJYA SABHA
UNSTARRED QUESTION NO. 1750
TO BE ANSWERED ON 18.12.2023

PENDING INFRASTRUCTURE PROJECTS

1750. SHRI RANDEEP SINGH SURJEWALA:

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

- (a) the number of infrastructure projects worth ₹100 crore and above which have seen cost overruns, and of what magnitude;
- (b) the number of infrastructure projects worth ₹100 crore and above that have witnessed delays of two or more than two years;
- (c) the average time overrun of the delayed projects; and
- (d) the reasons for cost overrun and delay of infrastructure projects and what are the steps being taken to reduce them?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, 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 Infrastructure and Project Monitoring Division (IPMD) of the Ministry of Statistics and Programme Implementation is mandated to monitor Central Sector Infrastructure Projects costing Rs.150 crores and above on time and cost overrun based on the information provided by the project implementing agencies on Online Computerized Monitoring System (OCMS). As per latest Flash Report on Central Sector Projects (Rs 150 crore and above) for the month of October 2023 published by the Ministry of Statistics and Programme Implementation, there are 1,788 Central Sector Infrastructure projects. Out of these, 411 projects have reported cost overrun of Rs 4,31,080.03 crore.
- (b) Total 837 projects have reported delay and out of these 479 projects have reported delay of two or more than two years.
- (c) The average time overrun of 837 delayed projects is 36.94 months.
- (d) The reasons for time and 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

increase in cost of the projects are: Under-estimation of original cost; Changes in rates of foreign exchange and statutory duties; High cost of environmental safeguards & rehabilitation measures; Spiraling land acquisition costs; Shortage of skilled manpower/labor; Changes in Project scope; Monopolistic pricing by vendors of equipment services; General Price rise / inflation and Time Overruns and the main reasons for delay in timely completion 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.

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; 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
