

**GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA**

STARRED QUESTION NO:160
ANSWERED ON:04.08.2010
INFRASTRUCTURE PROJECT
Owaisi Shri Asaduddin;Singh Alias Pappu Singh Shri Uday

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

- (a) whether a number of infrastructure projects in several sectors are running behind schedule leading to cost and time overruns;
- (b) if so, the reasons therefor;
- (c) whether to keep a watch on the infrastructure in five core sectors, the Government has decided to set up a mechanism to monitor the progress of the projects on quarterly basis;
- (d) if so, the details thereof;
- (e) whether the Government has chalked out a target for each Ministry handling infrastructure projects; and
- (f) if so, the details thereof and the extent this step of the Government is likely to help timely execution of infrastructure projects of the country?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE), MINISTRY OF COAL AND STATISTICS & PROGRAMME IMPLEMENTATION
(SHRI SRIPRAKASH JAISWAL)

(a) to (f) A Statement is laid on the Table of the House.

Statement Referred to in the reply to Lok Sabha Starred Question No. 160 for 04.08.2010

(a) As on 31.3.2010, out of 1005 Central Sector Projects costing Rs. 20 crore and above on the system of monitoring of this Ministry, 478 projects are running behind schedule with respect to the latest approved schedule leading to cost escalation of Rs.46,925 crore i.e. 13.29% of the approved cost of 478 projects.

(b) The reasons for cost escalation include : time overruns in projects, exchange rate variations and statutory duties, high cost of environmental safeguards and rehabilitation measures, high cost of land acquisition, change in the scope of project, higher prices being quoted by bidders in certain areas, under estimation of original cost and general price rise.

(c)&(d) There exists a mechanism of Quarterly Performance Review of Projects implemented by Public Sector Enterprises under the Chairmanship of the Secretary of the concerned administrative Ministry. The Quarterly Performance Review includes representative from the Ministry of Statistics and Programme Implementation, Department of Expenditure, Planning Commission and other concerned Ministries and Departments. For departmental projects, the projects are reviewed by Empowered Committee/Steering Committee/ High-Powered Committee in the concerned administrative Ministries under the chairmanship of the Secretary of the concerned Ministries. These are also represented by Ministries/Departments as mentioned above.

(e) Based on the information furnished by the public sector enterprises and Ministries concerned, 244 projects costing Rs. 150 crore and above as per the revised mandate for monitoring of projects by the Ministry of Statistics and Programme Implementation are targeted for completion in 2010-11. The Sector-wise/Ministry-wise summary of projects scheduled for completion in 2010-11 is given in the Annexure I.

(f) The concerned administrative Ministries have been informed to carry out close monitoring to avoid any possible delays in implementation of these projects. Project completion targets have also been communicated to the Cabinet Secretariat, Planning Commission, Department of Expenditure and Prime Minister's Office. Close monitoring will help completion of most of these projects in 2010-11.