

**GOVERNMENT OF INDIA
WATER RESOURCES
LOK SABHA**

UNSTARRED QUESTION NO:3294
ANSWERED ON:09.12.2009
COST OVERRUN OF NATIONAL WATER PROJECTS
Ponnam Shri Prabhakar

Will the Minister of WATER RESOURCES be pleased to state:

- (a) whether the cost estimates of some of the national water projects were increased;
- (b) if so, the details thereof and reasons therefor, project-wise; and
- (c) the steps taken/being taken by the Government to check cost and time overruns of these projects?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI VINCENT H. PALA)

(a) to (c) Of the 14 projects declared as national projects by the Union Government, only 3 projects are ongoing projects under Accelerated Irrigation Benefits Programme and other 11 projects are in different stages of planning by the respective State Governments. The estimated cost originally approved by the Planning Commission in respect of these projects and latest estimated cost of these projects as approved by Planning Commission is given in the following Table:

(Rs. In crore)				
S.No	State	Project	Approved cost by the Planning Commission and cost year	Latest estimate
1	Maharashtra	Gosikhurd Project	461.19 (1995)	7777.85
2	West Bengal	Teesta Barrage Project	69.72 (1975)	2988.61
3	Punjab	Shahpur Kandi Project	1324.18 (2001)	2285.81

Cost of the irrigation projects generally increases due to price escalation which is a normal phenomenon beyond the control of the project authorities. For the purpose of avoiding time overrun and thereby minimizing cost overrun, the Ministry of Water Resources has constituted a High Powered Steering Committee under the Chairmanship of the Secretary (WR) which reviews performance of national projects from time to time.