

(b) The cost overrun for 274 projects is Rs. 13,380.64 crore.

(c) Action Plan of the Government to control time overrun include the following among others.

- (i) adoption of two-stage clearance system and stricter appraisal of project reports before investment approval;
- (ii) taking up of projects for implementation only after funds have been fully tied up;
- (iii) in-depth review of projects by the Government or monthly/ quarterly basis;
- (iv) setting up of Empowered Committees in the administrative Ministries for review of departmentally executed projects;
- (v) setting up of Standing Committees in the Ministries/ Departments to fix responsibility for time and cost overruns;
- (vi) appointment of a nodal officer for each project with continuity of tenure; and
- (vii) issue of guidelines on standard bidding documents for adoption.

**Delay in completion of projects**

†777. SHRI MOOLCHAND MEENA:

DR. T. SUBBARAMIREDDY:

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

- (a) whether implementation of Central sector projects remains sluggish despite Government's commitment to contain expenditure;
- (b) if so, whether delay in completion of projects has resulted in cost escalation of 8 per cent to Rs. 218606 crore, according to latest estimate of the Centre;

(c) whether Government have abandoned 33 projects after incurring an expenditure of Rs. 1207.17 crores;

(d) if so, what are the sectors on which these projects have been abandoned; and

(e) the steps taken for timely implementation of the remaining projects.?

THE MINISTER OF STATE OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI OSCAR FERNANDES):

(a) No, Sir.

(b) As on 1.4.2004, delay in projects costing Rs. 20 crore and above have resulted in the cost escalation of 6.4 per cent over the latest approved cost, of Rs. 2,32,231 crore.

(c) There are 33 projects which are unfinished as they have been frozen/dropped after incurring an expenditure of Rs. 1207.17 crore.

(d) The said 33 projects belong to sectors viz Coal, Fertilizers, Mines, Petroleum & Natural Gas, Power, Railways, Road Transport and Highways and Urban Development.

(e) Following steps have been taken for timely implementation of the remaining projects:

(i) adoption of two-stage clearance system and stricter appraisal of project reports before investment approval;

(ii) taking up of projects for implementation only after funds have been fully tied up;

(iii) in-depth review of projects by the Government on monthly/quarterly basis;

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- (iv) setting up of Empowered Committees in the administrative Ministries for review of departmentally executed projects;
- (v) setting up of Standing Committees in the Ministries/ Departments to fix responsibility for time and cost overruns;
- (vi) appointment of a nodal officer for each project with continuity of tenure;
- (vii) issue of guidelines on standard bidding documents for adoption; and
- (viii) inter-minister coordination for resolving unresolved problems.

#### **Cost overrun in Central projects**

1778. SHRI MOOLCHAND MEENA: Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

- (a) whether Government have managed to curtail cost overrun in Central projects and avoided Rs. 120,000 crores of extra expenditure over a 10 year period;
- (b) if so, whether cost overruns in Central projects have come down from Sixty per cent in June, 1991 to Twenty two per cent in March, 2003;
- (c) if so, the efforts being made to further curtail the cost overruns in the projects;
- (d) the projects which are being completed in time; and
- (e) whether any time-bound programme has been fixed for these projects to complete them in time to avoid cost overruns?

THE MINISTER OF STATE OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI OSCAR