

Implementation of Central Sector Projects

9.88 At the end of September, 2005, there were 683 projects with an estimated investment of about Rs.2,81,890 crore spread over 16 sectors viz. Atomic Energy, Civil Aviation, Coal, Fertilizers, Mines, I&B, Steel, Petroleum, Power, Railway, Road Transport and Highways, Shipping and Ports, Telecommunications, Urban Development, Water Resources and Health and Family Welfare. Of these, 171 projects are having cost overrun to the tune of 38.87 per cent as compared to their latest approved estimates. There are 247 projects which have a time overrun, ranging from 1 to 168 months.

9.89 An analysis of the cost overrun of the Projects shows that it is 18.1 per cent of the overall cost of the projects. The main sectors accounting for the cost overrun are Railway, Health and Family Welfare, Fertilizers and Urban Development. Out of the total 683 projects, 218 projects account for nearly 64 per cent of the total cost overrun.

9.90 Time and cost overrun have declined because of close monitoring, policy changes and systemic improvement brought out by the

ministries concerned, with support from the Ministry of Statistics and Programme Implementation (MOS&PI). An analysis of the trend in the last 14 years shows that the cost overrun has come down from 62 per cent in March, 1991 to 18.1 per cent in September, 2005. (Figure 9.3)

9.91 In the year 2004-05, 130 projects costing Rs.44,211 crore, spread over 16 sectors were completed. They belong to Atomic Energy, Civil Aviation, Coal, Fertilizers, I&B, Mines, Steel, Petroleum, Power, Railways, Road Transport & Highways, Shipping & Ports, Telecommunication and Urban Development. Road Transport and Highways is the highest contributor with 31 projects, to the total completed projects, followed by Railways (28), Telecommunication (15) and Shipping & Ports (14).

9.92 Up to the end of September, 2005, during the current financial year, 43 projects have been completed. The anticipated cost of these projects is of the order of Rs.14,868 crore. Of the 43 projects, 14 belong to Road Transport & Highways, 9 projects to Power Sector, and 6 projects pertain to Petroleum Sector.

