

## Performance of Infrastructure during 1999-2000

9.2 There has been a distinct improvement in the performance of six basic infrastructure and core industries during April-December, 1999 compared to the corresponding period of the preceeding year. Six infrastructure and core industries, namely, electricity generation, coal, steel, crude oil, refinery throughput, and cement with a combined weight of 26.7 per cent in the Index of Industrial Production (IIP) (base: 1993-94=100) have recorded an average growth rate of 8.2 per cent in April-December, 1999 compared to 2.8 per cent in April-December, 1998. Electricity generation performance was better compared to last year. Overall generation could have been higher but for the negative growth in hydro-power. Refinery production and Finished steel also recorded significant improvement in production. Prospects of the cement sector appear good with a sharp rise in production by 15.9 per cent. However, coal production and crude oil continued to display a negative growth.

9.3 Other infrastructure sectors such as ports, railways and telecommunication, which do not appear in the IIP, have improved in aggregate

terms. The telecommunication sector has improved in April-December, 1999 compared to corresponding period last year. Revenue earning goods traffic on railways registered a growth of 8.0 per cent in April-December, 1999 compared to a negative growth of 2.5 per cent in April-December, 1998-99. Cargo handled at major ports experienced a positive growth of 9.2 per cent in April-December, 1999. There has been a significant turnaround in port and rail traffic, which is a reassuring development (Table 9.1).

9.4 There were 193 central projects costing more than Rs. 100 crore each, that were in various stages of implementation as on December 31, 1999. Of these, 34 mega projects cost more than Rs. 1000 crore each. Only 44 projects were progressing on schedule with respect to their original target. The average cost overrun as a percentage of revised estimates is 19 per cent for the mega projects (which cost more than Rs. 1000 crore) and 25 per cent for the major projects (which cost between Rs. 100 crore to Rs. 1000 crore). The cost overrun witnessed in these projects can largely be attributed to their delay in commissioning of projects. The average time overrun of all these projects is 19 months.

**TABLE 9.1**  
**Trends in the Performance of Infrastructure Sectors**

	Unit	April - Dec.*				Change over previous year							
		1997-98	1998-99*	1998	1999	1985-90 (Avg.)	1994-95	1995-96	1996-97	1997-98	1998-99	1998-99@	1999-2000@
<b>I. Energy</b>													
(per cent)													
1 Coal Production	Mn.tonnes	295.9	292.3	206.7	205.6	6.4	3.2	6.4	5.7	3.6	-1.2	0.2	-0.5
2 Electricity generated (Utilities only)	Bn. kwh	420.6	448.4	330.8	355.3	9.4	8.1	8.4	3.8	6.6	6.5	7.0	7.4
(a) Hydro-electric	„	74.5	82.7	64.6	63.2	3.5	17.5	-12.2	-5.5	8.6	8.8	14.9	-2.2
(b) Thermal (incl.nuclear)	„	346.1	365.7	266.2	292.1	12.3	5.6	14.8	6.1	6.2	5.7	5.2	9.7
3 Petroleum													
(a) Crude oil	Mn.tonnes	33.9	32.7	24.4	24.3	3.3	19.3	9.1	-6.5	2.9	-3.4	-4.1	-0.4
(b) Refinery throughput	„	65.2	68.5	46.6	56.8	8.0	4.1	3.9	7.2	3.7	5.2	3.1	21.9
<b>II. Cement</b>	Mn.tonnes	83.1	88.0	62.5	72.5	8.7	9.9	6.6	8.6	12.8	5.9	4.2	15.9
<b>III. Transport and communications</b>													
1 Railway revenue-earning goods traffic	„	429.4	420.9	306.3	330.7	5.6	1.7	7.0	4.7	5.0	-2.0	-2.5	8.0
2 Cargo handled at major ports	„	251.7	251.7	184.3	201.3	6.9	10.0	9.1	5.6	10.6	0.0	0.0	9.2
3 Telecommunications: New telephone connections provided (DELs)	'000Nos.	3259.0	3792.0	1649.7	2199.9	16.6	44.0	23.3	17.5	27.1	16.4	26.1	33.4
*Provisional.		@ April-December.											