Indian Economy · GS - III

Infrastructure project delays and cost overruns undermine public expenditure efficiency and development outcomes. Examine the causes and suggest measures to improve project implementation in India.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 11/11/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
10	~150 words

Answer Hint

Project management, land acquisition, environmental clearances, financing constraints, cost escalation, inter-agency coordination, digital monitoring, accountability, outcome-based evaluation.

Model Answer

Introduction

Infrastructure development is essential for economic growth, connectivity and public service delivery. However, delays and cost overruns reduce the economic returns of public investment and place additional pressure on government finances.

Major Causes

- **Land acquisition:** Disputes, rehabilitation issues and delayed possession obstruct project execution.
- **Clearance delays:** Environmental and regulatory approvals may take considerable time.
- **Poor planning:** Inadequate feasibility studies and unrealistic cost estimates create implementation problems.

- **Financial constraints:** Delayed payments and funding shortages disrupt construction.
- **Coordination failures:** Multiple agencies and contractors may lack effective coordination.

Measures for Improvement

- Strengthen pre-project feasibility and risk assessments.
- Establish time-bound clearance mechanisms without weakening environmental safeguards.
- Use digital dashboards and regular independent progress audits.
- Improve coordination among ministries, state governments and contractors.
- Introduce transparent procurement and accountability for avoidable delays.
- Adopt realistic budgets and contingency provisions.

Conclusion

Efficient infrastructure delivery requires sound planning, institutional coordination and continuous monitoring. Timely completion can improve public expenditure efficiency, accelerate development and ensure better utilisation of taxpayers' money.

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