States adopt UPA’s method of tracking infrastructure projects

Mousumi Das Gupta, Hindustan Times, New Delhi | Updated: Jun 02, 2014 00:50 IST

The Project Monitoring Group (PMG) is one of the legacies of the previous UPA government that received the endorsement of not only industry bodies such as FICCI and CII, but of states as well, many of which are ruled by opposition.

Started last June by former PM Manmohan Singh to fast-track stalled infrastructure projects worth ₹1,000 crore or more, PMG has cleared 152 projects entailing an investment of Rs 5.31 lakh crore so far.

Impressed by PMG’s track record, three states – Odisha, Uttarakhand and Chhattisgarh – have recently started similar cells to help clear bottlenecks holding up smaller projects which have an investment of Rs 100 crore or more.

PMG-like cells are ready for takeoff in seven more states by June-end. These states are Kerala, Uttar Pradesh, Jharkhand, Karnataka, Maharashtra, West Bengal and Assam.

“With the PMG mandated to take up projects worth ₹1,000 crore or more, smaller projects continue to remain stuck. State-level PMGs will immensely benefit these projects,” said an official.

The projects, mainly in power, highways, ports and railways sectors have been held up for over a year or more for reasons including delays in obtaining environment clearances or land acquisitions and delays in signing fuel supply agreements, etc.

PMG has also come in for praise from FICCI and CII — a rarity for a government-started mechanisms.

Taking a cue from the Narendra Modi led NDA government’s focus to bring the momentum back to the infrastructure sector, FICCI general secretary A Didar Singh recently wrote to cabinet secretary Ajit Seth, requesting him to widen the “scope and ambit of PMG” to improve “investor confidence which is the need of the hour today”.