

Research on factor that cause delays and price over in construction estimate in republic of India

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ABSTRACT

Many projects have cost overruns and therefore exceed the original contract amount. The aim of this research is to evaluate the causes and effects of costs and delays in construction projects. The main objective of this document is to identify the main reasons for cost overruns on construction projects in India. as well as the critical success factors that help avoid cost overruns. Cost overruns occur with every construction project and the magnitude varies significantly from project to project. This creates a great need to address the acute problem of over-construction costs. The most common effects of the overhead costs identified by this investigation were delays and collateral agreements or adverse relationships between stakeholders and the household. Project Owner Deficit This paper describes the state of cost research Cost overrun factors in construction projects

Keyword : - Cost overruns, Over budget, construction projects, cause, effect, Drizzly weather

1. INTRODUCTION

India's construction industry is an integral part of the country's economy and growth, and a conduit for a substantial portion of India's development investment. Industry plays a crucial role in developing the country's infrastructure, a prerequisite for high economic growth. Cost overrun and a massive financial burden for the customer as in the construction industry around the world, the Indian construction sector faces numerous challenges resulting

from land acquisition problems, adverse political and structural changes, talent shortages, design and construction problems, and increased material and labor costs. Due to the inflation of material and labor costs and the good market conditions, the contractors increase their average margins by These increases are reflected in higher bid prices, especially in key developments, although contractors are more likely to absorb higher costs on smaller projects in order to stay competitive. Over time, cost overruns and costs have a significant impact on the economy. A project's completion exceeds the planned schedule, both people and business have to wait. The provision of public goods and services longer than necessary and thus delays limit the growth potential of the economy.

1.1 Excessive Cost

This is a phenomenon where the customer must spend more money to complete the project instead of the original idea. One, the project exceeds the budget.

1.2 Over Budget

It is a phenomenon in which the project is postponed beyond the expected completion date due to certain difficulties. It will take longer to complete the project. Before starting the formatting work, please write the content and save it as a separate text file. Separate text files and image files until the text is formatted and designed. At the end of the paragraph is just a circle. Do not add pagination anywhere in the document. Do not number the title of the text, the template will complete it for you.

2. OVERTIME AND ADDITIONAL COSTS

2.1 Over Budget

Most infrastructure projects in India are affected by overtime. These excesses vary from a few months to five or more years and jeopardize the profitability of the project.

1. Delays in land acquisition and handover are the main causes Reason for overtime in the pre-implementation phase
Delays in land acquisition are caused by various factors.
2. Multiple agency approvals lead to delays in construction.
3. Poor program management results in ineffective coordination with other projects and a delay in the schedule. Inadequate management of project design / scope changes are very common in the infrastructure sector. The availability of resources for the infrastructure sector is limited Specifications etc. are not received by the contractor in good time.

2.2 Causes of Cost Overrun

1. The availability of raw materials, the allocation of sufficient time, the cost of the design phase, the fight against fraud, the purchase of material in bulk and the application of short-term goals were identified as important factors in overcoming execution costs.
2. You're design changes, wrong Assessment of the time and cost of the projects, the risk and uncertainty associated with the projects, failure to comply with subcontractors, conflict between project parts, fluctuations in rates, low skilled labor, funding and payment.
3. Unstable interest rate, complexity of work, lack of adequate education and experience. Project manager, disagreement in contract documentation, lack of suitable software, price inflation, contract and specification Disagreement in design, reliance on imported materials, unpredictable weather conditions, project fraud and corruption, weak and unstable regulation and control.

3.METHODS TO AVOID COST OVERRUN-

3.1 The dedicated strategy

Active strategic measures should be added during the planning phase of the project. Planning strategies include

- effective strategic planning and site management.
- Appropriately monitor the project location.
- Plan and organize the project appropriately.
- Organized inventory mechanism

3.2 Organizational strategy

- Provide sufficient visibility based on past experience.
- Regular coordination between related parties.
- Increase in human resources in the industry.
- Comprehensive contract management and regular project development meetings, and hire qualified subcontractors and suppliers.
- Reduce the burden of price, and increase the burden of functionality.

The use of channels for accurate information and communication is proactive and methodical. Using the latest technology is a proactive response strategy. Plan your procedures in advance.

However, all of the above factors are different for all projects. These factors vary from project to project. Although some of them are constant throughout the project, checking the specific factors that lead to good or bad performance alone can yield more accurate results. Especially for small projects.

4. METHODOLOGY

For analysis of cost overrun I have done case study of JIGOAN DAM area covered by 134 villages over khamgoan, nandura, nimgaon, malkapur. There are many problems faced by contractor. Following factors are factors with their nature which I have observed while analysis.

4.1 Delay in Progress payment

This is a common situation. When contractors recover from a client's financial crisis, they may be forced to deliberately delay construction.

4.2 Inaccurate project plans and contractors' plans

Due to lack of understanding of construction management techniques, it is often difficult to find a powerful and user-friendly task planner. Typically, you will work with an inaccurate programmer who meets the requirements of the contract.

4.3 Drizzly weather

If it spreads for a long time throughout the year, it will rain. The planning process (drafts, evaluations, sanctions, procurement, etc.) begins after the March interim budget is approved. This means that the project can start in the rainy season, because half a year will be longer.

4.4 The contractors lack experienced technical personal

In the hiring stage, the contractor claims to have qualified personnel. There are not enough qualified technicians. In addition, the project is managed by a foreman who does not have sufficient technical experience. Due to current demand, it is difficult to retain technical staff. Consultants and contractors.

4.5 Work in the hands of the contractor

It happens often. Different customers may award too many orders to the same contractor. Since contractors are eager to get as many orders as possible, there are too many projects to win bids. No central area will receive the details of the contract award.

4.6 The liquidity of the counterparty is low

Contractors with low liquidity can win the contract because their financial status will not be checked during the evaluation of the bid and can only be adjusted according to the price of the bid. The lack of progress in mobilization will only exacerbate the situation.

4.7 Labor shortage

Due to the booming construction industry, demand has exceeded supply. Potential workers are not involved in the construction industry. In foreign countries, the wages of opportunities for skilled workers are much higher.

4.8 Delay in agreeing to other works and variants

Most engineers and contractors did not follow the correct procedures and formats to submit other work and changes for approval. The right to approve further work and choices still belongs to the customer. This process is too long and tedious.

5. CONCLUSIONS

1. Payment delays.
2. Inaccurate project planning and planning by the contractor.
3. Rainy weather.
4. Lack of availability of experienced technical staff.
5. On the contractor Excessive work.
6. On the hands of the contractor Low liquidity of the contractor.
7. Lack of manpower Delay in approving additional work and deviations.
8. Poor site management and contractor Monitoring.
9. Ineffective time management for contractors.


6. RECOMMENDATION

1. The variation of the material and the rate of work should be taken into account when finalizing the budget.
2. A proper study of all project details should be conducted prior to planning.
3. The scope of the project must be clear before starting a project to avoid future projects.
4. Cost overruns □ Proper resource management should be carried out on site to prevent resources from being optimally available.
5. The procurement of material must be technically and financially appropriate.
6. Increase construction speed the waste of resources must be minimal.
7. Resources must be used properly.
8. Communication There must be adequate communication between all project participants.

7. REFERENCES

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