

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1515
ANSWERED ON:27.02.2003
DIVERSION OF FUNDS
RAMJI MANJHI

Will the Minister of RAILWAYS be pleased to state:

(a) whether there have been cases of diversion of funds from one project to another in zonal railways;

(b) if so, the reasons therefor; and

(c) the steps taken to ensure that no funds are diverted from one project to another except in an exigency to be justified in writing on paper?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA)

(a) to (c) : Yes, Sir. Diversion of funds or re- appropriations, as permissible under the rules, are resorted to with a view to ensure optimal utilization of funds. The necessity for undertaking re-appropriations arises due to :

- Some projects moving slowly due to delay in land acquisition, contractual problems, court cases etc., as a result the allotted funds become surplus.

- To meet the requirement of additional funds for target-dated projects.

- Changes in availability of resources.

Strict rules are in place to ensure that re-appropriation is done only when essential. These are to be justified on paper and approvals obtained. The existing guidelines/rules restrict the Zonal Railways from undertaking any re- appropriation at all in some important Plan-heads whereas in others, ceilings have been fixed on amount of re-appropriation permitted. Re-appropriations beyond Zonal Railways' powers require the prior approval of Railway Board.