

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:2436
ANSWERED ON:07.08.2003
COST ESCALATION OF RAIL PROJECTS
BHUMA NAGI REDDY

Will the Minister of RAILWAYS be pleased to state:

- (a) whether all the Railway projects over Rs.100 crores are delayed by years resulting in cost escalation to the tune of thousands of crores;
- (b) if so, the details of such projects exceeding Rs.100 crores; and
- (c) the steps being taken to check cost escalation and complete projects without further delay?

Answer

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

(a) & (b): The time and cost overrun is feasible to be calculated only in the case where matching availability of resources is assured at the time of taking up the project so that the project progresses smoothly as per schedule. However, the targets of completion of projects are being fixed on year-to-year basis keeping in view the progress of the works and the availability of resources.

(c): In the last two years, several initiatives have been taken to raise additional funds for expeditious completion of ongoing projects. These include public/private partnership, participation by state governments and Ministry of Defence, additional funds for National Projects and funds for National Rail Vikas Yojana.