

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

STARRED QUESTION NO:459
ANSWERED ON:26.08.2004
COMPLETION OF ON-GOING PROJECTS
Adhalrao Patil Shri Shivaji

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Government has set up a high powered committee to review the implementation of on-going rail projects of gauge conversion and laying of new rail lines and doubling of rail routes in the country;
- (b) if so, the details and physical progress achieved by the high powered committee during each of the last three years, State-wise;
- (c) the names of the on-going projects which have witnessed a steep cost escalation and likely to be commercially unviable;
- (d) whether the Government is considering to abandon such unviable projects in view of the economic measures adopted by the Government;
- (e) if so, the details therefor; and
- (f) the policy of the Government regarding the completion of the on-going projects within the time schedule?

Answer

MINISTER OF RAILWAYS (SHRI LALU PRASAD)

(a) to (f): A statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF STARRED QUESTION NO.459 BY SHRI ADHALRAO PATIL SHIVAJIRAO TO BE ANSWERED IN LOK SABHA ON 26-08-2004 REGARDING COMPLETION OF ONGOING PROJECTS

(a) & (b): Based on Government's directives, it has been decided to set up an Empowered Committee in the Ministry of Railways for reviewing implementation of railway projects. The formal notification in this regard is under process.

(c): All the projects undergo cost escalation on account of various reasons like change in the standards of construction & technology, scope of work, inflation, etc. Due to heavy throwforward and limited availability of funds, most of the projects which remain uncompleted, have undergone escalation in cost with time and quite a few of them have become unviable commercially. The working out of rate of return of the projects at the increased cost would require carrying out traffic survey again to workout expected earnings from the project for the revised anticipated traffic which is a complex and time consuming process.

A large number of ongoing new line and gauge conversion projects have been taken up on socio-economic considerations which were financially unviable at the initial stage itself.

(d): No, Sir. There is no such proposal under consideration at present.

(e): Does not arise.

(f): Efforts are being made to generate non-budgetary resources to expedite completion of the ongoing projects. A number of initiatives have been taken for getting additional resources through Public/Private Partnership, cost sharing with State Governments, funding through Ministry of Defence, National Rail Vikas Yojana and National Project of Udhampur-Srinagar-Baramulla new line to be funded as an additionality to the normal railway's plan. Recently, Remote Area Rail Sampark Yojana has also been announced. With all the above initiatives, the ongoing projects are expected to be completed within five years period.