

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:1656

ANSWERED ON:23.08.2007

DEDICATED FREIGHT CORRIDOR

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Verma Shri Ravi Prakash

**Will the Minister of RAILWAYS be pleased to state:**

- (a) whether paucity of resources could hamper implementation of mammoth projects like the dedicated freight corridor;
- (b) if so, the details thereof;
- (c) whether the Railways require huge funds through budgetary allocations to achieve its ambitious expansion programmes;
- (d) if so, the steps taken by the Railways to mobilize the resources; and
- (e) the success achieved in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU)

(a) & (b): The Dedicated Freight Corridor Project is proposed to be financed through a mix of internal generation, market borrowings, budgetary and non-budgetary resources including multilateral and bilateral funding. Funding by Japanese Government under Special Terms of Economic Partnership (STEP) Scheme is being negotiated. Since the Project is financially viable, resources should not be a constraint.

(c): Yes, Sir.

(d) & (e): Apart from budgetary support, resources are proposed to be mobilized through internal generation, extra budgetary resources including alternative financing mechanism like Public-Private Partnership. Railway Infrastructure projects like Surendranagar- Pipavav Gauge Conversion, Hassan-Mangalore Gauge Conversion, Gandhidham-Palanpur Gauge Conversion and Connectivity to Mundra Port have been implemented through this route.