

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:665
ANSWERED ON:25.02.2010
COST OVER RUN IN RAILWAY PROJECTS
Ramasubbu Shri S.;Ray Shri Rudramadhab

Will the Minister of RAILWAYS be pleased to state:

- (a) whether huge number of Railway projects which are running behind schedule have accumulated cost over run of Rs.43,000 crore;
- (b) if so, the details of these projects, State-wise;
- (c) whether the Railways have fixed any target for the early completion of these projects or any such projects which are identified for execution;
- (d) if so, the details thereof; and
- (e) the time by which the identified cost over run projects are likely to be completed?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI K.H. MUNIYAPPA)

(a) to (e): A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO 665 BY SHRI S.S. RAMASUBBU AND SHRI RUDRA MADHAB RAY TO BE ANSWERED IN LOK SABHA ON 25-02-2010 REGARDING COST OVER RUN IN RAILWAY PROJECTS

(a) to (e): Railways have a huge throwforward of ongoing projects requiring about Rs. 80,000 cr as on 01.04.2009, under new lines, gauge conversions and doublings projects across the country. Due to limited availability of resources, projects take long time in completion. The targets for the projects are generally fixed on yearly basis based on the availability of resources and progress and, many of the projects get completed in phases. The main reasons for delay have been paucity of funds, delay in land acquisition and forestry clearance, failure of contracts and contractors, adverse law and order conditions and other market forces affecting the progress. Ongoing projects undergo cost escalation on account of delays as above and change in the standard of construction & technology, scope of work, inflation, etc. No fixed time frame for completion of all the projects is feasible in such a scenario.