

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

STARRED QUESTION NO:428
ANSWERED ON:26.08.2010
RAILWAY NETWORK IN DIFFICULT TERRAINS
Baite Shri Thangso

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways consider volume of traffic, economic development and social parameters, while considering viability of a project and also undertake cost-benefit analysis, before initiating any project;
- (b) if so, the details thereof;
- (c) whether the Railways pay special emphasis for laying of railway network in hilly, difficult and inaccessible areas including North-Eastern States, even if the rate of return is negative;
- (d) if so, the details thereof;
- (e) the details of the Railway projects undertaken in these areas for the last three years; and
- (f) the present status of such projects?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF RAILWAYS (KUMARI MAMATA BANERJEE)

(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. 428 BY SHRI THANGSO BAITE TO BE ANSWERED IN LOK SABHA ON 26.08.2010 REGARDING RAILWAY NETWORK IN DIFFICULT TERRAINS

(a) & (b): Surveys are undertaken to examine the feasibility and to assess the likely investment, potential of traffic volumes and financial rate of return from the proposed project. During this evaluation, the financial rate of return is worked out under Discounted Cash Flow (DCF) technique and a project is considered financially viable if the return is equal to or more than 14%. The policy followed for taking up new line projects was enunciated by the National Transport Policy Committee 1980 and the following criteria was prescribed:

- (i) Project oriented lines to serve new industries for tapping mineral and other resources;
- (ii) Missing links for completing alternative routes to relieve congestion on existing saturated routes;
- (iii) Lines required for strategic reasons; and
- (iv) Lines for establishment of new growth centers or giving access to remote areas.

Besides the above, new lines are also taken up as socially desirable projects for the development of the economically backward areas.

(c) & (d): There is no such classification of Railway Projects as hilly, difficult and inaccessible area projects. However, 16 no. of projects are in progress to provide connectivity in Himalayan Region including North East region costing about Rs.34,600 Crore which on completion will add about 1473 Km of broad gauge line to the network.

(e) & (f): In last three years and current year, 7 new line projects have been taken up for Himalayan Region including North East at a cost of Rs.12,525 Crore. These projects are in initial stages of final location survey, preparation of plans and estimates, land acquisition, etc.