

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:1249  
ANSWERED ON:03.03.2011  
COST OVERRUN IN RAILWAY PROJECTS  
Thomas Shri P. T.

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

- (a) whether delay in completion of ongoing railway projects has excessively pushed up the cost as against the original allocations;
- (b) if so, the details thereof, project-wise, cost-wise and reasons therefor; and
- (c) the steps taken/being taken by the Railways to minimise such cost overrun and ensure timely completion of these projects?

**Answer**

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

(a) to (c): A Statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF UNSTARRED QUESTION NO. 1249 BY SHRI P.T. THOMAS TO BE ANSWERED IN LOK SABHA ON 03.03.2011 REGARDING COST OVERRUN IN RAILWAY PROJECTS.

(a) & (b): The targets for completion of projects are generally fixed every year based upon the progress of the projects, their relative priority and availability of resources. Besides financial constraints, the railway projects get delayed due to delay in availability of land, forestry & other clearances, law and order conditions, contractual failure, etc. As on 01.04.2010, there were 327 ongoing new line, gauge conversion and doubling projects having a huge throwforward of about Rs. 1 lakh crore. There is limited availability of Gross Budgetary Support.

(c): Due to initiative taken by Railways, State Government / beneficiaries have agreed for sharing of cost of 26 projects. Funds provided by State Governments for cost sharing projects will help in speedy execution of projects. Four projects have also been taken up through Rail Vikas Nigam Limited in partnership with strategic investors, these are Haridaspur-Paradip (82 Km) New Line, Obulavaripalle-Krishnapatanam (113 Km) New Line, Bharuch-Samni-Dahej(62 Km) Gauge Conversion and Angul-Sukinda (100 Km) New Line.

To expedite completion of the ongoing projects as also to avoid cost and time overrun, the railways are making efforts to generate additional funds through measures which are other than Gross Budgetary Support. The measures adopted such as Public Private Partnership, participation by State Governments/beneficiaries, additional funds for National Projects as also implementation through Rail Vikas Nigam Limited have started yielding positive results. Also, a Central Organization for Project Implementation (COPI) is proposed to be set up for expeditious and timely execution of projects.