

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:1690  
ANSWERED ON:01.12.2011  
FINANCIAL IRREGULARITY IN DFC  
Ram Shri Purnmasi

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

- (a) the details and present status of investigations/action taken on the cases of financial irregularities that have come to light so far in the Dedicated Freight Corridor (DFC) projects in the country;
- (b) the quantum of amount involved in the said cases of irregularities; and
- (c) the steps being taken by the Railways to prevent recurrence of such cases effectively ?

**Answer**

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

(a): Three cases pertaining to award of contracts at high rates by Dedicated Freight Corridor Corporation of India Limited (DFCCIL) have been investigated. The projects are:

1. Design and construction of important bridges (54 Nos) for Western Freight Corridors and Design and construction of formation including blanketing, Major bridges, Mugalsarai-Sone Nagar section
2. General Consultancy services for the work of double electrified railway track Bhaupur-Mandrak of Kanpur-Khurja section
3. Printing, Hospitality, Outsourcing Regarding the first two, investigation has been completed and advice of Central Vigilance Commission (CVC) has been obtained. Disciplinary action against erring officials has been initiated. Investigation regarding the third case, is in progress. There is fourth case pertaining to payment of compensation for structures and crops on land acquired by DFCCIL. This case has been handed over to Central Bureau of Investigation (CBI) and the case is under their examination.

(b): In the three cases, it is not possible to comment on the amount of loss to the government till the completion of D&AR proceedings. No assessment of the loss in the case handed over to CBI is possible as the case is still under investigation.

(c): Various preventive steps have been taken by DFCCIL to check recurrence of such cases which include framing of Whistle Blower Policy, Complaint Handling Policy, Land Acquisition Policy, uploading of all contracts above rupees one crore on website and creation of a dedicated vigilance unit.