

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1548
ANSWERED ON:22.03.2012
COST OVERRUN IN RAILWAY PROJECTS
Kashinath Shri Taware Suresh

Will the Minister of RAILWAYS be pleased to state:

- (a) the number of railway projects which are running behind its schedule of completion, Zone-wise;
- (b) the time and cost-overrun in each of the delayed projects; and
- (c) the strategy adopted/proposed to be adopted by the Railways to avoid time and cost overrun in such projects?

Answer

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF UNSTARRED QUESTION NO. 1548 BY SHRI SURESH KASHINATH TAWARE TO BE ANSWERED IN LOK SABHA ON 22.03.2012 REGARDING COST OVERRUN IN RAILWAY PROJECTS

(a) & (b): As on 01.04.2011, Indian Railways have a huge shelf of ongoing projects i.e. 129 New Lines, 45 Gauge Conversion and 166 Doubling projects with a throwforward requiring about Rs. 1,25,000 Crores for completion. The main reasons for delay in completion of the ongoing projects have been delay in land availability, limited availability of resources, long time taken for forestry clearance, adverse law & order conditions, failure of contractors, court cases in regard to alignment, non availability of materials, etc. which affect 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. Zone-wise details of ongoing New Line, Gauge Conversion and Doubling projects is given in Appendix.

(c): To expedite completion of the ongoing projects as also to avoid cost and time overrun, railways are also making efforts to generate extra budgetary financing through measures like, raising of funds through Public Private Partnership, participation by State Governments/beneficiaries, additional funds for National Projects as also implementation through Rail Vikas Nigam Limited. These have started yielding positive results.

In addition, (i) the contract conditions have been modified to bring efficiency in contract management and field units have been empowered with delegation of powers; and (ii) pending security and land acquisition issues are pursued with the concerned State Governments and also environment issues upto the level of Ministry of Environment and Forests.