

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1562

ANSWERED ON:22.03.2012

PPP IN RAILWAY PROJECTS

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Will the Minister of RAILWAYS be pleased to state:

- (a) the details of railway projects/services which are being executed in Public Private Partnership (PPP) mode;
- (b) the extent to which such collaboration with private sector has helped the Railways in their expansion endeavours;
- (c) whether the Railways' net profit has been declining over the last few years;
- (d) if so, the details thereof for the last three years alongwith the reasons therefor; and
- (e) the steps taken/being taken by the Railways to improve their revenues so that execution of various pending projects in the country is not suffered/delayed?

Answer

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

(a) & (b): At present the following projects are being executed through Public Private Partnership (PPP): Haridaspur- Paradip (New Line), Obulavaripalle- Krishnapatnam (New Line), Bharaucho-Dahej (Gauge Conversion) and Angul-Sukinda

(New Line) projects involving a total of approximately 357 kilometers.

The additional areas/projects identified/earmarked for execution through Public Private Partnership include a High speed corridor project (Mumbai-Ahmedabad), an elevated rail corridor (Churchgate-Virar), redevelopment of stations, Logistics Parks, Private freight terminals (PFTs), private container train operations, leasing of wagons and other freight- marketing schemes, Port connectivity, Dedicated Freight Corridors and loco and coach manufacturing units.

PPP projects have enabled mobilization of Extra-Budgetary Resources to enable Railways to finance its projects and reduce the gap that remains after Gross Budgetary Support, Internal Resource Generation and Market Borrowings.

(c) & (d): The surplus called "Excess" in Railways has been affected in recent years due to impact of the implementation of recommendations of Sixth Pay Commission despite growth in earnings. These are tabulated below:

(Rs. in crore)

2008-09 2009-10 2010-11

Total Receipts 81,659 89,229 96,681

Total Expenditure 72,485 83,685 90,335

Net Revenue 9, 174 5,544 6,346

Dividend Payment 4,717 5,543 4,941

Excess Shortfall 4,457 1 1,405

(e): Important steps taken for increasing revenue and generating internal surplus include rationalization of freight tariff, maximisation of the freight-earning potential and stress on execution of capacity-enhancing projects along with several economy measures. A number of areas/activities have also been earmarked for execution through PPP.