

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:718

ANSWERED ON:08.08.2013

COST SHARING POLICY

Hazari Shri Maheshwar ;Upadhyay Seema;Verma Smt. Usha

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways have made a new policy by imposing the pre-condition of cost sharing upon the concerned States for laying of new railway lines in the country;
- (b) if so, the reasons therefor despite the Railways being in the Union List of the Constitution;
- (c) whether the said new policy is likely to have an adverse effect on economically weaker States which are unable to share the cost of new railway lines in their States;
- (d) if so, the remedial measures put in place by the Railways for such States;
- (e) whether this new policy is one of the reasons for non-initiation of work on new line projects announced in the current year, if so, the reaction of the Railways thereto; and
- (f) the details and the present status of new line projects announced in the current year for Uttar Pradesh?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI ADHIR RANJAN CHOWDHURY)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF UNSTARRED QUESTION NO. 718 BY SHRI MAHESHWAR HAZARI, SHRIMATI SEEMA UPADHYAY AND SHRIMATI USHA VERMA TO BE ANSWERED IN LOK SABHA ON 08.08.2013 REGARDING COST SHARING POLICY.

(a) & (b): In view of huge throwforward of ongoing projects and limited availability of resources, to expedite project implementation various non-budgetary resources including cost sharing by State Governments have been explored by Railways. Railways have requested State Governments to come forward for sharing cost of projects essential for development & 10 State Governments have agreed to share cost of 37 projects.

Planning Commission has decided as a matter of policy that the project proposals which are to be taken up on socio-economic considerations by the Ministry of Railways are to be supported by the concerned State Government by providing land free of cost and also bearing 50% of the cost of construction.

(c) & (d): Projects are also taken up with full funding by Ministry of Railways.

(e) & (f): In 2013-14, 22 projects were included in Railway Budget provisionally with condition that execution will take place after Planning Commission clearance & Cabinet Committee on Economic Affairs approval. Except for these projects, all sanctioned projects have been taken up. Clearance for these projects has been processed.