

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:847

ANSWERED ON:08.08.2013

INVESTMENT IN RAILWAYS

Kalmadi Shri Suresh; Mitra Shri Somendra Nath

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

(a) whether as per an internal assessment the investment in Railways during the first two years of the 12th Five Year Plan is likely to be approximately half of the earlier target with relatively low investment, low capacity creation, low freight loading and low procurement of wagons etc.;

(b) if so, the details thereof along with the reasons therefor;

(c) whether during the current plan period the resources for construction of new railway lines have also been falling heavily;

(d) if so, the details thereof along with reasons therefor; and

(e) the details of the remedial measures taken / proposed to be taken to improve the fiscal health of the Railways for better allocation / implementation of projects?

**Answer**

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

(a) & (b): An outlay of ` 5.19 lakh including Gross Budgetary Support (GBS) of ` 1,94,221 crores has been approved for the 12th Five Year Plan. Investment of ` 52,265 crore has been made in 2012-13 (Revised Estimate) and budget estimate for 2013-14 is ` 63,363 crore. The investment in the first two years of the Plan has been on the lower side mainly due to less allotment of GBS. GBS allotment has been ` 25,367 crore in 2012-13 (Revised Estimate) and ` 27,102 crore in 2013-14 (Budget Estimate).

In the first 2 years of the 12th Plan it is targeted to achieve construction of 951 kms. of new lines, 1405 kms. of doubling, 980 kms. of gauge conversion & 2617 kms. of railway electrification. Out of this, 501 kms. of new line, 605 kms. of gauge conversion, 705 kms. of doubling and 1317 kms. of railway electrification have been completed in the first year of the Plan (2012-2013). 32,894 numbers of wagons are targeted to be procured in the first 2 years of the Plan. Freight loading of 1010 million ton was achieved in 2012-13 and target for 2013-14 is 1047 million ton.

(c) & (d): Investment in New Lines is financed primarily through GBS. Investment in New Lines in 2012-13 is ` 6057 crore (Revised Estimate) and ` 6100 crore in 2013-14 (Budget Estimate) against total plan outlay of 35000 crores due to the lesser allotment of GBS.

(e): Indian Railways has a large shelf of already sanctioned projects. As resources are limited, the projects have been prioritised for execution based on operational needs. Moreover, Railways are continuously pursuing with the Government to enhance the GBS on year to year basis to bring it at par with the proportionate GBS as per approved Plan size. Ministry of Railways have also asked for provision of funds for National Projects as an additionality over and above the GBS. Further, several measures have been taken to improve fiscal health and increase resource mobilization which include Fuel Adjustment Component (FAC) linked revision of freight and passenger rates to compensate for the fuel cost increase, expenditure control, procurement of rolling stock through leasing etc. Projects are also being undertaken under Public Private Partnership.