

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1160

ANSWERED ON:01.12.2014

FUNDS FOR RAILWAY PROJECTS

Adsul Shri Anandrao ;Patil Shri Shivaji Adhalrao;Yadav Shri Dharmendra

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the expansion of the ambitious schemes of Railways is being delayed due to acute shortage of funds;
- (b) if so, the details thereof along with the schemes of the Railways affected due to said shortage, State-wise;
- (c) whether the Railways have any proposal to involve private companies for making investment in the area of freight marketing and if so, the details thereof;
- (d) whether the Government also proposes to amend freight marketing policies so as to make them investor friendly; and
- (e) the details of efforts made by the Government to meet the requirement of funds of the Indian Railways?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MANOJ SINHA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO. 1160 BY SHRI ANANDRAO ADSUL, SHRI ADHALRAO PATIL SHIVAJIRAO AND SHRI DHARMENDRA YADAV TO BE ANSWERED IN LOK SABHA ON 01.12.2014 REGARDING FUNDS FOR RAILWAY PROJECTS

(a) & (b): Yes, Sir. Shortage of funds is one of the main factors affecting progress of railway projects. Presently there are 154 New Line, 42 Gauge Conversion and 166 Doubling ongoing projects costing Rs. 2,58,277 Crores. As on March, 2014, an expenditure of Rs. 76,054 Crore have already been incurred on these projects, leaving a throw-forward of Rs. 1,82,224 Crore. An Outlay of Rs. 13,494 Crores has been provided for them in the Budget 2014-15. Due to large shelf of projects, funds get thinly spread over the projects and affects almost all the ongoing works.

(c): Railways have initiated a number of initiatives to encourage procurement of wagons and construction of terminals to involve private companies for making investment in the area of freight marketing through private investment, the schemes are as under:-

A. For procurement of wagons:

- (i) Liberalized Wagon Investment Scheme.
- (ii) Wagon Leasing Scheme.
- (iii) Special Freight Train Operators Scheme.
- (iv) Automobile Freight Train Operators Scheme.

B. For Terminals:

- (i) Private Freight Terminal.

(d): Freight Marketing policies are amended from time to time to take into account the changes taking place in the market as well as on the suggestions received from the investors/customers.

(e): Projects mainly new line, gauge conversion, and doubling are executed from funds provided by Ministry of Finance as Gross Budgetary Support (GBS). Railways have been impressing upon Planning commission and Ministry of finance for enhanced GBS. Various measures to expedite completion of projects have already been enumerated in the Railway Budget Speech, 2014-15. These inter-alia include mobilization of additional resources by leveraging Railway PSU resources, private investment in Rail Infrastructure through domestic and Foreign Direct Investment (FDI), funding of projects through Public Private Partnership (PPP), Near Plan Holiday, prioritization of projects, participation of State Governments etc.