

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1831
ANSWERED ON:08.03.2001
LOSS SUFFERED BY KONKAN RAILWAY
RAMSHETH THAKUR

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Konkan Railway Corporation is suffering heavy losses during the last three years;
- (b) if so, the details thereof, year-wise;
- (c) the steps taken to make up the losses good by the Government;
- (d) whether Railways have failed in exploiting its commercial land; and
- (e) if so, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

(a) to (e): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA UNSTARRED QUESTION NO. 1831 OF 08.03.2001 BY SHRI RAMSHETH THAKUR REGARDING LOSS SUFFERED BY KONKAN RAILWAY

(a) to (e): The Corporation is able to meet its working expenses from the revenue generated. However, on account of provisions required to be made for the financing cost incurred on market borrowings during the construction phase and on depreciation, the Corporation is showing a loss in its Balance Sheet. The net loss during 1997-98, 1998-99 and 1999-2000 was Rs. 154 crores, Rs. 340 crores and Rs. 385 crores respectively.

The Corporation has made out a Business Plan enumerating various steps being taken to reduce the losses. These are as follows:

- i) Augmentation of traffic earnings by carrying out a strong marketing drive.
- ii) Marketing its construction expertise by:
 - Trying to bid for international contracts for Railway construction.
 - Taking up specialised construction works such as highways and tunneling within the country.
- iii) Exploiting the potential of the optical fibre cable network laid by the Corporation.
- iv) Implementing the installation, after testing, of an Anti-Collision Device (ACD) developed by the KRC on the Indian Railway System.

While no commercial exploitation of Konkan Railway Corporation land has been done so far, several proposals are presently being finalised by the Konkan Railway Corporation for this purpose.