

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:6550
ANSWERED ON:08.05.2003
INTERNAL RESOURCES GENERATION SCHEME
A.C. JOSE

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways has taken any steps to implement the Internal Resource Generation Scheme in some areas; and
(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA)

(a) & (b): A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) & (b) OF UNSTARRED QUESTION NO.6550 BY SHRI A. C. JOSE TO B ANSWERED IN LOK SABHA ON 8-5-2003 REGARDING INTERNAL RESOURCES GENERATION SCHEME

(a) & (b): The freight and passenger earnings constitute around 90% of the Railway revenues. In order to generate more revenue, Railways are continuously striving to augment its traffic earnings by capturing more and more traffic. In the case of freight traffic, various marketing strategies, which include rationalisation of the freight structure, are being adopted. In the rationalised freight structure, the ratio between the highest and the lowest freight rate has been reduced from 8.0 to 2.8 and the total number of classes reduced from 59 to 27 in the last two Railway Budgets. The band of freight rates has been made more compact by lowering the highest class from Class-300 to Class-250. The station-to-station rates scheme has been liberalised for granting freight concession on specific streams of traffic. An incentive scheme has been introduced for Premier Customers of the Railways who offer additional earnings. To improve the earnings from parcel traffic, the rates have also been rationalised by reducing the rate scales from 7 to 4 and all types of commodities are being charged at a uniform rate depending upon the type of service selected by the customer. In the case of parcel rates, the ratio of highest and lowest rate has been reduced from 8.7 to 6.2. Efforts are being made to step up passenger earnings by providing additional coaches and running special/new trains to cater to the growing demand.

Apart from the above, Railway lands, other than those under track and structure, are licensed for generation of revenue from various uses of land namely, loading/stacking of materials near sidings and stations, bulk oil installations, way leave facilities etc. Also Railways are seeking to augment revenue generation by commercial exploitation of Railway land and air space and commercial publicity on rolling stock and Railway stations etc. Feasibility/Market studies are taken up to ascertain the commercial potential of Railway land/air-space. In addition, Railways have formed a Corporation, namely, RailTel Corporation of India Ltd., which will earn revenues for Railways by utilising the Railways' right-of-way (ROW) for laying of Optical Fibre Cable and commercially exploiting the surplus capacity in the telecom network.

As of now, there are no additional areas under consideration of the Railways, for increasing the resource generation.