

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:6664
ANSWERED ON:06.05.2010
OPERATIONAL EXPENDITURE
Singh Shri Jagada Nand

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the operational expenditure of the Railways has again started increasing from the year 2009-10 after having been in the declining order since 2007;
- (b) if so, the details thereof;
- (c) the factors responsible for the increase in operational expenditure; and
- (d) the steps being taken by the Railways to control the operational expenditure?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF RAILWAYS (SHRI K.H. MUNIYAPPA)

(a) and (b): No, Madam. The operational expenditure, i.e. ordinary working expenses, normally show an increasing trend. However, there has been a sharp increase from 2008-09 as shown below:

Year Ordinary Working Expenses (Rs. in crore)

2006-07 37432.53

2007-08 41033.17

2008-09 54349.30

2009-10 66152.38 (Approx)

(c): The operational/ordinary working expenses have increased sharply after 2007-08 primarily due to impact of implementation of recommendations of 6th Pay Commission. Other factors contributing to the increase in expenditure include higher price of fuel, increase in lease charges, higher cost of stores, increased rate of dearness allowance etc.

(d): All possible measures are being taken to contain expenditure, which include control in areas such as fuel/power consumption, contractual payments and purchase of materials, productive use of manpower, better utilization of assets, improved inventory management and steps for reduction in the cost of operations and maintenance of rolling stock and other assets.