

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:2536  
ANSWERED ON:25.11.2010  
SURPLUS OF INDIAN RAILWAY  
Ramasubbu Shri S.

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

- (a) whether the surplus of Indian Railways had reduced drastically over the years;
- (b) if so, the details thereof during the last three years alongwith the reasons for reduction;
- (c) whether the Railways have taken any steps to improve its services and also its surplus in the coming years;
- (d) if so, the details thereof; and
- (e) if not the reasons therefor ?

**Answer**

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO. 2536 BY SHRI S. S. RAMASUBBU TO BE ANSWERED IN LOK SABHA ON 25.11.2010 REGARDING SURPLUS OF INDIAN RAILWAY.

(a)&(b): Yes, Madam. The position has been explained in detail in the White Paper placed in Parliament in December, 2009. The impact of Sixth Central Pay Commission on payment of salary, pension and their arrears has placed an additional liability of Rs.55,000 crs. on the Railways up to FY 2010-11. Of this, Rs.13,267 crs. and Rs.25,311 crs. have been paid in 2008-09 and 2009-10 respectively. This has increased the expenditure, affecting the surplus for these years.

(c)to(e): In order to improve services and to generate more surplus, railways are striving to increase loading through dynamic, differential and market responsive freight tariff policies. The initiatives under freight business segment include plans to improve throughput, reduction in wagon turn round time, simplification and rationalization of freight structure and goods tariff, discount on incremental traffic in empty flow direction and lean season etc. The initiatives under passenger segment include introducing new trains, running of special trains, speeding up of trains, review of trains with low patronage, attachment of additional coaches in well patronized trains, extension of PRS and UTS facilities to more and more locations, additional leasing of parcel space in certain nominated trains, leasing of vacant luggage compartment of SLR, Assistant guard lobby etc. Further, measures are being taken to control expenditure viz, areas such as fuel/power consumption, contractual payments, purchase of materials, productive use of manpower and efforts at better utilization of assets, improvement in inventory management and various steps to reduce the cost of operation and maintenance of rolling stock etc.

While the above measures will help in increasing earnings and containing expenditure, the impact of VI Central Pay Commission will also stabilise since Railways have already paid arrears in the years 2008-09 and 2009-10. It is expected that the 'Excess' will improve gradually in the coming years with increasing freight and passenger earnings.