

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1272

ANSWERED ON:03.03.2011

REVENUE DEFICIT

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Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways are facing financial crisis and a huge deficit due to decreasing income of the Railways;
- (b) whether the deteriorating financial condition of the Railways has been attributed to various factors like, payment of arrears of 6th CPC, discontinuation of transportation of exportable iron ore, agitations on railway lines etc. as appeared in the press on 9th February, 2011;
- (c) if so, the details thereof alongwith the details of projects so affected, Zone-wise/State-wise;and
- (d) the remedial steps taken by the Railways in this regard?

Answer

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

- (a) & (b): No Madam. Railways are not facing a huge deficit due to decreasing income. However, internal resource position is affected to some extent due to implementation of the 6th Central Pay Commission as an additional Rs.2000 cr. had to be provided in the revised estimates, 2010-11 to cover higher expenditure due to post-budgetary factors and higher outgo on staff allowances. The earnings would have been much higher but for ban on iron ore for export and rail roko, agitation and bandhs.
- (c): The main projects of the Railways are funded through Budgetary support and partly through internal resources. The revised Plan outlay for 2010-11 has been fixed at Rs.40,315 crore against the Budgeted outlay of Rs.41,426 crore.
- (d): Besides taking steps to augment earnings, the Railways have been asked to control the expenditure and stay within the Budget allocations as a matter of financial discipline and prudence.