

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:2479

ANSWERED ON:08.12.2011

REVENUE EXPENDITURE OF THE RAILWAYS

Alagiri Shri S. ;Dhruvanarayana Shri R. ;Ganpatrao Shri Jadhav Prataprao;Haque Shri Sk. Saidul;Panda Shri Prabodh;Patel Shri R.K. Singh;Sugavanam Shri E.G.

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways are facing a huge revenue shortfall and as a result thereof, several railway projects are being affected;
- (b) if so, the details thereof alongwith the reasons for revenue shortfall;
- (c) the details of revenues and expenditure incurred under plan and non-plan Heads during the last three years and current year; and
- (d) the steps being taken by the Railways to increase the revenues and cut the non-plan expenditure?

Answer

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

(a)to(d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF UNSTARRED QUESTION NO. 2479 BY Shri R.K. Singh Patel, Prof. Sk. Saidul Haque, Shri Prataprao Ganpatrao Jadhao, Shri S. Alagiri, Shri Prabodh Panda, Shri E.G. Sugavanam, Shri Dhruva Narayana TO BE ANSWERED IN LOK SABHA ON 08.12.2011 REGARDING Revenue/Expenditure of the railways.

(a)&(b): The actual financial performance in the current financial year would be available only after closure of accounts in May, 2012. However, there is shortfall in earnings realization as compared to the target by Rs.1997 crore (Approx.) to end of October 2011. Reasons for revenue shortfall are mainly due to dislocation of traffic on account of bandhs, agitations, fog and restrictions on mining of Iron-ore etc in certain States. Projects are progressed as per availability of resources.

(c): Details of revenues and expenditure incurred on plan and non-plan heads during the last three years and current year are as under:

(Rs. in crore)

Year	Revenue	Expenditure
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	Plan	Non-Plan
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2008-09	81658.98	36335.51	72484.53
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2009-10	89229.29	39671.85	83685.20
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2010-11	96681.02	40792.74	90334.88
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2011-12	56153.86	25513.09	58717.82
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Upto Oct'11 (Approx.)

(d): The steps taken by the Railways to increase the revenues are optimization of operational efficiency and earnings through progressive increases in axle loads as well as carrying capacity of freight cars. In addition, Railways have also taken a number of

steps to attract additional traffic, which inter-alia include implementation of a differential tariff regime for specifically addressing situations arising out of skewed demand during different periods of the year as well as across different regions of the country. A slew of freight incentives schemes are also in place for attracting traffic, particularly in the traditional empty flow direction and during lean season. As regards control over expenditure, there is constant endeavour on the part of the Railways to avoid wasteful expenditure and control the growth of non-plan expenditure. The steps taken include prioritization of expenditure on works for better use of available resources, improvement in inventory management, optimising the fuel consumption, tight control over expenditure in areas such as contractual payment, overtime allowance, purchase of material etc. austerity and economy measures in areas such as hospitality, publicity, advertisements, inaugural ceremonies, seminars and workshops, contingent office expenses etc.