

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1316

ANSWERED ON:12.12.2013

FINANCIAL POSITION OF THE RAILWAYS

Adhalrao Patil Shri Shivaji; Adsul Shri Anandrao Vithoba; Karunakaran Shri P.

Will the Minister of RAILWAYS be pleased to state:

- (a) the details of the financial position of the Railways including income from passenger, freight and parcel segments during the last three years and the current year, year and zone-wise;
- (b) the details of expenditure under major heads during the said period, zone-wise;
- (c) the details of income and expenditure during the said period, zone and division-wise;
- (d) whether the operational expenditure of the Railways has been increasing for the last few years and if so, the details thereof along with the reasons therefor; and
- (e) the steps taken/being taken by the Railways to check their operational expenditure without compromising on safety and security measures?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI ADHIR RANJAN CHOWDHURY)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO. 1316 BY SHRI ADHALRAO PATIL SHIVAJI, SHRI P. KARUNAKARAN AND SHRI ANANDRAO ADSUL TO BE ANSWERED IN LOK SABHA ON 12.12.2013 REGARDING FINANCIAL POSITION OF THE RAILWAYS.

(a): The details of the financial position of the Railways including income from passenger, freight and parcel segments during the last three years and the current year, zone-wise is Appended-I.

(b): The details of operational expenditure under major heads during the last three years and the current year till Nov'13, zone-wise are Appended-II.

(c): The details of income and operational expenditure during the said period, zone-wise is Appended-III. However, Division-wise cost and profit concept does not exist on Indian Railways.

(d): Yes, Madam. The operational expenditure has increased in the last few years owing to increase in the level of traffic, staff cost, price rise etc. It has increase by 3.54%, 9.39% and 12.71% respectively during the years 2010-11, 2011-12, 2012-13 mainly due to rise in staff cost after implementation of VI Central Pay Commission recommendations, de-regulation of HSD oil prices and general price rise.

(e): The steps being taken for controlling the operational expenses include prioritization of works for optimal use of scarce resources, improvement in staff productivity through better man-power planning, better assets utilization, improvement in inventory management, optimization of fuel consumption, tight control over expenditure in areas such as contractual payment, overtime allowance, purchase of material, austerity and economy measures in areas such as hospitality, publicity, advertisements, inaugural ceremonies, seminars, workshops, contingent office expenses, strict implementation of the guidelines on expenditure control and management circulated by the Ministry of Finance, rigorous monitoring of expenditure with respect to the monthly budget proportions etc.