

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:4148  
ANSWERED ON:20.04.2015  
INVESTMENT IN RAILWAYS  
Patil Shri Sanjay(Kaka) Ramchandra

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

- (a) whether the Railway have taken a note that its current earning of revenue system of Railways leaves a very small surplus for investment and modernisation;
- (b) if so, the details thereof; and
- (c) the corrective steps taken/ being taken by Railways in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS ( SHRI MANOJ SINHA )

(a) & (b): Yes, Madam. Against huge requirement of resources for expansion and modernisation, Railways' revenue earning system does not leave much for investment and modernisation in Railways. However, there is improvement in Railways' internal resource generation for plan investment and are estimated to be ` 15,053 cr and ` 22,166 cr respectively in 2014-15(Revised Estimates) and 2015-16(Budget Estimates).

(c): Investment on expansion and modernisation of Railways is financed from multiple sources i.e. Gross Budgetary Support from the Ministry of Finance, Internal Resources generated by Railways and Extra Budgetary Resources like market borrowings and Public Private Partnerships etc. Efforts towards enhancing internal resource generation in Railways is a continuous endeavour. Towards this end, Railways have targeted progressively higher revenue through an inter-mix of capacity augmentation, pricing adjustments and expenditure control such as:

# Targeting progressively higher volume of passenger and freight traffic;

# Periodic rationalisation of both freight and passenger tariffs and fares;

# Periodic adjustments of various charges incidental to passenger and freight;

# Exploration of alternate sources of revenue like commercial exploitation of surplus Railway land, advertisement on Railway premises/assets etc;

# Constant endeavour by Railways to effect economy in expenditure.

# Austerity and economy measures in areas such as hospitality, publicity, advertisements, inaugural ceremonies, seminars and workshops, contingent office expenses etc.

# Implementation of guidelines on expenditure control & management circulated by the Ministry of Finance on the Railways also.

# Rigorous monitoring of expenditure w.r.to the monthly budget proportions.