

**GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS**

**LOK SABHA  
UNSTARRED QUESTION NO.1760  
TO BE ANSWERED ON 13.02.2019**

**ACCOUNTING SYSTEM**

**1760. SHRI RAM MOHAN NAIDU KINJARAPU:**

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

- (a) whether the Railways has planned to set up a holding company to monetize its soft assets and stakes in other companies for achieving greater liquidity level and if so, the details thereof;**
- (b) the steps taken by the Railways in controlling losses incurred on account of social service obligations; and**
- (c) the steps taken by the Railways in improving the accounting system to enable an overall accounting reform?**

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF RAILWAYS**

**(SHRI RAJEN GOHAIN)**

**(a): No, Madam.**

**(b): The following steps have been taken for controlling losses incurred on account of social service obligations:**

- i. Concession to Foreign Nationals senior citizens has been withdrawn.**

**.....2/-**

**ii. An option has been given to senior citizens with effect from 22.07.2017 to give up 50 % concession as opposed to 100% at present.**

**iii. Letters have been sent to concerned Ministries, like Ministry of Social Justice and Empowerment, Ministry of Health and Family Welfare and Ministry of Youth and Sports, to bear the cost of revenue forgone due to concession being given to categories of passengers, whose social welfare liability lies with the concerned Ministries.**

**In order to minimise losses and optimize the earnings capacity, tariff of Indian Railways has been rationalized from time to time. Last freight rationalization has been implemented with effect from 01.11.2018.**

**(c): As a part of Accounting Reforms initiative, Indian Railways have decided to prepare Accrual based financial statements also in addition to the existing cash based Government Accounts.**

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