## GOVERNMENT OF INDIA MINISTRY OF RAILWAYS

# LOK SABHA UNSTARRED QUESTION NO. 5500 TO BE ANSWERED ON 28.03.2018

#### **REVENUE EXPENDITURE**

**5500. SHRI ANANDRAO ADSUL:** 

**SHRI ADHALRAO PATIL SHIVAJIRAO:** 

**DR. PRITAM GOPINATH MUNDE:** 

**DR. SHRIKANT EKNATH SHINDE:** 

**SHRI VINAYAK BHAURAO RAUT:** 

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the railway transport has lagged behind the requirement due to inadequate investment, if so, the facts thereof;
- (b) whether it is a fact that several committees including the National Transport Policy Committee, the Rail Tariff Enquiry Committee and the Railway Reforms Committee have also highlighted the shortcomings;
- (c) if so, the details thereof;
- (d) whether the Railways spends heavily on revenue expenditure and there is little left for capital expenditure, if so, the facts thereof;
- (e) whether the Railways needs to generate enough funds on its own for capital expenditure and also find new, non-government sources of funding in order to witness a noticeable change; and
- (f) if so, the details thereof and the steps taken or being considered by the Government in this regard?

### **ANSWER**

#### MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

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

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF UNSTARRED QUESTION NO. 5500 BY SHRI ANANDRAO ADSUL, SHRI ADHALRAO PATIL SHIVAJIRAO, DR. PRITAM GOPINATH MUNDE, DR. SHRIKANT EKNATH SHINDE AND SHRI VINAYAK BHAURAO RAUT TO BE ANSWERED IN LOK SABHA ON 28.03.2018 REGARDING REVENUE EXPENDITURE

(a) to (c): Railways has lagged behind due to inadequate investment. Railways has a huge throwforward in its capital expenditure program. Currently, the throwforward in capacity expansion program is over `4 lakh crores. Several committees including the National Transport Policy Committee, the Rail Tariff Enquiry Committee and the Railway Reforms Committee have also highlighted the shortcomings. Recent Committee headed by Shri Debroy for "Restructuring and Mobilization of Resources" has recommended to explore sources of funding PPPs, JVs, -institutional finance, etc., in addition to the conventional mode of internal generation of resources.

(d): Yes, Madam. The total revenue expenditure and the internal resources available out of it for capex from the year 2016-17, 2017-18(RE) and 2018-19(BE) is given below:

	(` in crores)	
	Total Expenditure	Amount of Revenue available for capital expenditure
2016-17	165382	10113
2017-18 RE	187425	11425
2018-19 BE	201090	13490

(e) & (f): Yes, Madam. A new source of funding viz. Extra-Budgetary Resources (Institutional Finance (EBR-IF in short) has been introduced with effect from financial year 2015-16. It is envisaged to mobilize funds to the tune of `1.5 lakh crore through EBR(IF) for financing Railway projects over a period of five years (2015-16 to 2019-20).

The Ministry of Railways signed a Memorandum of Understanding(MOU) with the Life Insurance Corporation of India(LIC) on 11<sup>th</sup> March 2015 whereby LIC has agreed to provide funding assistance to the tune of `1,50,000 crore over a five year period from 2015-16 to 2019-20 for financing Railway projects. These funds will be routed through Indian Railway Finance Corporation who will finance the identified projects and lease them to the Railways. ERB-IF funds are being utilized in mostly Doubling and Electrification projects.

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