

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 795
TO BE ANSWERED ON 07.02.2018**

REVENUE LOSS

795. SHRI RAM CHARITRA NISHAD:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the biggest challenge for the Railways is to meet the public sector obligation along with matching the performance of the corporate sector and if so, the details thereof;**
- (b) whether the revenue loss for meeting public services obligation is as high as ₹ 30,000 crore and if so, the details thereof;**
- (c) whether the Railways is focusing on bolstering its freight and non-fare revenue and if so, the details thereof; and**
- (d) whether the non-fare revenue rose 72% this year and the target is to increase the non-fare revenue to around ₹ 35,000 crore in the next 10 years and if so, the details thereof?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(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.795 BY SHRI RAM CHARITRA NISHAD TO BE ANSWERED IN LOK SABHA ON 07.02.2018 REGARDING REVENUE LOSS

(a) & (b): Yes, Madam. Indian Railways carries out certain transport activities which are uneconomic in nature but carried out in the larger interest of the society. Overall, the loss incurred on account of these activities for the year 2016-17 was ₹ 39,607.45 crore.

(c) & (d): Yes, Madam. In recent past, Ministry of Railways has taken a number of steps to attract Freight traffic such as Long Term Tariff Contract with key freight customers, guidelines on station to station rates, liberalized automatic freight rebate scheme in empty flow directions, withdrawal of port congestion charge, proliferation of Roll-on-Roll-off service on Indian Railways, withdrawal of levy of congestion charge for stone traffic transported from Eastern Railway to Bangladesh via Darsana/Benapole, rationalization of coal tariff, more flexibility in mini rake loading, withdrawal of dual freight policy of iron ore traffic, re-introduction of short lead concession & reduction in minimum distance for charge from 125 Km to 100 Km., expanding the freight basket, dispensation from mandatory (100%) weighment in case of loading of standard bags of uniform size, rationalization of Merry-Go-Round (MGR) scheme etc.

In addition, Ministry of Railways has also introduced other schemes to improve freight share like procurement of wagons (rolling stock) through Public Private Partnership mode, Liberalized Wagon Investment Scheme (LWIS), Special Freight Train Operator (SFTO), Automobile Freight Train Operator (AFTO), Wagon Leasing Scheme (WLS), development of Private Freight Terminals (PFT) through Public Private Partnership mode etc.

The non-fare revenue (sundry earnings) increased by 74.88% in financial year 2016-17 over 2015-16. Many of the World Railway systems generate 10% to 20% of the revenues from non-tariff sources. Over a period of the next five years, Railways will endeavour to reach this World average by monetizing assets and undertaking other revenue yielding activities.
