

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 3649
TO BE ANSWERED ON 02-01-2019**

REVENUE OF RAILWAYS

3649. SHRI MOHITE PATIL VIJAYSINH SHANKARRAO:

DR. J. JAYAVARDHAN:

SHRIMATI SUPRIYA SULE:

DR. HEENA VIJAYKUMAR GAVIT:

SHRI DHANANJAY MAHADIK:

SHRI P.R. SUNDARAM:

SHRI SATAV RAJEEV:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the net surplus of Railways after meeting the revenue liabilities was just Rs.4,913.00 crore in 2016-17 compared to Rs.10,505.97 crore in 2015-16 and if so, the zone-wise details of the net surplus thereof;**
- (b) whether it is true that even though no dividend was paid during 2016-17, the net surplus remained quite low compared to Rs.8,722 crore in 2015-16;**
- (c) if so, the reasons for low net surplus despite having not paid the dividends in 2016-17;**
- (d) whether the Government has conducted any assessment regarding reasons for low net surplus and if so, the details thereof; and**
- (e) the zone-wise details of the steps taken/being taken by the Government to enhance net surplus of Railways, year-wise since 2014?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(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. 3649 BY SHRI MOHITE PATIL VIJAYSINH SHANKARRAO, DR. J. JAYAVARDHAN, SHRIMATI SUPRIYA SULE, DR. HEENA VIJAYKUMAR GAVIT, SHRI DHANANJAY MAHADIK, SHRI P.R. SUNDARAM AND SHRI SATAV RAJEEV TO BE ANSWERED IN LOK SABHA ON 02.01.2019 REGARDING REVENUE OF RAILWAYS

(a): Yes, Madam. Zone-wise details of net surplus for the year 2015-16 and 2016-17 are appended.

(b): Net surplus during 2015-16 was ₹10505.97 crore after meeting dividend liability of ₹8722.51 crore. No dividend was paid in 2016-17.

(c) to (e): The dividend waiver allowed to Railways in 2016-17 helped Railways to reduce its expenditure by a net amount of about ₹5,430.00 crore after offsetting the subsidy receivable from the Ministry of Finance. Despite this relief, Railways' total expenditure excluding dividend grew by ₹11,318.00 crore in 2016-17 whereas Railways total receipts excluding subsidy increased by a mere ₹726.00 crore compared to corresponding figures in 2015-16. This resulted in a drop in net surplus of Railways in 2016-17. While steep rise in expenditure was on account of rise in staff cost pursuant to implementation of 7th CPC, meager increase in receipts was due to drop in other coaching and freight earnings from the year 2015-16 level.

Steps to enhance Indian Railways' net surplus comprise of a combination of initiatives aimed at maximizing revenue receipts and minimizing controllable revenue expenses. Earnings enhancing measures, inter alia, include targeting progressively higher traffic throughput, periodic rationalization of fare and freight rates, effective and innovative marketing strategies to capture more and more traffic, creation of additional capacity and optimum utilization

of the existing rail infrastructure including rolling stock, enhancement in productivity and efficiency, improvement of passenger interface and focus on increasing the share of non-fare revenue sources of Railways' earnings. Expenditure control measures include strict economy and austerity measures, improved man-power planning, better asset utilization, inventory management, optimizing fuel consumption etc.

APPENDIX REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 3649 BY SHRI MOHITE PATIL VIJAYSINH SHANKARRAO, DR. J. JAYAVARDHAN, SHRIMATI SUPRIYA SULE, DR. HEENA VIJAYKUMAR GAVIT, SHRI DHANANJAY MAHADIK SHRI P.R. SUNDARAM AND SHRI SATAV RAJEEV TO BE ANSWERED IN LOK SABHA ON 02.01.2019 REGARDING REVENUE OF RAILWAYS

(a): Zone-wise details of the surplus generated during 2015-16 and 2016-17 are as under:

(□ in crore)

Zonal Railways	2015--16	2016-17
Central	36.13	-650.88
Eastern	-5330.66	-4755.41
East Central	695.14	-192.15
East Coast	6447.23	6925.51
Northern	-4004.70	-3781.09
North Central	5086.68	3935.68
North Eastern	-3117.98	-3047.06
North-east Frontier	-3206.08	-1796.45
North Western	499.26	377.22
Southern	-2991.61	-3696.42
South Central	2920.50	1940.81
South Eastern	3400.60	3407.50
South East Central	5887.49	5293.57
South Western	114.92	-900.55
Western	1152.01	-391.20
West Central	3743.14	2567.21
Metro	-282.32	-339.15
PUs/Others	-543.78	15.86
Total	10505.97	4913.00
