

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO.1343
TO BE ANSWERED ON 09.02.2022**

REVENUE GENERATION BY RAILWAYS

1343. SHRI NAMA NAGESWARA RAO:

Will the Minister of RAILWAYS be pleased to state:

(a): the details of revenue generated/loss incurred by the Railways during the last three years and the current year, year-wise;

(b): whether the Railways has assessed the key areas incurring losses and if so, the details thereof;

(c): whether any target has been fixed by the Railways to increase its revenue and if so, the details thereof; and

(d): whether the Government is considering to formulate various business models, including the Public-Private Partnership (PPP) model, to meet revenue gap and if so, the details thereof ?

ANSWER

**MINISTER OF RAILWAYS, COMMUNICATIONS AND ELECTRONICS &
INFORMATION TECHNOLOGY**

(SHRI ASHWINI VAISHNAW)

(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. 1343 BY SHRI NAMA NAGESWARA RAO TO BE ANSWERED IN LOK SABHA ON 09.02.2022 REGARDING REVENUE GENERATION BY RAILWAYS

(a): The details of revenue and surplus generated by the Railways during the last three years and current year, year-wise is as under:-

(₹ in crore)

Year	Total Receipts	Net Revenue(Total Receipts less Total Expenditure)
2018-19	190,507.37	3,773.86
2019-20	174,694.69	1,589.62@
2020-21	140,783.55	2,547.48@
2021-22(Upto Dec.-2021)	134,371.70	*

@ Due to Covid related resources gap in 2019-20 and 2020-21, Railways appropriated ₹ 20708 crore in 2019-20 and ₹ 523 crore in 2020-21 to Pension Fund.

*** Net Revenue is calculated on yearly basis after closure of Annual Account.**

(b): Indian Railways carries out certain transport activities which are uneconomic in nature but carried out in the larger interest of the country. Losses incurred on this account are assessed every year (annual basis) which are termed as Social Service Obligations on Indian Railways. The details of Social Service Obligations borne by Railways for the last three years are as under:-

(₹ in crore)

Sr.No.	Description	2018-19	2019-20	2020-21
(i)	Loss on low rated commodities	59.95	301.31	1371.14
(ii)	Concession in Passenger Fare	1994.83	2058.61	37.94
(iii)	Losses on account of EMU Suburban Services	6753.56	6937.72	7798.60
(iv)	Losses on Un-economic Branch Lines	2342.32	2396.82	2255.49
(v)	Losses on Strategic Lines	1815.45	1604.27	1280.16
(vi)	Losses on Parcel, Luggage, Postal and Catering Services etc.	5277.90	5793.31	6112.93
(vii)	Losses on account of pricing of fares below cost and other Social Services Obligations	37673.03	45430.56	57187.23
(viii)	Total Losses on Coaching & Goods Services {(i) to(vii)}	55917.04	64522.60	76043.49
(ix)	Total Social Service Obligation (viii)-(vi)	50639.14	58729.29	69930.56
(x)	Deduct Staff Welfare and Law & Order Costs	12325.55	13187.37	13278.75
(xi)	Deduct loss on commodities (not under SSO)	-	-	1801.21
(xii)	Net Social Service Obligation[(ix)-(x+xi)]	38313.59	45541.92	54850.60

(c): Keeping in view the continuing adverse impact of the COVID-19 pandemic on passenger services, Railways have scaled down their total traffic receipts target in 2021-22 from Budget Estimates level of ₹217010 crore to ₹201650 crore in Revised Estimates, with a compound annual growth rate (CAGR) of 7.5% over the year 2019-20. This comprises Passenger Revenue of ₹44375 crore, Freight Revenue of ₹145275 crore, Other Coaching Revenue of ₹5000 crore and Sundry Other Revenue of ₹7000 crore. Expecting the return of Passenger Booking to the pre-Covid level with usual growth and setting a higher loading target, Railways' total traffic receipt target in Budget Estimates 2022-23 has been kept at ₹239500 crore with 18.8% growth

over Revised Estimates 2021-22. This comprises Passenger Revenue target of ₹ 58500 crore, Freight Revenue of ₹ 165000 crore, Other Coaching Revenue of ₹ 6000 crore and Sundry Other Revenue of ₹ 10000 crore.

(d):New business models have been developed to attract new traffic streams, enhance loading and fill Revenue gap, which include the following:

(i) Ministry of Railways is exploring various possibilities to develop Railway Stations under different models including Public Private Partnership (PPP) model amongst others.

(ii) A policy on development of goods-sheds had been launched, which is aimed at augmenting terminal capacity through private participation by allowing setting up new goods shed facilities and developing existing goods-sheds. Approximately 252 locations have been identified by Zonal Railways for development under this policy.

(iii) A policy for development of “Gati Shakti Multi Model Cargo Terminal (GCT) “ has recently been launched wherein common user facilities of Cargo Terminals are to be developed with the investment of private players either on Private land or on Railway land.

(iv) Policies for attracting private investment in wagons viz Automobile Freight Train Operator (AFTO) , Liberalized Special Freight Train Operator (LSFTO) and General Purpose Wagon Investment Scheme (GPWIS) are also in place.

(v) Ministry of Railways has formulated a Participative Policy,2012 to encourage investment in developing the rail connectivity by associating strategic partners and other investors. The policy defines five Participative models viz. Non-Government Railway (NGR), Joint

Venture (JV), Customer funded model, Build Operate Transfer (BOT) and BOT-annuity models.

(vi) Till now, 14 connectivity projects of ₹ 9234 crore have been completed through Participative Scheme. 10 projects of ₹ 19417 crore are under implementation including coal connectivity and port connectivity projects.
