

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO.683
TO BE ANSWERED ON 27.04.2016**

SHORTFALL IN REVENUE

**683. SHRI SANJAY DHOTRE:
SHRI BHARTRUHARI MAHTAB:
SHRI MALLIKARJUN KHARGE:**

Will the Minister of RAILWAYS be pleased to state:

- (a) whether there is a shortfall in revenue earned vis-à-vis its target by the Railways from passengers and freight during each of the last three years and the current year and if so, the details thereof, zone-wise;**
- (b) whether Railways has incurred huge losses on account of under utilisation of Railway Cargo Services in the country during each of the last three years and the current year and if so, the details thereof, zone-wise and the reasons therefor;**
- (c) the losses incurred/profit earned by the Railways during the said period;**
- (d) the reasons for the fall of market share of the Railways in the freight market; and**
- (e) whether the Government proposes to improve the share of Indian Railways in the freight market and make it more attractive for business and if so, the details thereof and if not, the reasons therefor?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI MANOJ SINHA)

(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.683 BY SHRI SANJAY DHOTRE, SHRI BHARTRUHARI AND SHRI MALLIKARJUN KHARGE TO BE ANSWERED IN LOK SABHA ON 27.04.2016 REGARDING SHORTFALL IN REVENUE

(a): The details of shortfall in revenue earned vis-à-vis its target by the Railways during last three years zone-wise are appended in Appendix-I & II. Current financial year 2016-17 has just begun w.e.f. 01.04.2016 and details are unavailable.

(b): During the last three years, Railways earnings has increased year on year as indicated in Appendix-II. Under utilization of freight services is reflected in the empty running of trains. In 2012-13, overall empty running ratio was 34.70% which slightly deteriorated in 2013-14 when this ratio was 34.90% and the ratio improved in 2014-15 at 34.80%. Railway zone-wise details of Empty Return Ratio for 2012-13 to 2014-15 is appended in Appendix-III.

(c): The surplus generated by Railways during the last three years is as under:

(₹ in crore)	
Year	Amount
2013-14	3740.40
2014-15	7664.94
2015-16 (approx)	10869.30

(d): The market share of Indian Railways in freight market has been impacted due to a number of factors including hike in freight rates and growth and competition from alternative modes of transportation.

(e): The Government is committed to improve the share of Indian Railways in the freight market and this is reflected in the Budget

announcement made during the current year, which contemplates review of tariff policy to evolve a competitive rate structure vis a vis other modes, permit multi-point loading/unloading and apply differentiated tariffs to increase utilization of alternate routes. The possibility of signing long term tariff contracts with key freight customers using pre-determined price escalation principles will be explored which would provide predictability of revenues to Indian Railways and of costs to the customers. It has also been announced that the freight basket of Indian Railways will be expanded and container sector will be opened to all traffic (barring Coal & specified Mineral Ores). All existing terminals/goods sheds will be given access to container traffic.

The Government has initiated various steps to increase the share of Rail in transportation market. Some of these are as under:

- (i) All covered wagons have been permitted for booking of traffic to two-point/multi-point combination and mini rake.**
- (ii) Distance restriction applicable for mini rake has been relaxed from 400 to 600 kms.**
- (iii) In order to provide economical and reliable transportation solution to short lead traffic, a revised scheme under Merry-Go-Round (MGR) system has been introduced.**
- (iv) Port Congestion Charge leviable @ 10% on all traffic originating from Port has been discontinued from 13.04.2016 up to 31.03.2017.**
- (v) Automatic Freight Rebate Scheme for traffic loaded in empty flow direction has been extended.**
- (vi) In addition, the reforms initiated by the government in sectors such as Coal, Power, Steel and other industries is likely to**

give a push to activity in these industries resulting in increased originating traffic tonnage.

(vii) Further, in order to increase the market share of Railways in freight transportation and to improve the efficiency of Freight Traffic specially for non-conventional traffic in high capacity and special purpose wagons, the following schemes have been introduced by Indian Railways for procurement of rakes for transportation of freight traffic by inviting private investment through Public Private Partnership (PPP):

(a) Liberalized Wagon Investment Scheme- So far, approval for procurement of 59 rakes by 15 firms, has been accorded to various customers by Ministry of Railways. Out of which, 30 rakes have been procured/inducted and are running on the system.

(b) Wagon Leasing Scheme- Two companies have been registered as Wagon Leasing Companies under the policy. They have procured 12 rakes of BLC wagons and approval for 4 new BLC and 2 BTAP rakes have been accorded.

(c) Special Freight Train Operators Scheme- So far, 3 rakes of BRNA wagons have been inducted and running on IR system.

(d) Automobile Freight Train Operators Scheme- License has been given to Two companies to work as AFTO and they have procured 8 rakes till date.

(viii) Private Freight Terminal: To facilitate rapid development of a network of freight terminals with private investment to provide efficient and cost effective logistics services with warehousing solution to end users, a scheme namely Private Freight Terminal (PFT) has been introduced. So far, approval

**has been given for PFT at 75 locations, out of which 34 PFTs
have been notified/commissioned.**

APPENDIX-I REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO.683 BY SHRI SANJAY DHOTRE, SHRI BHARTRUHARI MAHATAB AND SHRI MALLIKARJUN KHARGE TO BE ANSWERED IN LOK SABHA ON 27.04.2016 REGARDING SHORTFALL IN REVENUE

(₹ in crore)

	Passenger (2013-14)			Passenger (2014-15)			Passenger (2015-16)		
	Target	Actual	Excess (+)/ Shortfall (-)	Target	Actual	Excess (+)/ Shortfall (-)	Target	Actual	Excess (+)/ Shortfall (-)
Central	4343.00	4183.54	-159.46	5016.00	4788.99	-227.01	5216.00	4932.54	-283.46
Eastern	1813.00	1762.03	-50.97	2024.60	1999.12	-25.48	2086.44	2100.68	14.24
East Central	1926.00	1846.01	-79.99	2086.50	2080.31	-6.19	2189.37	2219.40	30.03
East Coast	1039.00	981.60	-57.40	1152.50	1154.67	2.17	1269.39	1242.78	-26.61
Northern	4721.00	4741.46	20.46	5797.00	5646.61	-150.39	6643.09	5889.04	-754.05
North Central	3610.00	3478.91	-131.09	4056.20	4024.54	-31.66	4051.46	4324.94	273.48
North Eastern	1234.00	1182.96	-51.04	1383.40	1374.51	-8.89	1491.30	1473.34	-17.96
Northeast Frontier	951.00	904.96	-46.04	1021.00	1023.03	2.03	1000.00	1010.22	10.22
North Western	1473.00	1431.85	-41.15	1720.00	1656.73	-63.27	1800.24	1787.28	-12.96
Southern	3376.90	3290.64	-86.26	3838.95	3719.98	-118.97	3953.72	3864.18	-89.54
South Central	3574.00	3444.14	-129.86	4052.00	4011.09	-40.91	4265.00	4275.56	10.56
South Eastern	1228.00	1183.35	-44.65	1367.50	1369.41	1.91	1502.94	1456.56	-46.38
South East Central	913.00	870.13	-42.87	1007.35	993.58	-13.77	1013.63	1033.28	19.65
South Western	1184.00	1168.81	-15.19	1390.00	1339.38	-50.62	1500.00	1373.61	-126.39
Western	3621.00	3600.89	-20.11	4142.00	4143.48	1.48	4358.72	4227.33	-131.39
West Central	2368.10	2330.53	-37.57	2775.00	2692.56	-82.44	2850.00	2854.67	4.67
Metro	125.00	130.44	5.44	172.00	171.62	-0.38	184.85	179.61	-5.24
TOTAL	37500.00	36532.25	-967.75	43002.00	42189.61	-812.39	45376.15	44245.02	-1131.13

APPENDIX-II REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO.683 BY SHRI SANJAY DHOTRE, SHRI BHARTRUHARI MAHATAB AND SHRI MALLIKARJUN KHARGE TO BE ANSWERED IN LOK SABHA ON 27.04.2016 REGARDING SHORTFALL IN REVENUE

(₹ in crore)

	Freight (2013-14)			Freight (2014-15)			Freight (2015-16)		
	Target	Actual	Excess (+)/ Shortfall (-)	Target	Actual	Excess (+)/ Shortfall (-)	Target	Actual	Excess (+)/ Shortfall (-)
Central	6472.00	6460.10	-11.90	7186.10	6825.94	-360.16	7599.00	7323.44	-275.56
Eastern	3180.00	3334.96	154.96	3832.40	3622.07	-210.33	3458.34	3658.66	200.32
East Central	6838.69	6736.79	-101.90	7600.81	7771.60	170.79	8786.46	8487.17	-299.29
East Coast	11106.39	11197.78	91.39	11717.37	11379.40	-337.97	12381.86	12269.38	-112.48
Northern	7217.00	6838.91	-378.09	7491.61	7313.74	-177.87	7186.49	7170.28	-16.21
North Central	7937.44	7927.37	-10.07	8641.34	8782.42	141.08	9880.61	9279.39	-601.22
North Eastern	1075.27	1093.67	18.40	1275.32	1322.40	47.08	1289.34	1274.24	-15.10
Northeast Frontier	1663.00	1672.42	9.42	1904.32	1871.88	-32.44	1650.00	1902.23	252.23
North Western	4203.00	3972.33	-230.67	5000.00	4914.57	-85.43	5381.24	4703.31	-677.93
Southern	2782.00	2797.28	15.28	3151.17	3045.72	-105.45	2857.04	2831.80	-25.24
South Central	8865.00	9092.42	227.42	11076.00	10778.47	-297.53	10605.00	10118.43	-486.57
South Eastern	8878.00	8865.94	-12.06	9684.39	9611.12	-73.27	10448.57	10583.41	134.84
South East Central	8315.00	8274.47	-40.53	9591.85	9613.06	21.21	11124.77	10993.22	-131.55
South Western	2317.00	2418.33	101.33	2856.00	3243.40	387.40	2960.00	3122.07	162.07
Western	7126.62	7021.32	-105.30	8144.92	8146.59	1.67	8069.00	7503.51	-565.49
West Central	6023.59	6201.54	177.95	7773.40	7548.96	-224.44	8175.00	7776.29	-398.71
Metro	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	94000.00	93905.63	-94.37	106927.00	105791.34	-1135.66	111852.72	108996.83	-2855.89

APPENDIX-III REFERRED TO IN REPLY TO PART (b) OF UNSTARRED QUESTION NO.683 BY SHRI SANJAY DHOTRE, SHRI BHARTRUHARI MAHATAB AND SHRI MALLIKARJUN KHARGE TO BE ANSWERED IN LOK SABHA ON 27.04.2016 REGARDING SHORTFALL IN REVENUE

Railway Zone-wise details of Empty Return Ratio (ERR)

(₹ in Crore)

	2012-13	2013-14	2014-15
Central Railway	27.90	27.10	29.80
Eastern Railway	32.30	32.40	32.40
East Central Railway	41.80	41.80	40.70
East Coast Railway	34.10	36.40	34.90
Northern Railway	37.90	37.20	37.90
North Central Railway	34.60	34.90	33.80
North Eastern Railway	39.60	43.80	45.60
Northeast Frontier Railway	41.10	42.30	38.00
North Western Railway	33.50	33.50	30.30
Southern Railway	40.70	41.70	41.30
South Central Railway	33.30	37.20	37.20
South Eastern Railway	38.10	34.70	34.30
South East Central Railway	39.60	38.00	36.00
South Western Railway	36.70	36.10	37.10
Western Railway	30.20	30.10	29.80
West Central Railway	28.20	27.00	30.20
Over all	34.70	34.90	34.80
