

- (v) Suvidha trains are introduced on variable fare structure during the peak seasons depending on the demand pattern.
- (vi) Humsafar Express, Tejas Express, Antyodaya Express and Mahamana Express have been introduced on higher fare on cost recovery basis.
- (vii) However, such increase in fare is limited to only certain categories of trains and limited passengers.
- (viii) Freight rates have been rationalized and various freight policy/initiatives have been introduced to make it more competitive in comparison to other modes of transport.

**Losses incurred in certain divisions and zones of railways**

778. DR. K. V. P. RAMACHANDRA RAO: Will the Minister of RAILWAYS be pleased to state:

- (a) whether it is a fact that Railways are incurring huge losses in certain Divisions and Zones despite the best efforts, if so, the details thereof;
- (b) the details of income and expenditure during the last two years, Zone-wise and Division-wise; and
- (c) the reasons for such losses and strategy of the Government to minimise them?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI RAJEN GOHAIN): (a) and (b) Railways earnings and expenditure is accounted for on Zonal Railways basis only and as such shortfall/ surplus is also accounted for on Zonal Railway basis. The Zone-wise details of shortfall/surplus and the details of income and expenditure for last two years i.e. 2015-16 and 2016-17 are given in the Statement (*See below*).

(c) All zones of Indian Railways, for reasons of their geographical location, state of industrialization/ commercial/ business activity, are not placed evenly in respect of traffic earnings which are apportioned amongst the Zonal Railways on the basis of traffic carried/ traversed on the respective system. Nevertheless, all the zones, irrespective of their output, have a fixed element of operating expenses to run the system. Hence, some of the zones incur losses.

However, all zones, including the ones incurring losses, are urged upon to improve their traffic earnings and minimise the working expenses. The earnings and expenditure trends of all the zones are also regularly monitored at the Board level towards this end.

For improving profitability /minimising losses, measures for enhancing earnings and controlling avoidable revenue expenditure are adopted. Revenue enhancing measures, inter alia, include targeting progressively higher traffic throughput, effective marketing strategies to capture more and more traffic, creation of additional capacity and optimum utilization of the existing rail infrastructure, enhancement in productivity and efficiency, improvement of passenger interface, periodic rationalization of fare and freight rates and focus on increasing the share of non fare revenue source in Railways earnings. Measures to improve parcel earnings include leasing parcel space to private parties. The policy has been liberalized and powers delegated to Zonal Railways to fix the reserve price in a manner so as to make it more attractive vis a vis road sector. Expenditure control measures include strict economy and austerity measures, improved man-power planning, better asset utilization, inventory management and optimizing fuel consumption etc.

***Statement***

*Zone-wise details of income and expenditure for 2015-16 and 2016-17*

| <b>(A) Year 2015-16</b> |                |                   | (₹ in crore)     |
|-------------------------|----------------|-------------------|------------------|
| Zones                   | Total Receipts | Total Expenditure | Excess/Shortfall |
| Central                 | 13424.69       | 13388.56          | 36.13            |
| Eastern                 | 6382.78        | 11713.44          | -5330.66         |
| East Central            | 11303.57       | 10608.43          | 695.14           |
| East Coast              | 13904.98       | 7457.75           | 6447.23          |
| Northern                | 16722.82       | 20727.52          | -4004.70         |
| North Central           | 13978.79       | 8892.11           | 5086.68          |
| North Eastern           | 3057.22        | 6175.20           | -3117.98         |
| Northeast Frontier      | 5067.99        | 8274.07           | -3206.08         |
| North Western           | 7179.39        | 6680.13           | 499.26           |
| Southern                | 7782.42        | 10774.03          | -2991.61         |
| South Central           | 15328.49       | 12407.99          | 2920.50          |

| Zones                   | Total Receipts | Total Expenditure | Excess/Shortfall |
|-------------------------|----------------|-------------------|------------------|
| South Eastern           | 12506.61       | 9106.01           | 3400.60          |
| South East Central      | 12234.87       | 6347.38           | 5887.49          |
| South Western           | 5323.53        | 5208.61           | 114.92           |
| Western                 | 12936.16       | 11784.15          | 1152.01          |
| West Central            | 10939.36       | 7196.22           | 3743.14          |
| Metro                   | 206.15         | 488.47            | -282.32          |
| <b>(B) Year 2016-17</b> |                |                   | (₹ in crore)     |
| Central                 | 12709.55       | 13360.43          | -650.88          |
| Eastern                 | 7174.03        | 11944.33          | -4770.30         |
| East Central            | 10861.69       | 11053.83          | -192.14          |
| East Coast              | 14890.82       | 7965.27           | 6925.55          |
| Northern                | 16296.91       | 20078.01          | -3781.10         |
| North Central           | 13293.23       | 9357.54           | 3935.69          |
| North Eastern           | 3137.58        | 6184.64           | -3047.06         |
| Northeast Frontier      | 5977.73        | 7774.17           | -1796.44         |
| North Western           | 7628.28        | 7251.07           | 377.21           |
| Southern                | 7529.28        | 11223.91          | -3694.63         |
| South Central           | 14582.39       | 12637.49          | 1944.90          |
| South Eastern           | 12849.74       | 9442.24           | 3407.50          |
| South East Central      | 12002.45       | 6708.88           | 5293.57          |
| South Western           | 4615.32        | 5515.88           | -900.56          |
| Western                 | 11727.66       | 12116.06          | -388.40          |
| West Central            | 9875.23        | 7308.01           | 2567.22          |
| Metro                   | 214.74         | 553.84            | -339.10          |