

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1152
ANSWERED ON:27.11.2000
FARE INCREASE BY TRANSPORTERS
MANIBHAI RAMJIBHAI CHAUDHARY

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether proportion of increase made by the transporters in the rates of fare is more than the increase in the prices of petrol and diesel;
- (b) if so, whether the Government propose to take steps to this tendency;
- (c) if so, the time by which the said steps are likely to be taken; and
- (d) if not, the reasons therefor?

Answer

MINISTER OF STATE FOR ROAD TRANSPORT AND HIGHWAYS (MAJOR GENERAL(RETD.) B.C. KHANDURI, AVSM)

(a) to (d): Under the Section 67 of the Motor Vehicle Act, 1988, the power to fix freight rate vests with the State Government and not the Central Government. In practice, these rates are governed by market forces. The Ministry of Road Transport and Highways has no mechanism to gauge the impact of hike in diesel prices on transporters.