

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

STARRED QUESTION NO:594

ANSWERED ON:06.05.2010

FREIGHT EARNING OF THE RAILWAYS

Hegde Shri Anant Kumar; Joshi Dr. Murli Manohar

**Will the Minister of RAILWAYS be pleased to state:**

- (a) the features of the differential tariff charged in the freight segment under the dynamic pricing policy of the Railways;
- (b) the percentage growth registered in the freight revenue during 2009-10 due to application of dynamic pricing policy;
- (c) the details of freight incentive schemes launched to attract additional traffic and augment revenue earning of Railways; and
- (d) the estimated growth of freight revenue for the year 2010-11?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF RAILWAYS (KUMARI MAMATA BANERJEE)

(a) to (d) A statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 594 BY DR. MURLI MANOHAR JOSHI AND SHRI ANANT KUMAR HEGDE TO BE ANSWERED IN LOK SABHA ON 06.05.2010 REGARDING FREIGHT EARNING OF THE RAILWAYS.

(a) Dynamic Pricing introduced in 2006-07 and extended from year to year, envisaged charging freight rate along with "Busy Season Charge" during the Busy Season and at normal rate during the Lean Season. Busy Season has been defined from 1st April to 30th June and 1st October to 31st March of the year. This Charge is levied on all traffic except container traffic at the rate of 5% on Coal & Coke Group and 7% on all other commodities.

(b) The percentage growth registered in the freight revenue earnings during 2009-10 due to implementation of dynamic pricing policy was 6.18%.

(c) Freight Incentive Schemes have been issued with the objective to generate additional traffic volume and revenue. These Incentive Schemes are in operation since 2006 and are being continued on a year to year basis with certain modification. The Freight Incentive Schemes 2009 has been issued which is effective from 1st January, 2010. Following schemes have been included in the current notification

(i) Incentive Scheme for Loading Bagged Consignments in Open and Flat wagons;

(ii) Incentive Scheme for Traditional Empty Flow Directions;

(iii) Incentive Scheme for Freight Forwarders; and

(iv) Incentive Scheme for Incremental Traffic.

(d) The estimated growth of revenue for the year 2010-11 from Dynamic Pricing Policy is expected to be approximately Rs. 3600 crore.