

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

STARRED QUESTION NO:202

ANSWERED ON:08.12.2011

FARE AND FREIGHT STRUCTURE

Dharmshi Shri Babar Gajanan;Singh Shri Rajiv Ranjan (Lalan)

Will the Minister of RAILWAYS be pleased to state:

- (a) whether fluctuation in the prices of petroleum and petroleum products, both within the country and in the international market, have any bearing on the freight and fare structure in the Indian Railways;
- (b) if so, the details thereof;
- (c) whether any exercise has been conducted for rationalisation of freight structure including Dynamic Pricing Policy in Indian Railways, taking into consideration the fluctuations in the diesel/petrol prices;
- (d) if so, the details thereof for the last three years and the current year; and
- (e) the steps taken to ensure competitive edge of railway freight structure over other modes of transportation including roads?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF RAILWAYS (SHRI DINESH TRIVEDI)

(a)to(e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) To (e) OF STARRED QUESTION NO.202 BY SHRI GAJANAN D.BABAR AND SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH TO BE ANSWERED IN LOK SABHA ON 08.12.2011 REGARDING FARE AND FREIGHT STRUCTURE.

(a) Presently, adjustments in the fare and freight structure on the Indian Railways are not directly linked to fluctuations in the prices of petroleum and petroleum products.

(b) Does not arise.

(c)&(d): The evaluation of various alternatives relating to rationalization of the fare and freight structures is an ongoing process. Such exercises are yet exploratory in nature and do not constitute a systemic proposal for revision of fares in line with fluctuations in fuel prices.

(e) Steps taken to progressively upgrade Railway's competitive edge over other modes of transport include inter-alia the implementation of a differential tariff regime for specifically addressing situations arising out of skewed demand during different periods of the year as well as across different regions of the country. The slew of freight incentives schemes that are also in place for attracting traffic include (i) Incentive scheme for traditional empty flow directions,(ii) Incentive scheme for loading bagged consignments in open & flat wagons, (iii) Incentive scheme for freight forwarders, and (iv) Incentive scheme for incremental traffic.