

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

UNSTARRED QUESTION NO:3071

ANSWERED ON:11.12.2014

IMPACT OF FALL IN DIESEL PRICES ON FREIGHT CHARGES

Rao Shri Konakalla Narayana

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

(a) whether Indian Foundation of Transport Research and Training has reported that the prices of commodities has not gone down despite fall in diesel prices;

(b) if so, the details thereof; and

(c) the steps taken by the Government to see that impact of diesel price reduction on freight charges?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI PON. RADHAKRISHNAN)

(a) & (b) Indian Foundation of Transport Research and Training has requested the Government of India to bring down prices of diesel and tyres by reflecting a steep drop in the prices of raw material of tyre manufacturing and crude oil price of diesel / oil refining.

(c) As per section 67 of The Motor Vehicles Act, 1988, the State Governments may fix the freight charges in respect of goods carriages. However, goods transportation through roads is predominantly in the private sector and freight charges are governed by market forces.