

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO.135
TO BE ANSWERED ON 16.11.2016**

RAIL NEER

135. SHRI RAMESWAR TELI:

Will the Minister of RAILWAYS be pleased to state:

- (a) the cost of production of rail neer per litre;**
- (b) the selling price of rail neer per litre;**
- (c) the percentage of profit earned by the Railways by selling per litre of rail neer; and**
- (d) the justification for huge margin of profit?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(a) & (b): Average cost of one litre bottle of "Rail Neer" is ₹ 9.22 and its transfer price for supplies made in locations within 75 kms. of the manufacturing plant is ₹ 10.00 and beyond that distance is ₹ 10.50. The Indian Railway Catering & Tourism Corporation Limited (IRCTC) sells one litre Rail Neer at ₹ 10.32 to the vendors. However, the maximum retail price of one litre Rail Neer bottle is ₹ 15/- at Railways' premises. Licensees are paid the handling charges, inclusive of cooling expenses etc.

(c): The percentage of profit earned by the IRCTC by selling per litre of Rail Neer is 11.93% .

(d): There is only a marginal profit of ₹ 1.10 per bottle on Rail Neer to IRCTC.
