

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 982
TO BE ANSWERED ON 08.02.2017**

RAIL REGULATOR

982. SHRI JAYADEV GALLA:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways is going to set up an independent agency to fix passenger and freight fares and if so, the details thereof;**
- (b) the extent to which this will help in reducing the loss to Railways due to subsidy given to passengers which is to the tune of ₹ 33,000 crores annually; and**
- (c) the time by which the regulator is likely to be put in place?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(a): In the Rail Budget 2015-16, setting up of a mechanism for making regulations, setting performance standards, determining tariffs and dispute resolution was announced. The proposed Rail Development Authority is envisaged to undertake functions such as tariff determination, ensuring fair play and level playing field for private investments, setting efficiency and performance standards and dissemination of information.

(b): The role of Rail Development Authority is envisaged to be advisory i.e. laying down principles for tariff determination. However, the reduction in subsidy cannot be quantified at this stage.

(c): No time frame has been fixed for setting up the Rail Development Authority.
