

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO.2542
TO BE ANSWERED ON 03.01.2018**

FREIGHT FARES

2542. SHRI MAHEISH GIRRI :

Will the Minister of RAILWAYS be pleased to state:

- a) whether freight fares in Railways are kept high willingly to cross subsidise the fares of passenger segment and if so, the details thereof;**
- (b) whether the Railways intends to rationalise the freight fares to increase the usage of railways for freight transport which is also environment friendly in comparison to cargo transport by roads;**
- (c) if so, the details thereof; and**
- (d) if not, the reasons therefor?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

- (a) The tariff policy on Indian Railways has traditionally been one of restraint with regard to increase in passenger fares and moderation in case of periodic increases in freight rates. Conventionally, the losses incurred in passenger and other coaching services have been compensated through a process of 'cross-subsidization' from revenues generated in the freight segment.**
- (b) to (d) Evaluation of various alternatives relating to rationalization of freight rates is an on-going process. At present, there is no such proposal.**
