

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO.5329
TO BE ANSWERED ON 28.03.2018**

SUBSIDY IN RAIL FARES

5329. SHRI ASHOK SHANKARRAO CHAVAN :

Will the Minister of RAILWAYS be pleased to state:

- (a) the details of the subsidy on all types of rail fares extended to the railway passengers at present;**
- (b) the total losses incurred by the Railways on account of subsidy given every year;**
- (c) whether after the success of the 'Give-it-Up' campaign on LPG subsidy, the Government has now drawn up a similar plan for rail fares;**
- (d) if so, the details thereof along with aims and objectives thereto;**
- (e) the time by which the said scheme is likely to be launched; and**
- (f) the steps taken/being taken by the Government to encourage rich and affluent passengers to give up subsidy on rail fares?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF UNSTARRED QUESTION NO. 5329 BY SHRI ASHOK SHANKARRAO CHAVAN TO BE ANSWERED IN LOK SABHA ON 28.03.2018 REGARDING SUBSIDY IN RAIL FARES

(a) & (b) There is no subsidy on passenger and freight segment. However, Indian Railways carries out certain transport activities which are uneconomic in nature and are carried out in the larger interest of the country. The tariff policy on Indian Railways has traditionally been one of restraint with regard to increase in passenger fare. Indian Railways continues to incur losses every year by performing a variety of unremunerative service. These losses are mostly due to (i) Low ordinary second class fare, (ii) Low Suburban and non-suburban season ticket, (iii) Loss on essential commodities carried below cost, and (iv) a variety of concessions granted on passenger ticket. Working of uneconomic branch lines, too, imposes a heavy burden on Indian Railways' finances. The overall losses incurred on coaching operation services and on essential commodities carried below the cost of operation was ₹ 35959 Cr. in 2015-16 & ₹ 39607 in 2016-17.

(c) to (f) Yes, Madam. With effect from 22.07.2017, Senior Citizen passengers have been given option of voluntarily giving up 50% of the concession in addition to the existing option of giving up 100% concession. Number of senior citizens who gave up concession for the period from 22-07-2017 to 28-02-2018 is as under:-

(a) 100% concession of concession value: 9.08 lakh senior citizens

(b) 50% concession of concession value: 8.55 lakh senior citizens

The 'give up' concession scheme has the effect of increasing the earnings of the Railways.