

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 2344
TO BE ANSWERED ON 01.08.2018**

FLEXI FARE SYSTEM

2344. DR. KIRIT P. SOLANKI:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Government has introduced a surge pricing system for the Rajdhani, Duronto and Shatabdi trains and if so, the details thereof;**
- (b) the rationale behind this flexi fare system and whether this new fare structure has been applied to all coaches;**
- (c) if so, the method of calculation behind such surged fares and whether a ceiling exists for hike in fares, if so, the details thereof;**
- (d) whether this move would induce a shift from railways to airlines and whether any concessions will be given to people coming from economically weaker backgrounds; and**
- (e) if so, the details thereof and if not, the reasons behind doing so and the alternative measures taken to safeguard the interests of the above category of people?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(a) to (c): No such pricing system has been introduced over Indian Railways by the name of Surge Pricing. However, Flexi fare system has been introduced in Rajdhani, Shatabdi and Duronto trains with effect from 09.09.2016. Under this system, the base fare increases by 10% with every 10% of berths sold subject to maximum ceiling limit of 1.5

times in classes Second AC, Sleeper, Second Sitting (Reserved), AC Chair Car and 1.4 times in 3rd AC class. No change has been made in the fares for 1st AC and Executive class of travel.

Operating cost for running of trains over Indian Railways is increasing year after year. Therefore, in order to lessen the recurring loss in the passenger business, Flexi fare system has been introduced in Rajdhani, Shatabdi and Duronto trains which are premium services offering better facilities in terms of limited stoppages, punctuality, enhanced safety features, cleanliness, improved food quality, etc.

(d) & (e): Railways and Airlines are different modes of transport system. It is the choice of the passengers to opt either Railways or Airlines for travelling. Alternative train services on normal fare structure are already available over Indian Railways on the routes of most of the Rajdhani, Shatabdi and Duronto trains at affordable fares for the people of economically weaker sections. Apart from this, concession to senior citizens, four categories of Divyangjans etc., as per rule is also admissible in Rajdhani, Shatabdi and Duronto trains. Moreover, this concession is admissible to more than 50 categories of passengers including Senior citizens and four categories of Divyangjans in the fares of Mail/Express services having affordable fare structure.
