

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO.495
TO BE ANSWERED ON 05.02.2020**

RATIONALISATION OF PASSENGER FARE AND FREIGHT CHARGES

**495. SHRI BIDYUT BARAN MAHATO:
SHRI NAMA NAGESWARA RAO:
SHRI SHRIRANG APPA BARNE:
SHRI GAJANAN KIRTIKAR:
SHRI SANJAY SADASHIV RAO MANDLIK:
SHRI SUDHEER GUPTA:**

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways proposes to augment passenger experience through modernization and provision of improved facilities over trains and stations;**
- (b) if so, the details thereof and the steps taken in this regard;**
- (c) whether the Railways is incurring losses in the passenger segment and if so, the details thereof along with the reasons for the same;**
- (d) the details of norms for fixing freight charges for transportation of goods;**
- (e) whether the Railways proposes to rationalize passenger fares and freight rates and if so, the details thereof; and**
- (f) the amount of additional revenue likely to be generated by the Railways through rationalization of passenger fares and freight charges?**

ANSWER

MINISTER OF RAILWAYS AND COMMERCE & INDUSTRY

(SHRI PIYUSH GOYAL)

(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. 495 BY SHRI BIDYUT BARAN MAHATO, SHRI NAMA NAGESWARA RAO, SHRI SHRIRANG APPA BARNE, SHRI GAJANAN KIRTIKAR, SHRI SANJAY SADASHIV RAO MANDLIK AND SHRI SUDHEER GUPTA TO BE ANSWERED IN LOK SABHA ON 05.02.2020 REGARDING RATIONALISATION OF PASSENGER FARE AND FREIGHT CHARGES

(a) and (b): It is a continual endeavour of Indian Railways (IR) to improve passenger experience through modernization and improvement in facilities over trains and stations. Some of the measures taken in this regard are listed below:

- i. State-of-the-art Train-set Vande Bharat services have been introduced between New Delhi – Varanasi and New Delhi- Shri Mata Vaishno Devi Katra. These trains have ultra modern features like quick acceleration, on board infotainment and Global Positioning System (GPS) based passenger information system, automatic sliding doors, retractable footsteps and Zero discharge vacuum bio toilets etc.**
- ii. Various premium train services like Humsafar, Tejas, Antyodaya, Utkrisht Double Decker Air-conditioned Yatri (UDAY), Mahamana and coaches like Deen Dayalu and Anubhuti, which have upgraded interiors / exteriors and improved passenger amenities, have been introduced in service in various train services over IR.**
- iii. IR has also launched Project Utkrisht in order to improve the condition of ICF type coaches running in Mail / Express trains. Upgradation of 640 rakes of Mail / Express trains has been taken up under Project Utkrisht. Work in around 300 rakes has already been completed under Project Utkrisht.**
- iv. Conventional lighting in coaches is being replaced with modern and energy efficient LED lights. Railway has also been providing increased number of mobile charging points in coaches. Electric Multiple Unit (EMU) and Mainline Electric**

Multiple Unit (MEMU) rakes with 3 phase propulsion system are provided with Forced Ventilation system and GPS based Public Address and Passenger Information System (PAPIS) system. Further, three Air conditioned EMU rakes are already running in Mumbai Sub-urban area of Western Railway and two such rakes are under commissioning for running in Mumbai suburban area.

- v. Various works for improvement / upgradation / modernization of passenger amenities which, inter-alia, include improvement to facade of the station building, retiring room, waiting room, separate waiting room for ladies, landscaping of circulating area, earmarked parking, signages, Pay & Use toilets, Foot Over Bridge, ramps at entry to station etc. are proposed to be provided at Railway stations as per the respective category of the station and are accordingly undertaken depending upon need, volume of passenger traffic and inter-se priority and subject to availability of funds.**
- vi. Upgradation/improvement/modernization of Railway stations has also been taken up under 'Adarsh Station Scheme'. 1173 stations so far have been developed / upgraded under 'Adarsh Station Scheme'.**
- vii. Further, in the financial year 2018-19, 68 stations have been substantially upgraded through Zonal Railways under the work of "Soft upgradation of stations". Under this soft upgradation, various amenities like improvement of facade of the station building, improvement of circulating areas duly streamlining the traffic flow, improvement to platform surface, improvement to existing waiting halls and retiring rooms, toilet facilities, provision of Foot-Over-Bridges, provision of Lifts and Escalators etc. have been taken up.**

(c): Indian Railway carries out certain transport activities in passenger segment which are uneconomic in nature but carried out in the larger interest of the country. Losses incurred on this account are assessed every year (annually basis) which are termed as Social Service Obligation on IR.

Details of Social Service Obligation borne by Railways for the last year are as under:-

S.No.	Description	2018-19 (in ₹ crores)
(i)	Concession in passenger fare	1995
(ii)	Losses on account of EMU Suburban Services	6754
(iii)	Losses on Uneconomic Branch Lines	2342
(iv)	Losses on Strategic Lines	1815
(v)	Losses on Parcel, Luggage, Postal & Catering Services etc.	5278
(vi)	Losses on account of Pricing of Fares below Cost & other Social Service Obligations	37673
(vii)	Total Losses on Coaching Services [(i) to (vi)]	55857
(viii)	Total Social Service Obligation(vii) - (v)	50579
(ix)	Deduct Staff Welfare & Law & Order costs	12326
(x)	Net Social Service Obligation (viii) - (ix)	38253

(d): Fixation of rates for transportation of goods by rail is done based on certain cardinal principles, which include cost of service, value of service, competition from alternate mode of transports, socio-economic condition etc.

(e) and (f): Evaluation of various alternatives relating to rationalization of the fare and freight structures is an on-going process. At present, there is no such proposal. However, with effect from 01.01.2020, the passenger fares have been rationalized. Salient features of this rationalization are as under:-

- **Suburban and Season ticket no increase.**
- **Ordinary (Non-AC) non-suburban increase @1 paise per km.**
- **Non-AC Classes of Mail/Express trains increase @2 paise per km.**
- **AC classes increase @4 paise per km.**

Estimated annual additional earning of ₹ 2312.36 cr is likely to be generated with the rationalisation of passenger fare w.e.f. 01.01.2020. However, in respect of freight segment, Indian Railway took the following initiatives:-

- **Busy Season Charge, which is levied @ 15% from 1st Oct to 30th June, has been deferred till further advice (Except for iron ore and POL). Coal & coke and container traffic are already exempted.**
- **Withdrawal of 5% supplementary charge from Mini Rake and Two Point Rake combination to make the rail rates competitive.**
- **Distance for Mini Rake operation has been relaxed upto 1000 km for Intra Zonal traffic. Mini rakes are also booked under lower train load rates.**
- **Round-trip haulage charge for container traffic (for 0-50 km) minimum distance slab has been introduced which is around 35% cheaper per TEU/round trip.**
