

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

LOK SABHA

**UNSTARRED QUESTION NO. 517
TO BE ANSWERED ON 01.12.2021**

ENHANCE FREIGHT EARNINGS

**517. SHRIMATI SUPRIYA SULE:
DR. DNV SENTHILKUMAR. S.:
DR. AMOL RAMSING KOLHE:
DR. SUBHASH RAMRAO BHAMRE:
SHRI SUNIL DATTATRAY TATKARE:
SHRI KULDEEP RAI SHARMA:**

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Indian Railways earned higher revenue in freight loading compared to previous year;**
- (b) if so, the details of the zone-wise freight earnings and the factors responsible for higher freight earnings;**
- (c) details of quantity of materials transported by the Railways on paid basis during each of the last three years;**
- (d) the details of norms for fixing freight charges for transportation of goods; and**
- (e) the Zone-wise and State-wise details of the steps taken/being taken by the Government to enhance freight earnings of Railways, year-wise since the last three years?**

ANSWER

**MINISTER OF RAILWAYS, COMMUNICATIONS AND ELECTRONICS &
INFORMATION TECHNOLOGY**

(SHRI ASHWINI VAISHNAW)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO. 517 BY SHRIMATI SUPRIYA SULE , DR. DNV SENTHILKUMAR. S., DR. AMOL RAMSING KOLHE, DR. SUBHASH RAMRAO BHAMRE, SHRI SUNIL DATTATRAY TATKARE AND SHRI KULDEEP RAI SHARMA TO BE ANSWERED IN LOK SABHA ON 01.12.2021 REGARDING ENHANCE FREIGHT EARNINGS

(a)& (b): Yes, Sir. Freight revenue has increased from ₹ 1,13,487.89 crore during 2019-20 to ₹ 1,17,231.82 crore during 2020-21. Zone-wise detail is as under:

Zones	FY 2019-20		FY 2020-21	
	Loading (in Million Tonne)	Revenue (₹ in crore)	Loading (in Million Tonne)	Revenue (₹ in crore)
Central	62.44	7,267.54	62.02	7,022.88
Eastern	65.45	4,047.25	67.86	4,483.80
East Central	149.50	8,784.44	140.18	9,415.00
East Coast	200.93	15,894.37	204.89	16,913.89
Northern	50.12	6,768.42	59.08	7,249.66
North Central	14.75	8,048.32	16.61	7,577.66
North Eastern	2.41	1,460.10	2.65	1,603.42
Northeast Frontier	8.79	1,932.67	7.69	2,190.66
North Western	16.73	4,016.91	22.23	4,856.63
Southern	31.75	2,755.38	26.84	2,604.04
South Central	109.44	9,905.79	95.99	9,031.72
South Eastern	171.96	13,798.85	175.78	13,855.63
South East Central	170.43	12,459.32	186.51	13,430.93
South Western	36.76	2,891.50	38.17	3,061.72
Western	77.06	5,436.92	80.72	5,949.81
West Central	39.89	8,020.11	43.72	7,984.37
TOTAL	1,208.41	1,13,487.89	1,230.94	1,17,231.82

The revenue has increased mainly due to increased loading.

(c): The details of quantity of material transported by the Railways during the last three years is as under:

(Tonnage in million)

Year	Quantity in million Tonne
2018-19	1221.48
2019-20	1208.41
2020-21	1230.94

(d): Rating of Indian Railways is based on certain cardinal principles which includes cost of services, value of service, competition from other mode of transportation, what the traffic can bear. Cost of service determines the minimum rates i.e. floor rate and what the traffic can bear determines the maximum rates i.e. ceiling rate.

(e): Due to stiff competition from alternative modes of transport, it was felt that Railway freight had out priced itself in certain sectors. To make the rail transportation attractive to its customers, various initiatives has been taken which includes tariff rationalization, classification of new commodity and expansion of freight basket through containerization. Some of major steps taken last three years to generate additional revenue are as under:

- i. Long Term Tariff Contract with key freight customer.**
- ii. Introduction of new delivery model of Double Stack Dwarf Container.**
- iii. Freight All Kind (FAK) rate benefit extended to notified commodities loaded upto 50 Twenty Feet Equivalent Units (TEUs) per rake which was earlier 30TEUs per rake.**
- iv. 25% discount shall be granted for movement of empty container and empty flat wagon in container traffic.**
- v. Guidelines on Station to Station Rates.**
- vi. Customer friendly rationalization of weighment policy has been issued.**
- vii. Liberlized Automatic Freight Rebate Scheme in Empty Flow Directions.**
- viii. Dispensation from mandatory (100%) weightment in case of loading of “Standard Bags of uniform size” when transported in container.**
- ix. Discount for loading of bagged consignment in open and flat wagons.**
- x. Long lead concessions to Coal & Coke traffic for distance >1400KM is granted 20% concession, Iron or Steel traffic for distance >1600 KM is granted 20% concession and Iron Ore traffic for distance >700 KM and > 1500 KM is granted 15% and 20% concession respectively.**
- xi. Short lead concession discount in freight at the rate of 50%, 25% and 10% is granted to the traffic booked upto 0-50KM, 51-75KM and 76-90 KM respectively, accept Coal and Coke, Iron Ore, Military Traffic, Rail Material Consignment and Container Traffic.**
