

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 4000
TO BE ANSWERED ON 23.12.2015**

PASSENGER AND FREIGHT TRAFFIC

**4000. DR. UDIT RAJ:
SHRI MALLIKARJUN KHARGE:**

Will the Minister of RAILWAYS be pleased to state:

- (a) the percentage market share of Indian Railways in the transportation of freight during the last three years, year-wise;**
- (b) the share of the Railways revenue from freight during the above period;**
- (c) the reasons for the fall of share of the Railways, if any, in the freight market and passenger section;**
- (d) whether the Government proposes to improve the share of Railways in the freight market and passenger section and to make it more attractive for business; and**
- (e) if so, the details thereof and if not, the reasons therefor?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI MANOJ SINHA)

(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. 4000 BY DR. UDIT RAJ & SHRI MALLIKARJUN KHARGE TO BE ANSWERED IN LOK SABHA ON 23.12.2015 REGARDING PASSENGER AND FREIGHT TRAFFIC

(a): Of the total availability (production plus import) of select major commodities, the percentage share carried by the Indian Railways for three years ending 2013-14 as released in latest issue of Indian Railway Year Book is given below:

(figures in %)

	Coal	Iron Ore	Cement	Food-grains	Fertilizers	POL Products
2011-12	70.91	61.75	47.74	17.89	86.26	18.16
2012-13 (R)	70.70	79.77	41.81	19.06	86.28	17.39
2013-14 (P)	69.20	81.33	42.74	20.80	86.98	17.33

(R) – Revised; (P) – Provisional

(b): Share of Freight earnings in Total Traffic Earnings of Indian Railways is as follows :

(₹. in cr.)

Year	Goods Earnings	Total Traffic Earnings (Earnings from Passenger, Goods, Other Coaching and Sundry other earnings)	Share of Freight earnings in Total Traffic Earnings
2011-12	69548	104154	66.8%
2012-13	85263	123901	68.8%
2013-14	93906	139838	67.2%
2014-15	105791	157072	67.4%

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(c): The demand for freight loading on Indian Railways is a derived demand and is dependent on the growth of the economy, especially the core sector, since Railways is primarily a bulk carrier of freight. The short fall in freight earnings was largely due to slow growth in the core sector of the economy, compounded by negative growth in Iron Ore after mining restrictions in Karnataka and Odhisha and a quantum drop in exports.

As far as passenger traffic is concerned, the decline can be attributed to various factors including the changed norms/regulations in the issue of concessional tickets, particularly in the case of Izzat MSTs, improvement in road infrastructure leading to better and faster connectivity, rise in number of personal and commercial vehicles, rise in diversion of traffic to metro rail in big cities, natural calamities causing closure of certain sections etc.

(d) & (e): For improving the market share of Railways, the measures adopted have been to increase the axle load for carrying additional traffic per wagon, increasing length of freight trains, computerization of freight operations for efficient monitoring, deployment of higher capacity locomotives and wagons, improved maintenance practices for rolling stock, improvements in track signaling and capacity building of staff for adoption of new technology and practices.

In order to increase the market share of Railways, in non-conventional traffic in high capacity and Special Purpose Wagons, schemes through Public Private Partnership (PPP) have been introduced :

(i) Liberalised Wagon Investment Scheme – So far, 59 rakes by 15 firms have been approved for procurement out of which 30 rakes have been procured and are running.

(ii) Wagon Leasing Scheme : Two companies have been registered as wagon leasing company, after which 12 rakes of BLC wagons were procured and approvals for 4 new BLC and 2 BTAP rakes have been accorded.

(iii) Special Freight Train Operators Scheme : Approvals for procurement of 3 rakes of BRNA wagons given so far.

(iv) Automobile, Freight Train Operators Scheme : License has been given to 2 companies to work as AFTO and 7 rakes have been procured till date.

In addition, a scheme, Private Freight Terminal (PFT), has been introduced to involve private investment in freight terminals.

Some further initiatives taken to improve share of Railways in freight services are :

(i) Automatic Rebate for Traditional Empty Flow Direction Traffic : With a view to convert empty running of rakes into loaded ones, automatic freight rebate scheme has been introduced from 25.06.2015, wherein, all rakes loaded in notified empty flow direction are charged at Class-

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LR1 (Train Load) and at Class-100 (Wagon Load), subject to certain terms and conditions. Under this scheme, customer need not apply, instead the system automatically calculates discounted freight once the traffic is loaded in notified empty flow directions. System has been made simple, IT enabled, customer centric without manual intervention.

(ii) Distance Based Charge on Export Iron Ore : In order to boost the flagging demand of Iron ore for export traffic, Distance Based Charge leviable on Export Iron Ore has been reduced to ₹ 300/- only, with effect from 08th September 2015.

(iii) Rationalisation of Freight Rates : The classification of following commodities, i.e., Coal, Cement, Iron or Steel, Pig Iron, Iron Ores and Petroleum Products have been reduced. Further, the distance slabs beyond 1500 kms has been revised from 250 kms to 125 kms.

The measures taken for improvement of passenger traffic include :

(i) augmentation of on-board capacity by attachment of additional coaches, running of special trains during vacations, running of Suvidha trains etc.

(ii) augmentation of ticket selling capacity through Automatic Ticket Vending Machines (ATVMs), Cash-Coin and Smart Card Operated Ticket Vending Machines (CoTVMs), mobile ticketing, utilization of services of ticketing agents like Jan Sadharan Ticket Booking Sevaks (JSTBS), Station Ticket Booking Agents (STBA) and Yatri Ticket Suvidha Kendras (YTSK).