



# Revenue Earning in Railways

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The details of earnings for the last three years are as under:-

**(Rs. in crore)**

YEAR	2014-15	2015-16	2016-17
<b>Total Earnings</b>	<b>157071.59</b>	<b>163790.95</b>	<b>165299.04</b>

Indian Railways strives continuously to explore potential areas to improve revenue generation. Initiatives to increase earnings in the areas of passengers, parcel, freight and sundry are as following:-

(1) Initiatives taken to increase passenger earnings include introduction of new trains, enhancement of composition of more popular trains, attachment of extra coaches in the existing trains, running of special trains during peak seasons, festivals and special events, operation of premium special trains on certain high-demand sectors with dynamic pricing.

(2) Measures to improve parcel earnings include leasing parcel space to private parties, liberalization of parcel policy and delegation of powers to Zonal Railways to fix the reserve price in a manner so as to make it more attractive vis-à-vis road sector.

(3) Steps taken for maximizing the freight earnings include rationalization of freight rates, effective marketing strategies to capture additional traffic to garner additional revenue.

Some of the initiatives are as under:-

(i) Distance for Mini Rakes increased from 400KMs to 600KMs.

(ii) BCN wagons allowed for Two point/Multi point/Mini rake booking.

(iii) Liberalised Automatic Freight Rebate Scheme in Traditional Empty Flow Direction has been issued.

(iv) Port Congestion Charge (10% of Base Freight) has been withdrawn from 13.04.2016 on over all traffic loaded from Port.

(v) Rationalised Merry-go-Round policy has been issued w.e.f. 01.04.2016.

(vi) Dual Freight Policy for iron ore has been withdrawn with effect from May-2016.

(vii) Minimum distance for charge is reduced from 125 KMs to 100 KMs for all commodities.

(viii) Short Lead concession for charging of freight for all traffic re-introduced.

(ix) Classification of commodities for several items has been changed.

(x) Station to Station rates guidelines issued for concession in freight w.e.f. 29.09.2016.

(xi) Proliferation of Roll-on-Roll-off over Indian Railways.

(xii) Weighment of Bagged consignment policy has been liberalised.

(xiii) 43 Commodities added to Freight All Kinds rates to expand Container Traffic Basket.

(xiv) Station and Goods sheds notified in Group I & II are opened for Container operations.

(xv) Instructions for movement of HSD oil in BTPN rakes to Bangladesh have been issued.

(xvi) Coal Tariff has been rationalized.

(xvii) Policy for carrying bagged consignment in open wagons at concessional freight has been reintroduced.

(xviii) The permissible carrying capacity of BOXN groups of wagons rationalized for Bangladesh traffic.

(xix) Bridge surcharge for goods and passenger traffic levied on the Digsha and Monghyr Bridge.

(xx) Inflation in distance for charge @ 50% on goods traffic in Bibinagar-Nadikudi section of SCR has been withdrawn.

(xxi) Policy on Long Term Tariff Contract with key freight customers have been issued on 30.03.2017.

(xxii) Apart from the above,the following schemes have also been introduced by Indian Railways for procurement of rakes for transportation of freight traffic by inviting Public Private Partnership(PPP):

Liberalized Wagon Investment Scheme.

Wagon Leasing Scheme.

Special Freight Train Operators Scheme.

Automobile Freight Train Operators Scheme.

(xxiii) To facilitate rapid development of a network of freight terminals with private investment to provide efficient and cost effective logistics services with warehousing solution to end users, a scheme namely Private Freight Terminal (PFT) has been introduced.

(4) To increase sundry other earnings, various initiatives such as bulk advertising rights, vinyl wrapping of trains, on board infotainment, commercial exploitation of surplus railway land, land lease, right of way charges, online booking of retiring rooms through IRCTC website etc. have been adopted.

Ongoing railway projects like New Lines, Gauge Conversion, Doubling, Electrification and MTP are primarily financed through Gross Budgetary Support (GBS) received from the Government and Extra Budgetary Resources. Railways have prioritized projects based on last mile connectivity criteria, remunerativeness, operational requirement and resource availability to make optimum utilisation of resources. Further, with the introduction of Rashtriya Rail Sanraksha Kosh (RRSK) w.e.f. 2017-18 with major contribution from Gross Budgetary Support, execution of such works has not been adversely impacted.

This Press Release is based on the information given by the Minister of State for Railways Shri Rajen Gohain in a written reply to a question in Lok Sabha on 20.12.2017 (Wednesday).

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**AKS/MKV/DK**

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