

**Speech of Shri C. K. Jaffer Sharief  
Introducing the Railway Budget  
for 1991-92, on 16<sup>th</sup> July 1991**

Mr. Speaker,

Sir, I rise to present the Railway Budget Estimates for the financial year 1991-92.

2. An interim Budget was presented on 25th February, 1991 and a Vote on Account was obtained to cover expenditure in the first four months of the financial year. A new Government has since assumed office, after the General Elections.

3. Sir, the tragic assassination of our beloved leader, renowned statesman and great visionary, Shri Rajiv Gandhi has cast a pall of gloom over the country and shocked the entire world community. Railwaymen fondly remember his contribution to the nation and to the Railways in particular. The performance of the Railways in the Seventh Plan, which is a shining example for the entire economy was, in a large measure, due to the encouragement given by Shri Rajiv Gandhi. Railwaymen rededicate themselves in the service of the nation to ensure stability, peace and progress by keeping the wheels moving, as a tribute to the memory of Rajiv and to fulfil his vision of a bright and prosperous India.

**4.1 Freight Performance, 1990-91** - The year 1990-91 was a very difficult one for railway operations. Numerous bandhs, extensive civil disturbances, power shortage in the eastern sector and a devastating cyclone on the east coast affected performance. There seemed to be no prospect of meeting the target of revenue earning freight traffic of 325 million tonnes, and a shortfall of 9 million tonnes was projected in the Revised Estimates. However, in the last quarter of the financial year, Railways achieved a landmark in freight operations with an average loading of more than a million tonnes a day. This helped reduce the shortfall to 7 million tonnes. The loading for the year aggregated to 318 million tonnes against the revised target of 316 million.

**4.2 Passenger traffic** registered an impressive growth. The number of passengers originating and the passenger kilometres in 1990-91 have increased by 5.17% and 6.34%, respectively, over 1989-90.

**5. Financial Performance, 1990-91** - The increase in prices of petroleum products in March, 1990 subsequent to the Railway Budget, the Gulf surcharge in October, 1990 and the general increase in the cost of inputs, exerted considerable pressure on working expenses. These, coupled with the anticipated shortfall of 9 million tonnes at the Revised Estimate stage, left no room for comfort, and the budgeted surplus of Rs. 186 cr. had necessarily to be scaled down to Rs. 155 cr. However, an improvement in Gross Traffic Receipts, and reduction in expenditure due to stringent financial control, have enabled the Railways not only to absorb the post-budgetary increases but also achieve a surplus of Rs. 186 cr. as per unaudited figures. Besides, it has been possible to augment the Pension Fund by Rs. 70 cr. This financial performance, without any midterm increase in fares and freight rates, is gratifying, viewed in the context of increases in fares in other transport sectors.

**6.1 Freight prospects, 1991-92** - Freight traffic has got off to an encouraging start in the current financial year. In the first quarter, Railways have lifted nearly 80 million tonnes and are up by 6 million tonnes as compared to the corresponding period of last year, and by 1.25 million tonnes compared to the target. This augurs well for meeting the stiff target of 335 million tonnes of revenue earning traffic for the year.

**6.2** However, I must confess that shortage of rolling stock both wagons and locomotives and inadequate terminal facilities are posing problems. I have directed the Ministry to examine this expeditiously.

**6.3** Adequate terminal facilities are essential for ensuring productive use of the wagon fleet. I propose to have an economic study made as to the terms on which Railways and rail users can jointly augment terminal facilities.

**7.1 Passenger Services** - The continued constraint of resources, coupled with the need to cater to the increasing volume of freight traffic, which is so vital to the economy, makes it difficult for the Railways to meet adequately the growing demand for passenger services.

Despite these constraints, some additional services were introduced during the current financial

year. Important among them are :

1. Puri-Tirupati Express (Weekly).
2. Bombay-Varanasi Express.
3. Allahabad City-Chhapra Express.
4. Bombay-Ahmedabad Karnavati Express (6 days a week).
5. Bombay-New Delhi AC Express (Tri-weekly).
6. Secunderabad-Tirupati Express.
7. Firozpur Cantt.-Jammu Tawi Express.
8. Sirpur Kagaznagar-Kazipet Passenger.
9. Ajmer-Marwar Passenger (on experimental basis for 3 months).
10. Porbandar-Wansjaliya Passenger.

7.2 Also, the run of the following trains has been extended

1. Dadar-Varanasi Express up to Gorakhpur on all the 7 days.
2. Bokaro-Madras Express } up to Alleppey.
- Tatanagar-Madras Express }
3. Virar-Sanjan Passenger up to Bhilad.
4. Kota-Chittaurgarh Passenger up to Neemuch.
5. Dhanbad-Ludhiana Ganga-Sutlej Express up to Firozpur.
6. Veraval-Junagarh Fast Passenger up to Rajkot.
7. Nidadavole-Bhimavaram Passenger up to Rajahmundry.

7.3 A significant event in passenger operation passed off on 1st July, 1991 without much fanfare. For the first time in their history, Indian Railways planned a service following an existing service in quick succession. I refer to the introduction of the tri-weekly New Delhi-Bombay Central A.C. Express which follows the Rajdhani Express at an interval of 45 minutes from both ends and takes about the same time to cover the journey. This is in keeping with the concept of running trains to popular schedule. If this experiment is successful, Railways may consider extending the concept to other routes over a period of time, for it facilitates the most economical and optimal use of capacity. It will, however, call for augmenting terminal facilities.

8.1 **Quality of Service** - Notwithstanding the various problems the Railways face, including the constraint of resources, I am determined to improve the quality of service to the passengers.

8.2 Passenger operation continues to suffer from acute shortage of coaches. Due to backlog of overaged coaches that had to be phased out, the net addition to the fleet of coaches in the last few years has been only about 500. And, over 5,500 coaches out of a holding of nearly 28,000 coaches are still to be replaced. Last year during civil disturbances more than 500 coaches were badly damaged or destroyed.

8.3 At the same time, the pressure for the introduction of more trains to meet long-standing public demands continued to build up. By adopting innovations like amalgamation of rake links and reducing the lie-over periods at various terminals, Railways introduced more than 50 passenger trains in 1990-91. In order to meet the increased demand for passenger services, more intensive use is being made of coaches. Despite this, the shortage of coaches has become more acute. There is presently a shortage of about 1,500 coaches. Steps have been taken to increase the production and procurement of coaches. Nearly 2,100 coaches are proposed to be acquired in the current financial year, against 2,000 in 1990-91. This is proposed to be increased progressively.

8.4 With the notable exception of services such as Janata, Rajdhani, Shatabdi and Superfast, the growth of passenger services has been largely to satisfy certain specific demands. I propose to rationalise the existing pattern in terms of number of services available, stations served, etc., to cater to the needs of passengers on various routes. In the first instance, the North-South route, which is the most difficult and congested one, will be taken up for study.

8.5 I also propose to appoint a task force to prepare a blue-print of passenger services required in the country and draw up an investment plan to be implemented over a period of five to seven years.

8.6 Improvements to and extension of urban rail transport facilities cannot brook any further delay. Innovative methods have necessarily to be adopted to raise finance for such schemes as no single agency, whether Railway, Central Government, or State Government, can finance these

schemes. Such of the State Governments and other agencies as are keen to improve or provide such facilities will be encouraged to initiate a dialogue so that time-bound and viable schemes can be developed in consultation with the Ministry of Urban Development which is the nodal agency for planning the strategies.

8.7 Computerisation of passenger reservation has led to immense customer satisfaction and has been widely appreciated. Installation of this facility at the following stations, namely, Varanasi, Vadodara, Jodhpur, Agra, Tiruchchirappalli, Coimbatore, Surat and Nagpur, is included in the Budget. On completion of these and other ongoing projects, nearly 70 per cent of the total reservation workload will be on the computer.

8.8 It has been decided to take up a few pilot projects for computerisation of Railway Receipts relating to Coal and Mineral Oil, which account for 47 per cent of the total freight traffic. This would facilitate speed and accuracy in the preparation of Railway Receipts.

9.1 **Safety** - The safety of passengers will continue to be given the foremost priority in our agenda. Though there has been a significant drop in the number of accidents at the end of the last decade, to almost half the number in the early eighties, there is no room for complacency, for some of the accidents are fraught with danger to life and property. Safety shall continue to receive close and continued attention. Apart from reduction in the involvement of the human element, which continues to be the predominant factor in accidents, modern technological improvements are also being progressively inducted to make railway operations safer.

9.2 Intensive counselling of staff on correct procedures, closer monitoring of their work, inspection and efficient examination of equipment, including track, rolling stock and signalling equipment would constitute the main strategies in this direction.

9.3 **Security** - As the House is aware, the success of railway operations depend, to a large extent, upon the law and order situation in the States. Unfortunately, law and order situation in certain States has not been conducive to smooth working. In certain areas, unauthorised passengers force themselves into reserved compartments, causing great inconvenience to bona fide passengers, and also adversely affecting the punctuality of the trains by stopping them at unscheduled places. Besides, a large number of dacoities and robberies and theft of passenger luggage occur. During the civil disturbances last year, Railways were not afforded adequate protection. Agitators frequently hold up movement of trains on issues which are in no way connected with Railways. While the Railway authorities at different levels liaise with local civil and police authorities, these problems have to be dealt with more effectively.

9.4 **Punctuality** - I am painfully aware of the setback that punctuality had suffered in the recent past. I have launched a drive to improve it. I am glad to report that it has already started yielding results. Punctuality that used to be in the range of 75 per cent or so has already improved by 4 to 5 per cent. It is proposed to monitor the running of important long distance trains in particular.

10. **Marketing efforts** - Traditionally, Railways have been carriers of bulk commodities for which role they are eminently suited. Nevertheless, certain measures have been taken to attract high profit-yielding traffic by introducing various customer-oriented services like Quick Transit Service, Freight Forwarder Scheme, Speed Link Express and Containerisation. Success has been achieved in the following areas in the recent past

(i) Maruti Cars for export are being cleared in train loads of reconditioned coaches. It is expected that about 25,000 cars will be moved by rail for export in 1991-92.

(ii) There has been a remarkable spurt in containerised international traffic in 1990-91 which has registered a growth of 38 % over 1989-90.

11.1 **Annual Plan, 1991-92** - The outlay for the Railway Plan 1991-92 was fixed at Rs. 4,820 cr. in the interim Budget. This has now been raised to Rs. 5,325 cr. This represents a very modest increase over the allotment of Rs. 5,000 cr. of the previous year. In allocating the revised outlay emphasis is continued to be placed on the Plan heads relating to Rolling Stock, Traffic facilities, Electrification, Workshops and Sheds, and renewal of track and other overaged assets.

11.2 As in 1990-91, greater reliance has been placed on generation of internal and extra-budgetary resources by the Railways. Market borrowing by Indian Railway Finance Corporation has been raised to Rs. 1,500 cr. compared to Rs. 1,170 cr. in 1990-91.

**12. Track Renewals** - One of the main areas of thrust in recent times is Track Renewals which had earlier fallen into considerable arrears. At the end of the Seventh Plan the arrears had come down to about 12,000 km from about 19,500 km at the beginning. Taking into account the availability of resources and the fact that about 2,300 km of track fall due for renewal every year, a part of the overdue renewals will extend into the Ninth Plan period. However, so far as high density routes are concerned, every effort is being made to ensure that track renewals are current by the end of the Eighth Plan. The target for Track Renewals in 1991-92 is 3,325 km and an amount of Rs. 1,000 cr. has been allocated as against Rs. 920 cr. in 1990-91.

**13.1 New Lines, Gauge Conversions & Doubling** - and The following new line projects and sections are programmed to in 1991-92

Satna-Rewa  
 Alleppey-Kayankulam  
 Trichur-Guruvayoor  
 Adilabad-Pimpalkutti  
 Amguri-Tuli  
 Telapur-Patancheru  
 Talcher-Angul and Maneswar-Sambalpur sections of Talcher-Sambalpur Project  
 Damanjodi-Lakshmipur and Singapuram Road-Kevatiguda sections of Koraput-Rayagada Project  
 Rampur-Chauraha section of Rampur-New Haldwani Project  
 Jammu-Bajalta section of Jammu-Udhampur Project  
 Sanichara-Birlanagar and Gwalior--Panihar sections of Guna-Etawah Project  
 Challakere-Phallak section of Chitradurg-Rayadurg Project.

The new lines programmed for opening in 1991-92 total to 314 km.

**13.2** The following gauge conversions totalling to 185 km are proposed to be completed in 1991-92:

Salempur-Barhaj Bazar  
 Manmad-Aurangabad  
 Bikaner-Merta Road

Every effort will be made to complete the Mysore-Bangalore gauge conversion project also in 1991-92.

**13.3** Doubling of 211 km of track was commissioned in 1990-91. Another 269 km are proposed to be commissioned in 1991-92.

**13.4** At the beginning of 1991-92, Railways had on hand 24 new line projects, totalling 2,070 km and 11 gauge conversion projects for 2,118 km. The balance of funds required for their completion is about Rs. 3,005 cr. The House will readily appreciate that it is important to speed up the flow of benefits from the ongoing projects. This objective cannot be realised by adding to their number and distributing the available resources among all of them. No new line or gauge conversion projects have been proposed for inclusion in the Budget.

**14. Konkan Railway Corporation** - The Konkan Railway Corporation set up in July, 1990 has commenced work on the 837 km long railway line from Mangalore to Roha. Railways have met in full their commitment amounting to Rs. 70 cr. as contribution to equity in 1990-91. The further contribution of Rs. 51 cr. to equity capital in 1991-92 has been fully provided for.

**15.1 Metropolitan Transport Projects** - While presenting the interim Budget, my predecessor has referred to certain problems coming in the way of the completion of the remaining stretch of 6.5 km between Esplanade and Belgachia of the Metro Railway system at Calcutta. I am glad to inform the House that the main problem has since been resolved with the assistance of the State Government and work is expected to commence soon.

**15.2** The Mankhurd-Belapur line in Bombay is heading towards completion. It is expected that the State Government's timely help will be forthcoming for removal of encroachments and speeding up some portion of their work to enable early commissioning of the project.

**15.3** The Madras Beach-Luz Rapid Transit System is maintaining steady progress.

**16.1 Railway Electrification** - Electrification of railway lines, one of our priorities, has assumed special importance in the context of reducing the dependence on petroleum products. Till the end of 1990-91, 10,083 route kilometres have been electrified. The Railways propose to electrify about 3,000 route kilometres during the Eighth Plan.

16.2 The target for completion during the year is 675 route kilometres. With the electrification of Bhusawal-Itarsi and Durg-Nagpur sections, the important trunk routes between Delhi and Bombay via Central, Railway and Howrah and Bombay via Nagpur will be fully electrified. The North-South route linking Delhi and Madras has been fully electrified. The other sections to be completed this year' include Jolarpet-Bangalore, Jolarpet-Salem-Erode and Nagda-Bhopal.

16.3 The following new works of electrification totalling to 812 route kilometres have been included in the Budget

1. Delhi-Ambala-Ludhiana
2. Kiriburu to Bokaro
3. Gomia-Patratu
4. Sabarmati-Gandhinagar

16.4 Electrification of Sitarampur-Jhajha section which was kept in abeyance is being taken up.

16.5 The Railways are for the first time going in for 2 x 25, kv system of electrification on the Bina-Katni-Annupur-Bisrampur/Chirimiri section. This has the advantage of 50 kv transmission efficiency and at the same time permits the use of standard 25 kv A.C. Electric Locos.

**17.1 Production Units** - Production Units improved their performance during 1990-91. Chittaranjan Locomotive Works produced 110 electric locomotives and 44 diesel locomotives against 105 and 42 respectively, in the previous year. Diesel Locomotive Works increased its production to 147 diesel locomotives from 140 in 1989-90. Integral Coach Factory also bettered its performance with 1,013 coaches against 925 in the previous year. The performance of the Rail Coach Factory, Kapurthala, has been noteworthy. The unit manufactured 600 coaches in 1990-91 compared to 175 in 1989-90 and the revised target of 500 for 1990-91. The Diesel Component Works and the Wheel & Axle Plant also improved their performance.

17.2 Whenever capacity of Production Units is expanded or a new Production Unit is established, due care is taken to utilise the potential of the industry to the best advantage of the Railways.

**18.1 Eighth five Year Plan** - Sir, the Eighth Five Year Plan is now on the anvil. It is a matter of great satisfaction for all of us that Railways have commenced this Plan period on a note of high confidence based upon solid achievement and progress. The incremental revenue earning freight traffic of 74 million tonnes during the Seventh Plan period equalled the incremental traffic of the previous 19 years. Freight transport output and passenger transportation rose by 30% and 22% over the level of the Sixth Plan, through improvement in productivity and minimal inputs. Modernisation and technology upgradation came to be established as vital ingredients of the Railways' Plan. Thus a sound foundation has been laid for further growth, development and modernisation,

18.2 The Eighth Plan objectives are 99 million tonnes incremental revenue earning traffic over the Seventh Plan and a minimum of 3% annual growth in passenger traffic. The investment plan in Railways during the Eighth plan period would be oriented to achieve these objectives while maintaining the financial viability of the system. The thrust would be on augmentation of capacity, selective expansion, of network and upgradation of the system to bring down operational costs. The management philosophy and practices, technology options, prioritisation of programmes and projects for effective utilisation of scarce resources, and upgrading of human resources, will engage my attention.

18.3 Sir, Railways are more energy efficient than roadways and airways. Higher investment in rail infrastructure to meet the growing demands of traffic will be in the national interest. Even in the developed countries of the world, this realisation has led to ambitious investment plans in Railways. But in view of the difficult resource position, it may not be possible to meet all aspirations and demands. It would however be ensured that the growth of the economy will not be allowed to suffer for lack of rail transport.

**19.1 Strategic Planning** - Sir, I have instructed the Ministry to prepare a detailed Action Plan to achieve reduction in working expenses by cost control, cost reduction and economy measures and also evolve marketing strategies to augment earnings besides plugging loopholes to prevent loss of revenue. My short-term and long term strategic planning would aim at a trim workforce, aggressive marketing, better utilisation of assets, cost-centre and profit-centre approach for greater accountability for results. The corporate objective is better service with greater emphasis on commercial orientation and market orientation as well as customer orientation.

**19.2** In keeping with the new economic thinking in the country, Railways also plan to initiate action to bring about structural changes. I propose to make a beginning with privatisation of certain activities like catering and conservancy services, including cleanliness, at certain locations. Based on the experience gained in terms of both customer satisfaction and cost-effectiveness, the scheme will be progressively extended to other areas and important centres of activity.

**19.3** Indian Railways have captive units for production of locomotives, coaches, and components. While, on the one hand, there are arrears of replacement of rolling stock to be overcome, on the other, the question of enhancing capacity utilisation to achieve economies of scale assumes importance. Innovative methods of financing expansion and modernisation will be explored, including public participation in equity capital.

**20.1 Energy Conservation** - Sir, in a developing economy like ours, where scarcity of resources prevails, energy conservation is of vital importance. Indian Railways have been making continuous and concerted efforts in this direction which have been very fruitful. With systematic and better usage of diesel and electric locos, the phasing out of steam locos has been accelerated, due to which it has been possible to reduce specific energy consumption by 17.7% in the Seventh Plan. These efforts would continue.

**20.2** In our drive for conservation of energy, various schemes to educate and motivate staff have played a crucial role. We have identified a number of energy conservation measures and programmes, involving technological changes through research and development, which are proposed to be pursued in the Eighth Five Year Plan. These have been mentioned by my predecessor, while presenting the interim Budget. Particular stress will be laid on reduction in specific fuel consumption, saving in electricity, and energy audit.

**21. Rail Tariff Enquiry Committee** - The pricing policy of Indian Railways for freight traffic was reviewed for the first time after independence by the Freight Structure Enquiry Committee (1955-57) under the chairmanship of Shri A. Ramaswamy Mudaliar. This was followed, over two decades later in 1977-80, by the Rail Tariff Enquiry Committee headed by Dr. H. K. Paranjape. Setting up of a Rail Tariff Enquiry Committee to review the entire gamut of freight and fare structure and make appropriate recommendations on costing and pricing of services, taking into account the new operational strategies, is overdue. The action initiated by my predecessors in this regard will be pursued by me for early finalisation. Incidentally, the loss on Coaching Services and low-rated commodities, which was in the region of Rs. 332 cr. in 1980-81, is estimated to go up to Rs. 2,222 cr. in 1990-91.

**22.** Sir, I am not touching on some of the other aspects which it has been customary to review in the Budget Speech, as these have been covered by my predecessor while presenting the interim Budget.

**23.** I shall now deal with the Budget Estimates for 1991-92. The estimates of Receipts and Expenditure contained in the interim Budget for 1991-92 have been carefully reviewed, keeping in view the extremely difficult financial situation now being faced by the country and the need to generate adequate resources to finance Plan outlay for development, rehabilitation and modernisation.

**23.1** The Gross Traffic Receipts for the year at the existing level of freight rates and fares are now estimated at Rs. 12,735 cr. which is higher by Rs. 70 cr. than the interim Budget, 1991-92. This is based on additional revenue earning freight traffic of 19 million tonnes and an estimated growth of 3 % in passenger traffic over the projections in the Revised Estimates for 1990-91.

**23.2** The estimate of Ordinary Working Expenses is now placed at Rs. 9,180 cr. representing an increase of Rs. 939 cr. over the Revised Estimates for 1990-91. This is, however, Rs. 90 cr. less than the projection in the interim Budget for 1991-92. The increase over the Revised Estimates is primarily to cover the cost of fuel and other inputs for the incremental traffic, escalating material prices including

the full year effect of Gulf surcharge, annual increments to staff, additional payment of Dearness Allowance, higher lease charges payable to Indian Railway Finance Corporation etc.

23.3 The contribution to the Pension Fund is proposed to be increased from Rs. 900 cr. in the Revised Estimates to Rs. 1,050 cr. in the current year. This is higher than the interim Budget level by Rs. 50 cr. in view of the need to strengthen the Fund.

23.4 The contribution to the Depreciation Reserve Fund is, however, proposed to be reduced marginally from the interim Budget level by Rs. 50 cr. It is now placed at Rs. 2,000 cr. as compared to Rs. 1,950 cr. in 1990-91.

23.5 The Total Working Expenses, comprising Ordinary Working Expenses, and the Appropriations to the Pension Fund and Depreciation Reserve Fund will thus amount to Rs. 12,230 cr., leaving Net Traffic Receipts of Rs. 505 cr. A sum of Rs. 183 cr. is now estimated by way of Net Revenue Receipts, as compared to Rs. 180 cr. in the interim Budget, and thus the Net Revenue would amount to Rs. 688 cr. The estimate of Dividend payable to General Revenues is Rs. 1,037 cr. as in the interim Budget. Thus, at the current level of fares and freight rates, there will be a shortfall of Rs. 349 cr. Further, a loan of Rs. 125 cr. from the General Revenues would be needed for execution of works chargeable to the Development Fund.

23.6 A memorandum on the rate of Dividend payable to General Revenues on Capital-at-charge will be submitted to the Railway Convention Committee for their consideration. In the meantime, provision for Dividend for 1991-92 has been proposed at the same rates as for 1990-91. A resolution for constituting the Committee will be moved in due course.

**24. Tariff Proposals** - Sir, I now sense a general air of expectancy, and perhaps excitement, among the Hon'ble Members to hear the more interesting part of my speech. I shall not be disappointing them. I am sure this august House is keenly aware of the economic challenges facing the country and will appreciate that in this situation, it behoves the Indian Railways to maintain financial viability and fulfil their obligations to the General Exchequer, as usual. Equally, the House would appreciate that the Railways, of necessity, must carry the banner and march forward in the vanguard of economic progress as the most important infrastructural sector so that they may continue to subserve the larger interests of the economy. It is my firm belief that rail infrastructure must keep ahead of requirements. At present, demand outstrips supply, and certain routes are saturated and operations are becoming extremely hamstrung. This means that the pace of generation of resources for rehabilitation, modernisation and development of the system to enhance the transportation capacity, must not be allowed to slacken. With these objectives in view, I intend to effect modest increases in fares and freight rates to mobilise additional resources.

24.1 It is proposed to increase the freight rates by 1000. However, to lighten the burden on the weaker sections of society, I propose to exempt certain essential commodities of daily use from the purview of the proposed increase. These commodities are salt for human consumption, edible oils, foodgrains, pulses, sugar, gur and jaggery and fruits and vegetables. I am also exempting kerosene and diesel oil altogether. This will afford relief to the urban and rural poor and the farmers besides pegging down the transportation costs.

24.2 It is also proposed to increase the rates for parcels and luggage by 10%.

24.3 My proposals in regard to passenger fares are as under

(i) The fares for upper classes, namely, Air-Conditioned First Class, Air-Conditioned Sleeper, First Class and Air-Conditioned Chair Car are proposed to be increased by 20% for distances up to 800 km and by 15 % for distances beyond 800 km. The special fares for the Rajdhani Express, New Delhi-Bombay AC Express and the Shatabdi Express are also proposed to be increased.

(ii) The fares for Second Class Ordinary are proposed to be increased by Re. 1.00 at the lowest slab, rising progressively to a maximum of Rs. 5.00 for distances beyond 400 km, with some marginal adjustments in fares in the distance zones 11 km to 60 km. A passenger travelling by an ordinary passenger train from Delhi to Panipat will pay an additional amount of Re. 1.00 and a person travelling from Madras to Rameswaram, an additional Rs. 5.00. However, no increase is proposed in Second Class Ordinary fares up to 10 km.

(iii) Second Class Mail/Express train fares are proposed to be increased by Re. 1.00 per ticket at

the lowest slab, rising progressively to a maximum of Rs. 20.00 per ticket for distances beyond 1,300 km. The fare from Delhi to Trivandrum, a distance of 3,054 km, will go up by only Rs. 20.00.

(iv) For Second Class Monthly Season Tickets, increases in fares varying from Rs. 4.00 to Rs. 16.00 according to the distance travelled are proposed. A Second Class Monthly Season Ticket holder travelling from Bombay VT to Byculla will pay only Rs. 4.00 per month more and from Bombay VT to Lonavla, an additional Rs. 16.00 per month. The increases in Monthly Season Ticket fares for First Class will vary from Rs. 16.00 to Rs. 64.00 according to the distance travelled.

24.4 Various Expert Committees have, from time to time, recommended that fares for Second Class Monthly Season Tickets should be raised to levels equal to 24 times the single journey fares, in phases. Further, they have recommended pricing the First Class Monthly Season Ticket at a level four to six times the Second Class Monthly Season Ticket.

24.5 The present Monthly Season Ticket fares are nowhere near these levels. It may be necessary to initiate changes in the Monthly Season Ticket fares during the year to bring them to a reasonable level compared to the single journey fares.

24.6 I do not propose to make any changes in the existing rates of Sleeper Surcharge for Second Class, Superfast Charges and Reservation Fee. Likewise, the price of the Platform Ticket will also be maintained at the existing level of Rs. 1.50.

24.7 The changes arising out of the above proposals in fares and freight rates and parcel and luggage rates are proposed to be given effect from 16-8-1991.

25. The above proposals are expected to yield an additional revenue of Rs. 584 crores in the current year.

26. Sir, I served the Ministry of Railways as Minister of State between January 1980 and October 1984. I have now the privilege to head the Railway family. Railwaymen have always risen to serve the country with great zeal and zest. I am sure, in these difficult days, Railwaymen would not hesitate to share the travails of the common man and come forward to meet the challenges facing the country. No sacrifice is too small, no effort too great and no goal beyond reach to maintain a vibrant system to ensure customer satisfaction and towards this objective, we shall march with absolute determination and with confidence in the future of our country on the basis of democratic and secular ideals enshrined in our Constitution.

27. With these words, Sir, I now commend the Railway Budget for 1991-92 to the House.

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