

fares and freight charges. In fact it actually lowers most passenger fares and the freight. Gross traffic receipts for 2008-09 are estimated to be Rs.81,901 crore, a growth of 12.5 percent over revised estimates with a projected cash surplus of Rs.24,782 crore, the highest ever which promoted the railway minister to say "makes us better than most of the Fortune 500 companies in the world". The highlight is the plan outlay itself. Quite remarkably, the railways managed to secure a Rs. 37,500 crore plan for the year ahead, marking a 21 per cent increase over 2007-08.

The concessions to passengers include a 5 percent reduction in second-class fares (partly to compete with dropping air fares) and a 2 to 7 per cent lowering of fares for air-conditioned sleeper coaches ranging from three-tier to first class. The railway fare concession for senior women citizen was raised from 30 per cent to 50 per cent and girls and young women would be eligible for free season passes on sub-urban trains until they graduate.

In the area of freight tariff, the number of freight categories were reduced from 210 to 200, thereby the spread in rates between the costliest and cheapest commodities, possibly leading to savings for transporters. Thus, the rationalization of the freight structure was completed with a 5 per cent reduction in the rates for petrol and diesel.

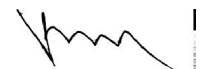
"In the 21st Century, the business scenario is changing fast at the speed of light. Therefore, we have decided to setup a multi-departmental innovation promotion group in the Railway Board", said the railway minister. Keeping with the theme of modernization, the budget envisaged the setting of a strategic business unit to act as single window for all core business problems. An Information Technology Vision 2025 document would be prepared in six months on the use of platforms based on geographic information systems, global information systems, global positioning systems and radio frequency identification to make freight and passenger information real-time. The budget proposed introduction of mobile tickets and light stainless steel wagons to carry a much higher load. A sum of Rs.75,000 crore is earmarked for investment plan for new tracks.

A good number of amenities were announced to make rail travel more comfortable. New stainless steel trains with modular fittings, 'Green toilets' in all coaches, multi-level parking at 30 major stations, multi-level parkings for lifts and escalators, wider e-ticketing facilities, 53 new trains and 10 more Garib Raths were announced.

South Central Railway received an allocation of Rs.1,564 crore, an amount lower than Rs.1,600 allocated last year. It got 3 new express trains, all-try weekly. They are Secunderabad-Visakhapatnam Garib Rath, Machilipatnam - Bangalore and Hyderabad-Usmanabad(Maharashtra) Express. The run of the existing Tirupati-Nizamabad Krishna express would be extended to Adilabad. The budget contemplates (without allocation) massive development plan to turn Secunderabad into a world class station. An amount of Rs.65 crore was allocated for doubling of lines between Samalkot and Kakinada and Rs.5 crore for Guntur-Krishna Canal section.

Estimates indicate that the fare and freight concessions were likely to cost Rs.800-900 crore and this would hurt the railway finances. A projected freight loading of 790 million metric tons this year and introduction of several new trains means, intensive use of the tracks and their faster wear and tear. Therefore, top priority must be accorded for track renewals, gauge conversion and track doubling. The unmet demands for route extension, notably in the north-east need to be responded positively. Over all, the railway budget tries to harness the growth in the economy and sustain its own growth. It has shared the profits with customers and passengers.

Thank you for your cooperation



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