

**Speech of Kumari Mamata Banerjee  
Introducing the Railway Budget  
for 2000-01, on 25<sup>th</sup> February 2000**

Mr. Speaker, Sir,

I rise to present the Budget Estimates for the year 2000-2001 for the Indian Railways.

**Introduction**

2. I deem it to be a rare honour to be able to present the first Railway Budget on the threshold of a new millennium. Let me avail myself of this opportunity to convey on behalf of the Railway family and on my own behalf, our sincere millennium greetings to you and to the Hon'ble Members of this august House.

3. I thank, first of all, our respected Prime Minister Shri Atal Behari Vajpayeeji for his valued guidance. It is slightly over four months that I have taken over the responsibility of the Indian Railways, the largest public transport system in the country. Four months is, perhaps, a short time. But, I feel, it is long enough to understand the working of an organisation.

4. Sir, permit me, therefore, to give a brief overview of where the Indian Railways stand at the dawn of the new century. Growth of the Railways since inception has directly contributed to the economic and social development of the nation. Indian Railways having a route length of over sixtytwo thousand eight hundred kilometers, are the second largest Railway undertaking in the world under a single management. With 16 lakh employees running 8000 passenger trains and 5500 goods trains every day, moving 1.36 cr passengers and 12 lakh tonnes of goods daily, Railways are truly called the 'lifeline of the nation'. However, today Railways are at a turning point in their history. There is the opportunity to reach new heights of performance as well as the chance of a dangerous decline.

5. Sir, You must excuse me if I sound a little harsh and sad here. It is a sad fact, Sir, that this magnificent organisation, which has a strategic value next only to the armed forces; and that is still the dominant part of the nation's transport infrastructure, has been allowed to stagnate for last more than two decades. As you are aware, Sir, the first train in the Indian subcontinent was flagged off on April 16, 1853, over a small stretch of 34 kilometer between Bombay and Thane. When India attained freedom in 1947, we had about fiftyfour thousand kilometers of railway network in the country. Today, on 25<sup>th</sup> February 2000, the network has a length of 62,800 route kilometers. Sir, in fiftythree years, independent India has added less than one fourth of what was built in ninetyfour years of the colonial rule.

6. Sir, after the capital support from the General Exchequer reached a peak of 75% in the Fifth Plan, priorities seem to have suddenly shifted. It fell to 58% in the Sixth Plan and 42% in the Seventh Plan, reaching an abysmally low level of 18% in the last two years of the Eighth Plan. To fill the gap, Railways have been driven to large market borrowings. Mainly because of under-investment over a long period of time, Railways' share in freight movement has also dropped from 89% in 1950-51 to about 40% now.

7. Sir, in this context, I cannot help drawing an apt analogy, although a sad one. All of us are aware of the significant contribution of the Indian Railways to the freedom movement and national integration. In fact, we have not forgotten that the birth of the political career of the Father of the Nation took place on a railway platform in South Africa when Mahatma Gandhi was thrown off the train because he was travelling in the first class.

8. I am sorry to say, Mr. Speaker, Sir, that somewhere during the journey after independence, Indian Railways have similarly been thrown off the development train. This happened because successive Governments no longer considered Railways worthy of being seated in the top priority class of the country's development train. However, Sir, I would plead with the House to note that it was only after having been thrown off the train, that Gandhiji rose to become the Father of the Nation. I am committed to ensure, Sir, that Indian Railways, similarly, will struggle to achieve their rightful place in the national developmental scenario.

9. The time has now come, Sir, when Railways have to develop a vision for the new millennium. In this short span of four months, we have worked together to develop this vision which transcends the concerns of the short term. I will, in the course of my speech, outline this vision in each area of our operation. I do believe, alongwith sixteen lakh railwaymen, that Indian Railways, with the new vision, will be firmly placed on the path of speedy growth and resurgence. Railways, in the new millennium will carry not only passengers and goods as it has done traditionally in much better ways, but will also carry information on the shoulders of new technology across the country and beyond. All this will require a lot of change in our mindset, in our attitudes and in our existing organisational structure. The new vision will rest on the pillars of much needed reforms, restructuring, innovative models of funding our developmental plans, innovations in technology and in financing.

### Review Of Financial Performance During 1998-99

10. Sir, 1998-99 has been an extremely difficult year for the Railways. Government's decision on the Fifth Central Pay Commission's recommendations was implemented in that year and in the previous year, raising expenditure on staff and pension. The recessionary trends in the economy brought down railways' freight traffic by 29 million tonnes below target and 9 million tonnes below the previous year's level. The overall drop in earnings and the accretion to dues outstanding reduced the Gross Traffic Receipts of Rs 30,416 cr in the Revised Estimates to Rs 29,619 cr in actuals. Total Working Expenses, budgeted at Rs 28,411 cr were contained at Rs 27,835 cr. However, pensionary liabilities at Rs 4,144 cr exceeded the Revised Estimate of Rs 3,830 cr. The year ended with a draw-down from the Railway Fund balances to the tune of Rs 2,313 cr instead of Rs 1,313 cr as given in the Revised Estimate. In view of the shortfall in internal resources, the plan expenditure was restricted to Rs 8,857 cr from the budgeted level of Rs 9,500 cr. Market borrowings, however, increased from Rs 2,900 cr in the Budget Estimates to Rs 3217 cr.

### Review Of Financial Performance During The Current Year

11. Sir, I am happy to inform the House that with overall economic recovery, we are set to achieve our freight loading target of 450 million tonnes. However, the freight earnings are likely to fall short of target by Rs 250 cr due to drop in lead and change in commodity mix. On the other hand, there has been an impressive growth in Passenger earnings which reached about Rs 7,800 cr by end of January 2000. This marked an increase of Rs 850 cr over previous year's earnings during the corresponding period. Other Coaching and Sundry earnings have been quite encouraging and will enable the Railways to partly offset the shortfall in goods earnings. In Budget Estimates 1999-2000, a target of Rs 200 cr was kept for clearance of outstanding dues which the State Electricity Boards / Power Houses owe to the Railways. These dues, Mr. Speaker, Sir, have, unfortunately, risen to Rs 1,491 cr by the end of November 1999. Despite the best efforts of the Railways, there has been very little clearance of these dues. Accordingly, the target of realisation had to be reduced to Rs 75 cr. Thus, the Gross Traffic Receipts have been scaled down from Rs 33,311 cr to Rs 33,096 cr.

12. The post-budgetary developments of levy of cess on diesel oil and increase in the price of diesel oil have substantially increased the fuel bill of the Railways. Along with this, the retrospective revision of tariff by some of the State Electricity Boards, higher rates of incentive bonus to the workshop staff, revision of family planning allowance, damage to Railway property caused by the Orissa cyclones etc. have put on us an additional financial burden of around Rs 900 cr.

13. Sir, when I joined office, a very difficult financial situation awaited me. I felt, in the words of Tagore – “ **I start on my journey, with empty hands and expectant heart**”. In order to overcome these financial reverses, I had decided, immediately on assuming office, to put in place a stringent action plan for reduction in expenditure through economy and other austerity measures. Austerity measures have been taken in areas such as fuel consumption, material procurement, hospitality, publicity, advertisements, inaugural ceremonies, seminars, travel and office expenses. I am happy to inform the House that all these measures have borne substantial gains of approximately Rs 850 cr for us and have helped Railways in absorbing the additional requirements within the existing grant, with only a small increase of Rs 50 cr. Accordingly, the Ordinary Working Expenses projected at Rs 25,740 cr in Budget Estimates 1999-2000 are now placed at Rs 25,790 cr. Pensionary liabilities are also assessed to go up to Rs 4,094 cr against Budget Estimates of Rs 3,300 cr. This has adversely affected the internal generation of resources by the Railways and, accordingly, the Plan expenditure has been re-assessed and kept at Rs 8,965 cr against the budgeted outlay of Rs 9,700 cr. I would like to assure the House that this reduction in plan expenditure will not affect any safety related works.

### Non-Traditional Sources Of Revenues

14. Sir, as I mentioned earlier, Railways are passing through a very difficult phase financially. The growth in earnings is not commensurate with the increase in expenditure for day to day operations and maintenance, the needs of expansion and safety requirements. Market borrowings, being a relatively costly proposition cannot be enhanced beyond a limit. While Railways have initiated several steps to augment earnings and curtail expenditure for increasing the internal resources, they also intend to raise revenues from other non-traditional sources, as is done by Railways the world over. Sir, I had constituted a Task Force in this regard, consisting of representatives of Railways and Industry. The Task Force has recently submitted its report. The recommendations of the Task Force are now proposed to be implemented in a time bound manner. They include :-

- Commercial utilisation of land and air space
- Commercial publicity on passenger trains and at stations
- Commercial publicity on freight wagons
- Hoardings and billboards at level crossing gates

- Commercial publicity on miscellaneous items like tickets and consumable items supplied on trains
- Hoardings for rural marketing alongside the tracks

15. Indian Railways are firming up a plan for construction of one hundred budget hotels and shopping complexes near different Railway Stations using surplus commercial land.

16. I am happy to announce that Indian Railways have recently signed a Memorandum of Understanding (MoU) with the Housing and Urban Development Corporation (HUDCO) which covers several areas of assistance. One important activity to be taken up by HUDCO will be commercial utilisation of surplus railway lands in certain corridors. This will provide substantial additional funds to railways for developmental activities. In the regard, some of the corridors, which have already been identified for this purpose, are: -

- 1) Delhi – Panipat
- 2) Kanpur – Lucknow
- 3) Bangalore-Mysore
- 4) Sealdah-Kalyani
- 5) Chandigarh-Ludhiana
- 6) Baroda-Ahmedabad
- 7) Vishakapatnam-Rajahmundry

17. Sir, you are well aware that India has been making rapid strides in information and communication technologies. Indeed, our Prime Minister has taken an inspiring lead and has defined I.T. as 'India's Tomorrow'. Keeping in line with this vision, Mr. Speaker, Sir, Railways have decided to utilise its Right of Way (ROW) covering sixty two thousand eight hundred kilometers passing through more than seven thousand stations, for building a nation-wide broad band telecom and multimedia network by laying optic fibre cable (OFC). This will not only help in speedily modernising Railways' own telecom infrastructure, but also provide a much needed parallel nation-wide telecom infrastructure to various telecom operators and Internet Service Providers (ISPs). The unique advantage of the Railways is that our network connects the distant corners of this vast country and also covers much of the rural, backward and remote areas, which are so far deprived of good telecommunication services. Indian Railways are already taking steps towards developing an attractive business plan to be implemented in collaboration with suitable joint venture partners through the medium of a professionally managed corporation. This venture visualises a concept of bringing the whole world together as one country. Sir, our endeavour in this regard will also generate considerable additional revenues for the Railways to finance developmental projects and safety related works. A suitable provision for this purpose has been made in the budget.

### **Safety**

18. Sir, Since the biggest challenge that Indian Railways face today is ensuring safe transit of passengers and freight traffic, I would like to assure the Members of this august House that safety in rail operations would be accorded the highest priority and maximum possible investments. The Railway Safety Review Committee headed by Justice H.R. Khanna has assessed a requirement of Rs 15,000 cr for rehabilitation of overaged assets and for providing adequate technology back-up to operational staff connected with train running.

19. Sir, within the constraint of resources, I am proposing enhanced investment in these areas to the extent possible. I am thankful to the Planning Commission and the Ministry of Finance for enhanced budgetary support for the next year. However, our requirement of a specific safety related grant, as recommended by the Railway Safety Review Committee, could not be met. Moreover, we are yet to receive compensation for the social service obligations continuously being carried by Railways.

20. Sir, some of the special steps, being taken by the Railways to strengthen safety include provision of walkie-talkie sets to drivers and guards, track circuiting to prevent accidents due to human failure, improved communication between driver, guard and nearest station through mobile train radio system, block-proving by axle counters, replacing existing mechanical signalling systems with modern signalling systems such as Colour Light Signalling, Panel Interlocking, Solid State Interlocking and Route Relay Interlocking. Simultaneously, an intensive training and human resource development programme specifically targeted towards enhancing safety consciousness amongst front-line operational staff has also been launched.

21. Sir, I am happy to announce that Konkan Railway Corporation has developed a new anti-collision safety device. When installed on locomotives, brake vans, stations, level-crossings and other vulnerable locations, the device will avert collisions or reduce their impact. In order to comprehensively test the system, a pilot project is now being undertaken on Northeast Frontier Railway. On successful completion of the pilot project, the device will be introduced on all the zonal railways.

22. Manning the large number of unmanned level crossings and constructing road overbridges/underbridges requires enormous resources. I appeal to Hon'ble Members for recommending conversion of unmanned level crossings to manned level crossings under "Member of Parliament Local Area Development Scheme (MPLAD)" to supplement our efforts in this direction.

23. Sir, as you are aware, good track is a pre-requisite for safe running of trains. Track renewal work, therefore, must get priority. I am happy to announce that in spite of our serious resource constraint, I propose to substantially enhance the outlay on track renewal taking it to Rs 2000 cr in the next year's budget, marking an increase of about 37% over the revised outlay in the current year.

24. Signalling and telecom are also equally important for safety. Again, Sir, I am happy to propose an enhancement of about 26% in the outlay on Signalling and Telecom component in the next year's budget over the revised outlay in the current year.

25. A part of the diesel cess is now available to be spent specifically for rail safety works. Sir, we expect to get a sum of Rs 300 cr on this account next year to spend entirely on the manning of unmanned level crossings, construction of Road Overbridges/Underbridges. This will further enhance safety on the Railways.

26. Sir, safety never sleeps. I had given a commitment while replying to the debate on Supplementary Demands for Grants in December 1999, that safety will be our primary concern. I hope that these enhanced outlays will go a long way in ensuring a safe and sound journey for the millions of passengers.

#### **Security**

27. The security of Railway passengers and their belongings depends upon the effective maintenance of law and order by the State Governments through their State Police and the Government Railway Police (GRP) which also is a part of the police force of the concerned State. Sir, the security environment on the railways is a reflection of the law and order situation in general.

28. A dangerous new dimension to this situation has come about in recent past, and that is, the violent acts of the militant groups. Crowded railway stations and other sensitive installations like bridges, tracks etc. have been targets of bomb blasts. I deeply mourn the sad loss of valuable lives in recent such incidents. Sir, Railways have become soft targets for militant groups to express their frustration. We have over 62,800 km of routes. On these routes, we run about 13,500 trains daily across the country. Despite such vast spread, we are determined to combat this menace and fully protect our passengers and installations. Keeping this in mind, I recently convened a meeting of the Chief Secretaries and the Directors General of Police from all the States. A high-level Joint Task Force of Railways and State Government officials has been set up to suggest ways and means to improve the effectiveness of GRP and RPF in preventing crimes in trains and on railway premises.

#### **Freight Policy**

29. Sir, the other great concern of the Indian Railways is to arrest the slippage of market share and improve it. My objective is to raise the share of traffic to 50% during the first decade of the new millennium from the existing 40%. I am convinced that to achieve this, we should not only have a substantial and time-bound augmentation of the line and terminal capacity on the saturated 'High-Density Network', but a multi-pronged new Freight Policy. The new Freight Policy will have the following elements :-

- Recovering non-bulk high value traffic through appropriate marketing efforts.
- Providing incentives like 'volume discount scheme'
- Offering the leasing route to Freight Forwarders in the Luggage Vans (SLRs) on popular mail and express trains.
- Facilitating warehousing at existing railway terminals as also at privately operated freight terminals as a marketing tool to attract traffic.
- Extending the new concept of Roll-On-Roll-Off (RO-RO), freight movement in trucks rolled on the flat wagons to provide door to door collection and delivery. This has been successfully launched on the Konkan Railway.

- Running of fixed schedule freight trains and terminal operations.
- Launching the 'Freight Operations Information System' (FOIS) to provide real-time information to customers in regard to the booking , movement and delivery of freight consignments through Customer Service Cells to be set up on all Zonal Railways.
- Using the shadow-path created behind fast moving mail / express trains for speedy movement of freight traffic. High speed goods trains are slated to follow superfast express trains with adequate safety precautions to ensure expeditious transit of select high value and perishable goods.

### Passenger Services

30. Mr. Speaker, Sir, I can say without any hesitation that Railways offer the most reasonably priced transport services in the country for all sections of society, which are also comparable with the cheapest in the world. With the growing activity in the economic, cultural and educational fields across the length and breadth of the country, there is an ever-increasing demand for new passenger services. I have received thousands of requests from the common people and their representatives.

31. Much as I would like to fulfil all these demands, the resource constraints and technical limitations do not allow me to do that. A detailed exercise has been carried out to assess availability of track capacity, terminal facilities and maintenance lines for inspection of coaches. With all these in view, I am happy to propose introduction of the following new services :-

### New Trains

- i) Lucknow-Bhopal Express (Bi-weekly)
- ii) Bangalore-Shimoga overnight Express (daily)
- iii) Tirupati-Nagercoil Express (Bi-weekly)
- iv) Sealdah-New Delhi Rajdhani Express (Bi-weekly)
- v) Jodhpur-Bangalore Express via Hubli, Ahmedabad (weekly)
- vi) Howrah-Purulia Express (daily)
- vii) Ajmer-Bangalore Express via Hubli, Ahmedabad (weekly)
- viii) Sealdah-New Jalpaiguri Express (Tri-weekly)
- ix) Bhagalpur-Ranchi Vananchal Express (Tri-weekly)
- x) Okha-Dehradun Uttaranchal Express (weekly)  
(To serve Dwarka, Ahmedabad, Jaipur and Haridwar)
- xi) Shalimar-Bankura Express
- xii) Kakinada-Visakhapatnam-Nagarsol Link Express (Bi-weekly)
- xiii) Ahmedabad-Nagpur Express (weekly)
- xiv) Sealdah-Amritsar Superfast Express via Patna Sahib (weekly)
- xv) Bandra Terminus-Gandhidham Express (by merging 2963 / 64 Bandra-Vadodara Sayajinagari Express and 9103 / 04 Vadodara-Gandhidham Inter-city Express)
- xvi) Lucknow-Ballia-Chhapra Express
- xvii) Varanasi-Baidyanath Dham Express (Bi-weekly)
- xviii) Bikaner-Suratgarh Service
- xix) Bangalore-Puttaparthi Service

32. Sir, in the 50<sup>th</sup> Year of the Republic, in order to commemorate three of the important places which are prominently associated with the freedom struggle, namely Ballia, Tamluk and Satara, additional connectivity is being provided by introducing the Jodhpur Bangalore Express, Ajmer-Bangalore Express, Howrah-Digha Express (to be introduced upon completion of new line construction between Tamluk and Digha) and Lucknow-Ballia-Chhapra Express.

33. Sir, I am also happy to announce that I am going to fulfil the commitment made by my predecessor in the last budget regarding starting a new express train from Nizamuddin to Coimbatore (weekly). This train will start operations in the month of March 2000. This could not be started earlier due to certain operational

difficulties.

### **Increase In Frequency**

- i) 8563 / 8564 Vishakapatnam – Bangalore Express: from 4 days to daily
- ii) 2951 / 2952 Mumbai Rajdhani Express : from 6 days to daily
- iii) 2953 / 2954 August Kranti Rajdhani Express : from 6 days to daily
- iv) 1029 / 1030 Pune Howrah Azad Hind Express : from 2 days to 3 days a week
- v) 9263 / 9264 Porbandar – Delhi Sarai Rohilla Express : from weekly to Bi-weekly.

### **Extension, Connection, Augmentation**

- i) 6635 / 6636 Kurla-Ernakulam Netravati Express To Trivandrum  
(Also augmentation to 22 coaches thereby increasing 280 berth capacity daily)
- ii) 5011 / 5012 Gorakhpur-Cochin Raptisagar Express to Trivandrum.
- iii) 7057 / 7058 Bilaspur-Cochin Express to Trivandrum.
- iv) 7081 / 7082 Indore-Cochin Express to Trivandrum.
- v) 6731 / 6732 Bangalore-Madurai Express to Tuticorin.
- vi) 3287A/88A Patna-Rourkela Link Express to Bilaspur.
- vii) 6333/6334 Trivandrum-Rajkot Express to Hapa.
- viii) 6803 / 04 Howrah-Trichy Express to Kanniyakumari (on one day in a week).
- ix) 1095 / 96 Pune-Ahmedabad Ahimsa Express to Gandhidham (on one day in a week).
- x) 2475 / 2476 Jammu Tawi-Rajkot Express to Hapa.
- xi) 1269 / 1270 Rajkot-Bhopal Express to Jabalpur (on two days in a week)

34. Sir, I am happy to announce that I propose to fulfil another commitment made by my predecessor regarding extension of 5207 / 5208 Amritsar-Barauni Express up to Katihar and 3163 / 3164 Sealdah-Katihar Express up to Barauni. Both these extensions will begin in the month of March. These could not be done earlier due to operational difficulties.

35. In order to provide additional travel facility between Howrah and Puri, connection is being provided to 2821 / 2822 Dhauli Express at Bhubaneswar by modifying the timings of 201 / 202 Howrah Puri passenger.

36. 8621 / 8622 Patliputra Express will be augmented from Dhanbad by seven coaches to provide additional travel capacity between Jasidih and Patna.

### **New Services / Extensions To Be Introduced Upon Completion Of Gauge Conversion And New Lines**

- i) Extension of 9031 / 32 Mumbai Central – Gandhidham Kutch Express to Bhuj
- ii) One pair of passenger service between Gandhidham and Bhuj
- iii) Extension of Rail bus services between Nadiad and Kapadvanj to Modasa
- iv) One pair of passenger services on Peddapalli-Karimnagar section

### **M.E.M.U. Services**

- i) Patna-Mokama section.
- ii) Shalimar-Bankura section.
- iii) Chennai-Arakkonam-Renigunta section.
- iv) Lucknow-Kanpur section.
- v) Srikakulam-Vishakhapatnam section.
- vi) Katpadi-Jolarpettai section.

### **D.M.U. Services**

- i) Amritsar-Pathankot section
- ii) Raichur-Gulbarga section
- iii) Erode-Trichy section

### **Passenger Amenities**

37. Sir, the image of the Railways is largely dependent upon its quality of passenger services. It will be our continuous endeavour to provide improved services to our esteemed customers. We do realise that despite our best efforts, we are not always able to come upto the people's expectations. There are some problems which can surely be solved within the available resources with proper management and 'will to serve'. I propose to enhance our efforts manifold in this direction.

38. Sir, resources are often a major constraint while considering improvements in passenger amenities. With all the limitations due to competing demands on scarce resources, I am happy to propose, Sir, an enhanced allocation of Rs 200 cr in 2000-01 for passenger amenities constituting a 52% increase over the current year.

39. A 'model station' scheme for improving the customer interface areas on select stations now covers 114 stations, of which 91 are class 'A' stations. I now propose to bring all 150 'A' class stations within the ambit of the model station concept during the next year which will have several modern facilities in a commercial complex. This will create considerable employment opportunities for the local people. To improve sanitation, low-cost mechanised cleaning is being contemplated at important Junction stations and on trains. In these efforts, possibilities of private sector participation with technical know-how and capital will also be explored.

40. I also propose to launch major initiatives to deploy information technology for making significant improvements in the customer interface area. Some of the areas that have been taken up include :-

- An Internet-based inquiry system for information on train time-table and status of passenger reservation is already operational.
- A National Train Enquiry System (NTES) for disseminating real-time information regarding passenger train running is being developed and is likely to be implemented soon.
- The pilot project for introducing tele-booking has been successfully implemented at Delhi and is proposed to be extended to Mumbai, Calcutta, Chennai, Bangalore, Hyderabad and Ahmedabad.
- Extension of booking facilities for reserved accommodation using PRS terminals/Internet to Rail Travel Agents will be implemented.
- Booking on Internet through Smart Card facility will be introduced shortly. Internet-based Reservation using credit cards will also be made available after passing of the cyber laws by the Parliament.
- Pilot project to replace card tickets and Season Tickets by computer-based SPTMs (Self Printing Ticketing Machines) will also be undertaken by using Smart Card technology.

41. Sir, as a major step to provide access to computerised reservation facility, I have decided to include another eighty (80) stations throughout the country, within the ambit of computerised Passenger Reservation System (PRS).

42. Sir, I am happy to inform the House that for the first time in the history of Indian Railways, an All India Summer Special Train Time-Table is being released today. This will help passengers in choosing their options on all important routes and also help the passengers of the intermediate stations to know the exact schedule of these trains.

### **Medical Facilities**

43. As I have already mentioned, class 'A' stations selected as model stations will have a chemist shop. The arrangements being contemplated include its own doctor during busy traffic hours. The scheme will be given wide publicity for better awareness. Sir, I am also upgrading the first aid facilities on all 162 pairs of long distance trains with a broader range of emergency medicines etc. A computerised database of Government and

private medical facilities at all major stations and junctions is being prepared which will help railways organise medical assistance at pre-identified locations in case of emergencies in running trains.

#### **Tourism And Catering Related Services**

44. Hon'ble Members will be happy to know that UNESCO has recognized the Darjeeling Himalayan Railway as a World Heritage Site, the second Railway in the world to be given this status. Sir, to match this unique distinction and to attract domestic and foreign tourists, I propose to upgrade services and facilities on this section. We are also giving two colourful diesel locomotives to Darjeeling Hill Railway.

45. I would also like to inform Hon'ble Members that the Indian Railway Catering & Tourism Corporation Limited has been incorporated and is expected to become functional by 1<sup>st</sup> April, 2000. It will focus on providing improved catering services to passengers and value-added tourist services for both domestic and foreign tourists.

46. Sir, inspection carriages of senior officials, popularly called 'saloons' have been the subject of discussion. These carriages are often utilised by senior officials for inspections in far-flung areas and for reaching spots of mishaps. However, keeping in view the suggestion of some Hon'ble Members, it has been decided to increasingly use the saloons for commercial purposes and tourism. Wide publicity will be made regarding the availability of such saloons for public on payment basis. I also propose to use some of these saloons to form luxury tourist trains to meet the demands of groups of foreign tourists to visit places of interest in India. Railways will earn revenues and valuable foreign exchange by commercially using these carriages.

47. A new 'Palace on Wheels' type of train is also proposed to be introduced on a route from Mumbai – Ratnagiri – Sindhudurg – Goa - Kolhapur - Pune - Ajanta Ellora -Nasik to Mumbai. This will be a joint effort between Railways and the Government of Maharashtra. The operational details are being worked out and will be announced soon. Railways will welcome such joint venture proposals from other State Governments and private organisations.

#### **Orissa Cyclone**

48. Sir, the House is aware of the Railways' significant role in relief and restoration operations after super cyclone in Orissa. I am happy to inform the House that on behalf of the Railway family, a sum of Rs 21.78 cr has been contributed to the Prime Minister's Relief Fund for Kargil victims. Another sum of Rs 6.58 cr has been contributed towards relief for Orissa cyclone victims.

49. Sir, I am happy to announce that Railways have decided to earmark one hundred employment opportunities exclusively for the families of the martyrs of the Operation Vijay-1999 in Kargil. The modalities for selection of the families eligible for such employment will be worked out and recommended by the Defence Ministry.

#### **Research Programme**

50. Research Designs & Standards Organisation (RDSO), which is the research and development wing of the Indian Railways has recently obtained ISO-9001 certificate for enhancing quality management and strengthening the working methodologies. The functioning of this organisation is proposed to be reviewed thoroughly in the coming year to enable it to deal with the emerging challenges. With a view to closer interaction between RDSO and Academic/Research Institutions and industries, it is proposed to set up a Railway Technology Cell at IIT/Kanpur in two specified areas.

#### **Konkan Railway Corporation Ltd**

51. In its two years of operation, the Corporation has been able to generate revenues that are just sufficient to meet the operating expenses. Efforts will be made to enable the Corporation to increase its revenue generation capacity and realise its full potential so that it becomes self-reliant. However, for the time being, it is necessary for the Railway to assist the Konkan Railway Corporation mainly to meet their debt service obligation.

#### **Metropolitan Transport Projects**

52. Suburban transportation system of Mumbai caters to a very large number of commuters. Railways have been making serious efforts to augment it. I am happy to inform the House that doubling of Belapur-Panvel line is expected to be completed by the end of this financial year. This will facilitate running of more services in the near future. Other projects like the 5<sup>th</sup> line between Santacruz & Borivali, Quadrupling of Borivali-Virar section and construction of 5<sup>th</sup> & 6<sup>th</sup> lines between Kurla and Thane are also being executed on priority basis.

53. As the Hon'ble members are aware, the metropolitan city of Calcutta is in urgent need of attention to its suburban transport system due to high density of population in the city. The extension of Calcutta Metro Railway from Tollygunge to Garia which was started last year is being given further fillip with increased allocation of funds to complete it early. I would request the State Government of West Bengal to provide its



share of the cost so that the work can be expedited for the benefit of the people of Calcutta. Extension of Circular Railway from Princepghat to Majerhat has already been sanctioned. In order to further strengthen the Circular Railway System and provide facility to daily commuters, it has been decided to provide a connection to the airport as well as electrify the existing Circular Railway from Tala to Princepghat. This will be in continuation of the electrification of Dum Dum–Tala section which is already in progress. This will facilitate running of EMU services on the Circular Railway. Work will be started shortly on these portions.

54. Hon'ble members will be happy to know that the work of Phase II of Mass Rapid Transit System in Chennai from Tirumailai to Velacheri is progressing at a rapid pace towards completion within the targeted date of March 2002. I would like to thank the Government of Tamilnadu for their assistance in arranging land for the project and removing obstruction to project execution by expeditious shifting of people living on the land required for the project. Gauge Conversion of Chennai Beach- Tambaram-Chengalpattu suburban section has also received necessary approvals and the work has started.

55. I am happy to announce that we are considering a proposal received from the Government of Andhra Pradesh for a joint venture enterprise for developing multi-modal transport services in the twin cities of Hyderabad and Secunderabad. The venture is expected to have participation of the Railways, the State Government of Andhra Pradesh and private sector.

56. For developing a modern inter-modal transport system in Bangalore, a proposal has just been received from the Government of Karnataka which has also agreed to share two third cost of this project. We are considering this proposal.

57. I have just received a suggestion for a link between Egmore and Central Stations of Chennai, which the Government of Tamil Nadu would be willing to fund partially. The full implications of the proposal need to be studied.

58. I would like to appeal to various State Governments through you, Sir, that they should consider providing Government land free of cost for the socially desirable railway projects. The money thus saved by the Railways can be utilised for expeditious completion of the concerned projects.

### Production Units

59. During 1998-99, all the Railway Production Units - Chittaranjan Locomotive Works, Diesel Locomotive Works, Varanasi, Integral Coach Factory, Perambur, Rail Coach Factory, Kapurthala, Diesel Component Works, Patiala and Wheel and Axle Plant, Bangalore - have achieved their targets.

60. I am happy to inform the Hon'ble Members that CLW, Chittaranjan has built an indigenous 3-phase state-of-art 6000 HP freight electric locomotive '**Navyug**'. With this, CLW has become first amongst the developing countries, second in Asia and 5<sup>th</sup> in the world to manufacture such a locomotive indigenously. We are proud of it. DLW and RCF are in the process of receiving technology transfer and will soon be able to produce modern diesel locomotives and coaches. DCW exported diesel loco components worth Rs 1.35 cr to various countries like Malaysia, Vietnam, Bangladesh, Sri Lanka, Peru etc.

### Public Sector Undertakings

61. Hon'ble Members will be happy to know that the performance of the Public Sector Undertakings has been satisfactory during the year 1998-99. In 1998-99, **IRCON International Ltd.** had a turnover of Rs 413 cr and earned a net profit of Rs 56 cr It paid a dividend of Rs 11 cr. **Rail India Technical and Economic Services (RITES)** achieved the highest ever turnover of Rs 142 cr during the year 1998-99, recording a net profit of Rs10 cr and paid a dividend of Rs 2 cr. **Container Corporation of India Ltd. (CONCOR)** had a turnover of Rs 685 cr, earning a profit of Rs 141 cr and paid Rs 29 cr as dividend. **Indian Railway Finance Corporation** earned a net profit of Rs 326 cr. It mobilised a total of Rs 2,955 cr from market in 1998-99 to supplement the plan resources of Indian Railways. It paid a dividend of Rs 65 cr.

### Annual Plan 2000-01

62. Sir, with all the resource constraints, we have been able to keep the Plan outlay for 2000-01 at Rs 11,000 cr, constituting an increase of about 23% over the revised plan outlay of Rs 8,965 cr for the current year. Capital support from the General Exchequer at Rs 3,540 cr is around 40 % higher than last year, an increase which is quite unprecedented in recent years. It is proposed to go in for market borrowings to the extent of Rs 3,668 cr. The balance Rs 3,792 cr is being met through a combination of normal internal resources, non-traditional sources of revenue and contribution from General Revenues for Railway Safety Works.

63. The thrust of this Annual Plan is on safety besides capacity augmentation and improving passenger amenities. I have already mentioned the enhanced outlays on safety related heads. For augmenting line capacity, the allocation for Doubling works has been increased to Rs 655 cr from Rs 552 cr in the Revised Estimates. Under Gauge Conversion plan head, Rs 600 cr have been provided as against Rs 529 cr in the Revised Estimates.

### **New Lines**

64. Sir, the House will be happy to know that I have substantially stepped up the investment in New Lines next year. From a level of Rs 514 cr in the Revised Estimates this year, the outlay has been increased to Rs 825 cr or 61% over the current year's revised estimate with an aim to accelerate progress of pending projects, particularly some very old projects which are over a decade old. This is also to provide adequately for new lines in the frontier areas of Jammu & Kashmir and Northeast region. I will now list the new projects proposed to be taken up during 2000-01. I am happy to mention that all these projects are being included only after obtaining necessary clearances.

- i) Kotipalli-Narsapur
- ii) Jogighopa-Maynaguri
- iii) Ramganj Mandi-Bhopal
- iv) Tarakeshwar-Bishnupur via Arambag
- v) Sultangang-Deogarh
- vi) Ajmer-Puskar
- vii) Gandhinagar-Adraj Moti-Kalol

65. Ongoing new line sections which would be completed before March 2000 are:-

- i) Bongaon-Petrapole
- ii) Goalpara-Kamakhya
- iii) Peddpalli-Karimnagar

66. The new lines targeted to be completed in 2000-01 are: -

- i) Kapadvanj-Modasa
- ii) Kashinagar-Kakdweep
- iii) Eklakhi-Gajol
- iv) Puttaparthi-Penukonda
- v) Bargachia-Munshirhat
- vi) Tamruk-Digha
- vii) Joruri-Banspani

### **Gauge Conversions**

67. The following gauge conversion projects are being included in the budget:-

- i) Katpadi-Villupuram
- ii) Tiruchchirapalli-Manamadurai
- iii) Purna – Akola

68. The sections of which gauge conversion would be completed before March, 2000 are :-

- i) Pandharpur-Kuruduwadi
- ii) Kashipur-Lalkuan
- iii) Arakkonam-Chengalpattu
- iv) Yellahanka-Yeshwantpur
- v) Morbi-Maliya-Miyana

69. During the year 2000-01, Railways plan to complete the gauge conversion of the following sections :-

- i) Nonera-Bhind of Guna-Etawah project
- ii) Raxaul-Birganj
- iii) Makum-Dangri
- iv) Amguri-Tuli
- v) Laxmanthirtha bridge diversion on Mysore-Hassan line
- vi) Mudkhed-Adilabad (BOLT)
- vii) Wankaner-Morbi
- viii) Gandhidham-Bhuj
- ix) Darangdhara-Kuda

### **Doubling**

70. During the current year, 220 km of doubling would be completed, while in the next financial year a target of 300 km has been kept. The following new doubling works are being included in the budget :-

- i) Khurda Road-Puri, Phase I (Khurda Raod – Delang)
- ii) Jarwal Road-Burhwal (Patch Doubling)
- iii) Sonarpur to Canning, Phase I (Sonarpur - Ghutiari Sharif)
- iv) Panvel-Vasai-JNPT
- v) Bariupur to Lakshmikantpur, Phase I (Baruipur – Dakshin Barasat)
- vi) Gooty-Renigunta section (Balapalle-Pullampet section)
- vii) Tarakeshwar to Sheoraphulli, Phase I (Sheoraphuli – Nalikul)
- viii) Zafrabad-Utretia Section, Phase - II (Zafrabad-SriKrishnnagar)
- ix) Panskura to Haldia, Phase-I ( Panskura – Rajgoda )
- x) Surat-Kosamba as Phase I of 3rd line between Vadodara and Virar
- xi) Bolpur-Ahmedpur
- xii) Amroha-Kankather
- xiii) Kalinarayanpur-Krishnanagar
- xiv) Manikpur-Cheonki Phase I (Manikpur- Katayadandi)
- xv) Barasat – Hasanabad doubling with electrification, Phase I (Barasat-Sondalia)

71. Sir, it gives me pleasure to inform the House that we have decided to extend the following works as part of some of the on going projects:-

- i) Conversion of Katihar-Radhikapur-Barsoi MG line to BG as an extension of Katihar-Jogbani project.
- ii) Extension of Circular Railway network in Calcutta to Dum Dum Airport.
- iii) Extension of Bankura-Damodar Railway to Mukutmonipur.
- iv) Connection of the converted BDR line from Shyam Sundernagar to Chechai.

72. Sir, I am also pleased to announce that connectivity between Howrah and Sealdah stations will be established during the coming financial year.

73. Sir, Former Prime Minister Late Shri Rajiv Gandhi had given a commitment in one of the SAARC summits that the Changrabandha-Malbazar MG line in NF Railway (presently not operational) would be reopened. I am happy to announce that this commitment would be fulfilled in the coming financial year.

### **Surveys**

74. On the basis of requests received from the Hon'ble members and State Governments, I have decided to take up several surveys during the next financial year. These are :-

#### **New Line Surveys**

- i) Titagarh to Sonarpur with junction arrangement to the circular railway at Ultadanga.
- ii) Behrampur to Kandi
- iii) Zaheerabad to Secunderabad
- iv) Bhavnagar to Tarapur
- v) Jind to Sonapat
- vi) Kohima to Dimapur
- vii) Ponduru to Razam
- viii) Dankuni to Champadanga via Seakhala and Furfurah Sharif and connecting Seakhala to Bargachia.
- ix) Jaggayyapet to Miryalguda.
- x) Pettancheru to Jogipet
- xi) Jhunjhunu to Pilani
- xii) Majerhat to Thakurpukur (Circular Rly; ).
- xiii) Updating survey for Port Blair to Diglipur.
- xiv) Raipur to Jharsuguda via Kharotapalan, Baloda Bazar and Bhatgaon, Sarangarh.
- xv) Pandurangpuram to Bhadrachalam.
- xvi) Krishnanagar to Karimpur
- xvii) Panki to Mandhana
- xviii) Merta Road to Beawar
- xix) Katpadi to Chennai via Gindi, Punnamallee and Kanchipuram to Tindivanam
- xx) Jhalor to Phalna
- xxi) Koderma to Talaiya
- xxii) Banka-Nawadah-Jamui
- xxiii) Shirpur to Mhow
- xxiv) Sarna to Madhopur
- xxv) Badowal to Sahnewal

#### **Gauge Conversion surveys**

75. The survey for gauge conversion of Shantipur to Nabadweepghat section is being updated.

#### **Doubling Surveys**

76. The following surveys for doubling of existing lines have been included in the budget:-

- i) Udhana to Jalgaon
- ii) Jaipur to Merta Road
- iii) Rajpura to Bhatinda
- iv) 3<sup>rd</sup> line from Thiruvallur to Arakkonam
- v) Ramnagaram to Mysore

#### **Railway Electrification**

77. For Ninth Five Year Plan, Railways had planned electrification of 2,300 route km. Of this, 1062 route km have been electrified during the first two years. In the current year, electrification of 435 route km is envisaged and in the coming one year 500 route km. are proposed to be electrified. The following projects are targeted to be completed before March 2000.

- a) Erode-Ernakulam
- b) Adra-Midnapur
- c) Kanpur-Lucknow

78. Sir, a new railway electrification project is proposed to be taken up on Krishnanagar- Lalgola section of the Eastern Railway during the next financial year.

79. Sir, a very high tariff is charged by various State Electricity Boards, imposing undue burden on rail users. I had taken up the issue with the State Governments recently but the response is not very encouraging. It has, therefore, been decided that in addition to making further efforts in accessing more power from the 15% unallocated central share of power, Indian Railways will also consider going in for exclusive power purchase agreements through joint ventures with public / private power companies, provided the tariff offered is more attractive.

### **Human Resource Development**

80. Permanent Negotiating Machinery (PNM), Joint Consultative Machinery (JCM), and Participation of Railway Employees in Management (PREM) are working satisfactorily. I would like to express my sincere appreciation for their positive role in helping industrial harmony on the Railways, with sixteen lakh employees constantly striving to meet the huge task before them.

81. I am happy to announce that I have decided to make a 20% enhancement in the outlay on Staff Quarters in comparison to the Revised Estimates for the current year. Next year's proposed outlay for staff amenities has also got an increase of about 18% over the revised estimates for the current year.

### **Staff Welfare**

82. Railways are also considering a proposal from HUDCO to fund house-building by railway employees so as to supplement the house building advance that they can get under the central government rules.

83. Sir, very recently, Western Railway has developed a website called "Pensioners' Helpline" on the Internet, which allows pensioners to communicate their grievances to senior officers from anywhere without visiting the office. This is one step forward towards electronic governance (e-governance).

84. Railways are contemplating setting up of engineering and medical colleges for the wards of railway employees at different locations. A proposal has recently been received from South Eastern Railway for setting up an engineering college at Kharagpur.

### **Scheduled Castes And Scheduled Tribes And Other Backward Classes / Physically Handicapped**

85. Statutory provisions in regard to protection and reservations are being followed in respect of the Scheduled Castes and Scheduled Tribes as well as other backward classes and the physically handicapped. I have seen that there is backlog in filling up the vacancies reserved for them. We will make every effort to ensure that all vacancies for them are filled up in a time-bound manner by special recruitment drive.

### **Railway Recruitment Boards**

86. The functioning of the Railway Recruitment Boards has been a subject of debate at several fora. While some improvements have been brought in, several other suggestions for making these Boards more broad-based by including representations from SC/ST/OBC and minority communities have been sent by Hon'ble members. A final decision on the issue will be taken after considering all aspects.

87. There have been many grievances regarding delay in providing employment on compassionate grounds. Considering the hardship being faced by the families, fresh directives are being issued so that such appointments are completed in a time bound manner.

### **Sports**

88. I am happy to inform the Hon'ble Members that the Railways have won 14 National titles so far this year. A number of Railway sportspersons have represented the country at the SAARC Asian Federation Games held in Kathmandu and brought laurels to the country. It is also a matter of great pride that 15 of the 16 women Hockey players, who represented the country in the 4<sup>th</sup> Asian Women's Hockey Cup, were from the Railways. Two power lifters of the Railways also won Bronze Medals in the World Power Lifting Championship.

89. Sir, the process of recruitment of women against sports quota does not cover certain popular sports like football, wrestling and aquatics (except diving). Women are no longer behind men in any sport. Hence, I propose to include these sports for women too. Sir, it is also proposed to include two new sports, namely Archery and Karate, both for men and women, for purposes of recruitment against sports quota.

### **International Cooperation**

90. Sir, Indian Railways is an active member of the International Union of Railways (UIC), Paris. We are making a significant contribution to the promotion of cooperation between Railways and development of Rail transport at the global level. Indian Railways are playing a pivotal role in development of Trans-Asian Railway which would span China, Thailand, Myanmar, Bangladesh, India, Iran and Turkey onwards to Europe. Sir, I am happy to announce that in the coming year, our rail links with Bangladesh and Nepal are going to be restored for goods traffic. We will also make efforts to begin passenger services soon.

91. Sir, Railways are negotiating with the Asian Development Bank for a loan totaling about Rs 3,800 cr for Rail Sector Improvement Project covering aspects of augmentation of capacity, safety etc.

### **High Speed Rail Transportation**

92. High speed passenger transportation, which was earlier confined to a few countries, is now becoming more common, especially in the European Union countries. In my vision for Indian Railways in this new millennium, there is certainly a place for high speed intercity transport in our country. I propose to initiate necessary studies towards the choice of routes for highspeed.

### **Reforms And Restructuring**

93. Sir, Indian Railways are a one-and-a-half century old system that has served the people successfully till now. But in today's fast changing world, with emerging new technologies and financing opportunities, Indian Railways must attune itself to the new realities. The relevance of the existing organisational structure, regulatory arrangements, functional modalities and above all, its role in the changing scenario need to be looked at afresh. Sir, Railways have set up a 'Railway Expert Group' with members from diverse fields. The Group will submit its report by April 2000. Here, I may assure the House that the interest of the Railway employees will be fully protected.

### **Transparency And Accountability**

94. Sir, I believe that a system which touches the lives of at least 1.5 cr of our citizens everyday needs to be completely transparent. While I do appreciate that the existing systems and procedures of our organisation have withstood the test of times, ensuring sufficient transparency and accountability, I feel that in these changing times, we need to set higher standards for ourselves. Railways are one of the largest government procurement organisations. Hence, I intend to streamline the entire procurement procedures of Railways where reform is needed. I have also decided that from the next financial year, the complete procurement calendar of the Indian Railways will be made available also on the Internet. Modalities of handling public grievances will also undergo a through review. Sir, it is also proposed to streamline the system of internal audit in Railways to ensure better monitoring and accountability.

95. Sir, I would like to convey a clear message that corrupt practices in Indian Railways, in any form, shall be dealt with most harshly and with all the determination at our command. I must state without any hesitation that corrupt persons have no place in Indian Railways, however high or low they may be. At the same time, I will go to any length to protect any of my 16 lakh employees who are honest and dedicated. Sir, I would like to seek inspiration from the words of Swami Vivekananda who said "**GIVE ME A FEW MEN AND WOMEN WHO ARE PURE AND SELFLESS, AND I SHALL SHAKE THE WORLD**".

### **Budget Estimates 2000-01**

96. Sir, I shall now deal with the Budget Estimates for 2000-01.

97. In the current year, the country witnessed an economic recovery after a two-year long recession.

The present indications are for a further improvement in the growth performance. The macro-economic fundamentals are strong in several respects as the country has entered the new millennium. The trends are encouraging in agricultural and industrial production including the basic infrastructure industries. Keeping this in view, the Freight traffic target has been fixed at 475 million tonnes, an increment of 25 million tonnes over current year's target of 450 million tonnes. A slightly high target has been kept trusting the buoyancy in the economy as well as the additional marketing efforts of the Railways which are now in the offing. To facilitate adequate availability of rolling stock for freight movement, a higher requirement of 23,000 wagons has been projected by Indian Railways for the next year. This will give fillip to the wagon industry in general which has been suffering from under-utilisation of capacity due to insufficient orders.

98. For passenger traffic, a 5% increase has been provided in keeping with the long-term growth in passenger traffic. With these projections, the goods earnings are assessed at Rs 23,038 cr and passenger earnings at Rs 10,148 cr.

99. Relying upon a boost to parcel business by Rs 100 cr over and above a normal 5% growth, Other Coaching earnings are expected to be Rs 826 cr. Sundry other earnings, placed at Rs 1,417 cr, include Rs 500 cr by way of leasing of 'right of way' for optic fibre cables, Rs 150 cr from commercial exploitation of land and air space; and another Rs 100 cr through commercial publicity on Railway premises and rolling stock, apart from a normal growth of 5%.

100. Sir, the bulk of the outstanding dues in Traffic Suspense relate to Powerhouses especially Badarpur Thermal Power Station. A target of Rs 500 cr has been kept expecting a sizeable clearance of these dues. Taking these into account, Gross Traffic Receipts are estimated at Rs 35,929 cr.

101. Ordinary Working Expenses at Rs 28,115 cr provide for a minimal increase over current year, resulting in a total variation of 9% over Revised Estimates, 1999-2000. Appropriation to Pension Fund is placed at Rs 4,996 cr and DRF has been provided at Rs 2,441 cr based upon the actual requirement for plan resources.

102. Total Working Expenses will, thus, amount to Rs 35,552 cr, leading to Net Traffic Receipts of Rs 377 cr. Net Miscellaneous Receipts are estimated at Rs 815 cr. This also takes into account Rs 300 cr proposed to be received from General Revenues for Railway Safety Works. Thus, Net Revenue of Rs 1192 cr is reached.

103. Dividend to General Revenues has been worked out at 7% of the Capital-at-charge as recommended by the Railway Convention Committee for 1999-2000. The Memorandum for 2000-01 is being submitted to the Committee. The dividend projected in Budget Estimate 2000-01 is Rs 2,115 cr, but in view of a shortfall in internal resources for plan needs, it is proposed to pay to General Revenues only Rs 615 cr and transfer the balance Rs 1,500 cr to the Deferred Dividend Liability Account.

104. Based on the above projections, the "Excess" of receipts over expenditure in 2000-01 comes to Rs 576 cr, which falls short of the requirements of plan expenditure to be met from the Development Fund and Capital Fund together totaling Rs 1,421 cr. An amount of Rs 249 cr is proposed to be taken as loan for Capital Fund from the Budgetary Support of Rs 3,540 cr. This leaves an uncovered gap of Rs 600 cr which is required to be mobilised additionally.

105. Sir, as I mentioned earlier, after two years the economy is now poised for a higher growth rate. Railways are comfortably placed to achieve the target of loading for the current year. There was no increase in freight rates during the year 1998-99. There has been considerable increase in the input costs of the railways and the recent hike in the price of diesel has put an additional burden on the railways' finances. Some upward rationalisation of the freight rates has thus become unavoidable. I, therefore, propose the following rationalisation in the tariff and classifications of certain commodities during the next year.

- There will be no increase in the freight rates for essential commodities like Foodgrains, Sugar, Edible salt, Edible oils, Kerosene, LPG, Fruits and vegetables.
- Sir, by insulating these essential commodities, I want to ensure that there is no additional burden on the common man.
- There will be a general increase of 5% in the rates of all commodities except those mentioned above.
- Keeping in view the need to encourage higher industrial growth, I do not want to overburden certain commodities in the core sector. Therefore, I propose to contain the increase in rates of some commodities to less than 5% by downgrading the classifications, as detailed in the Memorandum. The commodities are coal (not meant for household consumption), iron and steel (Division A/B/C), cement, iron ore, limestone and dolomite and certain petroleum products.
- Railways have been charging concessional tariff for Chemical Manures in the past, despite the fact that the prices are administered by the Government. I propose to correct this distortion by upgrading the classifications suitably as explained in the Memorandum. Urea will, however, be exempted from the increase altogether. Similarly, freight charges for Livestock and Oilseeds would also be raised appropriately to make their haulage financially more viable. The revised

classifications are mentioned in the Memorandum. The average increase in the freight rates in these commodities would be more than the normal increase of 5%.

- Sir, I, propose an increase of 7% in the scale rates of Parcel and Luggage including Motor Car rates. Rates for newspaper, magazine and medicine will, however, be exempted from this increase and existing rates will continue without any change.

106. The above proposals for adjustment in tariff for Freight, Parcel and Luggage is estimated to generate Rs 600 cr per annum. The above changes in rates and classifications will be effective from 1<sup>st</sup> April 2000.

107. Sir, I am happy to announce the following concessions, in addition to continuation of the concessional MST scheme meant for people below the poverty line, which was approved by the House at the time of Supplementary Demands for Grants in December 1999 :-

- To commemorate the 50<sup>th</sup> year of Indian Republic, all the freedom fighters will be given a millennium gift for travel of one journey by Rajdhani or Shatabdi train of choice from any station to any destination and back. This will be valid for millennium year only.
- A Millenium Card at a cost of Rs 10,000/- valid for one year will be issued to any passenger to give him assured reservation in First AC and Second AC Classes on any train on Indian railways throughout the year.
- The free travel facility for students up to Class-X announced by me while presenting the Supplementary Demands for Grants in December last will be further extended to cover girl students up to Class-XII for their travel from home to school/college and back.
- The widows of the martyrs of 'Operation Vijay' in 1999 in Kargil will be entitled to 75% travel concession in second class and sleeper class.

108. Sir, with regard to passenger fares, there is a general feeling that in many respects passengers do not get the quality of service from the Indian Railways. As I mentioned earlier, despite serious financial constraints, I have been able to propose an increased outlay on passenger amenities which is 54% higher than the current year's Revised Estimate. Sir, I am committed to increasing passenger amenities on trains and on platforms. Enhancing the satisfaction levels of passengers towards the services is a very important priority for me and I would like to witness definite improvement. Meanwhile, I do not wish to burden the passengers. Therefore, Sir, I am not proposing any revision of passenger fare of any class.

### Conclusion

109. In the end, I wish to express my gratitude to Respected Prime Minister for his encouragement and support. My sincere thanks are also due to all the railwaymen for their hard work and dedication to duty, which has helped railways in achieving their task successfully. I am also thankful to the rail users whose cooperation we have always been getting. I am confident that in the year to come they will continue to cooperate and will also enrich our efforts by giving constructive suggestions for bringing overall improvements in railway functioning.

110. Sir, permit me to end my speech with the following words of Gurudev Rabindranath Tagore, which emerge in my heart as I complete my budget statement.

**“ The morning will surely come,  
The darkness will vanish.  
And thy voice pour down.  
In golden streams,  
Breaking through the sky”**

111. Sir, with these words I commend the Railway Budget 2000-2001 to the House.

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