

Demand for Grants 2018-19 Analysis

Railways

The Railways finances were presented on February 1, 2018 by the Finance Minister Mr. Arun Jaitley along with the Union Budget 2018-19. The Ministry of Railways manages the administration of Indian Railways and policy formation through the Railway Board. Indian Railways is a departmental commercial undertaking of the government.¹ This note looks at the proposed expenditure of the Ministry of Railways for the year 2018-19, its finances over the last few years, and issues with the same.

Key highlights

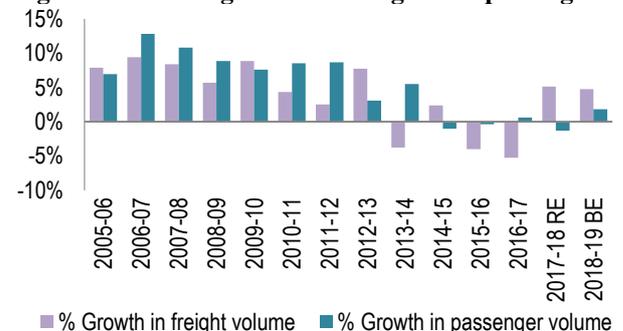
- **Outlay:** The total proposed capital outlay (or capital expenditure) for 2018-19 is Rs 1,48,528 crore which is a 24% increase from the 2017-18 revised estimates (Rs 1,20,000 crore).
- **Revenue:** Railways' revenue for 2018-19 is estimated at Rs 2,01,090 crore which is a 7% increase from the revised estimates of 2017-18.
- **Traffic revenue:** Total revenue from traffic for 2018-19 is estimated at Rs 2,00,840 crore, which is a 7% increase from the revised estimates of 2017-18. Revenue from both freight and passenger traffic is expected to grow by 4% each. In 2017-18 (revised estimates), the revenue from freight traffic increased by 13%, while revenue from passenger traffic increased by 4%.
- **Expenditure:** Total expenditure for 2018-19 is projected at Rs 1,88,100 crore which is a 4% increase from the revised estimates of 2017-18. In 2017-18 (revised estimates), total expenditure increased by 13%.
- 4,267 unmanned level crossings in the broad gauge network will be eliminated in the next two years.
- Modern train-sets with state-of-the-art amenities and features are being designed at the Integrated Coach Factory, Perambur. The first train set will be commissioned this year.
- A specialised Railways university will be set up at Vadodara. The University will train manpower required for high speed projects.
- **Station development:** All stations with more than 25,000 footfalls will have escalators. All railway stations and trains will be progressively provided with wi-fi. CCTVs will be provided at all stations and on trains to enhance passenger security.
- **Suburban Railways:** In the Mumbai suburban network, 150 km of additional suburban network is being planned at a cost of over Rs 40,000 crore, including elevated corridors on some sections. A suburban network of 160 km at an estimated cost of Rs 17,000 crore is being planned for Bengaluru.

Overview of Finances^{2,3}

Sustainability of Railways finances

In the last few years, Railways has been struggling to run its transportation business, and generate its own revenue. The growth rate of Railways' earnings from its core business of running freight and passenger trains has been declining. This is due to a decline in the growth of both freight and passenger traffic (see Figure 1). Railways is also slowly losing traffic share to other modes of transport. The share of Railways in total freight traffic has declined from 89% in 1950-51 to 30% in 2011-12.⁴

Figure 1: Volume growth for freight and passenger



Note: RE – Revised Estimates; BE – Budget Estimates.
Sources: Railways Budget Documents; PRS.

On the other hand, Railways' primary expenditure, which is towards the payment of salaries and pension, has been gradually increasing (with a jump in 2016-17

2018-19 Budget announcements

Key announcements and proposals related to Railways made in Budget 2018-19 include:

- **Railway infrastructure:** A large part of the proposed capital expenditure will be devoted to capacity creation. 18,000 km of doubling, third and fourth line works and 5,000 km of gauge conversion will be undertaken to eliminate capacity issues and transform the entire network into broad gauge.
- About 12,000 wagons, 5,160 coaches and approximately 700 locomotives will be procured during 2018-19 for the Eastern and Western Dedicated Freight Corridors. A major programme has also been initiated to strengthen infrastructure at the goods sheds and fast track commissioning of private sidings.

due to implementation of Pay Commission recommendations). There is an increasing expenditure on pension too, which is unproductive, as this does not generate any revenue for the Railways. The pension bill is expected to increase further in the years to come, as about 40% of the Railways staff was above the age of 50 years in 2016-17.⁵

A decline in internal revenue generation has meant that Railways funds its capital expenditure through budgetary support from the central government and external borrowings. While the support from central government has mostly remained consistent, Railways' external borrowings have been increasing. Various committees have noted that an increased reliance on borrowings will further exacerbate the financial situation of Railways.^{6,7}

Railways' Revenue

Indian Railways has three primary sources of revenue: (i) its own internal resources (revenue from freight and passenger traffic, leasing of railway land, etc.), (ii) budgetary support from the central government, and (iii) extra budgetary resources (such as market borrowings, institutional financing).⁸

Gross Budgetary Support (GBS)

The central government supports Railways in the form of GBS, in order to expand its network and invest in capital expenditure. In 2018-19, the gross budgetary support from central government is proposed at Rs 55,088 crore. This is a 38% increase from the revised estimates of 2017-18 (Rs 41,813 crore). However, note that, in 2017-18 (revised estimates) GBS decreased by 12%. That is, the central government gave Railways Rs 5,231 crore less than what it had allocated in 2016-17.

Internal Resources

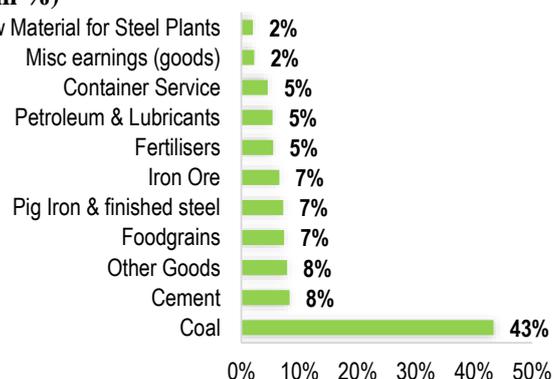
Railways earns its internal revenue primarily from passenger and freight traffic. In 2016-17, freight traffic contributed to about 63% of the internal revenue. In comparison, passenger traffic contributed to about 28% of the internal revenue. In 2018-19, Railways expects to earn 61% of its internal revenue from freight and 26% from passenger traffic. The remaining 10% is earned through other miscellaneous sources such as parcel service, coaching receipts, and platform tickets.

Passenger traffic and revenue: In 2018-19, Railways expects to earn Rs 52,000 crore from passenger traffic, an increase of 4% over the revised estimates of 2017-18. The growth in passenger traffic for 2018-19 is estimated at 0.2%. In 2017-18 (revised estimates), revenue from passenger traffic increased by 4%, and passenger traffic increased by 0.7%.

Freight traffic and revenue: In 2017-18, revenue from freight traffic was Rs 1,17,500 crore (revised estimates). In 2018-19, Railways expects to earn Rs 1,21,950 crore from goods traffic, an increase of 4% from the revised estimates. In 2016-17 (latest actuals available), Railways generated most of its freight revenue from the transportation of coal (43%), followed by cement (8%), and foodgrains (7%) (see Figure 2).

In order to improve freight traffic, in 2017-18, the Railways Ministry implemented several policies such as: (i) liberalising automatic freight rebate scheme in empty flow directions (routes with low freight traffic), (ii) getting into long term tariff contracts with key freight customers, and (iii) introducing double stack dwarf containers as a new delivery model to increase loadability of trains.⁹

Figure 2: Share in Railways freight revenue for 2016-17 (in %)



Sources: Statement of Revenue Receipts and Expenditure 2018-19, Ministry of Railways; PRS.

Extra Budgetary Resources (EBR)

EBR includes market borrowings, financing from banks, external investments, etc. External investments in Indian Railways could be in the form of public private partnerships (PPPs), joint ventures (JVs), or market financing by attracting private investors to buy bonds or equity shares in Railways. Most of Railways EBR comes in the form of market borrowings from the Indian Railways Finance Corporation (IRFC).⁶

In 2018-19, Rs 81,940 crore is estimated to be raised through EBR, which is an increase of 19% over revised estimates of 2017-18 (Rs 69,100 crore).

Capital outlay

The total proposed capital outlay (amount spent on capital expenditure) for 2018-19 is Rs 1,48,528 crore. This is about 24% higher than the revised plan outlay for 2017-18 (Rs 1,20,000 crore).

Table 1: Capital outlay (in Rs crore)

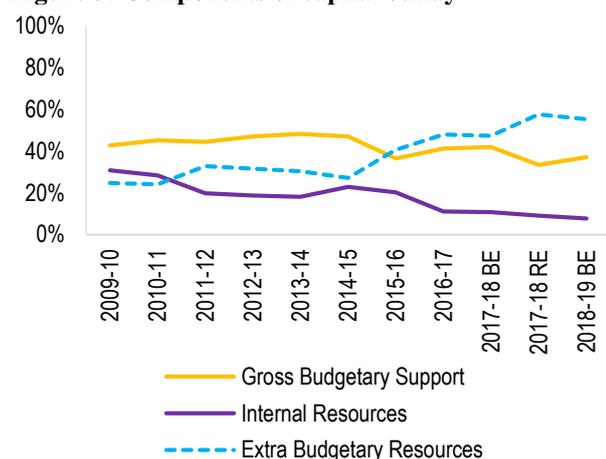
	2016-17 Actuals	2017-18 Revised	2018-19 Budget	% Change (BE 2018-19/ RE 2017-18)
Extra Budgetary Resources	52,579	69,100	81,940	19%
Gross Budgetary Support	45,232	40,000	55,088	38%
Internal Resources	12,125	10,900	11,500	6%
Total	109,935	120,000	148,528	24%

Note: RE – Revised Estimates; BE – Budget Estimates.

Sources: Notes on Demand for Grants for Ministry of Railways, 2018-19; PRS.

Majority of this capital expenditure will be financed through extra budgetary resources (55%), followed by the budgetary support from the central government (37%). Railways will fund only 8% of this capital expenditure from its own internal resources. Figure 3 below shows the trends in capital outlay over the last decade. Railways continues to operate as a commercial undertaking, but its capability to increase its own revenue stream has been declining.

Figure 3: Components of capital outlay



Note: RE – Revised Estimates, BE – Budget Estimates.

Sources: Railways Budget documents 2009-18; PRS.

Challenges in raising revenue

The Committee on Restructuring Railways (2015) had observed that raising revenue for Railways is a challenge because: (i) investment is made in projects that do not have traffic and hence do not generate revenue, (ii) the unbalanced mix of passenger and freight traffic does not help generate revenue, (iii) the efficiency improvements do not result in increasing revenue, and (iv) delays in projects results in cost escalation, which makes it difficult to recover costs.⁶

Social service obligations of the Railways

The NITI Aayog (2016) had noted that Indian Railways carries out various activities in national interest which are not driven strictly by commercial principles.¹⁰ Railways' passenger business faced losses of about Rs 33,000 crore in 2014-15 due to its social service obligations.¹⁰ Such social service obligations include: (i) pricing essential commodities lower than cost, (ii) low fares (cheaper tickets for second class travel) and passenger concessions (such as cheaper tickets for senior citizens, army veterans), (iii) uneconomic branch lines, and (iv) new lines not yet profitable.

However, NITI Aayog had also noted that the data related to the cost of running passenger business is not scientific and accurate. Therefore, it is difficult to compute accurately the levels of under-recoveries. The calculation of social costs does not factor the efficiency of various expenditures (whether fuel consumption is optimal, maintenance practices and costs are reasonable, etc.).¹⁰ The calculation also does not factor in Railways' potential to leverage existing assets (such as stations, land banks) that could increase its revenue sources.¹⁰

The Standing Committee on Railways (2017) had recommended that the Ministry of Finance should reimburse the Ministry of Railways on losses made on all strategically important lines.¹¹ Till 2016-17, the Ministry of Finance was reimbursing Railways for operational losses on six strategic lines.

Railways' Expenditure

In 2016-17 (latest actuals available), Indian Railways spent most of its money on staff (41%), followed by expenses on pension fund (21%), and fuel (17%). In 2018-19, the total expenditure is estimated at Rs 1,88,100 crore which is a 4% increase over the revised estimates of 2017-18.

Staff wages and pension

Staff wages and pension together comprise more than half of the Railways' expenditure. As per the revised estimates of 2017-18, the expenditure on Railway staff (Rs 72,706 crore) was higher than the expenditure in 2016-17 by 4%, and the expenditure in 2015-16 by 28%. This was due to the implementation of the Seventh Pay Commission in 2016-17.

In 2017-18 (revised estimates), Rs 44,200 crore was allocated to the Pension Fund. Therefore, the total expenditure on staff and pension in 2017-18 was Rs 1,16,906 crore, which is about 65% of the total expenditure that year.

For 2018-19, the expenditure on staff is estimated at Rs 76,452 crore. Allocation to the Pension Fund is estimated at Rs 47,600 crore. These would constitute about 66% of the Railways' expenditure in 2018-19.

The Committee on Restructuring Railways (2015) had observed that the expenditure on staff is extremely high and unmanageable. This expense is not under the control of Railways and keeps increasing with each Pay Commission revision.⁶ It has also been observed that employee costs (including pensions) is one of the key components that reduces Railways' ability to generate surplus, and allocate resources towards operations.⁶

Fuel and electricity

The expense on fuel and electricity increased by 5%, from Rs 28,300 crore in 2016-17 to Rs 29,808 crore in 2017-18 (revised estimates). In 2018-19, the expense on fuel and electricity is estimated to be Rs 30,328 crore.

Depreciation Reserve Fund (DRF)

Appropriation to the DRF is made annually based on the recommendations of the Railways Convention Committee, and is intended to finance the costs of new assets replacing the old ones.⁷ The Standing Committee on Railways (2015) had observed that appropriation to the DRF is obtained as a residual after payment of the dividend and appropriation to the Pension Fund, instead of the actual requirement for maintenance of assets.⁷

In the last few years, appropriation to the DRF has decreased significantly. In 2016-17, appropriation to the DRF was Rs 5,200 crore. This means that Railways spent Rs 5,200 crore on asset maintenance in 2016-17, as

compared to Rs 7,775 and Rs 5,500 in 2014-15 and 2015-16 respectively. Under-provisioning for the DRF has been observed as one of the reasons behind the decline in track renewals, and procurement of wagons and coaches.^{6,7}

In 2018-19, appropriation to the DRF is estimated at Rs 500 crore, 90% lower than the revised estimates of 2017-18 (Rs 5,000 crore). Provisioning Rs 500 crore towards depreciation might be an extremely small amount considering the scale of infrastructure managed by the Indian Railways.

Improving Railways Infrastructure

In this Budget Speech, the Finance Minister announced that a large part of the proposed capital expenditure will be devoted to capacity creation, and track improvement. The Railways Convention Committee (2017) had noted that while rail traffic has increased more than 14 times between 1950 and 2014, the track infrastructure has not increased at an equivalent pace. This has been attributed to significant under-investment in the Railways.

Tracks are subjected to heavy wear and tear, and need to be maintained and upgraded periodically. The Sam Pitroda Committee on Railway Modernisation (2012) had recommended modernisation of 19,000 km of tracks between 2012 and 2017.

Poor track infrastructure also leads to safety concerns. Majority of Railway accidents (about 60%) are caused due to derailments. The Standing Committee on Railways (2016) had noted that one of the reasons for derailments is defect in the track or rolling stock. It had recommended that 4,500 km of track length should be renewed annually. However, in 2015-16, 2,828 km of track length was commissioned which included 813 km of new lines, 1,043 km of gauge conversion and 972 km of doubling. The achievements were expected to be on similar lines for 2016-17. For 2017-18, Railways had set a target of 3,500 km for network expansion.

Sources: 16th Report: Track Upgradation and Modernisation, Railway Convention Committee, August 10, 2017; 13th Report: Demands for Grants (2017-18)", Standing Committee on Railways, March 10, 2017; 12th Report: Safety and security in Railways", Standing Committee on Railways, December 14, 2016; PRS.

Safety

Last year, the Rashtriya Rail Sanraksha Kosh was created to provide for passenger safety in Railways. It was to have a corpus of Rs one lakh crore over a period of five years (Rs 20,000 crore per year). The central government was to provide a seed amount of Rs 1,000 crore, and the remaining amount would be raised by the Railways from their own revenues or other sources.

As per the revised estimates of 2017-18, no money was allocated towards this fund. In 2018-19, Rs 5,000 crore has been allocated for it. With the Railways struggling to meet its expenditure and declining internal revenues, it is unclear how Railways will fund the Rail Sanraksha Kosh. The fund will require an allocation of Rs 94,000 crore (minus the central government's proposed contribution, and this year's allocation) for the next three years (considering a five-year period for the corpus).

¹ "Evolution – About Indian Railways", Ministry of Railways, http://www.indianrailways.gov.in/railwayboard/view_section.jsp?lang=0&id=0.1.261.

Railways used to have a Railway Safety Fund which received about 3% of allocation in the capital outlay. In 2015-16 (actuals), Rs 2,661 crore was allocated to this fund. Since 2016-17, no allocations have been made to this fund.

Dividend

Railways used to pay a return on the budgetary support it received from the government (GBS) every year, known as dividend. The rate of this dividend was determined by the Railways Convention Committee, and was about 5% in 2016-17.⁷ From 2016-17, the requirement of paying dividend was waived off. The last dividend amount paid was in 2015-16, which was Rs 8,722 crore.

The Standing Committee on Railways (2017) had noted that part of the benefit from dividend is being utilised to meet the shortfall in the traffic earnings of Railways.¹¹ It had noted that this defeats the purpose of removing the dividend liabilities since they are not utilised in creating assets or increasing the net revenue of Railways.

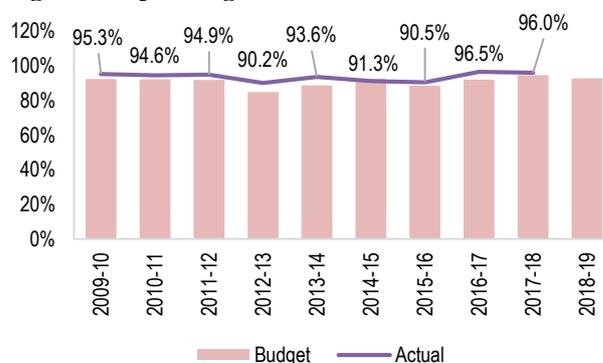
Surplus and Operating Ratio

Railways' surplus is calculated as the difference between its total revenue (total traffic receipts and other miscellaneous receipts) and total expenditure (working expenses and appropriation to pension and depreciation funds). In 2018-19, Railways expects to generate a surplus of Rs 12,990 crore. This is a 102% increase from the revised estimates of 2017-18 (Rs 6,425 crore). In 2017-18, Railways' surplus increased by 31% (Rs 1,512 crore).

Operating Ratio is the ratio of the working expenditure (expenses arising from day-to-day operations of Railways) to the revenue earned from traffic. Therefore, a higher ratio indicates a poorer ability to generate surplus that can be used for capital investments such as laying new lines, deploying more coaches, etc.

The Operating Ratio for 2018-19 is projected at 92.8%. In 2017-18 (revised estimates), the Operating Ratio was 96% (see Figure 4).

Figure 4: Operating Ratio



Notes: Numbers for 2017-18 are Budget Estimates vs Revised Estimates.

Sources: Railways Budget documents 2009-2018; PRS.

² Notes on Demands for Grants 2018-19, Demand no 80, Ministry of Railways. <http://www.indiabudget.gov.in/ub2018-19/eb/sbe80.pdf>.

³ Statement of Revenue Receipts and Expenditure 2018-19, Ministry of Railways,

http://www.indianrailways.gov.in/railwayboard/uploads/directorate/finance_budget/Budget_2018-19/Revenue_Receipt_2018/Revenue_Receipts_Expenditure_2018-19.pdf.

⁴ “India Transport Report: Moving India to 2032: Volume II, National Transport Development Policy Committee 2013, June 17, 2014.

[http://planningcommission.gov.in/sectors/index.php?sectors=National%20Transport%20Development%20Policy%20Committee%20\(NTDPC\)](http://planningcommission.gov.in/sectors/index.php?sectors=National%20Transport%20Development%20Policy%20Committee%20(NTDPC)).

⁵ “13th Report: Demands for Grants (2017-18)”, Standing Committee on Railways, March 10, 2017,

http://164.100.47.193/lsscommittee/Railways/16_Railways_13.pdf.

⁶ Report of the Committee for Mobilization of Resources for Major Railway Projects and Restructuring of Railway Ministry and Railway Board, Ministry of Railways, June 2015, http://www.indianrailways.gov.in/railwayboard/uploads/directorate/HLSRC/FINAL_FILE_Final.pdf.

⁷ “4th Report: Demands for Grants (2015-16)”, Standing Committee on Railways, April 20, 2015,

http://164.100.47.134/lsscommittee/Railways/16_Railways_4.pdf.

⁸ Railways Budget documents for the years 2005-2018.

⁹ “Year End Review 2017 of Ministry of Railways”, Press Information Bureau, Ministry of Railways, December 29, 2017.

¹⁰ Reviewing the Impact of “Social Service Obligations” by Indian Railways, NITI Aayog, September 2016,

http://niti.gov.in/writereaddata/files/document_publication/Social-Costs.pdf.

¹¹ “13th Report: Demands for Grants (2017-18)”, Standing Committee on Railways, March 10, 2017,

http://164.100.47.193/lsscommittee/Railways/16_Railways_13.pdf.

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ANNEXURE**Appendix I: Railways Budget 2018-19 Summary****Table 2: Railways Revenue and Expenditure for 2018-19 (in Rs crore)**

	2016-17 Actuals	2017-18 Budget Estimates	2017-18 Revised Estimates	% Change (2017-18 RE/ 2016-17 Actuals)	2018-19 Budget Estimates	% Change (2018-19 BE/ 2017-18 RE)
Receipts						
1 Gross Traffic Receipts	165,289	188,998	187,225	13%	200,840	7%
2 Miscellaneous	90	500	200	122%	250	25%
3 Total Revenue (1+2)	165,382	189,498	187,425	13%	201,090	7%
Expenditure						
4 Ordinary Working Expenses	118,830	129,750	130,200	10%	138,000	6%
5 Appropriation to Depreciation Reserve Fund	5,200	5,000	5,000	-4%	500	-90%
6 Appropriation to Pension Fund	35,000	43,600	44,100	26%	47,500	8%
7 Total Working Expenditure (4+5+6)	159,030	178,350	179,300	13%	186,000	4%
8 Miscellaneous	1,440	2,200	1,700	18%	2,100	24%
9 Total Expenditure (7+8)	160,469	180,550	181,000	13%	188,100	4%
10 Net Surplus (3-9)	4,913	8,948	6,425	31%	12,990	102%
11 Appropriation to Railway Development Fund	2,515	2,000	1,500	-40%	1,000	-33%
12 Appropriation to Capital Fund	2,398	5,948	4,925	105%	6,990	42%
13 Appropriation to Debt Service Fund	-	-	-	-	-	-
14 Appropriation to Rashtriya Rail Sanraksha Kosh	0	1,000	0	0%	5,000	-
15 Operating Ratio	96.5%	94.57%	96.0%	-	92.8%	-

Note: RE – Revised Estimate, BE – Budget Estimate.

Sources: Statement of Revenue Receipts and Expenditure, Railways Budget 2018-19; PRS.

Explanatory NotesPerformance parameters

1. 'Net Surplus' represents excess of receipts over expenditure after the Dividend liability (payment for investment in Railway capital) of General Revenues has been paid off.
2. 'Operating Ratio' is the ratio of operating expenses to receipts. A lower ratio indicates higher surplus availability for investments.

Railway Funds

3. Depreciation Reserve Fund – Finances the cost of new assets replacing old assets including the cost of any improved features. Appropriation to this fund are made on the recommendations of the Railway Convention Committee (RCC).
4. Pension Fund – Finances all pension payments to retired Railway staff.

Appendix II: Details of freight and passenger traffic

Table 3: Freight traffic details (NTKM in millions; Earnings in Rs crore)

Commodity	2016-17 Actuals		2017-18 Revised Estimates		% Change 2017-18 RE/ 2016-17 Actuals		2018-19 Budget Estimates		% Change 2018-19 BE/ 2017-18 RE	
	NTKM	Earnings	NTKM	Earnings	NTKM	Earnings	NTKM	Earnings	NTKM	Earnings
Coal	249,615	45,229	253,261	49,907	1%	10%	263,304	51,820	4%	4%
Raw materials for steel plants except iron	12,461	2,062	12,092	2,122	-3%	3%	12,811	2,204	6%	4%
Pig Iron & finished steel	44,027	7,672	46,296	8,646	5%	13%	47,909	8,842	3%	2%
Iron Ore	39,743	8,176	47,959	10,485	21%	28%	49,763	10,753	4%	3%
Cement	54,600	8,630	59,504	9,969	9%	16%	61,596	10,163	4%	2%
Foodgrains	57,809	7,506	61,386	8,453	6%	13%	66,250	9,017	8%	7%
Fertilisers	39,216	5,561	39,572	5,951	1%	7%	41,900	6,229	6%	5%
Petroleum & Lubricants	28,518	5,686	27,378	5,788	-4%	2%	28,575	5,973	4%	3%
Container Service	44,294	4,716	49,013	5,587	11%	18%	51,923	5,894	6%	5%
Other Goods	49,891	6,790	55,779	8,050	12%	19%	59,130	8,435	6%	5%
Miscellaneous earnings	-	2,311	-	2,543	0%	10%	-	2,620	0%	3%
Total	620,174	104,339	652,240	117,500	5%	13%	683,161	121,950	5%	4%

Notes: NTKM – Net Tonne Kilometre (1 NTKM is the net weight of goods carried for a kilometre); RE – Revised Estimates; BE – Budget Estimates.

Sources: Statement of Revenue Receipts and Expenditure, Railways Budget 2018-19; PRS.

Table 4: Passenger traffic details (PKM in millions; Earnings in Rs crore)

	2016-17 Actuals		2017-18 Revised Estimates		% Change 2017-18 RE/ 2016-17 Actuals		2018-19 Budget Estimates		% Change 2018-19 BE/ 2017-18 RE	
	PKM	Earnings	PKM	Earnings	PKM	Earnings	PKM	Earnings	PKM	Earnings
Suburban										
First Class	8,783	356	8,693	369	-1.0%	3.8%	8,850	379	0.2%	4.4%
Second Class (Ordinary)	136,634	2,334	137,347	2,422	0.5%	3.8%	141,314	2,551	0.2%	4.4%
Total Suburban	145,417	2,689	146,040	2,791	0.4%	3.8%	150,164	2,930	0.2%	4.4%
Non Suburban										
AC First class	1,796	497	1,714	492	-4.6%	-1.1%	1,760	515	0.2%	4.4%
AC Sleeper	23,806	3,494	22,380	3,621	-6.0%	3.6%	27,647	4,288	0.2%	4.4%
AC 3 Tier	72,315	9,263	70,892	9,146	-2.0%	-1.3%	84,504	11,438	0.2%	4.4%
Executive Class	463	145	424	138	-8.4%	-4.7%	454	150	0.2%	4.4%
AC Chair Car	11,546	1,539	10,899	1,481	-5.6%	-3.8%	14,338	2,020	0.2%	4.4%
First Class (M&E)	85	14	93	16	9.4%	14.6%	69	12	0.0%	4.4%
First Class (ordinary)	345	13	367	17	6.4%	31.1%	334	13	0.0%	4.4%
Sleeper Class (M&E)	289,015	13,194	289,047	13,953	0.0%	5.8%	325,104	15,684	0.2%	4.4%
Sleeper Class (ordinary)	3,842	152	3,646	151	-5.1%	-0.8%	4,695	197	0.2%	4.4%
Second Class (M&E)	341,182	9,886	350,699	10,627	2.8%	7.5%	316,018	9,677	0.2%	4.4%
Second Class (Ordinary)	260,024	5,394	261,436	5,567	0.5%	3.2%	231,544	5,076	0.2%	4.4%
Total Non-Suburban	1,004,419	43,591	1,011,597	45,209	0.7%	3.7%	1,006,467	49,071	0.2%	4.4%
Total Passenger	1,149,836	46,280	1,157,637	48,000	0.7%	3.7%	1,156,631	52,000	0.2%	4.4%

Notes: PKM – Passenger Kilometre (One PKM is when a passenger is carried for a kilometre); RE – Revised Estimates; BE – Budget Estimates.

Sources: Statement of Revenue Receipts and Expenditure, Railways Budget 2018-19; PRS.