Initiatives to Increase Non-Fare Revenue and To Promote Ease of Ticketing Through Digital Transactions Launched

Minister of Railways Shri Suresh Prabhakar Prabhu inaugurated the following policy initiatives viz., Policy Initiatives of Increasing Non Fare Revenue like Out of Home Advertisement, Content on demand, Branding of Trains, Non-fare Revenue Policy, ATM Policy and Initiatives promoting ease of ticketing through digital transactions (for reserved as well as unreserved passengers) here today. He also released a documentary film on Jammu Kashmir Railway Network.

Minister of State for Railways Shri Rajen Gohain was especially present on the occasion. Chairman, Railway Board, Shri A. K. Mital, Member Traffic, Railway Board Mohd. Jamshed, CMD, IRCTC Shri AK Manocha, other Railway Board Members and senior officials were also present on the occasion at Rail Bhawan.

Speaking on the occasion, Minister of Railways, Shri Suresh Prabhakar Prabhu said that various steps are being taken towards promoting digital transactions. He also said that new innovative ideas are brainstormed for increasing the non fare revenues of Indian Railways and many policy initiatives in Non Fare Revenue have now been taken.

Minister of State Shri Rajen Gohain said that Non Fare Revenue efforts of Indian Railways will bring in enough revenue. The cashless transaction initiatives will bring in more efficiency.

INITIATIVES TO INCREASE NON-FARE REVENUE

In pursuant of the Budget announcement, for increasing the Non Fare Revenue, Ministry of Railways has announced new policies on various initiatives within the Non-Fare Revenue space. These policies will look into different areas ranging from advertising in trains and other areas such as bridges and other assets, setting up of ATMs at platforms to digital content for passengers.

Salient Features of the Policies:
The policies are based on feedback from the key players in the industry. Some of the key inputs considered in the policies are:
- Long Term Contracts – 10 years
- Single Point of Contact within Indian Railways - Non Fare Revenue Directorate
- Credibility of Partner - including a technical and financial capability model
- Transparent Process - E- Auction
- Better media planning for Railway assets – Allowing zone/train/station wise packages

Key Policies:

1.   Non-Fare Revenue Policy:
- The objective of the policy is to allow Indian Railways to consider unsolicited proposals of earnings through Non-Fare sources
- An NFR Evaluation Committee at Divisional/Zonal level shall examine need, operational and legal feasibility of the project and technical and financial capacity of the proponent
- Agencies will selected on the basis of transparent tendering process via E-auction
- Right of First Refusal to be offered to the proponent to match the highest bid
- Indian Railways shall offer Non-Fare revenue contracts for a tenure of five years
- The Non-Fare Revenue Policy shall enable private/public sector participation in conceptualization of an earning scheme
- Entire exercise shall be cost-neutral to the Indian Railways

2.   Out of Home Advertising Policy:
- The objective of the policy is to allow monetisation of Railway Assets by means of advertising
- Indian Railways had appointed RITES as consultant who appointed Ernst & Young as Professional Media Market Evaluation Agency (PMMEA)
- In addition to the existing identified sites, Indian Railways shall allow advertising at areas hitherto unused, i.e., area along tracks, Road Over Bridges, Level Crossing Gates etc.
- Static advertising will not be permitted in the station buildings, platforms, foot over bridges (leading to station area), etc., as it is covered in Rail Display Network
- Indian Railways shall allow all forms of advertising, including digital to make the most use of advertising potential.
- The advertising rights to be awarded for ten years
- The advertising asset package sizes to be offered for bidding for zones/ clusters of zones, separately for Mumbai and Delhi area
- The advertising assets to be offered via a transparent E-auction process
- More than INR 6,000 Cr is expected to be generated by the end of the contract

3.   Train Branding Policy:
- The objective of this policy is to augment advertising revenue of Indian Railways by allowing internal and external advertisement
- This policy will help in realizing economies of scale and give more marketing flexibility, thereby leading to higher realization of earnings for Indian Railways.
- Indian Railways had appointed RITES as consultant who appointed Ernst & Young as Professional Media Market Evaluation Agency (PMMEA)
- Advertisement through vinyl wrapping of train exterior (including windows of AC coaches) and inside the coaches shall be allowed
- The tenure of the contract shall be 10 years.
- The train branding packages sizes shall be offered for bidding in a phased manner (e.g.Rajdhani package, Shatabdi package etc.)
- The advertising assets to be offered via a transparent E-auction process
- More than INR 2,000 Cr is expected to be generated by the end of the contract

4.   Content on Demand and Rail Radio Policy:
- The objective of this policy is to allow monetization of entertainment based services on trains and stations
- Entertainment services shall be provided through audio (P.A systems) and video systems (personal devices of the passengers)on trains and platforms
- Provision of content such as movies, shows, educational programs shall be in both paid and unpaid formats
- Indian Railways shall offer Content on Demand services contract for a tenure of ten years
- The assets to be offered via a transparent E-auction process
- More than INR 6,000 Cr is expected to be generated by the end of the contract

5.   ATMs Policy:
- The objective of this policy is to allow setting up ATMs at major stations of the Indian Railways
- Indian Railways shall offer ATM on Stations contracts for a tenure of ten years
- The location of the ATM shall be on end platforms or prominent space in the circulating area of the station
- The assets to be offered via a transparent E-auction process
- More than INR 2,500 Cr is expected to be generated by the end of the contract

INITIATIVES TO PROMOTE EASE OF TICKETING THROUGH DIGITAL TRANSACTION

Indian Railways carries about 22.3 million passengers every day segmented in reserved and unreserved (non-suburban and suburban) accommodation on trains. Daily revenue from Passenger segment is about Rs.130 crore of which Rs.80 crore is from reserved segment, Rs.42 crore from non-suburban segment and Rs.8 crore from suburban segment.

The percentage of cashless earning during the period April to November 2016 was 58% in the reserved segment, 7% in non-suburban and 4% in sub-urban. In order to promote cashless payment Indian Railways is providing Point Of Sale machines for facilitating payment by cards and promoting ticketing –both reserved and unreserved – through IVRS, Ticket Vending Machines installed at stations, internet and mobile applications and also providing additional cashless payment options through Wallets.

Till 9th January 2017, 2967 POS machines have been provided at around 2084 locations and it is proposed to progressively provide POS machines at all Reservation Centres (3300) starting with A1, A and B category stations (709 stations) and at suburban stations (483 stations). Important Non-suburban stations will also be provided with POS machines. The process is expected to be completed by 31st March 2017. The collection through POS machines at PRS centres is now around 3.5 - 4% of the total daily earnings at PRS.

The percentage of cashless transaction in reserved segment has increased from an average of 58% in 2015-16 to 68% at present. In the unreserved segment it has increased from 6.5% to 8%.

IRCTC Connect App
Indian Railways E-ticketing System caters to over 10 lakhs passengers daily (comprising 58 percent of total reserved passengers) who can book Railways reserved tickets without leaving their homes/offices. To increase the ease to users, a new Android based mobile app for reserved booking "IRCTC Rail Connect" has been developed to bring the power of Next Generation E-ticketing System like High Performance and Enhanced Security.

This app will replace the existing 'IRCTC connect' app. The existing app had limited features like:
- No Bookings allowed from 8am to 12:00 noon
- Ticket booking views not synchronised with website bookings.
- Feature like current booking and boarding point change were missing.
- Slow response time.
- Low security levels.

New IRCTC Rail Connect app has following features:
- 24/7 service with no time based checks.

- Synchronisation of mobile app with NGET for ticket booking.
- Simple and easy User Interface
- Supports General, Ladies, Tatkal & Premium-Tatkal quota booking.
- Facility of
  - Cancellation and Filing of TDR for tickets booked through website.
  - Current Booking
  - Boarding Point change
  - PNR Enquiry
  - Tatkal booking provided in a controlled manner
- Advanced security features of self-assigned PIN to login without entering username and password on each login.
- New User registration and activation from App directly.
- Integrated with IRCTC e-wallet for faster and hassle free transactions.
- Users can view and cancel old mobile app tickets also.

The App provides Payment Gateway linked to more than 40 banks to facilitate payments through net banking, Credit cards, Debit Cards and wallets of PayTM, PayU, Mobikwik and IRCTC. Gradually more wallets like SBI Buddy etc will be integrated.

ADDITIONAL PAYMENT OPTIONS ON UTS-on- Mobile App

"utsonmobile" App is in use for booking Unreserved Journey, Platform and Season Tickets at all Suburban Sections of Indian Railways and New Delhi – Palwal Section of Northern Railway. It is presently implemented on 501 Stations and has average daily booking of 53,000 Passengers

Presently the payment option is only through R-wallet. In order to provide additional cashless payment facility of payment through private wallets (Pay TM and Mobikwik) is being provided.
More wallets (like SBI Buddy) will be integrated in future.

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