

Railways Non-fare Revenues

Key discussion points



August, 2017

Revenue from Non-Fare Sources : Analysis

...Rs10,369 Cr was achieved against a target of Rs10,100 Cr in FY 2016-17

...Train Branding



ATMs on stations...

... Display screens



OOH...

Year	Sub- Head	Gross Traffic Receipt (GTR) (Rs Cr)	Sundry & other earnings (Rs Cr)	Sundry as a % of GTR
2014 -15	Target	1,59,248	5,500	3.45
	Achieved	1,56,710	5,092	3.25
2015 - 16	Target	1,67,834	7,318	4.36
	Achieved	1,63,791	5,928	3.62
2016 - 17	Target	1,72,155	10,100	5.87
	Achieved	1,65,294	10,369	6.27
2017 - 18	Target	1,88,998	14,122	7.47

... Target set at **INR 14,000 Cr** for FY 17-18

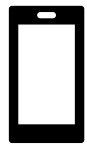
Major initiatives under non-fare revenues

Out-of-Home Advertising



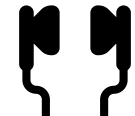
On-board Branding and Advertisements

Rail Display Network (RDN)



Monetization of Soft Assets

Content on Demand (CoD)



Detailed Initiative : Out-of-Home Advertising & Train Branding

Earning (2016-17)	~INR 219 Cr vs. Target: INR 2,000 Cr
Key features of the advertising contract	<ul style="list-style-type: none"> • Longer term contracts – 10 years • Exclusive contracts for entire zonal railways • Shift from selling individual hoardings/ billboard rights to no holds bar access to entire zonal railways
Current Status	<ul style="list-style-type: none"> • NIT issued for 16 zonal railways; Contracts to be awarded by September • Conducted road show in Delhi from 9th- 10th August • Proposed road show in Mumbai for 29th August

Unprecedented interest from private sector partners



Detailed Initiative : Rail Display Network (RDN)

Implementation	<ul style="list-style-type: none"> High-tech centralised network of 2 Lakh display screens across 2,175 railway stations of IR
Benefits	<ul style="list-style-type: none"> Cloud controlled screens allow same content in different languages, at the same time all over the country Equally divided screen time for – Advertisement and Information Unique platform which provides customised display of information across a variety of audience e.g., entire district/ state
Current status	<ul style="list-style-type: none"> Proof of Concept (PoC) completed Policy approved on 11th July, 2017 NIT issued on 17th July, 2017 Date of opening a tender- 6th September, 2017 Potential opportunity to earn >10,000 Cr in less than 10 years

Unprecedented interest from private sector partners



Honeywell



Google



LG Electronics



Detailed Initiative : Monetization of Soft Assets



Implementation

- Stop scraping of data by providing **access control protocols** in access of IR websites
 - Furthermore, monetize websites such as IRCTC and indianrail.gov.in based on E&Y study
- Shifting of people from website to **mobile app**.
 - Mobile App to become source of revenue through advertising, cross selling of commercial activities, mobile wallet etc.
- **Combined Railway app** (overall combined railway app which will include ticketing, catering, concierge services, value added services (accommodation, cabs, bus travel), e-retailing services on board etc.)
- Enhancement of potential by **integrating with RDN**

Current Status

- Combined app – **Rail Sarthi app** launched on 14th July, 2017
- IRCTC and CRIS finalizing RFP document and terms of monetization

Detailed Initiative : Content on Demand (CoD)

Implementation

- Evolved a strategy to provide digital entertainment experience to passengers at the platform and within trains based on hotspot technology
- Railtel to be the nodal agency for the app

Current Status

- Policy issued on 10th January, 2017
- NIT issued on 6th July, 2017
- Last date for submission of document is 25th August, 2017

Unprecedented interest from private sector partners



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