

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:4295
ANSWERED ON:20.04.2000
SETTING UP OF INDEPENDENT RAILWAY REGULATORY AUTHORITY
T.M. SELVAGANAPATHI

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Confederation of Indian Industry(CII)has suggested for setting up of an independent Railway Regulatory Authority to facilitate corporatisation of the Railways;
- (b) if so, the details thereof; and
- (c) the reaction of the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

(a) to (c): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA UNSTARRED QUESTION NO.4295 ASKED BY SHRI T.M.SELVAGANAPATHI TO BE ANSWERED ON 20.04.2000 REGARDING SETTING UP OF INDEPENDENT RAILWAY REGULATORY AUTHORITY

(a) & (b): The following suggestion was contained in the background paper circulated by the Confederation of Indian Industry (CII) during a National Conference on `Railway Budget 2000-01 pre-budget proposals` on 14.01.2000.

`An independent regulatory authority separate from the operators and financially independent should be set up for Indian Railways. The regulatory authority would help in creating conditions in which competition can be maximised. This would help in resolving conflicts, protect general public interest, improve accountability, provide level playing field to private participants and ensure transparency, competitive environment and reasonableness of tariff. The regulatory authority should be in place at the earliest`.

(c): Review of the overall functioning of the Railway system is a continuous process and all such recommendations received from various quarters are considered and necessary changes/improvements are made as and when required. At present, a Railway Expert Group has been set up to study the Railway Sector under the chairmanship of Dr. Rakesh Mohan, Director General, National Council of Applied Economic Research. One of the Terms of Reference for the Expert Group is to recommend on suitable regulatory arrangements that would facilitate orderly expansion of the system, promote the desired degree of competition and protect the users' right to quality service.