

6

**STANDING COMMITTEE
ON RAILWAYS
(1996-97)**

ELEVENTH LOK SABHA

**MINISTER OF RAILWAYS
(RAILWAY BOARD)**

'DEMANDS FOR GRANTS 1997-98'

SIXTH REPORT



464/8
461/2
**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1997/Chaitra, 1919 (Saka)

SIXTH REPORT
STANDING COMMITTEE ON RAILWAYS
(1996-97)

(ELEVENTH LOK SABHA)

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

‘DEMANDS FOR GRANTS 1997-98’

*Presented to Lok Sabha on 22.4.97
Laid in Rajya Sabha on 22.4.1997*



LOK SABHA SECRETARIAT
NEW DELHI

April, 1997/Chaitra, 1919 (Saka)

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**CORRIGENDA
TO
THE 6TH REPORT OF STANDING COMMITTEE ON RAILWAYS (1996-97)
ON 'DEMANDS FOR GRANTS 1997-98'**

| <i>Page No.</i> | <i>Para</i> | <i>Line</i> | <i>For</i> | <i>Read</i> |
|-----------------|-------------|-------------------------|-----------------------|-------------------|
| 3 | — | 2nd from bottom line | Rs. 18.00 crore | Rs. 1800 Crore |
| 23 | 1.39 | 4 | 'are' | than conversion |
| 24 | 1.42 | — | Delete bottom 2 lines | |
| 25 | 1.44 | 2nd from bottom line | sanctione | sanctioned |
| 25 | 1.45 | 2 | 'an' | and |
| 39 | 1.68 | 2 | suggetion | suggestion |
| 49 | 2.9 | 1 | 'Rs. 83 crore | Rs. 8300 crore |
| 50 | 2.12 | 1 | 'in' | on |
| 51 | 2.14 | — | 'the' | to the |
| 52 | 2.15 | 2 | 'askd' | asked |
| 62 | 2.36 | 3 | 'Rs. 1208.29' | Rs. 1208.29 crore |
| 66 | 2.47 | last line | 'safe' | safety related |
| 66 | 2.48 | 2 | add after attention | 'can be given' |
| 87 | — | 19 | 'Smt' | Shri |

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COMPOSITION OF THE STANDING COMMITTEE ON RAILWAYS
(1996-97)

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ram Naik
3. Shri Jagdambi Prasad Yadav
4. Shri Satya Deo Singh
5. Shri Anand Ratna Maurya
6. Shri Dhirendra Agarwal
7. Shri Ashok Sharma
8. Dr. Sahebrao S. Bagul
9. Dr. Ramvilas Vedanti
10. Shri Priya Ranjan Das Munsi
11. Shri Ashok Gehlot
12. Shri Nandi Yelliah
13. Shri K.P. Singh Deo
14. Km. Sushila Tiriya
15. Shri Imchalemba
16. Shri V.M. Sudheeran
17. Shri Qamarul Islam
18. Shri Chun Chun Prasad Yadav
19. Shri Raja Rangappa Naik
20. Shri P. Theertharaman
21. Shri Ram Singh Shakya
22. Shri K. Parasuraman
23. Shri K.P. Naidu

24. Shri Narayan G. Athawalay
25. Shri Sukhlal Khushwah
26. Shri Ram Bahadur Singh
27. Shri Dinsha J. Patel*
28. Dr. Prabin Chandra Sarma
29. Shri E. Ahamed
30. Shri S. Bangarappa

Rajya Sabha

31. Shri Dronam Raju Satyana Rayana
32. Vacant**
33. Shri Balbir Singh
34. Shri W. Angou Singh
35. Shri Shivajirao Giridhar Patil
36. Shri Gopalsinh G. Solanki
37. Dr. Ishwar Chandra Gupta
38. Smt. Malti Sharma
39. Shri Nagmani
40. Shri Rahas Bihari Barik
41. Dr. (Smt.) Chandrakala Pandey
42. Shri S. Niraikulathan
43. Shri K.M. Saifullah
44. Shri Tridib Chowdhuri
45. Maulana Habibur Rahman Nomani

SECRETARIAT

1. Shri S.N. Mishra — *Additional Secretary*
2. Smt. Roli Srivastava — *Joint Secretary*
3. Shri R.C. Gupta — *Deputy Secretary*
4. Smt. Anita Jain — *Under Secretary*

INTRODUCTION

1. The Chairman of Standing Committee on Railways (1996-97) having been authorised by the Committee to submit the Report on their behalf, present this Sixth Report of the Standing Committee on Railways (1996-97) on "Ministry of Railways—Demands for Grants 1997-98".

2. The Committee took evidence of the representatives of the Ministry of Railways on the subject on 11.3.97, 12.3.97, 19.3.97, 2.4.97 and 3.4.97 and of the representatives of the Confederation of Indian Industries on 4.4.97.

3. The Report was considered and adopted by the Committee at their sitting held on 17th April, 1997.

4. The Committee wish to express their thanks to the officers of the Ministry of Railways for furnishing the material and information which the Committee desired in connection with the examination of the subject and sharing with them their views concerning the matter during the evidence.

5. The Committee also wish to express their thanks to representatives of Confederation of Indian Industries for giving valuable suggestion on the subject.

NEW DELHI;
17 April, 1997
27 Chaitra, 1919 (Saka)

BASUDEB ACHARIA,
Chairman,
Standing Committee on Railways.

PART I

REVENUE RECEIPTS AND EXPENDITURE ON RAILWAYS

Introductory

The Indian Railways is a principal mode of transport in the Country with a network spread over 62,915 route km. over the length and breadth of the country. It is a vast organisation with an annual budgetary outlay to the tune of Rs. 30,000 crores. It has under its control 9 Zonal Railways and 1 Metro Railway, 6 Productions Units and 6 Public Sector Undertakings. In addition to above, Six new zones created recently are also under its control.

In order to give more flexibility to Railways in the management of their finance the Railway Budget is presented to the House separately before the General Budget.

1.2 The Railway Budget Statement shows the total revenue receipts, revenue and works expenditure, distribution of excess receipts over expenditure and position of various Funds which the Railways are keeping with the Central Government.

The Revenue receipts of the Railways consist of earnings from passenger traffic, other coaching earnings, earnings from goods traffic and sundry other earnings. There are also miscellaneous receipts like receipts of Railway Recruitment Boards etc.

1.3 The estimates of expenditure included in the Budget statement are contained in 16 Demands for Grants enumerated as below:

| No. of Demands | Name of Demands |
|----------------|---|
| 1 | 2 |
| 1. | Railway Board. |
| 2. | Miscellaneous Expenditure (General) |
| 3. | General Superintendence and Services on Railways. |

| 1 | 2 |
|-----|--|
| 4. | Repairs and Maintenance of Permanent Way and Works. |
| 5. | Repairs and Maintenance of Motive Power. |
| 6. | Repairs and Maintenance of Carriages and Wagons. |
| 7. | Repairs and Maintenance of Plant and Equipment. |
| 8. | Operating Expenses—Rolling Stock and Equipment. |
| 9. | Operating Expenses—Traffic. |
| 10. | Operating Expenses—Fuel. |
| 11. | Staff Welfare and Amenities. |
| 12. | Miscellaneous Working Expenses. |
| 13. | Provident Fund, Pension and other Retirement Benefits. |
| 14. | Appropriation to Funds. |
| 15. | Dividend to General Revenues and Amortisation of Over Capitalisations. |
| 16. | Assets—Acquisition, Construction and Replacement. |

1.4 The expenditure incurred by the Railways is on Revenue Account and Works Account. The expenditure on Revenue Account is contained in Demands 1 to 15 of the Demands for Grants. It includes the ordinary working expenses incurred by various Department in the Railways for their day-to-day working and other miscellaneous establishment. The Revenue Account also includes appropriation to the Depreciation Reserve Funds, Capital Fund, the Pension fund and dividend paid by the Railways to General Revenues.

1.5 The expenditure incurred by Railways on Works Account is contained in Demand No. 16 of Demands for Grants.

For detailed examination of the Railway Budget, 1997-98 presented to the House by Minister of Railways on 26.2.97, the Standing Committee on Railways (1996-97) took evidence of the representatives of Ministry of Railways on 11.3.97, 12.3.97, 19.3.97, 2.4.97 and 3.4.97 and also of the representatives of Confederation of Indian Industries (CII) on 4.4.97.

Tariff Proposals in Railway Budget 1997-98

In the Budget, the following proposals have been made in regard to railway tariff:—

- (i) There has been 12 per cent hike in freight rates of all commodities except fifteen essential commodities like foodgrain and pulses, edible salt, edible oils, urea, kerosene, sugar, LPG, fresh fruit and vegetables, fodder other than oil cakes, livestock, oilseeds.
- (ii) There has been increase by 10% on the fares for AC first class, AC2-tier sleeper, AC3 tier sleeper. AC chair car and first class, whereas there has been 5 per-cent hike in sleeper class fare.
- (iii) Twenty per-cent surcharge on luggage and parcels in superfast trains has also been levied.
- (iv) There has been no increase in fares of monthly and quarterly season tickets for second and first class for all distance.

According to Minister of Railways the tariff proposals are expected to yield an additional revenue of about Rs. 18.00 crores during the financial year.

Revenue Receipts

1.6 The Comparative statement of Revenue Receipts from Railways during the last three years is as follows:—

| Heads of Revenue | (In thousands of rupees) | | | | |
|---------------------------------------|--------------------------|---------------------------------|----------------------------------|--|--------------------------------|
| | Accounts, 1995-96 | Budget Estimates, 1996-97 | Revised Estimates, 1996-97 | Increase (+)/ Decrease (-) as compared with Budget, 1996-97 | Budget Estimate, 1997-98 |
| Total-Passenger Earnings | 6124,48,78 | 6510,00,00 | 6640,00,00 | +130,00,00 | 7106,00,00 |
| Other Coaching Earnings | 557,20,41 | 597,00,00 | 550,00,00 | -47,00,00 | 592,00,00 |
| Goods Earnings | 15290,40,31 | 16975,00,00 | 16650,00,00 | -325,00,00 | 19322,00,00 |
| Sundry Other Earnings | 522,39,92 | 500,00,00 | 480,00,00 | -20,00,00 | 500,00,00 |
| Total-Earnings | 22494,49,42 | 24582,00,00 | 24320,00,00 | -262,00,00 | 27520,00,00 |
| Suspense | -76,64,39 | +218,00,00 | +130,00,00 | -88,00,00 | +335,00,00 |
| Gross Traffic Receipts of Railways | 22417,85,03 | 24800,00,00 | 24450,00,00 | -350,00,00 | 27855,00,00 |
| B(C) (iii)-Indian Railways | | | | | |
| Total-miscellaneous Receipts | 395,99,24 | 473,28,95 | 472,80,64 | -48,31 | 543,23,40 |
| Total-Receipts | 22813,84,27 | 25,273,28,95 | 24922,80,64 | -350,48,31 | 28398,23,40 |

As shown in the table the Gross Traffic Receipts of Railways during 1995-96 has been 22,813 crores. For 1996-97 in the Budget Estimate an amount of Rs. 25,273 crores was envisaged which was decreased to Rs. 24,922 crores. In Budget Estimate 1997-98 an amount of Rs. 28,398 crore has been projected.

1.7 The following Statement shows the Railways Traffic performance during 1994-95, 1995-96 & projected for 1996-97:—

| | 1995-96 | | Actual | 1996-97 | | 1997-98 |
|-----------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Budget Target | Revised Target | | Target | RE | BE |
| Passenger | 4138 Million | 4158 Million | 4061 Million | 4213 Million | 4115 Million | 4316 Million |
| Goods | 398 MT | 385 MT | 390.57 MT | 410 MT | 410 MT | 430 MT |

Revenues Receipts for the above Period is as follows:

| | | | Actual | Rs. in crore | | |
|-----------|---------------|----------------|--------|--------------|-------|------------|
| | Budget Target | Revised Target | | BE | RE | BE |
| Passenger | 5755 | 6000 | 6124 | 6510 | 6640 | 7,106 Cr. |
| Goods | 15125 | 15225 | 15290 | 16975 | 16650 | 19,322 Cr. |

Freight Traffic

1.8 The Committee enquired about the expected impact of increase in freight rate on wholesale price index and whether it has cascading affect on prices of all commodities. The Ministry of Railways in a written reply to the Committee stated:

“The impact of increase in freight rates on wholesale price index has been estimated at 0.12%. Railways have assessed only direct impact on the prices of commodities. The cascading effect will vary from commodity to commodity, depending upon its inter-industrial linkages.”

1.9 The Ministry further stated that this exercise of determining cascading effect of freight rate increase on major commodities could be undertaken by an organisation like Bureau of Industrial Costing and Pricing or Planning Commission where the various input/output data for different commodities are available and costing exercises done on the basis of which a detailed analysis could be carried out taking into account also the inter-industry linkages.

1.10 When asked how the freight rates on Indian Railways compare with the freight rates of Railways of other countries, the Chairman, Railway Board informed the Committee that as per the information which they have been able to collect the average freight rate per tonne Km in terms of dollars is 0.079. If it is taken as 100 the indices of other countries are as follows:—

| | |
|---------------|-----|
| Belgium | 56 |
| France | 70 |
| Germany | 108 |
| Great Britain | 94 |
| Japan | 47 |
| Australia | 58 |
| Bangladesh | 333 |
| China | 33 |
| Indonesia | 35 |
| South Korea | 47 |
| Malaysia | 78 |
| Pakistan | 178 |
| Sri Lanka | 211 |
| Thailand | 65 |
| Romania | 103 |
| Egypt | 70 |
| Iran | 81 |
| Kenya | 232 |
| Nigeria | 323 |
| Zimbabwe | 103 |

1.11 It may be seen that in Bangladesh, Pakistan, Sri Lanka, Kenya and Nigeria freight rates are much higher than Indian Railways while

in Germany, Great Britain, Romania and Zimbabwe they are comparable to Indian Railways. In all other countries, freight rates are less than Indian Railways.

1.12 The Committee wanted to know the increase in freight rates, freight carried and revenue earned by Railways during the last 10 years and how it compared with the road transport. The Ministry in a written reply stated:

The details of the tonnage carried, the earning, increase in freight rates and the cumulative effect of these increases during the last ten years are given below:

| Year | Tonnes (Million) | Index | Earnings (Crores) | Index | Rate/Qtl. Class 100 (100 Kms.) Rs. | Index of cumulative increase in freight rates |
|---------|---------------------|-------|----------------------|-------|---|--|
| 1986-87 | 277.8 | 100 | 4990.7 | 100 | 16.13 | 100 |
| 1987-88 | 290.2 | 104 | 5839.2 | 117 | | 100 |
| 1988-89 | 302.0 | 109 | 6196.7 | 124 | 17.1 | 106 |
| 1989-90 | 310.0 | 112 | 7460.8 | 149 | 18.98 | 118 |
| 1990-91 | 318.0 | 114 | 8247.0 | 165 | 20.88 | 129 |
| 1991-92 | 338.0 | 122 | 9293.1 | 186 | 22.97 | 142 |
| 1992-93 | 350.1 | 126 | 10663.8 | 214 | 24.69 | 153 |
| 1993-94 | 358.7 | 129 | 12275.5 | 246 | 27.65 | 171 |
| 1994-95 | 365.0 | 131 | 13423.6 | 269 | 28.14 | 174 |
| 1995-96 | 390.0 | 140 | 15290.4 | 306 | 30.11 | 186 |
| 1996-97 | 410.0 (RE) | 148 | 16650.0 (RE) | 334 | 33.12 | 205 |

1.13 The Ministry further stated that in so far as increase in freight charges by Road Transport is concerned, the latest position is being collected and will be furnished to the August Committee shortly.

However, in a later communication to the Committee the Ministry stated that the authentic statistics about increase in road transport of

traffic and road freight rates is not available with this Ministry, the Ministry of Surface Transport or with the Planning Commission. However as per a recent draft report of a detailed study carried out by M/s RITES Railways and road transport carried 390.7 and 447.80 MT of freight traffic respectively during 1995-96.

The market share of Railways in total surface transport has been declining. In respect of freight traffic the share of railways has declined from 88% to 48% between 1950—1995.

1.14 The Committee inquired if the Railways have assessed the effect of increase in freight rates on the traffic offering or it will result in further diversion of Rail Traffic to road, the Ministry of Railways in the written note stated:—

“The effect of increase in freight rates on traffic offerings is assessed while deciding on the quantum of increase. As announced by the Hon’ble Minister of Railway in his budget speech, commodities of mass consumption have been exempted from the hike in freight rates, especially foodgrains, salt and kerosene. No diversion is anticipated in these commodities. In so far as other commodities are concerned, the freight increase is not expected to adversely affect the traffic offering by rail when viewed in the context of better availability of wagons and also the quantum to be transported, where the Railways have an edge over road transport.

Wherever diversion to road traffic takes place on account of higher rail freight, the General Managers of the Zonal Railways have been given powers to quote reduced station-to-station rates to attract or retain the traffic with rail. Also the aggregate break-bulk and piecemeal traffic into rake loads and transport by rail, the Railways have entered into the multimedia business of containerisation through the setting up of the Container Corporation of India. The Corporation has been able to divert a substantial quantum of such traffic to rail by providing door to door delivery of containers by developing a chain of Inland Container Depots (ICDs).

1.15 The Chairman, Railway Board elaborated this point further as under during evidence:—

“.....we do not feel that there will be diversion. We have not come to that level as yet because for long distance and for bulk

users, railways is certainly a better mode of transport especially when it has to carry about 195 million tonnes of coal. I do not think it will be feasible for them to send it through road transport. This situation has to be watched and we will watch it. If we feel that there is diversion, we will take corrective steps. When this was debated by us in the Railway Board, we reached this conclusion and we decided to watch the situation. We do not expect any diversion."

1.16 The Committee wanted to know the details of instructions issued to the Zonal Railways who have been given power to quote reduced rate to attract freight traffic. The Chairman, Railway Board stated:—

"There are two types of instructions. Firstly, if there is an empty movement in one direction, then a Divisional Railway Manager can reduce the freight rates to the extent of 10 per cent. If it is not an empty direction and it is otherwise, then the General Manager has the full powers".

The Chairman, Railway Board however added that these powers have been used rarely.

1.17 The Committee also raised this issue during evidence with the representatives of Confederation of Indian Industries on the subject. When asked their opinion on reasons for diversion of goods traffic to road transport, the representatives of CII stated:—

"One of the reasons why people prefer road transport is, once you hand over the goods to railway, monitoring of it becomes very difficult. In today's era of instant communication, I think if we can introduce computerisation to the freight movement that will improve performance and will also induce confidence.

Thirdly, Railways must come out and sell themselves. Up to now, if you need to transport your goods, you need to go to the Railways and look for your wagons whereas the road transporters come to you. Total orientation in relation to customers has to be changed."

Freight Loading of major commodities

1.18 The details of commodities loaded during 1995-96, 1996-97 & target for 1997-98 is as follows:—

| Commodity | Actuals 1995-96 | Tonnes originating (Millions) 1996-97 (Budget) | Tonnes originating (Millions) 1996-97 (Revised) | Tonnes originating (Millions) 1997-98 (Budget) |
|-------------------------------|--------------------|--|---|--|
| Coal | 184.42 | 194.00 | 199.00 | 205.00 |
| Raw materials to Steel Plants | 38.95 | 40.00 | 38.50 | 43.00 |
| Pig iron and finished | 12.05 | 14.00 | 12.00 | 15.00 |
| Steel for Steel Plants | | | | |
| Iron Ore for Export | 10.17 | 11.00 | 10.50 | 11.00 |
| Cement | 32.13 | 36.00 | 36.00 | 38.00 |
| Foodgrains | 24.90 | 25.00 | 27.00 | 26.00 |
| Fertilizers | 23.69 | 24.00 | 21.00 | 25.00 |
| P.O.L. | 28.91 | 31.00 | 29.00 | 31.00 |
| Other Goods | 35.47 | 35.00 | 37.00 | 36.00 |
| Total | 390.69 | 410.00 | 410.00 | 430.00 |

From the table it is seen that except for coal, foodgrains and other goods, there has been decline in revised targets (1996-97) against budgetary targets (1996-97) in all the commodities.

1.19 It may be noted that there has been non-materialisation of projected traffic from high rated commodities like Petroleum Oils and Lubricants (POL), Iron & Steel and Cement during 1996-97. While the Budget Estimate of originating loading has been retained at 410 MT even in the Revised Estimates, the Revised Estimates of Earnings has been scaled down (from Rs. 16975 crore in B.E. to Rs. 16650 crore in R.E.) on account of change in traffic mix and the resultant decline in the Net Tonne Kilometers (NT Kms).

1.20. Enquired about the reasons for shortfall in high rated commodities, the Chairman, Railway Board stated:—

...“the people dealing with POL had some trouble in the course of the year. As a result of that, the POL traffic got reduced. In the case of cement, the traffic has been dwindling although the freight rate has remained the same during the course of the year. In August-September, it was minus two hundred or minus hundred wagons as compared to last year but now it is plus three hundred to four hundred per day. The cement production was not there. Their prices had slumped and therefore the production was stopped. So, it is not because of increases in the freight rates. But the fact is that its annual traffic is decreasing.

He added,

Actually, we have loaded less of cement, less of POL and iron and steel, which are all high rated commodities because of less production and not because of increase in the freight rates. That is why we have to revise it.”.

1.21 The Chairman, Railway Board further informed that in respect of Cement and POL the situation has already improved. As regards iron and steel, the Chairman Railway Board stated:—

“About iron and steel, I will not be able to give an answer because that has been almost stagnant for the last eight to nine years. I do not know whether it is going to improve or not. I have the figures for 1989 with me. If I read that out to you, you will see that it has not increased very much. On the contrary, raw materials supply to steel plants have been increasing.”

1.22 On being asked the reasons for reduction in traffic when there is an increase in consumption by 10 per cent the Chairman, Railway Board mentioned that there is no shortage of capacity with Railways but the traffic has to be offered for transportation. In regard to transportation of Petroleum he opined that the pipeline construction should not be allowed. He elaborated:—

“There is a Government of India decision that where pipeline is to be laid and railway investment is also to be done the railway investment should be preferred because pipeline can be used for

clearance of petroleum only while railway can be used for clearance of all commodities including petroleum”.

1.23 Asked as to when the above decision was taken the Chairman, Railway Board stated:—

“It was taken two or three years ago. This year, we have been repeatedly been taking up this issue in the coordination meetings and have requested that we have tankers, please give us more traffic. But they have not given us more traffic. When I say that capacity is available, it means that tankers or wagons are also available. What I request is that wherever capacity is available with the Railways, the pipeline should not be allowed. If we fail to load, that is something else”.

1.24 The Ministry of Railways also furnished copy of correspondence exchange with the Ministry of Petroleum for increasing the POL movement. It is seen from the correspondence that there were, several letters written by the Ministry of Railways at various levels to the Ministry of Petroleum to increase the offer of POL products but there has been no letter from Ministry of Petroleum to Railway Board on the issue.

Other Goods

1.25 There has been a reduction in freight target for other goods from 37 MT in R.E. (1996-97) to 36 MT in B.E. (1997-98) Asked how the targets were fixed for other goods’, the Chairman Railway Board explained:—

“We have a method. I was in the Planning Directorate of the Railway Board. In a very strange way, they fix up the targets for other goods. First, we fix the target for the total then individually for each commodity and then arrive at the residual figure for general goods”.

1.26 The ‘other goods’ traffic mostly moves in piecemeal. To cater to this traffic the Railways have set up a Container Corporation of India which move piecemeal traffic through containers. Asked the views of CII in this regard, the representatives of CII stated:—

“Certainly it is a fact that when Railways went to full load movement, certain traffic was lost to the road transport. Railways

have not tried to regain that. In a small way, the Container Corporation of India has tried to get back some of that traffic. Primarily, the Container Corporation of India Moves import-export traffic. Now, they have also started moving domestic traffic. In that respect if we give more emphasis to domestic container movement, it could substitute the piecemeal movement in the sense that you have the container as well as road transport. The consignment can be moved in a container from point A to point B. and the catchment area around these points, could be 300 kilometers, which could be catered by the road transport. That way we can involve freight forwarders not only in booking, but in owning and operating at terminals at both the ends. What Container Corporation of India is doing today could also be extended to every freight forwarder who could have terminals to move traffic over short distances by road. And bulk movement can be done by rail and again road transport disperse the goods traffic. That could be one way to regain the piecemeal traffic which the Railways have lost."

Passenger Traffic

1.27 The Minister of Railway in the budget has announced the introduction of 5 new trains and increase in frequency of 10 trains besides extending routes of some trains.

To the query of the Committee that while there has been increase in special trains, there has been reduction in facilities for passengers of ordinary trains, the Chairman, Railway Board stated that full attention is being paid to the passengers travelling on ordinary trains. He enumerated some of the steps taken in this regard as under:—

1. The main facilities to passengers is computerised reservation system which covers 92% passengers.
2. They have introduced new system to shift enquiry office to Control Office and give the control office number for latest information for reservation direct to the passengers.
3. They have also introduced new system of PRS for experimental basis. In this system they divide the country into five zones i.e. Sikenderabad, New Delhi. Madras, Calcutta and Mumbai and they have connected only two junctions

like Sikenderabad and New Delhi on experimental basis. When it succeeds between these two junctions, then they propose to extend it to other zones.

4. There have been complaints about light and fans not working because of old 24 volts system in the Railways. They now propose to convert 24 volts system to 110 volts system.
5. They have converted vacuum brake coaches into air brake coaches. This conversion will mean a better acceleration and better deceleration which would improve the punctuality of passenger trains.
6. They have also devised new type of coach called MEMU. This is a big revolution in the system of passenger operations.
7. About cleanliness and other things they are providing more allocation.

1.28. Enquired about the difficulties faced by some of the passengers due to the policy of Railways to reduce first Class coaches, the Chairman Railway Board stated that in 1968 they had taken a decision to stop manufacturing First Class coaches. In 1990 the decision was reversed and about 100 First Class coaches were manufactured. Thereafter it was re-reversed. When asked the rationale behind it, the CRB stated "People preferred the Second AC-II tier instead of First Class coaches".

He elaborated,

"Wherever the First Class coaches were there, we have changed them more or less with AC II-tier. It is equal to two first class coaches. The capacity is 46. This was a debate which went for months and months. One survey was conducted by the Railway Board. Out of one hundred people about 80 to 90 people were in favour of abolishing the first class coaches. They say that travelling by A.C.-II tier is much better than first class. It is more comfortable."

The Committee felt that passengers cannot travel in AC coaches so they should not do away with the first class. The Chairman Board stated, that they would examine it.

1.29 The Committee also raised the problem of vendors charging more from the passengers than the rates printed on the commodities. The Chairman, Railway Board stated that they do not allow vendors on trains and they are all unauthorised. On being asked as to how they could be controlled, CRB stated that they organise checks.

1.30 Enquired whether it is not the responsibility of coach attendant so that no unauthorised vendor is allowed to enter the compartment and that some arrangements can be made to provide tea and snacks to passengers by Railway themselves to check unauthorised vendors, the CRB stated:

"It is not that this issue has not been thought of very seriously. I want to say that this question was debated and on the balance of it we thought that it should not be permitted. The reasons are firstly we found these vendors go into compartments with cigarettes, which is a prohibited thing. Secondly, we found that it would not be possible for us to have any control. Even if they give poison or some toxic material to the passengers also we will not have any control over them. Thirdly it will result in the mushroom growth of a large number of such people. We do see this on the Eastern Railways at Howrah Division where hundreds of hawkers throng the place. We have tried to steer clear of them, but we have not been able to succeed. Therefore I did not mention about it. So, on the balance of it, we thought that we should not authorise it."

Working Expenditure

The following statement gives the Expenditure on Railways met from Revenue of the Central Government:

| (In thousands of rupees) | | | | | |
|--|---------------------|---------------------------------|----------------------------------|---|--------------------------------|
| Heads of Revenue | Accounts 1995-96 | Budget Estimates, 1996-97 | Revised Estimates, 1996-97 | Increase (+)/ Decrease (-) as compared with Budget 1996-97 | Budget Estimate, 1997-98 |
| 1 | 2 | 3 | 4 | 5 | 6 |
| B(c) (iii)-Railways-Expenditure | | | | | |
| 3002 & 3003—Working Expenses | | | | | |
| (1) Ordinary Working Expenses | 14374,90,15 | 16423,00,00 | 16150,00,00 | -273,00,00 | 20935,00,00 |
| (2) Appropriation to Depreciation Reserve Fund | 2060,00,00 | 2000,00,00 | 2115,00,00 | +115,00,00 | 2000,00,00 |
| (3) Appropriation to Pension Fund | 2090,00,00 | 3150,00,00\$ | 2700,00,00 | -450,00,00 | 2200,00,00 |

| 1 | 2 | 3 | 4 | 5 | 6 |
|--|-------------|-------------|-------------|------------|-------------|
| 3001 A & B-Indian Railways—Policy Formulation Direction, Research and other Misc. Organisation | 127,08,20 | 151,91,95 | 156,55,64 | +4,63,69 | 214,51,40 |
| 3004- Open line Works-Revenue | 26,78,72 | 45,00,00 | 45,00,00 | — | 45,00,00 |
| 3005- Payments to General Revenue | | | | | |
| (1) Current Dividend | 1238,75,29 | 1561,84,67 | 1489,56,38 | -79,28,29 | 1604,03,35 |
| (2) Payment in lieu of Passenger Fare Tax | 23,12,00 | 23,12,00 | 23,12,00 | — | 23,12,00 |
| (3) Contribution to Railway Safety Works Fund | 2,56,62 | 2,40,33 | 2,56,62 | +16,29 | 2,56,65 |
| Total: | 19943,20,98 | 23357,28,95 | 22681,80,64 | -675,48,31 | 27024,23,40 |

| 1 | 2 | 3 | 4 | 5 | 6 |
|---|-------------|-------------|-------------|------------|-------------|
| 3006 — Appropriation from Railways' excess of receipts over expenditure | | | | | |
| (1) Appropriation to Railway Development Fund | 297,19,99 | 350,00,00 | 350,00,00 | — | 350,00,00 |
| (2) Appropriation to Capital Fund-Railways | 2573,43,30 | 1566,00,00 | 1891,00,00 | +325,00,00 | 1024,00,00 |
| Total-Expenditure | 22813,84,27 | 25273,28,95 | 24922,80,64 | -350,48,31 | 28398,23,40 |

From the statement it is seen that there has been a saving of Rs. 273 crores in ordinary working expenses in R.E. 1996-97 over B.E. 1996-97. Giving details of the broad areas where reduction has taken place. The Ministry, in a written note stated:—

| (i) | Reduction | (Rs. in crores) |
|------|--|-----------------|
| | (1) Fuel | 192 |
| | (2) Stores | 66 |
| | (3) Lease charges to IRFC | 234 |
| | Total (i) | <u>492</u> |
| (ii) | Partly off-set by more provision under:- | |
| | (1) Staff Costs | 208 |
| | (2) Miscellaneous | 11 |
| | Total (ii) | <u>219</u> |
| | Net Reduction | <u>273</u> |

1.31 There has been substantial reduction in Working Expenditure in RE over BE during the last 4-5 years. On being asked the reasons for fixing higher amount in B.E. initially, the Ministry of Railways have stated:

“For past few years, strict economy measures are being taken on the Railways alongwith control on staff expansion as a result of which actual expenditure in these years has shown savings and, accordingly, the Budget Estimates for the next years have to be lowered in the Revised Estimates.

Normally, the Budget Estimates for Ordinary Working Expenses are made by providing for a moderate 12-13% increase over the Revised Estimates, consisting mainly of 3-4% for activity and 8-9% for cost escalation.”

1.32 There has been projected increase of Rs. 4785 crores which comes to 29% in Working Expenditure in B.E. 1997-98 over R.E. 1996-97. The Ministry of Railways furnished the following information in this regard:—

"The details of increase of Rs. 4785 crores provided in BE 1997-98 are given below:—

| | (Rs. in crores) |
|--|-----------------|
| (i) Staff | 3348 |
| (ii) Stores | 648 |
| (iii) Fuel | 203 |
| (iv) Lease charges to IRFC | 372 |
| (v) Miscellaneous such as Order Police, Contractual Payments Compensation Claims, Leasing under BOLT & OYWs Scheme and Contingent Expenditure etc. | 214 |
| Total | 4785 |

1.33 The Ministry further informed that a sum of Rs. 3425 crore has tentatively been provided for meeting the likely impact of the Fifth Pay Commission.

1.34 During the evidence when the Committee inquired how the saving was achieved in Working Expenditure in 1996-97, the Financial Commissioner replied:—

"When we make the Budget, we normally make it in the month of November of the previous year. This time it was done in the month of June of the current year. For 690 kilometers, we assumed a certain amount of fuel expenditure. We also assumed that the electricity board will have a certain level of tariff. When we make the Budget, we make these estimates. This year, the work done has become less due to drop in lead. Therefore, the diesel required as well as electrical energy for moving the traffic has become less. There will be less of GTKM. But actually the GTKM has dropped and because of that there has been a saving in the expenditure".

As regards reduction in lease charges to IRFC, the FC stated:—

“We assumed that a certain amount of money would be raised in the year 1995-96, but because of adverse market condition, we could not raise the total amount which should have been raised. But the calculations were made at that time assuming that the total will be raised in the Revised Estimates. We find that money has not been raised.”

On being enquired the staff costs, the FC stated:—

“We had to provide for the staff cost because of the various interim reliefs etc. This is the extra expenditure. So the next savings is Rs. 273 crore”.

1.35 Enquired if the saving achieved reflect on the efficiency of the railways, the Chairman, Railway Board stated:—

“This is a tribute to the cost effectiveness and cost consciousness of the railways. Normally, when a full provision has been made, the full cost is calculated. If a diesel engine is detained for a long time or an electric engine is detained for two hours and fifteen minutes instead of two hours, this would use some more electric energy as also the diesel oil. Instead of falling into that trap, we have told the people that since the quantity of work done is less and the provision is reduced to that extent, it shows how cost conscious we have become. This is directly related to the work. So it reflects not inefficiency but the efficiency of the railways”.

The Finance Commissioner added in this regard:—

“One more point is that we are now putting more and more fuel efficient engines. Similarly, on the electrical side, we have been paying a lot of penalty for exceeding the maximum demand over a period of two to three years”.

On being inquired the percentage of fuel efficient diesel locomotives with Railway, the Ministry in a written note stated:—

“Till February 1997 450 diesel locos were filled with fuel efficient kits. This is 13% of the total diesel locos fleet on Broad Gauge system. All new locomotives being manufactured at DLW. Varanasi are Fuel-Efficient Locos. On existing diesel locos Fuel

efficient Kits are being provided during locomotive re-building at DCW. Patiala."

1.36 The Member (Mechanical) further informed the Committee that position of specific consumption in diesel locomotives in 1992-93 was 3.26 liters of diesel oil per thousand GTKMs and in 1995-96 it was 2.85 liters per thousand GTKMs.

Asked about the factors on which the specific consumption depends, the Member (Mechanical) stated:—

"As far as the diesel locomotive is concerned, it is not just fuel, it is also load. If load is low, the specific consumption is higher. As the steam locomotives are being phased out and more diesel locomotives are being used for running passenger trains, the SFC goes up tremendously. The diesel engine is designed for different levels of efficiencies at different power outputs. We have eight notches. On the seventh notch, it is giving the best output."

1.37 As regards specific consumption for Electric Locomotives, the Member (Electrical) stated:—

".....We have specific energy consumption for electric locomotives and that is in kilo watt hours or units consumed per one thousand. In electric locomotive, it is not possible to know what exactly the consumption has been there. We immediately assume some figures for the passenger trains and the balance we divide by total GT kilo watt of electric traction.

1.38 The Member (Electrical) further gave figures for specific energy consumption for various Railways as under:—

| | 1995-96 | 1996-97 |
|-----------------------|---------|---------|
| Central Railway | 10.30 | 9.43 |
| Eastern Railway | 8.00 | 7 |
| Northern Railway | 6.37 | 6.48 |
| Southern Railway | 10.60 | 10.61 |
| South Central Railway | 9.87 | 9.97 |
| Western Railway | 8.32 | 8.39 |
| Average | 9.28 | 9.00 |

1.39 The Committee also enquired about ABB Locos and their efficiency and experience, the Member (Electrical) stated:

"We have got 33 ABB locos out of which 19 working right now and much more energy efficient are locomotive. Its advantage will be felt after some time when sufficient number of them are working".

He further stated:

"They have been put into regular commercial service only in the last two months. So far as our experience goes, they are working reasonably well. There are some teething problems. But energy efficiency is there. In one trip from New Delhi to Calcutta and back we are saving between 18 KW hours to 10 KW hours. That is almost 10 to 15 per cent less energy consumed than what a conventional loco would have consumed."

Enquired how the monitoring of fuel consumption is done, the Financial Commissioner stated:

"Every month the figures are reported by the Railways. There is a two-tier mechanism. In railways, there is a fuel organisation on the steam, on the diesel as well as electric. The figures are revised by the General Manager. And, in the Board, this is one of the items which is reviewed in the monthly Board meeting. If we find that any particular Railway has deteriorated, then the causes are ascertained and corrective actions taken".

1.40 The Operating Ratio has been projected to increase from 82.5% in 1996-97 to 91.4% in 1997-98. When asked the reasons for this increase and steps taken to reduce the operating ratio, the Ministry stated:

"The Operating Ratio of 82.5% was achieved in 1995-96. In 1996-97 (RE), it has been projected at 86.3%. The reduction in operating ratio is affected by augmenting earnings and/or reducing the Working Expenses. Due to vigorous action being taken on Railways, there has been appreciable increase in earnings and substantial savings in Working Expenses during the previous years and it has become possible for the Indian Railways to achieve a reduction in operating ratio from 93.0% in 1988-89 to 82.5% in 1995-96. The

deterioration in operating ratio seen in 1996-97 (BE) and 1997-98 (BE) has taken place mainly because of the substantial provision made for accommodating the likely impacts of the V Pay Commission recommendations. As usual, Railway will continue to take various measures to improve the operating ratio as detailed below:

1. Aggressive marketing strategies for capturing additional traffic.
2. Regular monitoring of classification and rating of commodities.
3. Curbing ticketless travel.
4. Effecting better realisation of outstanding dues.
5. Energy conservation and better fuel efficiency.
6. Improved assets utilisation.

1.41 When the Committee wanted to know the steps taken by Railways for improving the efficiency of employees as also recommended by Fifth Pay Commission, the Ministry in their written note stated:

"The Fifth Pay Commission has made comprehensive recommendations relating to the improvement of efficiency of employees. These are mainly contained in Chapters 6 to 25, Sections II and III of Volume I of the Fifth Pay Commission report. The recommendations are under examination in the Railway Board and action on the same will be taken after Government's decision on the same and improvement of efficiency and providing better services to the passengers is a continuous process in the Railways, and the recommendations of the Pay Commission as accepted by the Government will also be implemented".

1.42 The Railway in their Action Plan to reduce operating cost have planned to reduce manpower in a phased manner. When enquired about the achievement made in this regard, the Ministry of Railways in a written note stated:

"In order to maintain financial viability and to have competitive edge over other modes of transport, Railways had set themselves

"In order to maintain financial viability and to have competitive edge over other modes of transport, Railways had set themselves an annual target of reduction of operated strength on the Zones by 2%. As on 1.4.96 the operated strength was 1546528. This has reduced to 1515104 as on 31.1.97 indicating a reduction of 2.83% in the 10 month period which approximately corresponds to the annual target mentioned above. These figures are provisional and would be finalised after the end of the financial year 1996-97."

Demands for Grants

1.43 The Demand Nos. 1 to 15 which relate to Revenue Expenditure contain expenditure incurred on day to day working and other miscellaneous expenditure. The main points highlighted during the examination of the Demands are as follows :

Demand No. 2 (Miscellaneous Expenditure-(General)

1.44 This Demand contains provision for surveys, RDSO, Railway Recruitment Boards. Centralised Training Facilities etc. The Ministry of Railway provided an increased amount of Rs. 7.75 crores for 1997-98 (B.E.) over R.E. 1996-97 of Rs. 5.05 crores.

When committee asked about the number of surveys taken up in 1996-97 and proposed during 1997-98, The Ministry of Railway in written note, stated :

"62 new surveys were taken up in the budget 1996-97 and 54 nos. of new surveys have been include in the budget 1997-98.

However, it is to be mentioned that a number of surveys are taken up during the course of the year these being within the competency to the Ministry of sanction. During 1996-97, 34 surveys were sanctione during the course of the year after the presentation of the budget"

1.45 On being asked about the number of surveys for new lines -completed during 1996-97 in backward areas an non-backward areas and number of lines found viable. The Ministry of Railways, in written note stated :—

"21 surveys for new lines were completed during 96-97. These were as under:—

- (a) In backward areas 14 nos.
- (b) In non-backward areas 7 nos.

The number of lines found viable out of these was 3 nos. viz Hubli-Ankila. Haridaspur-Paradeep and Talcher-Sukhinda Road.

Out of the completed surveys 11 nos. have been sent to the Planning Commission. Of these 6 nos. have been approved by the CCEA and works have been included in the budget. Some more supplementar reports for projects included in the budget are expected from the Railways shortly. Accordingly, 11 nos. of survey reports for projects included in the budget to be taken up subjects to clearances would be sent to the Planning Commission of the remainire survey reports, a view would be taken after the results have been finalised in consultation with the Railways as to which of them are to be sent to the Planning Commission".

1.46 On being asked the reasons that not all the survey that were sanctioned in 1996-97 could be takn up/completed the Member (Engg.) stated:—

"The organisation which does the survey can taken only a certain amount of work in hand. That is why. We could not complete all the surveys".

When asked if the Zonal Railways have been asked to undertake survey or they showed their inability to carry out the surveys. The Member (Engrs.) stated that they did not complete the surveys within the time frame in which they wart them to.

He also stated:

"So far as the surveys are concerned. One basic problem is that we have a large number of surveys in hand. We have to do nearly 223 surveys. We are not able to handle this kind of a workload.

The survey expenditure is charged to revenue. But the basic problem is of the organisation. We cannot disband an organisation after creating it. We do not want this kind of an organisation also. We are doing a large number of surveys."

Demand No. 4 (Repairs and Maintenance of Permanent way and works)

1.47 This Demand is for expenditure on Repairs and Maintenance of the Permanent Way assets like tracks, other buildings and structures. The Ministry of Railways envisaged 30% increase under this Demand in BE (1997-98) over RE (1996-97).

On a query of the Committee, the Ministry informed that the maintenance of tracks is being done by Railways themselves and not by the contractors.

The Committee enquired the reasons for increase in derailment cases in the recent times, the Member (Engg.) stated:

"I can give the figures including the track protection and track renewal. The Engineering Wing aims it at 25 per cent. This year there is a marginal increase. We must tighten our attempts in quality. We have improved the quality of inspections. For example, we have wider gaps when a train passes through different stations."

1.48 Asked the improvement envisaged in maintenance of tracks, the Ministry of Railways, in written reply stated:

"For improving maintenance of track and make it more reliable, fishplate joints in track are being reduced systematically. The new track structure prescribed is also much better, comprising of concrete sleepers with elastic fastenings and with a heavier rail section (either 52 Kg or 60 Kg per meter in weight). Single rails or shot welded panels are being welded into long welded rails to the extent conditions permit.

Maintenance of track through mechanised system by using sophisticated track machines is being increasingly done. This not only ensures a better quality of track but also lesser interference to movement of trains.

Improvement to turnouts is also being done systematically. Concrete sleepers are being used for turnouts, along with Cast Manganese Steel Crossings and curved switches. Track at other vulnerable locations is also receiving attention in a systematic manner such as bridge approaches, approaches to level crossings, switch expansion joints, etc.

IR have also switched over to assessment of track condition which is not subjective. Ultrasonic rail flaw detectors, track recording cars. Oscillation Management System—2000 etc. are being used systematically to predict the condition of track and the attention it needs."

1.49 Asked about the extent to which the railways are importing good quality rails, the Member (Engg.) stated that they are importing 40 kg. rails also. He further stated:

"The capacity of the Bhilai Steel Plant is from 3,80,000 tonnes to four lakh tonnes. But we are importing hardened rails which cannot be manufactured here."

1.50 The Committee also enquired if the kk lines are being utilised extensively as so much money has been spent on laying the imported head hardened rails. The Chairman, Railway Board stated that they are not getting the traffic.

Demand No. 5 (Repair and Maintenance of Motive Power)

1.51 This Demand contain provision for Maintenance of steam, diesel, electric locomotives.

There has been increase in minor head Steam Locomotive in B.E. 1997-98 over R.E. 1996-97 from Rs. 24.13 crore to Rs. 32.06 crore. When asked the reason for this increase when railways had proposed to phase out 135 Steam Locomotives in 1996-97, the Ministry in a written note stated:

- (a) During the current year *viz.* 1996-97, steam locos have reduced by only 87 i.e. from 197 on 1.4.96 to 110 on 1.2.97. Rs. 8 crores extra provision of funds in 1997-98 for Steam locomotives, is attributed to following significant factors:

- (i) Substantial increase in the staff cost due to recommendations of the Fifth Pay Commission.
- (ii) Higher wages of staff as a result of payment of additional D.A. instalments.
- (iii) Increased cost of maintenance spares for steam locomotives and Accident Breakdown Cranes.
- (iv) Wages of staff rendered surplus from Steam Sheds while under redeployment.

The Ministry further informed the Committee that during 1997-98 about 40 steam locos are planned to be phased out.

1.52 On a query of the Committee, the representative of Ministry of Railways during evidence informed that the total staff charged under steam locomotive minor head is 14300 and out of these, 5700 have been declared surplus.

When asked the proposals of the Railways to redeploy them the Member (Staff) stating the problems deposed:

"When some staff becomes surplus what we do is we create supernumerary posts so that separate berth is provided. We regularly monitor these posts. Then we find out the educational profile because for giving them alternative jobs in certain jobs like ticket collector, etc. they need to have some educational qualification. Then we try to shift them to alternative jobs. Sometimes the training is necessary for these jobs so the training is given to them. Generally, we like to keep the technical staff on the technical side.

After a particular age, their adaptability to training becomes difficult. If they are not literate, it becomes difficult to redeploy such staff. But we have relaxed the provisions that they can go to other Departments so that proper training can be given to them. Then they are accepted in the other groups".

1.53 The Committee had in their 4th Report on 'Demands for Grants of Ministry of Railways on 1996-97' recommended that a

Voluntary Retirement Scheme be formulated for employees opting retirement after completion of 15/20 years of service. On being enquired about the action taken in this regard, the Chairman Railway Board stated:

"The opinion expressed by the individual officer is that there can be a handshake scheme or a voluntary retirement scheme but it has not come so far".

1.54 The Committee also wanted to know the POH position of Diesel and Electric Locomotives. The Ministry in a written reply stated:

"The POH out turn of diesel locomotives during current financial year (upto February'97). vis-a-vis 1995-96 is given below:

| Type of Loco | POH out turn | |
|--------------------|---------------------|---------|
| | 1995-96 | 1996-97 |
| | (upto February '97) | |
| BE Diesel Electric | 291 | 305 |
| MG Diesel | 76 | 61 |

As on 1.2.97 36 MG Diesel locomotives i.e. 5.3% and 14 BG diesel electric locomotives i.e. 0.5% were running overdue POH. The total holding of these locomotives is 668 and 2706 respectively. Higher percentage of overdue M.G. locos has been caused as a result of gauge conversion and 2 POH workshops (Ajmer on WR and Golden Rocks on SR) having been isolated from North-Eastern and North Frontier Railways.

As far as electric locomotives are concerned, there are 148 electric locomotives running overdue POH as on 31.3.96. It is expected that as on 31.3.97. 116 electric locomotives will be overdue POH. At present, Indian railways have POH capacity of 324 electric locomotives per annum. Work is in hand to increase the POH capacity to 444 electric locomotives per annum to meet the POH requirement on account of increasing population of electric locomotives".

1.55 To a question of the Committee about additional works sanctioned for various workshops to increase the POH capacity of electric locomotives, the Member (Elec.) replied as follows:

| | Present Capacity per month | Proposed |
|----------------|-------------------------------|----------|
| 1. Kacharapara | 8 | 8.5 |
| 2. Burhanpur | 3 | 6 |
| 3. Kharagpur | 4 | 4 |
| 4. Daho | 0 | 4.5 |
| 5. Charbagh | 1 | 2 |

He also stated that a Committee was set up to review the interval of POH for electric locomotives. Right now, the POH interval is six years or six lakh kilometer whichever is less. That Committee has recommended that it should be six years or eight lakh kilometers. He mentioned that if this (Recommendations) is taken into consideration then the capacity is only a little less than what it should be. But by the year 2002, it will also continue to remain less.

He further stated:

"It is likely to go down in the next two years. It will remain 40 to 50 in the next two years because of the reason that we are increasing the interval of POH. In addition some capacity increase will also materialise."

1.56 On a query that there were complaints that full capacity of Charbagh workshop was not being utilised the Member (Elec.) stated that it takes longer time since it is not electrified. A decision on the electrification is to be taken shortly.

Demand No. 6 (Repairs and Maintenance of Carriages and Wagons)

1.57 The Committee also desired to know about the steps taken by the Ministry of Railways to improve the maintenance of coaches

and wagons. The Ministry in a written reply stated:

Coaches

1. Periodic review of maintenance practices to take into account the recent developments in material technology.
2. Standardisation of maintenance practices and facilities.
3. Introduction of diesel multiple units and rail buses for suburban services.
4. Mid-life rehabilitation of coaches.
5. Phasing out of overaged coaches.
6. Periodic Refurbishing of coaches.
7. Renovation of passenger coaching rakes.
8. Quality audits of maintenance practices in POH workshops and coach maintenance depots.

Wagons

1. All air brake freight stock which is intensively utilised is being given ROH schedules which is very helpful in keeping the wagons in good fettle.
2. Ultrasonic Testing of axles is also carried out during ROH schedule.
3. Quality audits have been carried out in respect of repairs to the wagons during POH to identify the weaknesses and facilities corrective measures.
4. Rebuilding of old fleet of Box wagons has been undertaken in nominated workshops.
5. Use of good quality fasteners and switch over to bulb cotters from split cotters.
6. Adequate inspections and surprise checks by the Officers and Inspectorial staff.

1.58 On the scrutiny of allocations made in the Demand it is seen that there have been substantial increase on outlay for POH for carriages, EMUs and Wagon. Asked the reason therefore, the Ministry of Railways in written note stated.

"The increase in outlay for POH of Carriages EMUs & Wagons is because of following factors:

- (i) Increase in POH outlay of EMUs. Carriages and Wagons is mainly due to provision for additional staff cost arising out of the recommendations of the Fifth Pay Commission.
- (ii) Increased emphasis on improving the generate upkeep and furnishing of coaching stock for better passenger satisfaction.
- (iii) To provide adequate inputs during maintenance for improving reliability and to take care of intensive utilisation of Rolling Stock.
- (iv) Increase in coaching stock POH capit further in 1997-98.
- (v) Increase in number of AC Coaches to be give POH in 1997-98.

1.59 The Ministry also informed that there has been substantial reduction in POH arrears of coaches and wagons as under:

| Year | Coaches | Wagons |
|---------|---------|--------|
| 1995-96 | 10.26% | 10.19% |
| 1996-97 | 7.39% | 7.53% |

During evidence the Committee enquired if the recommendations of the reports of Sikri Committee and Kunzroo Committee for maintenance of coaches have been implemented. The Member (Mech.) stated:

"Based on these reports, we have made a Coaching Maintenance Manual. It has been updated two months back because there was a lot of changes in the design and all the changes which were feasible have been introduced."

1.60 Elaborating on the steps taken to improve the coaches the Member (Mech.) during evidence stated that apart from POH of coaches they have also started doing rack-wise renovation on each railway which involve intensive cleaning of the coaches, making up of passenger amenities. Besides that they are refurbishing 500 coaches during the current financial year where they re-do the interior furnishing.

When asked if there is any need to give training to staff engaged in maintenance work, the Member (Mechanical) stated that it was a very good suggestion and they would do that.

1.61 Enquired about the quality audit done in maintenance workshop, the Member (Mechanical) stated that the advantage of this particular programme which was started 2 years back was that it brings out both the strong and weak points. This is sent to each Railway so that they can see the strong points also and it has done a lot of good.

Demand No. 9 (Operating Expenses-Traffic)

1.62 This Demand is for expenditure on Traffic. Operating and Traffic Commercial Departments (excluding claims organisation).

1.63 In Minor Head "Safety" revised estimates 1996-97 have been decreased to Rs. 1.72 crores from Rs. 2.17 crore in BE 1996-97. It has again risen sharply to Rs. 4.07 crores in BE 1997-98. When the Committee asked the reasons for it, the Ministry of Railways in a written note stated:

- (a) "The provision of funds under Minor Head "Safety" have been decreased in RE 96-97 over BE 96-97 due to less provision made under primary unit "other Expenses".
- (b) Out of the total increase of about Rs. 2.35 crore provided in BE 97-98 over BE 96-97, about Rs. 0.50 cr. are for meeting the likely impact of the Fifth Pay Commission and the balance for contingent expenses, cost of materials and other expenses."

1.64. The Chairman, Railway Board elaborated.

"If you see one year before that, we have spent Rs. 1.42 crores on this aspect. This year the spending will be Rs. 1.72 crores. It is much higher than the previous years spending. The money that will be spent will be much more than last year."

1.65 When asked about the additional steps proposed for increasing safety awareness amongst Railway employees, the Ministry stated:

1. Constant attention is to be paid in the areas of monitoring and counselling of running staff.
2. Ensure strict observance of rules by drivers in automatic, territory and ambush checks.
3. Intensive training of crews about operation of air brake stock and provision of detachable provision gauge for such trains.
4. Simulators have been installed for training of drivers. Two simulators working one each at Kanpur and Tughlakabad should be made extensive use of.
5. Surprise checks to be conducted to check alertness of gateman.
6. Joint Ambush Checks with Civil authorities to nab errant road vehicle drivers under the provision of Motor Vehicles Act, 1988 and the Railways Act, 1989.
7. The training of staff has been given new thrust with better training facilities like projector, slides, study and discussions of accident cases.
8. Staff is to be periodically sent for refresher courses and safety camps, greater thrust is being given for clearance of backlog.
9. Psychological tests have been introduced at entry level for operating categories.
10. Periodical safety dries are to be launched to check the alertness of the staff and to educate and monitor them on safety aspects.
11. Emphasis is to be given on inspections and surprise checks. Night inspections are conducted regularly and those who are found slack are to be taken up.
12. Stringent penalty to the extent of dismissal from services is being imposed on staff causing serious accidents.

The Chairman, Railway Board also informed that a Committee on a Safety under his Chairmanship setup after the Ferozabad accident, had gone into issue of Safety of train operation. They have taken several steps based on the recommendations of this Committee.

The Committee enquired about the new equipments for safety that they purpose to acquire during this year, the CRB stated:

"We have installed simulators at two places. We are going to have more simulators during this years. We are going to instal them in Busaval and Kharagpur".

He added:

"The Committee on Safety had gone into this issue and they have recommended that each zonal railway should have a simulator".

The Committee enquired about attention being paid to areas of monitoring the running staff, the CRB stated:

"As regarded monitoring, it is being done at the divisional level. We have our Loco Inspectors and we have Assistant Mechanical Engineer and Assistant Electrical Engineer depending upon whether there are diesel drivers or electrical drivers. We have introduced a system of classification for these Drivers and Assistant Drivers. They are classified as A, B and C category drives. Certain Divisions have gone to the extent of issuing different colour cards to them. If a driver is in the safest category he gets a White Card or Green Card. In the next category, he gets a Yellow Card and if he is in the worst category, he gets a Red Card. They are constantly monitored after every five or six months and some questions on safety are asked to them. They are examined by the Loco Inspector periodically who is incharge of a particular area and the category can also change after every checking. A driver can go from Red Card to Yellow Card and from Yellow Card to Green Card and from Green Card to White Card. The Assistant Electrical Engineer and the Assistant Mechanical Engineer also go and check the drivers in their areas."

The Committee pointed out that a number of the accidents took place only because the drivers were made to work for more than ten

hours a day stipulated time and those who refused to work beyond ten hours were penalised, the CRB stated:

"I admit there are a number of cases where the drivers have to work for more than ten hours. There are different systems for the passenger train and the freight train. So far as the passenger trains are concerned, the drivers work in a link. The link is formed to keep them within that stipulated hours of duty.

He further stated:

"I am admitting that in a large number of cases the drivers are working for more than ten hours. What I was submitting is that so far as the mail, express and passenger train drivers are concerned, they work in link. So, if an accident take place or something like that then he has to work beyond ten hours. Similarly, if the train stops due to some reason then the driver has to work for more than ten hours".

When asked about the observing of the Safety rules and minimum requirement of the brake power for the passenger and goods trains, the Members (Mech.) stated:

"In the case of passenger train, the brake power is cent per cent and in the case of freight train, it is 85 per cent".

He further stated:

"In the case of passenger train, it is being observed strictly. But as far as the goods trains are concerned, we have not been able to achieve the 85 per cent mark."

Demand No. 12 (Miscellaneous Working Expenses)

1.66 This Demand is for miscellaneous working expenses like Security, Compensation claims for goods lost or damaged as also under Workmen's Compensation Act, Catering and the suspense heads which do not form part of other functional demands.

As there has been substantial increase in crimes like dacoities and robberies in trains recently, the Committee wanted to know the views

of the Ministry of Railways on the issue. In a written note the Ministry stated:

"According to the Constitution of India, the maintenance of law and order and control of crime on trains and railway premises is the responsibility of the concerned State Govts. which they discharge through their Government Railway Police (GRP). The GRP is primarily responsible for maintaining law and order on the railway premises and for prevention and detection of crime against the travelling passengers. The Railways bear 50% of the cost of the GRP but it has no control over its functioning".

1.67 The Chairman, Railway Board informed the Committee during evidence that they have been taking up issues with the State Governments from time to time and they also called the general police heads of the State Governments to the Rail Bhawan where two day Conference was held. In that conference all the difficulties faced by the passengers were put before them. He however, admitted that inspite of that there is not much improvement in the crime situation.

On issues discussed in the Conference the Member (Staff) stated:

"In the Conference we had with the DGPs of various States, it was discussed that the railway crimes have some special problems in the sense that a crime is committed when the train is running from one place to another. Secondly, each State's police has information about the bad characters of that particular area only. Here, the persons concerned may be from other gangs from other States. Therefore, the exchange of information is another area to be taken care of and keeping information about States by GRP is also required.

As far as the type of crimes which are committed here are concerned, it was mentioned that the lodging of FIR is itself a difficult thing because it requires the passenger to get down. Based on that meeting, we have issued instructions to our police officials in the various States that FIR can be given to the Guard. Then, it will be immediately acknowledged on the station and the person concerned will be given the FIR number. Then the concerned State will get active. This matter was also becoming a problem. If the theft was committed in the State of Uttar Pradesh and the train stopped finally in Madhya Pradesh, they were not accepting the

FIR. Again, there is so much of mixing up of States where the train goes and about the control of Railways or GRP. We are not even aware which are the trains and areas where the GRP persons are lacking. There are certain areas which are more susceptible. Regarding crimes, we should believe such people both from RPF and GRP. Whenever GRP Constables are there, they should tell the Guard. Now, the police officials from most of the States did not respond. So, some control, if not an absolute control, in the first instance is called for."

1.68 The Committee enquired how they communicate this fact to the passengers that FIR can be lodged with the Guard. On a suggestion to communicate this fact to the passengers by putting Notice Boards in each compartment that complaints can be lodged with the Guard, the representative of Ministry of Railways stated:

"This suggestion was debated. We have put up in the Time Table. It was decided that the Form in which the complaint has to be made and the fact that the complaint can be made will be in the Time Table."

Asked about the coordination between RPF, GRP and Civil Police, the Chairman Railway Board complained that GRP Officers do not always respond to the DRM call.

1.69 When the Committee enquired the reasons for amendment of RPF Act in 1986 and rationale behind making RPF as an armed Force of the Union, he replied:

"At least the Railway Protection Force can now fire and shoot on their own if somebody is looting the goods shed. Which they could not do earlier. We have cases where the Railway Protection Force have apprehended the culprits and in the encounters, the culprits died. In a few cases, even FIRs against the RPF men have been lodged by the civil police under Section 302 of the IPC saying that this was a murder. So, the 1986 amendment was certainly an advancement over the earlier position. As mentioned by the hon. member, law and order is naturally in the hands of the State Government. Law and order has to be a one-man show; it cannot be a two-man show because the commander has to be one. But what is happening is that we have no control over the GRP, we have been raising this issue in hundreds of forums. Previously the Superintendent of GRP used to at least call on the Divisional Railway Manager. He used to attend the meetings of the Divisional Railway Manager".

1.70 On query about allocation for modernisation of RPF, the DG RPF stated.

"There is a proposal to raise four more battalions of RPF. I am going to speak to the Board on the subject. I am now going to suggest that we do not need four more battalions priority-wise. This money can be more profitably spent on existing RPF personnel by providing them adequate mobility with telecommunication system. CCTV, computerisation and more efficient weapons. We have a long list of that. I am going to request the Board to give more funds for modernisation which will help us in the long run."

He stated that he is not aware of any allocation made for modernisation of RPF.

Recommendations

1.71 The Committee find that Railways are the principal mode of transportation for freight traffic and are bulk carrier of commodities like coal, steel, cement, foodgrains, petroleum products etc. They are constrained to note that the Railways have increased the freight rates by 12 per cent in the budget 1997-98. The Committee feel that this massive increase in freight rates is bound to have cascading affect on the prices of all commodities and would push up inflation. They, therefore, desire that instead of increasing the freight rates to such an extent, the Ministry of Railways should have contained wasteful and non-plan expenditure, deployed surplus railway staff gainfully; brought about economies in their working expenses by better utilisation of Rolling Stock etc. The Committee also suggest to the Railways to find ways and means to bring down the present increase in freight rate so that the common man is not burdened with increasing prices.

1.72 The Committee note that Railways have maintained that there will be no diversion of traffic to road due to increase in freight rates. The Ministry, however, did not supply the information of percentage of total freight carried by Railways vis-a-vis road traffic for the last 10 years to enable the Committee to know the pattern of change over the period. What is more surprising to the Committee is the fact that such data is even not, as stated by the Railways, available with the Planning Commission or any other agency. This only shows the apathy of the Government to such an important

matter. The Committee, therefore, desire that Railways should atleast now start maintaining such data through RITES systematically so that they can monitor any diversion in traffic to road and take immediate corrective steps. The Committee also desire that a Joint Working Group which used to work very successfully be again constituted. This Group should comprise representatives of various Apex Association of Commerce, Industry and Trade, Railway Authorities, Planning Commission etc. so that the Railways can have a clear perception of the increase in freight traffic on the basis of which rational increase in the freight rates could be made.

1.73 The Committee note that Zonal Railways have been given powers to reduce freight rate to the extent of 10 per cent in case of an empty direction. They are, however, constrained to note that these powers have been used by these zones very rarely. The Committee feel that Zonal Railways should be encouraged to make use of this power more often so that it may result in higher freight earnings for the Railways.

1.74 The Committee find that Railways who have successfully introduced computerisation in passenger traffic have not extended it to the freight traffic. The representatives of Confederation of Indian Industry during evidence suggested that the Computerisation of freight movement will induce confidence amongst the customers as they will be able to know the movement of any of their wagons at any point of time. The Committee desire the Railways to take necessary steps to introduce computerisation in freight traffic urgently as it would also help the Railways in better monitoring of movement of freight traffic.

1.75 The Committee are concerned to note that there has been less materialisation of traffic in high rated commodities like POL, cement, etc. from the anticipated load during 1996-97 resulting in the downward trend in the good earnings in the Revised Estimates. This is rather paradoxical, since there have been 10% increase in consumption of these items. The Committee desire that a detailed study in this regard be made in order to specifically find out the reasons for decrease in traffic of these commodities.

1.76 The Committee are dismayed to find that though there is surplus capacity with Railways for transportation of POL, the Government have taken up construction of pipelines for carrying

petroleum. This is contrary to the decision taken by the Government that where pipeline is to be laid and railway investment is to be made, the railway investment should be preferred because pipeline can be used for clearance of POL only whereas railway can be used for clearance of all commodities including POL. The Committee strongly recommend to the Government to review the decision of laying new pipelines taking into consideration the capacity available with the Railways.

1.77 The Committee note that there has not been much increase in freight offering of iron and steel during the last eight or nine years though there has been increase in supply of raw materials to steel plants. During evidence the Chairman, Railway Board has not been able to give any reason for this trend. However, it is amply clear that all increase in traffic in iron and steel sector is being diverted to road transport. The Committee desire the Ministry of Railways to analyse this trend and identify the reasons therefor. Simultaneously corrective steps also be taken so that this freight traffic is diverted to the Railways.

1.78 The Committee find that there has been reduction in freight target for 'other goods' from 37 Million Tonnes in RE (1996-97) to 36 Million Tonne in B.E. (1997-98). The Committee are rather surprised to know the way the target for freight traffic is fixed by Railways. According to Railways, first the total target for freight is fixed and thereafter the targets for various individual commodities are fixed. The total of these targets of individual commodities is then subtracted from total freight target to get the target for 'other goods'. This only shows that 'other goods' which moves in piecemeal is of no importance to the Railways. The Committee feel that Railways should not neglect this traffic as there is a scope for quantum jump in it if proper planning is done by the Railways to achieve this end. Though the Railways have entered into the multimodal business of containerization to cater to the piecemeal traffic, the Committee recommend that this service should be further strengthened. A review be undertaken in regard to the policy adopted by Railway more than 10 years back not to carry piecemeal traffic.

1.79 The Committee find that Railways have introduced several new trains like Rajdhani and other Express trains and increased the frequency of some trains. They are however, constrained to find that no new ordinary passenger trains have been announced and these

trains are being introduced by reducing the passenger trains or coaches in the existing passenger trains. The Committee are of the firm opinion that the Railways will have to change this attitude of neglecting these poor passengers. They therefore desire the Railways to look into this aspect and introduce some more Janta trains for the benefit of long distance poor passengers. In addition to this, long distance trains should also have atleast two unreserved coaches for those people who cannot plan their journey in advance. There is need to increase in suburban services also.

1.80 The Committee find that Railways have stopped the manufacturing of First Class coaches and these are being replaced by the AC coaches. The Committee are of the view that First Class coaches should not be withdrawn altogether as some people suffering from health-problems or otherwise prefer First Class coaches to AC coaches. The Committee therefore desire the Railways to review their decision and undertake manufacturing of First Class coaches.

1.81 The Committee find that Railway have managed to effect a saving of Rs. 192 crores, in fuel expenditure during 1996-97. The Committee are happy to note that this particular aspect has been given special attention by the Railways. However they are constrained to find that there are only 13% fuel efficient diesel locos in Railways. In this connection the Committee were informed that all the new diesel locomotives being manufactured by Diesel Locomotive Works are fuel efficient and kits are being provided in the existing locomotives during their re-building at DCW Patiala. The Committee desire the Railway to find out ways to provide fuel efficient Kits in all diesel locos even before these are sent for re-building.

1.82 The Committee further note that the various Railways are showing different figures for specific energy consumption in electric locomotives. While specific fuel consumption is least in Northern Railway being 6.37, it is over 10 in Southern Railway and Central Railway. The Committee desire that this aspect should be examined and concerted efforts be made to bring down fuel consumption in Railways showing higher figure.

1.83 The Committee are distressed to find that operating ratio is expected to increase from 87.4% in 1996-97 to 91.4% during 1997-98 due to implementation of V Pay Commission. The Committee desire the Railways to take steps to bring more efficiency in the day-to-

day working and increase the productivity of employees as emphasised by the Fifth Pay Commission to bring down the operating ratio.

1.84 The Committee also note that there has been substantial increase in allocation for surveys during 1997-98, due to increase in number of surveys sanctioned. They however note that surveys are not being completed in time as the organisation responsible for doing the surveys is not able to take up so much of work. The Committee therefore, desire that either the organisation be expanded or some other arrangements be made so as to complete all the surveys sanctioned expeditiously.

1.85 The Committee find that there has been increase in allocation for Repairs and Maintenance of Steam Locomotives even though the Railways have phased out 87 Steam Locomotives during 1996-97. One of the reasons of this increase as stated by the Ministry of Railways is that wages of staff rendered surplus from steam shed is charged on this head while under deployment. The Committee were informed during evidence that 5700 persons out of total staff of 14300 have been declared surplus and the Railways are finding it difficult to redeploy them due to various reasons. The Committee therefore recommend that all the surplus staff be suitably redeployed and a time bound programme be undertaken for their redeployment.

1.86 The Committee are further distressed to find large arrears of overdue POH of electric locomotives. The representatives of Railways during evidence informed the Committee of their proposal to increase the POH capacity of some of their workshops. The Committee recommend that the necessary steps should be taken expeditiously to increase the POH capacity in the country so that POH arrears in electric locomotives be wiped out as early as possible.

1.87 The Committee are happy to find that POH arrears of coaches and wagons have declined from 10.26% and 10.19% to 7.39% and 7.53% respectively during 1996-97. They were also informed that the Railways have also taken up refurbishing of 500 coaches in 1997-98 where they redo interior furnishing. The Committee desire that this programme be taken up on a bigger scale so that the coaches may look better and cleaner. The Committee find that the capacity which has been created for POH is not being utilised leading to POH arrears. They are of the firm view that there should be no idle

capacity in the workshops and the capacity created should be fully utilised to clear all the POH arrears. The Committee also find that the maintenance facilities sanctioned are not coming up. They therefore, desire that the maintenance facilities sanctioned should be created within the time frame work.

1.88 The Committee find that there has been decrease in the head 'Safety' of the Demands in R.E. (1996-97) over B.E. (1996-97) from Rs. 2.17 crores to Rs. 1.72 crores. On further scrutiny of the budget papers, it is seen that there has been reduction in allocation for 'Safety Camps and training Courses' and 'other expenses' also, thereby indicating that less number of safety camps and training courses were organised during the year than envisaged in the budget. The allocation has been substantially raised to Rs. 2.58 crores in 1997-98. The Committee are of the view that since safety is of foremost importance, more safety camps be organised and intensive training provided to the officers and staff. The Committee strongly recommend that the Railways should utilise the full amount during 1997-98 and create more safety awareness amongst the employees by organising more safety camps and by providing intensive and refresher courses on safety.

1.89 The Committee find that the loco running staff is often forced to do duty for more than 10 hours many times against stipulated safety rules. As this is a Safety hazard, the Committee feel that the loco staff in no case be made to work for more than the prescribed time. There should be strict observance of Rules as far as Safety is concerned.

1.90 The Committee are concerned to note that there has been large scale increase in crimes like dacoities and robberies in running trains. The Ministry of Railways have shown their helplessness in this regard since "Law and Order" is the State subject which they discharge through GRP. The Committee are of the view that since the Railways share 50% of the expenditure on GRP, they should take up this matter with State Governments and evolve some suitable mechanism in consultation with concerned States. Ministry of Home Affairs whereby they have effective control over their functioning.

1.91 The Committee find that in pursuance of the matter raised in GRP officers conference, a decision has been taken whereby any person can lodge his (FIR) complaints of loss of goods etc. with

guard in the train itself and it will be immediately acknowledged at the adjoining station and the person concerned will get FIR number. The Committee desire that this information be displayed in each compartment of the train, so that the passengers can know about the revised procedure for lodging FIR with the guard of the train itself.

1.92 The Committee feel that there is an urgent need to modernise RPF. The Committee desire that a proper plan should be worked out to provide RPF with modern gadgets so that they perform their duty more effectively. The Committee also recommend that necessary amendment should be made in the RPF Act to remove the lacuane in the Act as by making them Armed force of the Union has not served the purpose.

PART II

DEMAND NO. 16

(ASSETS, ACQUISITION, CONSTRUCTION AND REPLACEMENT)

2.1 The Demand No. 16 relate to planned expenditure of Railways which are required for expansion, modernisation, diversification and replacement of assets by Railways. Every year, the Railways formulate draft Annual Plan which is vetted and approved by Planning Commission. Accordingly, the allocations are proposed in various plan heads of the Demand.

Annual Plan

1996-97

2.2 The Ministry of Railways had fixed an Annual Plan Outlay of Rs. 8130 crores during 1996-97. Later it was modified to Rs. 8300 crores on the revised target on grant of additional budgetary support of Rs. 170 crores from the General exchequer. The resources mobilised in Annual Plan 1996-97 through various sources is from :—

| | Target | R.E. |
|---------------------|-----------------|---------------------|
| Internal Generation | Rs. 4111 Crores | Rs. 4402 Cr. |
| Budgetary Support | Rs. 1269 Crores | Rs. 1439 Cr. |
| Market Borrowing | Rs. 2750 Crores | Rs. 2459 Cr. |
| IRFC Rs. 1850 Cr. | | IRFC — Rs. 1930 Cr. |
| BOLT Rs. 900 Cr. | | BOLT — Rs. 297 Cr. |
| OYWS | | OYWS — Rs 232 Cr. |

2.3 When asked about the target and amount raised by market borrowing through various schemes in 1996-97, the Ministry of Railways in their written note stated :—

“Against the original target of Rs. 1850 crores the revised target for market borrowing during the year 1996-97 has been fixed at

Rs. 1930 crores against which IRFC has been able to provide an amount of Rs. 1674 crores. The remaining amount of Rs. 256 crores is expected to be given to the Railways by IRFC before the end of financial year. In addition, about Rs. 297 crores are expected to be raised through Build-Own-Lease-Transfer (BOLT) and Rs. 232 crores through Own Your Wagon Scheme (OYWS) in the year 1996-97."

2.4 The Committee observed that the response to BOLT has been very disappointing. They further asked the Ministry of Railways about the details of projects earmarked to be financed under BOLT and plans of Railways to expedite these projects. The Ministry of Railways in their written note stated :—

"The BOLT scheme was envisaged by the Railways to supplement the resources for development of rail infrastructure projects by offering certain projects for funding and execution by parties in private sector.

BOLT scheme has not been very successful in respect of infrastructural projects such as Gauge Conversion. Doubling and Electrification of lines. The response has been poor and the bidders are quoting high rates due to unforeseen risks such as price escalation, changes in statutory taxes/levies etc. and non-availability of adequate benefits under extant tax laws. As a result, a number of tenders have been discharged and some projects have been taken out of BOLT. So far, only four projects (two Gauge Conversion and two Rolling Stock) have been awarded and even out of these four, one contract for gauge conversion has been terminated as the agency had not been able to adhere to the completion schedule and had practically abandoned the work. The projects, if not taken up under BOLT scheme, form part of the Railway Plan."

2.5 On a query as to why the Railways have been going in for BOLT when it is not giving satisfactory results, the Financial Commissioner stated:—

"We are going in for BOLT Because our resources are not sufficient to meet the requirements. We do not give them the full capital cost but we pay it to them over a period of ten to fifteen years."

2.6 The Ministry of Railways did not furnish any plans to expedite the projects that has been delayed due to non-materialisation under BOLT Scheme.

2.7 The Committttee also wanted to know the views of Confederation of Indian Industry in regard to BOLT and Own Your Wagon Scheme. On being enquired the reason why the scheme had not taken off, the witness stated :—

“If you see the industrial development figure for the last few months, interest costs being so high and availability of money being so tight that people are putting a hold even on the industrial projects. If they are to pay additional money by way of transport equipment like railway wagons, the money is still not available and the cost is very high”.

2.8 In regard to Own Your Wagon Scheme, the representative of CII stated :—

“Last year, the total procurement till February under the Own Your Wagon Scheme was 3.995 and another 300 to 400 were expected during the month of March. Most of the orders were placed in 1995-96. The users of the wagons were basically in a dire need of the wagons and not because of the lucrativeness of this scheme. It was because of the compulsion of the situation. As soon as the things slowly started improving, they have again slided down. Basically, the orders have been from steel companies and cement companies.

Now, there are certain things which require to be done. The rate of return under the ‘Own Your Wagon Scheme’ is 16 per cent. The interest cost being more than 16 per cent, it is not lucrative enough for any kind of investment to be made. That is why, in spite of tenders for 10,000 wagons being floated by the Railways, not a single order has been issued so far.”

Annual Plan 1997-98

2.9 The plan outlay for 1997-98 has been fixed at Rs. 83.00 crore which will be financed as under :—

| | | |
|---------------------|---|------------------------|
| Internal Generation | — | Rs. 3419 crores |
| Budgetary Support | — | Rs. 1831 crores |
| Market Borrowing | — | Rs. 3050 crores |
| Total | | Rs. 8300 crores |

2.10 In the Draft Annual Plan 1997-98, the Ministry of Railways had proposed to Planning Commission a plan size of Rs. 11000 crores. When asked the background under which the proposal was made, the Chairman, Railway Board stated :—

“After the economic liberalisation, the GDP growth was seven per cent in 1995. At the time of formulation of Annual Plan, we consult all the Ministries and we consult the core sectors also. We take their advice to the Planning Commission.

Regarding traffic, it is possible that the same trend would continue and therefore we thought that it is very necessary that infrastructure should be created and we should go in for doubling of rolling stock. We considered that for the Ninth Plan period. Rs. 65000 crore should be the investment on Railways. So, taking Rs. 11000 crore for the first year of the Ninth Plan, the total amount for the Ninth Plan comes to Rs. 54000 crore. Progressively it would go up. But ultimately after holding the discussion with the Planning Commission and after taking the budgetary support into consideration that we are going to get and the other facts, the Plan size had to be reduced to Rs. 8300 crore”.

2.11 When asked whether the plan allocation is adequate to support the growth required in infrastructure and railway network to meet the increased demand of freight and passenger traffic, the Ministry of Railways in their written note stated :—

“Though the Plan allocations for 1997-98 is short of our projected requirements, the railways have sufficient elasticity to absorb this change for the time being and would still be able to meet the increased demands on them in the short run. In the long run, however, plan allocations have to be corrected to restore the balance.”

2.12 Asked about the effect of cut in Plan Outlay in various developmental projects of Railways, the Ministry in a written note stated :—

“Though the Railways are not likely to face any problem in the short run, they will be affected in the long run, if the Plan allocations are not increased in the subsequent years, to take care of the reduction made for 1997-98”.

Market Borrowing

2.13 The Railways propose to raise Rs. 2050 crores through Indian Railways Finance Corporation (IRFC) in 1997-98. On the money borrowed by Railways through IRFC, the Railways pay lease charges at the rate of 22% to IRFC. The Committee wanted to know the views of Railway in regard to payment of such high lease charges to IRFC. The Financial Commissioner stated :—

“It will become a burden on the Indian Railways if we keep on depending more and more on borrowed Capital for meeting our requirements. The debt trap situation will come. I will pay about Rs. 1850 crore as lease charges next year, that is in 1997-98 and they will raise about Rs. 2050 crores from the market. A situation will come where I will have to pay more to the IRFC than what they are raising from the market”.

2.14 The a question whether this debt trap theory has been communicated the Government, the Chairman, Railways Board stated in affirmative. He further stated:—

“The railway investment cannot give back proper returns. I am talking about it in totality. We have also to take into consideration the projects which give a lot of returns, projects which give negative returns and the projects which give very little returns and the projects which give very little returns. In totality, the railway investment cannot give a return of 14-15 per cent. It is not possible. Therefore, if we have to pay even 14-15 per cent on our investment. I am not talking about 19-20 per cent which they are saying, then this situation will come. All over the world, irrespective of whether it is a developed country or underdeveloped country or developing country, the Railways are not required to pay such a huge amount on the infrastructure. There are countries which provide infrastructure at free of cost. There are countries which provide it at a nominal amount, and there are countries which provide it without any interest. There are different patterns. This point has been brought out by me on a number of occasions. My personal opinion is that the setting up of IRFC was the greatest mistake which the Indian Railways have done in recent years.”

Budgetary Support to Railways

2.15 In the draft Annual Plan (1997-98) the Ministry of Railways had asked for a minimum budgetary support of Rs. 3300 crores, whereas the budgetary support proposed to be provided for 1997-98 is Rs. 1831 crores. This is however Rs. 400 crores more than (Rs. 1431 crores) provided in 1996-97. The representative of Ministry of Railways stated during evidence that they hope to get additional budgetary support during the year.

2.16 The Standing Committee on Railways have time and again in their Reports, recommended for increased budgetary support to Railways. In their First Report on "Budgetary Support to Railways" the Committee had observed that unless the plan size of Railways is increased with increase in budgetary support it would not be possible to absorb the incremental traffic after 2 to 3 years. The recommendations of the Standing Committee were duly forwarded to Planning Commission by Railways in the Draft Annual Plan wherein minimum budgetary support of Rs. 3300 crores was asked by Railways.

2.17 The Railways pay dividend to Railways at the rate of 7% on budgetary support being given to them. It may be mentioned that dividend is also paid on loans it has borrowed more than 100 years ago. Notably the dividend now paid by Railways is more or less of the same order as the budgetary support they are getting. This aspect was examined by Railway Convention Committee in 1991. To a query of the Committee on the recommendation made by the Railway Convention Committee, the Ministry of Railways in a written note stated :—

"The Railway Convention Committee (RCC), 1991 had in their 9th Report recommended, *inter-alia*, that the pre 1952 Capital investment on the Railways be exempted from dividend liability, for the year 1995-96. This was followed by a resolution in Parliament adopting this and other recommendations. This recommendation was confirmed by the Railway Convention Committee in their 12th Report, applicable to 1996-97. However, the recommendation could not be given effect to on account of certain reservations expressed by the Ministry of Finance. In order to resolve the issue, the matter was referred to the Cabinet which in turn remitted it for the consideration of the Committee of Secretaries (COS). The recommendation of the Committee of Secretaries is to be considered by the Cabinet.

As a final decision is yet to be taken, the dividend calculation for the years 1995-96 and 1996-97 have not incorporated the above recommendation of the Railways Convention Committee (1991) given in their 9th and 12th Reports."

**Reduction in various plan heads of Annual Plan
(1997-98) viz-a-viz draft Annual Plan**

2.18 The details of Plan Head-wise outlay as proposed by Railways in draft 1997-98 plan and final allocation is as follows :—

**Proposed Plan-Head-wise Outlay in Draft Annual Plan
and Actual Allocation (1997-98)**

(Rs. in crores)

| Plan Head | Draft 1997-98 | Final Allocation |
|-----------------------------------|------------------|---------------------|
| Rolling Stock | 5,500 | 4002 |
| Worshops incl. Prod. Units | 180 | 120 |
| Machinery & Plant | 120 | 65 |
| Track Renewals | 1,720 | 1250 |
| Bridge works | 120 | 85 |
| Gauge Conversion | 1000 | 810 |
| Doubling | 400 | 195 |
| Traffic Facilities-Yard Remod. | 262 | 1.25 |
| Signalling & Telecom. Works | 275 | 230 |
| Computerisation | 76 | 45 |
| Electrification Projects | 330 | 350 |
| Other Electrical Work | 139 | 70 |
| New Lines | 220 | 400 |
| Staff Quarters | 68 | 60 |
| Amenities for Staff | 51 | 55 |
| Passenger & Other Users Amenities | 130 | 80 |
| Other Specified Works | 124 | 65 |
| Inventories | 50 | 10 |
| M.T.P. | 212 | 170 |
| Railway Research | 15 | 3 |
| Investment in PSUs | 8 | 10 |
| TOTAL | 11,000 | 8300 |

2.19 It is seen that there is drastic reduction in plan outlays for doubling, passenger amenities. Railway Research, Traffic facilities and Machinery and Plant, while there is increase in outlays for new lines and electrification, When asked about the reason behind it, the Ministry of Railways in their written note stated :—

“It may be seen that there has been significant reductions in almost all the plan heads, except Railway Electrification and New Lines, increased allocations against these took into account the need for accelerating the pace of electrification and reducing dependence on oil imports in the case of the former and the need for development of backward and especially the North-Eastern, regions in the case of the latter.”

Railway Investment by Plan Heads

2.20 A comparative statement of investment made by Railways in various plan heads during the last 2 years and as proposed for 1997-98 is as follows :—

| (In crores of rupees) | | | | |
|---|---------|---------|---------|---------|
| Minor Heads of Demand | 1995-96 | 1996-97 | | 1997-98 |
| | | B.E. | R.E. | B.E. |
| 1 | 2 | 3 | 4 | 5 |
| (a) New Lines (Construction) | 213.39 | 220.55 | 283.88 | 399.89 |
| (b) Purchase of New Lines | — | — | — | 0.10 |
| (c) Restoration of dismantled lines | 5.09 | 0.70 | 1.83 | 0.01 |
| (d) Gauge Conversion | 1251.26 | 829.56 | 1021.01 | 996.00 |
| (e) Doubling | 220.88 | 193.71 | 206.36 | 178.01 |
| (f) Traffic facilities- Yard remodelling and others | 97.73 | 143.03 | 126.02 | 127.03 |

| 1 | 2 | 3 | 4 | 5 |
|---|---------|---------|---------|---------|
| (g) Computerisation | 45.35 | 75.00 | 62.58 | 35.00 |
| (h) Railway Research | 2.48 | 9.00 | 2.67 | 3.00 |
| (i) Rolling Stock | 1571.25 | 1670.56 | 2020.91 | 1208.29 |
| (j) Track Renewals | 1546.06 | 1438.17 | 1516.17 | 1680.00 |
| (k) Bridge Works | 89.28 | 84.00 | 86.53 | 88.70 |
| (l) Signalling and Telecommunication works | 208.90 | 256.89 | 251.93 | 201.40 |
| (m) Taking over of line wires from P&T | — | — | — | — |
| (n) Electrification Projects | 348.42 | 330.70 | 310.00 | 350.70 |
| (o) Other Electrical works | 68.83 | 92.28 | 84.46 | 73.11 |
| (p) Machinery and Plant | 36.25 | 90.10 | 68.16 | 65.10 |
| (q) Workshops-including Production Units | 102.05 | 140.45 | 125.41 | 120.31 |
| (r) Staff Quarters | 21.89 | 60.22 | 45.05 | 60.30 |
| (s) Amenities for Staff | 34.75 | 60.08 | 59.06 | 55.05 |
| (t) (i) Passenger amenities | 87.98 | 120.00 | 103.59 | 80.00 |
| (ii) Other railway users' Amenities | — | — | — | — |
| (u) Investment in Government Commercial Undertakings | | | | |
| (i) IRFC | — | — | — | — |
| (ii) CONCOR | — | — | — | — |
| (iii) KRC | — | — | 10.00 | 5.00 |
| (iv) RCTC | — | 10.00 | — | 5.00 |

| | 1 | 2 | 3 | 4 | 5 |
|-------------------------------------|----------|--------|---------|--------|---|
| (v) Other specified works | 17.15 | 25.00 | 33.16 | 65.00 | |
| (w) Stores Suspense | - 164.25 | 10.69 | - 9.07 | - 1.98 | |
| (x) Manufacture suspense | 46.00 | 3.41 | - 17.21 | 14.08 | |
| (y) Misc. Advances | 20.33 | 4.10 | - 12.72 | - 2.10 | |
| (z) Metropolitan Transport Projects | 197.42 | 191.00 | 150.70 | 171.00 | |

New Lines

2.21 The investment made for new lines during Eighth Five Year Plan and that proposed for 1997-98 is as follows :—

| (Rs. in crores) | | | | | | |
|-----------------|---------|---------|---------|---------|---------|---------------------|
| Year | 1992-93 | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 (Budget) |
| Investment | 272.25 | 239.28 | 193.61 | 213.39 | 283.88 | 400 |

2.22 The target fixed and achievement made during the above period is as under :—

| (in Kms.) | | | | | | |
|-------------|---------|---------|---------|---------|---------|---------|
| Year | 1992-93 | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 |
| Target | 319 | 204 | 155 | 137 | 99 | 139 |
| Achievement | 241 | 211 | 145 | 145 | 64 | — |

2.23 The Ministry of Railways also furnished details of the new lines proposed to be opened in 1997-98 as follows :—

1. Mancheswar to Angul section of Talcher-Sambalpur line — 134 Kms.
2. Bargachia-Mushirhat of Howrah-Amta Line — 5 Kms.
3. Nischantpur-Kashinagar of Laxmikantapur Namkhana Line — 8 Kms.

The balance portion of the Konkan Railway is also expected to be completed in 1997-98.

2.24 There has been nearly two fold increase in the outlay for new lines in 1997-98 as compared to previous years. The Minister of Railways in his Budget Speech has given a thrust to development of backward areas by constructing new lines. In his opening remarks while presenting Railway Budget (1997-98) he has stated :—

“I wish to apprise this august House that during the presentation of Railway Budget for 1996-97. I had clearly mentioned that we want the Railways to function not only as a commercial institution but also an efficient and public welfare organisation for the development of backward regions.”

2.25 When the Committee enquired the criteria adopted by Railways for declaring the area backward, the Ministry of Railways informed as under :—

“Backward area has not been defined by this Ministry. It is felt that the appropriate agency for determining the definition of backwardness and the areas covered by this concept would be the Planning Commission. However, this Ministry, on basis of composite index of backwardness of States evolved by Ninth Finance Commission, per capita State domestic product and route, identified following areas as backward :—

1. Chhattisgarh region of Madhya Pradesh
2. Orissa
3. Marathwada (Maharashtra)
4. N.E. States
5. Jammu & Kashmir
6. Eastern U.P.
7. Bihar”

2.26 The Committee wanted to know whether the Railway Board or the Ministry of Railways has any philosophy or any perspective plan to introduce rail-heads in different areas, irrespective of whether they are in the backward areas or hilly areas or urbanised areas or developed areas or in the underdeveloped areas. The Member (Engg.)

stated as under :—

"What I would like to mention is that we have no perspective plan for developing the backward areas or the inaccessible areas."

2.27 The Committee further enquired whether in a country like India there is a need for such a plan for the development of backward areas. The Chairman, Railway Board replied as under :—

"We have got the project-oriented new lines. We are working in consonance with the policy of the Government, you must have yourself seen that about six or eight months back, whenever we went to the Expanded Board, the project was not approved. We have again gone with the same project a number of times. Here, I am giving you the example of the Dhauli-Ganga project. We went before them with the project a number of times keeping in view the policy of the Government."

2.28 The Railways undertake surveys for new lines for determining viability before the project is taken up. On a query of the Committee, the Ministry of Railways had informed that twenty one surveys for new lines were completed during 1996-97 which included fourteen in backward areas and another seven in non-backward areas. Giving the details of twenty one surveys for new lines completed during 1996-97 and results of these surveys the Ministry stated :—

| Sl.No. | Name Line | Backward areas | Length | Cost | KDR | Status |
|--------|---|----------------|--------|--------|-------|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1. | Bangalore | Backward | 179 | 296 | 4.79 | Cleared by CCEA. Included in Supplementary budget 1996-97 |
| 2. | Dharmavaram-Penukonda via 52 Puttamparthi | | 90.18 | 6.32 | | Included in the Budget 97-98 To be taken up after obtaining the necessary clearances. |
| 3. | Lalitpur-Satna-Rewa-Singrauli | Backward | 627 | 925 | 0.414 | -do- |
| 4. | Kopergaon-Shirdi | | 16 | 24 | 2.5 | -do- |
| 5. | Ara-Sasaram | Backward | 98 | 106 | 4.82 | -do- |
| 6. | Giridih-Koderma | Backward | 104 | 143.01 | 4.66 | -do- |
| 7. | Sitapur-Bhairach | Backward | 65 | 94 | -ve | Sent to Planning Commission. |
| 8. | Sakri-Hammapur | Backward | 76 | 100 | -ve | Cleared by CCEA. Included in Supplementary Budget 96-97. |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|-----|---------------------------|----------|-------|--------|--------------|--|
| 9. | Muzaffarpur-Sitamarhi | Backward | 62.72 | 96.76 | -ve | Included in the Budget 97-98 to be taken up after obtaining the necessary clearances. |
| 10. | Khagaria-Kusheshwarasthan | Backward | 44 | 78.22 | -ve | Cleared by CCER. Included in Supplementary budget 1996-97. |
| 11. | Harmuti-Itanagar | Backward | 32 | 155.29 | -ve | -do- |
| 12. | Digar-Barmihat | Backward | 19.80 | 39.92 | 0.178 | Survey report under examination in consultation with the Railway. |
| 13. | Angul-Sukhinda | | 90 | 245.58 | 29.41 | Expanded Board clearance obtained. Proposal under consideration of CCEA. |
| 14. | Munirabad-Mehboobnagar | Backward | 222 | 359 | 5.28 | Included in the budget 97-98. To be taken up after obtaining the necessary clearances. |
| 15. | Haridaspur-Paradeep | | 78 | 122 | 18.09 | Work included in the budget 96-97 and taken up. |
| 16. | Hubli-Ankola | | 164 | 483.15 | 14.13 | Cleared by CCEA. Included in Supplementary budget 96-97. |
| 17. | Karur-Salem | | 85 | 155.56 | 2.83 | Included in Supplementary Budget 96-97. Proposal under consideration of CCEA. |
| 18. | Angamali-Sabarimala | Backward | 116 | 550 | 0.117 | Included in the Budget 97-98 to be taken up after obtaining the necessary clearances. |
| 19. | Agra-Bitwah | Backward | 110.5 | 98.31 | -ve | Sent to Planning Commission. |
| 20. | Jhansi-Sawaimadhopur | Backward | 311.2 | 585 | less than 1% | Project shelved. |
| 21. | Chandrapelam-Sarpavaram | | 11.50 | 20.02 | 6 | Project shelved. |

2.29 The Committee wanted to know about the details of new line projects proposed to be taken up in 1997-98 alongwith target date of completion of each project. The Ministry of Railways in their written note informed as under :—

“The details of new lines projects proposed to be taken up in 1997-98 (the works are already included in the budget 1997-98) are

as under :—

| Sl. No. | Name of Project | Km | Cost Rs. in cr. | State |
|---------|---|-------|--------------------|--------------------|
| 1. | Lalitpur-Satna | 627 | 925 | M.P. |
| 2. | Baramati-Lonand | 57 | 75 | Maharashtra |
| 3. | Kopargaon-Shirdi | 16.6 | 32 | Maharashtra |
| 4. | Patna-Ganga Bridge with linking lines between Patna and Hajipur | 16.01 | 600 | Bihar |
| 5. | Ara-Sasaram | 98 | 120 | Bihar |
| 6. | Giridih-Koderma | 105 | 145 | Bihar |
| 7. | Taran-Taran-Goindwal | 17 | 25 | Punjab |
| 8. | Chandighra-Ludhiana | 95 | 150 | Punjab |
| 9. | Muzaffarpur-Sitamari | 63 | 100 | Bihar |
| 10. | Brahmaputra Bridge at Bogibeel with linking lines between Dibrugarh and north bank line | 46 | 1000 | Assam |
| 11. | Diphu-Karong | 123 | 800 | Manipur |
| 12. | Bangalore-Satyamanglam | 150 | 225 | Karnataka |
| 13. | Dharmavaram-Penukonda via Puttaparthi | 60 | 94 | A.P. |
| 14. | Angamally-Sabarimala | 145 | 550 | Kerala |
| 15. | Munirabad-Mehboob- Nagar | 222 | 380 | A.P./ Karnataka |

2.30 The Ministry of Railways further stated that the work on these lines would be taken up after the necessary clearances have been obtained, except for items 4 and 10 where the work would be taken up after the land becomes available and the detailed investigations are completed. The expected dates of completion cannot

be given at this stage since they would depend upon the availability of resources in the coming years.

2.31 From the replies of the Ministry it is seen that the several projects have been included in the budget 1997-98 without the necessary clearance of Planning Commission and CCEA. When enquired if this was being done earlier the Member (Engg.) stated that this is going on for the last two-three years.

2.32 When asked if this practice is proper, the Chairman, Railway Board stated, "In my view 'No'."

Computerisation

2.33 There has been substantial reduction in plan outlay for computerisation during 1997-98. In 1996-97 a budgetary allocation of Rs. 75 crore was made which was reduced to Rs. 62.58 crore in R.E. In B.E. (1997-98) this was reduced drastically to Rs. 35 crores.

2.34 When enquired the reason for the reduction, the Ministry of Railways is a written note to the Committee stated :—

"The trend of budget allocation and the actual expenditure incurred in the Computerisation Plan head is as follows :

| (Rs. in Crores) | | |
|-----------------|------|---------|
| Year | B.E. | Actuals |
| 1992-93 | 45 | 16 |
| 1993-94 | 60 | 26 |
| 1994-95 | 80 | 58 |
| 1995-96 | 100 | 45 |
| 1996-97 | 75 | 63 (RE) |
| 1997-98 | 45 | |

The budget allocation is done on the basis of activities to be taken up under a particular Planhead during the next financial year. The allocation for 1997-98 for the Planhead computerisation is to the tune

of Rs. 45 Cr. i.e. Rs. 35 through Railway Funds and Rs. 10 Cr to be raised through BOLT scheme.

Major expenditure has been under FOLS and PRS schemes, and replacement of Zonal and Production Units computers. More than 90% of passenger reservation has already been completed. The work of replacement of Zonal and Production Units computers is also complete. Hence, the allocation has been reduced to match the requirement.

Rolling Stock

2.35 In 1996-97 on outlay for Rs. 3805 crores was made for Rolling Stock which was to be raised by following sources :

| | |
|------------------------|-------------------|
| Internal Resources | Rs. 1670 Crores |
| IRFC | Rs. 1850 Crores |
| BOLT | Rs. 303.14 Crores |
| Own Your Wagons Scheme | Rs. 91.86 Crores |

2.36 For 1997-98 an outlay of Rs. 4002 Crores has been proposed for Rolling Stock which will be financed as follows :

| | |
|------------------------|-----------------|
| Internal Resources | Rs. 1208.29 |
| IRFC | Rs. 2150 Crores |
| BOLT | Rs. 618 Crores |
| Own your Wagons Scheme | Rs. 155 Crores |

Wagons

2.37 The target and achievements for wagons during the 3 years as under :

| 1995-96 | | 1996-97 | | 1997-98 |
|---------|-------------|---------|-------------|---------|
| Target | Achievement | Target | Achievement | Target |
| 19000 | 17950 | 30,000 | 25000 | 26000 |

2.38 The Committee during evidence enquired how the Railways proposed to meet the requirements of 26000 wagon during the year

unless the Jamalpur or any other workshop start manufacturing wagons. The Financial Commissioner stated there is a discussion in Board level to manufacture wagons at Jamalpur.

2.39 While expressing his views in regard to target for procurement of wagons, the representative of CII stated :

"The Country has about Five lakh wagons in terms of four wheelers out of which one lakh are over aged but they could not be condemned. The average life of a wagon is 25 years. So, at least four per cent of the wagons should be condemned. That means, 25,000 wagons is only required to be condemned. At the rate of 7 per cent GDP growth and that of the industrial output, more wagons should be made available every year. If you want to really keep pace with the economy, we need about 70,000 railway wagons every year. But the plan for procurement in this year is about 24,000 wagons. We are going behind our requirement. You had asked as to why Rail freight traffic it has come down to 37 per cent. But our apprehension is as days go by, it will go down further because the requirement of goods is more and availability of wagons is less.

We give you cuttings from various newspapers. All segments of industry are just crying about shortage of railway wagons. So, something should be done to improve the railways. Of course, the next mode of transportation is by roads, that is, by trucks. But pollution problem is there. Fuel cost is ten times more than that of the railways."

2.40 He further opined that as far as railway wagons are concerned, the minimum target should be fixed at 40 to 50 thousand wagons and not twenty to 25,000 wagons. On being asked if the wagon manufacturing units can meet the requirement of wagons by Railways, the representative of CII stated :

"The problem is that a railway wagon consists of a lot of bought-out items which have to be stage inspected by RDSO. An order used to be finalised always two years in advance so that the industry could plan their production. Last year, it was being done by fits and starts. If you order a wagon today, by the time you get components, it will take five to six months. But we are pleading and advocating that as far as this critical five-year plan which

should not be changed too frequently. Then, I can assure you that the industry will meet all the requirements of the Railways. The orders were not there from time to time. Actually, it was because of untimely finalisation of the orders. We have started the year 1997-98 but the orders have not yet been finalised. The end of the year, the industry could be blamed why it could not produce more. The point is how to produce it. That is the main problem.

Secondly, as far as funding is concerned, today, all segments of the economy have resorted to external commercial borrowings. You can borrow foreign exchange if you want to import the material. But the policy is weighted more in favour of imports rather than in favour of indigenous procurement."

Signalling and Telecommunication Works

2.41 The investment made for Signalling and Telecommunication during 1995-96 and 1996-97 and that proposed for 1997-98 is as under :

| (In cr. of rupees) | | | |
|--------------------|-----------------|--------|---------|
| 1995-96 | 1996-97 B.E. | R.E. | 1997-98 |
| 208.90 | 256.89 | 251.93 | 201.40 |

2.42 It may be seen that there is drastic reduction in Budget allocation under the Plan Head "Signalling and Telecommunication Works". A sum of Rs. 256.89 crores was sanctioned in the Budget Estimate for 1996-97 whereas the Revised Estimate was reduced to Rs. 251.93 crores. Again during 1997-98 the Budget Estimate under this head was further reduced to Rs. 201.40 crores. When asked to state the reason for making reduced allocation for Signalling and Telecommunication, which is essential for safety of Train operation, the Ministry of Railways in their written note stated :

"During 1997-98, an allocation of Rs. 201 Cr. + Rs. 40 Cr. (BOLT) has been made under S&T Plan Head. The allotment during 1996-97 was Rs. 256 Cr. + Rs. 50 Cr. (BOLT). The allotment during 1997-98 is lower because of the resources crunch. However, all efforts are being made to ensure adequate funds for safety related S&T works."

2.43 Various Committees like Railway Reforms Committee, Enquire from RCC also Accident Enquiry Committee and also Standing Committee on Railways have observed that there is a large scope for improvement in the Signalling system. The Railways are still continuing with the age-old system in certain sections, while in some sections the railways have already introduced the most modern signalling system. When the Committee asked whether by this reduced allocation, modernisation of signalling and telecommunication system will be affected, the Chairman, Railway Board replied as under :

"It will not be affected. Whatever we have mentioned in there in the Safety Committee Report. We divide the main line and truck route in two parts. First we take up the fouling mark to fouling mark track and then we are going ahead with that. We have given the target and the money required for that will not affect it. I want to tell you one thing. In 1992-93 we had earmarked Rs. 150 crore and spent Rs. 153 crore; in 1993-94 we gave Rs. 165 crore and spent Rs. 156 crore. The Standing Committee of the Parliament have recommended that. As soon as we increased the allotment for 1994-95 to Rs. 225 crore, the amount spent was only Rs. 169 crore. In 1995-96, we again keeping in view the recommendations of the Committee. And we made allotment of Rs. 295 crore and spent Rs. 208 crore. This year we are giving Rs. 230 crore and we expect that we might get Rs. 170 crore more in the course of the year. If need be, we will increase the allotment under this head, keeping in view how the money is being spent. If the money is being spent, we will definitely increase the outlay under this head."

2.44 The Chairman, Railway Board further informed the Committee that based on the Report of the Safety Committee, they have taken steps to implement recommendations like improvement in Signal Circuitry System, Train Actuated Warning System, Communication System between Driver and Guard and adjoining stations.

2.45 The Committee further enquired about the Railways' programme for modernisation of the telecommunication system in the Indian Railways. The Chairman, Railway Board Stated as under :

"On the electrified signalling system I want to add that we have colour light signalling. On the non-electrified sections we have a compulsion because the power supply is very very erratic.

Had it been regular, then we could have thought of colour light signalling system because in electrified section we take power from the traction itself".

2.46 In reply to a question if there is a scope for reduction in human failure in the accidents by modernizing the signalling system and telecommunication system, the Chairman, Railway Board stated :

"What you are saying is correct. That is why I said that there should be track circuit change in the signal circuitry system".

2.47 Giving details of the progress made in track circuiting, the Additional Member (Signal) stated :

"You will be glad to know that during 1996-97 we have commissioned the track circuiting system at 401 stations; loopline track circuit at 42 stations and the third system at 401 stations. Similarly, on the other four items of safety work we are going ahead by commissioning the safety work progressively. In addition to that, we are approximately commissioning a new devise at three stations. Route link blocking has been commissioned at six stations during this year. These new signalling systems are progressively being introduced to modernize the system".

The Member (Electrical) added in this regard :

"I may also supplement that the signalling plant head is conditioned into two parts—signals and telecommunications. There is a marginal decrease in the primary safety. On the telecommunication side there is definitely a decrease which is not ordinarily safe."

2.48 Asked whether there was need for creating a post of Member (Signalling) in the Railway Board so that more attention to signalling, the Chairman, Railway Board stated :

"The Vth Pay Commission has already recommended the creation of that post. It is quite right. It will be desirable because if we have a Member there, the attention paid would increase but at the same time we have also to keep in mind that now there are seven Members in the Railway Board including the Chairman. The Pay Commission has recommended two more; one for Signalling and the other for Stores".

Production Units

2.49 There are six production Units under Railways which are manufacturing locomotives and coaches and other components as per the requirements of Railways.

2.50 The Diesel Locomotives Works which is manufacturing Diesel Locomotives is using technology that is 41 years old. The Committee enquired the proposal of Railways in regard to import of new technology for Diesel Locomotive from General Motors. The member (Mechanical) stated :

"There is a quantum jump in General Motor Agreement. Twenty one locos are to be imported and the total estimate for the project for their manufacture in India is about Rs. 350 crores. It is under examination of a Committee at the Board level. A decision has to be taken on the investment and it is under examination of a Committee.

He further stated :

"The basic advantage in this locomotive is the higher reliability, availability and maintainability. AC transmission is provided on these locos. This AC motor is going to be a totally maintenance free asset. This locomotive will come for maintenance once in 90 days to the shed while currently locomotive is coming once in seven days. Availability goes up. The possibility of using it over long distance goes up. There is better reliability and maintainability. We are going to reduce failure drastically with this loco. The adhesion is above 40 per cent against 25 per cent we get on diesel locomotives currently."

2.51 When the Committee asked why the project has not been sanctioned, Member (Mechanical) replied :

"The project report is submitted to the Board. It is now under examination."

2.52 In this connection the Chairman, Railway Board Clarified :

"We have not yet taken a thorough decision whether we will go in for this. The sections through which we carry 65 per cent of the freight traffic as also the main line passenger traffic areas have

been electrified. In respect of electric traction, we have also gone in for the best of the locomotives, that is, the ABB locomotives which are energy efficient. About diesel engine, we have not yet taken any decision. It will only run on the branch lines. When the load is not more than 10 or 11 bogies, freight train will not be very much economical".

2.53 On being pointed out that only 18 per cent of the traction is electrified, the Chairman, Railway Board stated that they carry 60 per cent of the traffic on the electrified route.

2.54 As the Railways have invested about Rs. 700 crore to import the ABB locomotives and for the adoption of technology, the Committee asked whether there is any need for updating the technology for Diesel Locomotives. The Chairman, Railway Board replied :

"We can certainly do that, we will have to examine that aspect. We have not yet taken a decision on that. It has not yet been finalised".

Member (Mechanical) further added :

"The Committee has already gone into this aspect. The DLW will have to make these locomotives. The machines of the DLW are already more than forty-year old. They also have to be replaced. Even if I continue to make the same locomotives, I will require an investment of Rs. 150 crore. For this purpose. The machines have to be replaced. This aspect has already been identified in the project report. Rs. 350 crore is needed."

2.55 Asked about the programme in respect of modernisation of DLW. The Chairman, Railway Board informed the Committee that the programme for modernisation of DLW depends a lot on what position the GM (Tech.) Takes.

2.56 The Committee wanted to know about the performance of ABB locomotives currently being assembled at CLW. The Member (Electrical) stated as under :

"We have 11 locomotives to be put on passenger trains. They were put to use about nine months back. Initially the speed was 105 km. per hour. The locomotive was put on the Prayag Raj Express running between Delhi and Allahabad. Two months back,

it was also put on the Rajdhani Express running between Delhi and Calcutta. There are some teething problems with this locomotive. One major problem has been the damage to the guard. It has also been highlighted in Parliament. We are in the process of overcoming the difficulties. We are in consultation with the ABB. It is still under warranty. Whenever we take any action, this, we have to consult them always. They are doing the job.

2.57 The Member (Elect.) further informed that there has been energy saving in ABB locos in the range of 18 to 19% against conventional locos. He also informed that right now seven locos are being assembled at CLW. There are some teething problems which will be sorted out as they gain experience.

As regards costs, he stated :

"We want to manufacture it at a comparatively much less price. We are hoping that there will be considerable decrease in price after we produce about 100-150 locomotives. Immediately it will not be possible to have such low prices. Costs will come down with the indigenisation efforts of the Indian industry. We are expecting that in due course the cost will come to Rs. 8 crore to 9 crores. This will however happen only after we have produced about one hundred locos."

The Member (Electrical) also informed the Committee that they hope to turn out 10 locos this year from CLW. Asked whether if the Railways have compared the cost and the advantages of ABB locos with conventional locos, the Member (Electrical) stated :

"In our case the cost comes to Rs. 8 crore. It is economical by all methods for Indian Railways. At Rs. 20 crore it is not economical. In which case it is better to go in for conventional locos".

2.58 During their study Tour to Calcutta the Committee were informed that there was an urgent need to (i) Extend Metro Railway from Tollyganj to Gharia (ii) Complete the Phase-III of the circular Railway (iii) To provide sufficient fund for Shalimar Coachig Terminal and to make functional Shankrail goods terminal.

Similarly at Chennai there was demand for completing the inner circular corridor from Chennai Beach to Velachery.

It was also brought to the notice to the Committee at Mumbai that about 26 lac passengers on Western Railway Suburban system and 28 lac passengers on Central Railways Suburban System were being carried every day. The net surplus of suburban system of Western Railway and Central Railway has been Rs. 79.71 Crores and Rs. 2.53 Crores respectively during 1995-96.

Observations/Recommendations

2.59 The Committee find that the Railways had, in their Draft Annual Plan, proposed a plan size of Rs. 11,000 crore for 1997-98. However, it was pruned down to Rs. 8300 crore by the Planning Commission. Therefore, the Railways have to cut down their annual plan size to Rs. 8300 crores for 1997-98 which is although the same as in 1996-97, yet when taken in term of real value it has virtually gone down. The Committee are of the considered view that the present Plan allocation for 1997-98 is grossly inadequate to meet the resources required by the Railways for their planned projects. In this connection, the Ministry of Railways have stated that though the plan allocation for 1997-98 is short of the projected requirements, they would be able to meet the increased demands in the short run but in the long run the plan allocation would have to be increased. The Committee feel that Railways cannot go on deferring the required investment in capacity augmentation as it would lead to severe shortage of capacity in the near future. They, therefore, desire that the Planning Commission should review the Railways Plan size so as to increase it substantially for meeting the challenges ahead in 21st Century.

2.60 The Committee also note that the Railways have been resorting to market borrowings to meet the resource gap of the plan. In 1997-98, they propose to raise an amount of Rs. 2050 crore through IRFC. The Railways are paying a lease hire charges to IRFC at a very high rate of 22% on the money borrowed. In 1996-97 alone they paid lease hire charges to the tune of Rs. 1850 crore to IRFC and Rs. 1815 crore have been earmarked for payment under this head during 1997-98. The Committee recommend that the role of IRFC should be examined so that the burden of high lease charges is not transferred to the Railway Users and the Nation.

2.61 The Committee find that the BOLT scheme has also not given the desired results due to tight money position in the market,

inspite of the scheme being in operation since last 3-4 years. The Committee find that many urgent and important projects have been delayed due to poor response to the scheme. The Ministry of Railways have also admitted that the bidders have been quoting high rates due to unforeseen risks such as price escalation, changes in statutory taxes/levies etc. and non-availability of adequate benefits under extant tax laws. The Committee, therefore, desire the Ministry of Railway to review the scheme in the light of the experience of other Departments whilst implementing such schemes without any further delay and recommend that in case of non-materialisation of projects under BOLT scheme within a year, it should immediately be put under their planned scheme.

2.62 In regard to "Own Your Wagon Scheme", the Committee find that initially there was a good response to that scheme but at present, users are not showing much interest in it. The representatives of Confederation of Indian Industry (CII), during evidence have brought some lapses in the scheme to the notice of the Committee. The Committee desire that the Railways should have a dialogue with users and make the necessary changes in the scheme so that the entrepreneurs could be encouraged for greater participation in the scheme.

2.63 The Committee find that the budgetary support to Railways have been increased in 1997-98 by Rs. 400 crore over the year 1996-97 from Rs. 1431 crore to Rs. 1831 crore. The Committee feel that it is still much less than the present requirement of the Railways. In this connection, the Ministry of Railways have informed that they hope to get an additional budgetary support of Rs. 170 crore during the year. The Committee desire that the Railways would be provided at least this support during 1997-98.

2.64 The Committee find that Railways are paying a dividend of 7% on the capital it has borrowed as budgetary support more than 50 years ago. An interesting feature is that the Railways are paying more by way of dividend than they are getting as budgetary support from General exchequer. The Committee note that this aspect was examined by Railway Convention Committee (1991), who had in their 9th Report inter alia recommended that pre 1952 capital investment on the Railways amounting to Rs. 850 crores be exempted from dividend liability of Rs. 51 crores at the pr-revised dividend Rate of Six percent. The recommendation was again confirmed by

RCC in their 12th Report. The Committee, are, however constrained to note that the above recommendation of RCC has not been incorporated in the Budget while calculating dividend for the years 1995-96 and 1996-97. The Committee firmly recommend that the above recommendation of the RCC be immediately given affect by the Government and henceforth pre 1952 capital investment on the Railways be exempted from dividend liability.

2.65 The Committee are happy to find that there has been substantial increase in allocation for new lines in 1997-98 due to increased thrust given by Railways for development of backward regions. They are however constrained to note that neither have the Railways any perspective plan for development of the backward areas or inaccessible areas nor have they identified any such areas. What is more intriguing to the Committee is the fact that the Railways have not yet laid down any criteria for identifying the backward areas. The Committee fail to understand how the Railways can take up the onus of developing the backward regions without any perspective plan. They, therefore, recommend that a perspective plan be prepared by the Railways in consultation with Planning Commission for developing the backward, hilly and tribal areas by taking into account the inaccessibility of these areas immediately so that these areas can be connected with the national mainstream.

2.66 The Committee are surprised to find that several new line projects have been included in the Budget 1997-98 without the necessary clearance of Planning Commission and Cabinet Committee on Economic Affairs (CCEA). The Ministry of Railways have informed the Committee that this practice has ben going on for the last two to three years. The Committee feel that this practice is highly improper as any project for which budget has been passed by the Parliament becomes a commitment to the nation. They therefore, strongly recommend that no project should be included in the budget unless it has final clearance from the Expanded Board, the Planning Commission and CCEA.

2.67 The Committee find that there has been drastic reduction in the budget allocation in Signalling and Telecommunication works. The need for modernising the signalling and telecommunication has been emphasized by various committees including this Committee from time to time. As it relates to safety of train operations which has been greatly affected due to increase in density of trains and

greater utilization of tracks, the Committee desire that a perspective and systematic plan for further modernisation of signalling and telecommunication be drawn up and substantial allocation be made under this head.

2.68 The Committee note that the V Pay Commission has recommended for creation of an additional post of Member (Signalling & Telecommunication) to give more attention to the area of Signalling and Telecommunication. The Committee desire that this recommendation of V Pay Commission be implemented on priority basis.

2.69 The Committee are unhappy to find that against the target of 30000 wagons to be procured in 1996-97, only 25000 wagons could be procured as wagon manufacturing industries could not meet the above target. As stated by the representatives of CII during evidence, the orders for wagons were not placed on the Industry by the Railways in time. They have opined that there should be a five year plan for procurement of wagons so that industries could plan their production in advance. As earlier recommended by the Committee, the wagon orders be placed on the wagon industry at least 2 years in advance so that they get sufficient time for production of wagons. The Committee also desire that in order to augment the production capacity of wagons, immediate steps be taken to start manufacturing of wagons at Jamalpur Workshop. The free supply of items should also be restarted as recommended in the Report of the Railway Wagons Committee appointed by the Chairman, Rajya Sabha through an announcement made by him on the 9th August, 1995.

As there is a shortage of passenger coaches, more overaged coaches are being used. The Railways should plan for more passenger coaches. The MEMUs and DMUs have become very popular and more such coaches will be required to be introduced in electrified sections. The manufacturing of more such coaches should be planned. The Committee also recommend that lavatories should be provided in all MEMUs and DMUs without any further delay.

2.70 The Committee also note that there is a proposal before the Railway Board for import of new technology for diesel locomotives from General Motors, to be inducted at Diesel Locomotives Works, Varanasi who have been using an obsolete technology. The Committee desire that an early decision in this regard be taken and

modernisation programme of DLW be drawn without any further delay.

2.71 The Committee are happy to find that indigenisation of ABB Locomotives has been progressing satisfactorily and the Railways hope to overcome the teething problems shortly. The Committee hope that the Railways would be able to produce ABB Locomotives at CLW as per schedule and the cost of locomotives also be brought down substantially to make it economical. The cost effectiveness of manufacturing of the ABB Locomotives should also be examined.

2.72 The Committee find that there has been substantial reduction in allocation for Computerisation in Budget Estimate 1997-98 over Revised Estimate (1996-97). One of the reasons given by the Ministry of Railways is that the 90% of passenger reservation system has already been completed. As recommended earlier by the Committee in this Report, the Railways should take up suitable steps for computerisation of freight traffic as well, so that the freight trains could also be monitored efficiently.

In this connection the Committee find that the Government decided to set up a Freight Operations Information System (FOIS) in 1982. It was to be a major Computer Communications Network for the management of Indian Railways freight operations. For taking up the software development and modification required for the project, Centre for Railway Information Systems (CRIS) set up a Development and Simulation Centre. After finalising the basic network architecture for FOIS, a team of software professionals and railway managers embarked upon the detailed design and software development. Traffic Reporting and Control System (TRCS) operating on CN Rail was adopted as a base for the Central System Software. CRIS however, modified and enhanced the package to meet with Indian Railways needs and conditions. The Committee recommend that the CRIS should be given all financial assistance required for the development of FOIS so that computerisation in freight traffic could be introduced effectively.

2.73 The Committee find that survey for extension of Calcutta Metro Railway from Tollyganj to New Garia has been completed and this matter of extension of Metro Railway is under consideration of the Government as the Ministry of Urban and Employment Affairs

is the Nodal Agency for taking up such projects. As Calcutta Metro Railway is very important for the future of Calcutta, the Committee desire that the work relating to the extension of Metro Railway in Calcutta be re-allocated to the Ministry of Railways. They also strongly recommend that extension of Calcutta Metro from Tollyganj to New Garia should be urgently taken up and sufficient allocation of funds be provided for it.

They further desire that construction organization should not be disbanded until the Calcutta Metro Railways is completed.

2.74 During the Study Tour to Calcutta, the Committee were also informed that the estimates for Phase-3 of the Circular Railway were ready. The Committee desire that the necessary action in this regard should be taken immediately so that the work on the project could be started. Keeping in view the transport needs of the Calcutta in the near future, the Committee desire that a White Paper, as was done in the case of Mumbai in 1990, be brought out by the Railways as early as possible.

The Committee also desire that sufficient funds be made available for Shalimar coaching terminal in Calcutta so that it may become functional as soon as possible. They further desire that Shankrail goods terminal in South Eastern Railways which has since been completed be made functional immediately.

The Committee note that there has been reduction in plan head "Doubling". As there are certain sector like Midnapur-Kharagpur and Burpur-Asansol where doubling of lines are urgently needed, the Committee desire the Railways to increase the funds under this head so that the above proposals could be completed expeditiously.

2.75 During the study tour to Mumbai, the Committee observed that out of the total passengers travelling on Indian Railways, nearly 50 percent i.e. 54 lakh people travel daily on Mumbai Suburban System in the world's highest heavily crowded trains and that though all other suburban services of other Metropolitan cities were in loss, Mumbai Suburban System earned a profit of Rs. 82.24 crores approximately during 1995-96. The provisions made in the Budget for Mumbai are not adequate and commensurate with the needs of efficient and punctual running of the Suburban System. The main reasons being lack of sufficient funds and also unified attention to

the problems. The amount of Rs. 1.917 crores to be provided for 1997-98 as indicated by the Ministry of Railways in their publication "Action Plan-Mumbai 2001" has not been provided. The Committee also note that the issue of commercial utilisation of surplus Railway land is pending for decision with the Government for the last more than four years.

The Committee therefore desire that :

- (i) All efforts be made to implement the projects indicated in the "Action Plan—Mumbai 2001";
- (ii) A separate autonomous Corporation on the lines of the Konkan Railway Corporation be constituted so that proper attention could be paid to the developmental needs;
- (iii) A decision for commercial utilisation of the surplus Railway land in Mumbai be taken without any further delay and the proceeds be used for development of Suburban System;
- (iv) A separate series of "Mumbai Suburban Railway Bonds" be issued to garner more funds; and
- (v) Twelve coach rakes be used for all services upto BORIVLI and beyond on Western Railway and upto THANE and beyond on Central Railway.

The Committee desire that all the above recommendations be examined by the Ministry of Railways expeditiously under intimation to them.

2.76 The Committee note that a survey for inner circular corridor from Chennai Beach to Velachery covering a distance of 25.47 Km. had been completed. The portion from Chennai Beach to Luz forming the fourth corridor has been sanctioned and the work is in progress beyond Chepauk. The MRTS system is being constructed on the surface upto Chennai Park town. Beyond that, it is on the elevated track for the distance of 6.22 Km. upto Luz. The Committee desire that sufficient funds be provided for completion of inner circular corridor from Chennai Beach to Velachery.

2.77 The Committee desire to know the action taken by the Ministry of Railways on the representations received from members

of Parliament for undertaking the following works :—

- (i) Electrification of Barashat-Hasnabad and Bongaon Ranaghat Section;
- (ii) Completion of Rail line between Eklakhi and Balurghat;
- (iii) Establishment of the rail line between Gunjuria and Ghajole;
- (iv) Conversion of Radhikapur line from metre gauge to broad gauge;
- (v) Railway connection between Sealdah and Hill;
- (vi) Doubling of Habra-Bongoan Section;
- (vii) Doubling of Duttapukur-Habra Section;
- (viii) Reconstruction of Railway Line from Bongaon to Petrapole;
- (ix) Extension of Metro From Dum Dum to Barasat;
- (x) Fourth line from Howrah to Panskura and third line from Panskura to Kharagpur;
- (xi) Satabdi type train from Howrah/Sealdah to New Jalpaiguri;
- (xii) A fast train from Bankura to Howrah;
- (xiii) Nationalisation of Bankura Damodar River Railway and its conversion to Broad guage;
- (xiv) Doubling of Bandel-Katwa Section in Eastern Railway; and
- (xv) Electrification of Andal-Sainthia Section in Eastern Railway.

2.78. The Committee note that the allocation of Railway Development for Kerala which was Rs. 127 crores in the Budget 1996-97 has been reduced to Rs. 34 crores without any justification. This should be restored. Long standing demands like doubling of Mangalore-Shornur line to keep pace with opening of Konkan Railway line is a matter deserving urgent consideration. Present provision of Rs. 17 crores for this doubling should be enhanced by reappropriation for speedy completion. Like wise Kollam-Trivandrum

doubling should also be completed soon. Funds for only new line in Kerala namely Angamelli-Shabnmala for which nominal amount of Rs. 1 lakh is provided, should be enhanced. Long pending Surveys like Feroke-Nilampur, Tirur-Edapeeli, construction of Feroke Railway bridge should be completed soon. Tellichery-Mysore Railway line for which survey has been completed years ago should be taken up. In view of heavy rush of passengers, new trains like Delhi to Kerala, Shatabadi between Trivendrum-Calicut, introduction of Diesel Multiple Unit of Push Pull train between Calicut and Kasaragod deserve active consideration. Delay in electrification of Railway lines Palakkad-Trivandrum section and Palakkad-Mangalore section are matters of concern of the travelling public of Southern Railway.

2.79 The Committee find that Telchar-Sukhinda Road (90 Km. Broad Gauge line South-Eastern Railway) costing Rs. 577 crores with the highest rate of return of 29.83% has received all clearances i.e. Planning Commission, Expanded Board and CCEA. The Committee recommend that this line should immediately be taken up as it serves backward mineral rich and tribal areas connecting rich coal fields with Steel Plants with Paradeep Port.

2.80 In addition, the Committee have also received the representations from the Members of Parliament for undertaking the following works :

- A. Gauge conversion works from Pipar to Bilara in Rajasthan; Rupsa to Bangraiposi in Orissa and Gonda-Balrampur-Gorakhpur in U.P. be taken up urgently.
- B. Work on New Lines (i) Kapadvanj to Godara in Gujarat in Western Railway should be completed expeditiously. (ii) Action taken for acquiring land as per survey for construction of new lines from Bhagalpur to Mandarhil-via-Hansdia-Dumka be completed expeditiously, (iii) Proposal sent by Department of Coal that Rajmahal be linked to Godda via Hansdiya be cleared by Railway Board and work on this line be started immediately, (iv) Bilara to Bar and Jodhpur to Udaipur be taken up. (v) Balrampur to Khalilabad via Utrella be also taken up, (vi) Rupsa-Bangariposi be extended to Badan Pahar or to Gorumohisane and more funds provided, (vii) Speedy implementation of the already sanctioned new line project Karur-Salem, (viii) allocation of sufficient funds for construction of new line Khurja-Hapur-Meerut City-Saharanpur.

- C. Doubling of Lucknow-Gonda-Gorakhpur-Barauni and Muradnagar-Meerut-Saharanpur lines be taken up urgently and sufficient funds provided for the same.
- D. Daily Superfast trains from Varanasi to Delhi via Ayodhya/Faizabad and Jodhpur to Dehradun be introduced.
- E. The proposal of the former Railway Minister linking East-coast and West-coast by a new line from Pondicherry to Mangalore via, Dharampuri and Bangalore, may be taken up expeditiously.
- F. Though the Salem-Bangalore BG conversion has been completed, the connected work of extension of Platforms, additional passenger amenities and more retiring and waiting rooms at the Stations has not been taken up and completed. The unspent amount of Rs. 20 crores may better be utilised for these important works to enable to give better facilities to the passengers and public due to this conversion.
- G. Electrification from Kanpur to Lucknow be taken up urgently.
- H (a) Sufficient funds be provided for construction of over bridge at Sakoti crossing.
- (b) Reasons for making less provision for:
 - (i) There has been a decrease of Rs. 50 crores under signalling and tele-communication works.
 - (ii) Making less provision of 27 crores for computerisation in Railways.
 - (iii) Decreasing the amount allocated for passenger amenities from 103.54 crores to 80 crores.
- (c) Regularisation of more than 1200 adhoc Group B employees.
- (d) Reasons for less expenditure than the budgeted amount:
 - (i) Rs. 4.15 crores were spent against an allocation of Rs. 5.99 crores in 1995-96 for doubling of a line between Danapur and Howrah.

(ii) Similarly, only Rs. 1.89 crore were spent against an allocation of Rs. 5.17 crores in 1995-96 for laying new line between Lakshmikantpur to Namphara.

(iii) Action taken for coordination between signalling and electrical divisions.

The Committee desire that all the above proposals may be examined by the Ministry of Railways under intimation to the Committee.

NEW DELHI;
17 April, 1997
27 Chaitra, 1919 (Saka)

BASUDEB ACHARIA,
Chairman,
Standing Committee on Railways.

PART III

MINUTES OF THE SEVENTEENTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (1996-97)

The Committee sat on Wednesday, the 5 March 1997 from 1500 hrs. to 1700 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ram Naik
3. Shri Jagdambi Prasad Yadav
4. Shri Dhirendra Agarwal
5. Shri Ashok Sharma
6. Dr. Ramvilas Vedanti
7. Shri Ashok Gehlot
8. Shri K.P. Singh Deo
9. Km. Sushila Tiriya
10. Shri K. Parasuraman
11. Shri Narayan G. Athawalay
12. Shri Dinsha J. Patel
13. Dr. Prabin Chandra Sarma
14. Shri E. Ahamed

Rajya Sabha

15. Shri Balbir Singh
16. Shri Gopalsinh G. Solanki
17. Dr. Ishwar Chandra Gupta
18. Smt. Malti Sharma
19. Shri S. Niraikulathan
20. Maulana Habibur Rahman Nomani

SECRETARIAT

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|-------------------------|---|-------------------------|
| 1. Smt. Roli Srivastava | — | <i>Joint Secretary</i> |
| 2. Shri R.C. Gupta | — | <i>Deputy Secretary</i> |
| 3. Smt. Anita Jain | — | <i>Under Secretary</i> |

2. The Committee considered the Railway Budget 1997-98 and felt that regional imbalances in Railways should be corrected and a comprehensive study of most deprived regions of the country should be made so as to connect them with Rail Network.

3. The Committee also noted with concern the rising trend in crimes in trains and felt that some concrete steps need to be taken by Railways in this regard.

4. The Committee were also of the view that Member of Parliament of the area should be included in the Zonal Consultative Committee of Railways. Some Members of the Committee complained that they were not being given due importance by Railways in functions organised by them in their area. The Committee decided to take up this matter with the Railway Board.

5. The Committee further decided to take evidence of representatives of Ministry of Railways on their Demands for Grants 1997-98 in their next sittings to be held on 11.3.97 and 12.3.97.

The Committee then adjourned.

MINUTES OF THE EIGHTEENTH SITTING OF THE
STANDING COMMITTEE ON RAILWAYS (1996-97)

The Committee sat on Tuesday, the 11 March 1997 from 1500 hrs. to 1745 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Jagdambi Prasad Yadav
3. Dr. Sahebrao S. Bagul
4. Dr. Ram Vilas Vedanti
5. Shri K.P. Singh Deo
6. Shri Chun Chun Prasad Yadav
7. Shri K. Parasuraman
8. Shri K.P. Naidu
9. Shri Narayan G. Athawalay
10. Shri Dinsha J. Patel
11. Dr. Prabin Chandra Sarma
12. Shri E. Ahamed

Rajya Sabha

13. Shri W. Angou Singh
14. Shri Gopalsinh G. Solanki
15. Dr. (Smt.) Chandrakala Pandey
16. Shri S. Niraikulathan
17. Maulana Habibur Rehman Nomani

SECRETARIAT

1. Smt. Roli Srivastava — *Joint Secretary*
2. Smt. Anita Jain — *Under Secretary*
3. Shri O.P. Shokeen — *Committee Officer*

WITNESSES

1. Shri C.L. Kaw — Chairman, Railway Board & Ex-Officio Principal Secy. to the Govt. of India.
2. Shri V. Sivakumaran — Financial Commissioner (Railways) & Ex-Officio Secy. to the Govt. of India.
3. Shri Shanti Narain — Member Traffic & Ex-Officio Secy. to the Govt. of India.
4. Shri M. Ravindra — Member Engg. & Ex-Officio Secy to the Govt. of India.
5. Shri L.K. Sinha — Member Mechanical & Ex-Officio Secy. to the Govt. of India.
5. Shri S.K. Khanna — Member Electrical & Ex-Officio Secy. to the Govt. of India.
6. Shri V.K. Agarwal — Member Staff & Ex-Officio Secy. to the Govt. of India.

2. At the outset, the Chairman welcomed the Chairman, Railway Board and his other colleagues to the sitting* of the Committee and invited their attention to the Direction 58 of the Directions by the Speaker.

3. The Committee then took their evidence on the Ministry of Railways—Demands for Grants 1997-98. The representatives of Ministry replied *inter-alia* to various queries of the Committee regarding Annual Plan of Railways, freight targets of various commodities and their achievements and other related matters.

4. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE NINETEENTH SITTING OF THE STANDING
COMMITTEE ON RAILWAYS (1996-97)

The Committee sat on Wednesday, the 12 March 1997 from 1500 hrs. to 1600 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Jagdambi Prasad Yadav
3. Shri Satya Deo Singh
4. Shri Ashok Sharma
5. Shri Sahebrao S. Bagul
6. Shri K.P. Singh Deo
7. Km. Sushila Tiriya
8. Shri P. Theertharaman
9. Shri K.P. Naidu
10. Shri Narayan G. Athawalay
11. Shri Dinsha J. Patel

Rajya Sabha

12. Shri Balbir Singh
13. Shri W. Angou Singh
14. Shri Gopalsinh G. Solanki
15. Shri S. Niraikulathan
16. Maulana Habibur Rahman Nomani

- WITNESSES**

- The Committee then adjourned.*

MINUTES OF THE TWENTY-FIRST SITTING OF THE
STANDING COMMITTEE ON RAILWAYS (1996-97)

The Committee sat on Wednesday, the 19 March 1997 from 1500 hrs. to 1700 hrs. in Room No. '139', Parliament House Annexe, New Delhi.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Jagdambi Prasad Yadav
3. Shri Satya Deo Singh
4. Shri Ashok Sharma
5. Dr. Sahebrao S. Bagul
6. Dr. Ram Vilas Vedanti
7. Shri Ashok Gehlot
8. Shri K.P. Singh Deo
9. Shri Imchalemba
10. Shri V.M. Sudheeran
11. Shri K. Parasuraman
12. Shri Narayan G. Athawalay
13. Shri Dinsha J. Patel
14. Dr. Prabin Chandra Sarma
15. Shri S. Bangarappa

Rajya Sabha

16. Shri W. Angou Singh
17. Shri Gopalsinh G. Solanki
18. Dr. Ishwar Chandra Gupta
19. Smt. S. Niraikulathan
20. Maulana Habibur Rahman Nomani

SECRETARIAT

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|-------------------------|---|-------------------------|
| 1. Smt. Roli Srivastava | — | <i>Joint Secretary</i> |
| 2. Shri R.C. Gupta | — | <i>Deputy Secretary</i> |
| 3. Smt. Anita Jain | — | <i>Under Secretary</i> |

WITNESSES

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|------------------------|---|
| 1. Shri C.L. Kaw | Chairman, Railway Board & Ex-Officio Principal Secy. to the Govt. of India. |
| 2. Shri V. Sivakumaran | Financial Commissioner (Railways) & Ex-Officio Secy. to the Govt. of India. |
| 3. Shri M. Ravindra | Member Engg. & Ex-Officio Secy. to the Govt. of India. |
| 4. Shri L.K. Sinha | Member Mechanical & Ex-Officio Secy. to the Govt. of India. |
| 5. Shri S.K. Khanna | Member Electrical & Ex-Officio Secy. to the Govt. of India. |
| 6. Shri V.K. Agarwal | Member Staff & Ex-Officio Secy. to the Govt. of India. |

2. The Committee continued the evidence of the representatives of the Ministry of Railways in connection with the examination on the subject 'Ministry of Railways—Demands for Grants 97-98'. The representatives of Ministry of Railways explained to the Committee the criteria adopted by Railways in undertaking surveys for new lines, gauge conversion etc. They further replied to various queries on the Railway plans for expansion in backward areas and repairs and maintenance of permanent way.

3. A verbatim record of the proceedings was kept.

The Committee then adjourned.

MINUTES OF THE TWENTY-SECOND SITTING OF THE
STANDING COMMITTEE ON RAILWAYS (1996-97)

The Committee sat on Wednesday, the 02 April, 1997 from 1500 hrs. to 1800 hrs. in Room No. '267', Conference Hall, Rail Bhawan, New Delhi.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ram Naik
3. Shri Jagdambi Prasad Yadav
4. Shri Satya Deo Singh
5. Shri Anand Ratna Maurya
6. Shri Dharendra Agarwal
7. Dr. Sahebrao S. Bagul
8. Dr. Ramvilas Vedanti
9. Shri Ashok Gehlot
10. Shri Nandi Yelliah
11. Shri K.P. Singh Deo
12. Km. Sushila Tiriya
13. Shri Imchalemba
14. Shri Qamarul Islam
15. Shri Chun Chun Prasad Yadav
16. Shri Raja Rangappa Naik
17. Shri Ram Singh Shakya
18. Shri K. Parasuraman
19. Shri K.P. Naidu
20. Shri Narayan G. Athawalay
21. Shri E. Ahamed
22. Shri S. Bangarappa

Rajya Sabha

23. Shri Dronam Raju Satyana Rayana
24. Shri Balbir Singh
25. Smt. Malti Sharma
26. Shri Rahas Bihari Barik
27. Dr. (Smt.) Chandrakala Pandey
28. Shri S. Niraikulathan
29. Shri K.M. Saifullah

SECRETARIAT

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|--------------------|---|-------------------------|
| 1. Shri R.C. Gupta | — | <i>Deputy Secretary</i> |
| 2. Smt. Anita Jain | — | <i>Under Secretary</i> |

WITNESSES

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|------------------------|---|
| 1. Shri C.L. Kaw | Chairman, Railway Board & Ex-Officio Principal Secy. to the Govt. of India. |
| 2. Shri V. Sivakumaran | Financial Commissioner (Railways) & Ex-Officio Secy, to the Govt. of India. |
| 3. Shri Shanti Narain | Member Traffic & Ex-Officio Secy, to the Govt. of India. |
| 4. Shri M. Ravindra | Member Engg. & Ex-Officio Secy. to the Govt. of India. |
| 5. Shri L.K. Sinha | Member Mechanical & Ex-Officio Secy, to the Govt. of India. |
| 6. Shri S.K. Khanna | Member Electrical & Ex-Officio Secy, to the Govt. of India. |
| 7. Shri V.K. Agarwal | Member Staff & Ex-Officio Secy, to the Govt. of India. |

2. The Committee took further evidence of representatives of Ministry of Railway on 'Ministry of Railways Demands for Grants 1997-98'.

3. The representatives of the Ministry of Railways replied to various points raised by the Committee on problem of deployment of surplus steam loco staff, manufacture of wagons, modernisation of workshops, maintenance of coaches and other related matters.

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE TWENTY-THIRD SITTING OF THE STANDING COMMITTEE ON RAILWAYS (1996-97)

The Committee sat on Thursday, the 03 April, 1997 from 1100 hrs. to 1330 hrs. in Room No. '267'. Conference Hall, Rail Bhawan, New Delhi.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ram Naik
3. Shri Jagdambi Prasad Yadav
4. Shri Satya Deo Singh
5. Shri Anand Ratna Maurya
6. Shri Dharendra Agarwal
7. Dr. Sahebrao S. Bagul
8. Shri Ashok Gehlot
9. Shri Nandi Yelliah
10. Shri K.P. Singh Deo
11. Km. Sushila Tiriya
12. Shri Chun Chun Prasad Yadav
13. Shri Raja Rangappa Naik
14. Shri Ram Singh Shakya
15. Shri K. Parasuraman
16. Shri K.P. Naidu
17. Shri Narayan G. Athawalay
18. Shri Dinsha J. Patel
19. Shri E. Ahamed
20. Shri S. Bangarappa

Rajya Sabha

21. Shri Balbir Singh
22. Shri Shivajirao Giridhar Patil
23. Shri Rahas Bihari Barik
24. Dr. (Smt.) Chandrakala Pandey
25. Shri S. Niraikulathan

SECRETARIAT

- | | | |
|--------------------|---|-----------------------------|
| 1. Shri S.N. Misra | — | <i>Additional Secretary</i> |
| 2. Shri R.C. Gupta | — | <i>Deputy Secretary</i> |
| 3. Smt. Anita Jain | — | <i>Under Secretary</i> |

WITNESSES

- | | |
|------------------------|---|
| 1. Shri C.L. Kaw | Chairman, Railway Board & Ex-Officio Principal Secy. to the Govt. of India. |
| 2. Shri V. Sivakumaran | Financial Commissioner (Railways) & Ex-Officio Secy. to the Govt. of India. |
| 3. Shri Shanti Narain | Member Engg. & Ex-Officio Secy. to the Govt. of India. |
| 4. Shri M. Ravindra | Member Engg. & Ex-Officio Secy. to the Govt. of India. |
| 5. Shri L.K. Sinha | Member Mechanical & Ex-Officio Secy. the Govt. of India. |
| 6. Shri S.K. Khanna | Member Electrical & Ex-Officio Secy. to the Govt. of India. |
| 7. Shri V.K. Agarwal | Member Staff & Ex-Officio Secy. to the Govt. of India. |

2. The Committee took further evidence of representatives of Ministry of Railways on the subject 'Ministry of Railways Demands for Grants (1997-98)' The representatives of the Ministry of Railways

replied to the questions raised by the Members on safety of train operation, Security of passengers, POH of locos, wagons and coaches. The witnesses also clarified on various points regarding new lines projects, Track renewal and Signalling & Telecommunication and other planned projects of Railways.

3. A verbatim record of the proceedings has been kept.

The Committtee then adjourned.

MINUTES OF THE TWENTY-FIFTH SITTING OF THE
STANDING COMMITTEE ON RAILWAYS (1996-97)

The Committee sat on Friday, the 04 April, 1997 from 1100 hrs. to 1315 hrs. in Room No. "267", Conference Hall, Rail Bhawan, New Delhi.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ram Naik
3. Shri Jagdambi Prasad Yadav
4. Shri Anand Ratna Maurya
5. Dr. Sahebrao S. Bagul
6. Shri Priya Ranjan Das Munsi
7. Shri Ashok Gehlot
8. Shri Nandi Yelliah
9. Shri K.P. Singh Deo
10. Shri Imchalemba
11. Shri P. Theertharaman
12. Shri Ram Singh Shakya
13. Shri K. Parasuraman
14. Shri K.P. Naidu
15. Shri Narayan G. Athawalay
16. Shri Dinsha J. Patel
17. Shri E. Ahamed

Rajya Sabha

18. Shri Shivajirao Giridhar Patil
19. Shri Nagmani
20. Shri Rahas Bihari Barik
21. Dr. (Smt.) Chandrakala Pandey
22. Shri S. Niraikulathan
23. Maulana Habibur Rahman Nomani

SECRETARIAT

- | | | |
|--------------------|---|-------------------------|
| 1. Shri R.C. Gupta | — | <i>Deputy Secretary</i> |
| 2. Smt. Anita Jain | — | <i>Under Secretary</i> |

WITNESSES

- | | | |
|------------------------|---|---|
| 1. Shri J.K. Chowdhary | — | Chairman, CII, Railway Equipment Division & C.M.D. Titagarh Industries Ltd. |
| 2. Shri Deepak Singh | — | Chairman, CII, Public Policy Committee & Chairman & President Inalsa Ltd. |
| 3. Shri S.C. Gupta | — | Managing Director, Braithwaite & Co. |
| 4. Shri R.P. Singh | — | Managing Director, Burn Standard. |
| 5. Shri M.K. Ahuja | — | Manager-Mkt., ABB Daimler Benz. |
| 6. Shri S. Sen | — | Senior Director, CII. |
| 7. Shri Tapas Datta | — | Deputy Director, CII. |

2. The Chairman welcomed the representatives of Confederation of Indian Industry and heard their views on Railway Budget 1997-98. The representatives also gave their comments on impact of freight increase, joint ventures with the Railways, containerisation, shortage of railway wagons and other related matters.

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE TWENTY-SIXTH SITTING OF THE
STANDING COMMITTEE ON RAILWAYS (1996-97)

The Committee sat on Friday, the 17 April, 1997 from 1100 hrs. to 1315 hrs. in Committee Room No. 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ram Naik
3. Shri Jagdambi Prasad Yadav
4. Shri Satya Deo Singh
5. Dr. Ramvilas Vedanti
6. Shri Ashok Gehlot
7. Shri K.P. Singh Deo
8. Km. Sushila Tiriya
9. Shri Imchalemba
10. Shri Chun Chun Prasad Yadav
11. Shri P. Theertharaman
12. Shri Ram Singh Shakya
13. Shri Narayan G. Athawalay
14. Shri Ram Bahadur Singh
15. Shri Dinsha J. Patel
16. Dr. Prabin Chandra Sarma
17. Shri E. Ahamed

Rajya Sabha

18. Shri Dronam Raju Satyana Rayana
19. Shri Balbir Singh
20. Shri W. Angou Singh
21. Smt. Malti Sharma
22. Shri Rahas Bihari Barik
23. Dr. (Smt.) Chandrakala Pandey
24. Shri S. Niraikulathan

SECRETARIAT

1. Smt. Roli Srivastava — *Joint Secretary*
2. Shri R.C. Gupta — *Deputy Secretary*
3. Smt. Anita Jain — *Under Secretary*

2. *** *** ***

3. The Committee considered the Draft Sixth Report on 'Ministry of Railways—Demands for Grants 1997-98' and adopted with some amendments/modification shown in Appendix.

4. The Committee authorised the Chairman to finalise the Report after making consequential changes, if any, arising out of factual verification by the Ministry of Railways and to present the Report to both the Houses of Parliament.

The Committee then adjourned.

*Amendments/Modifications made by Standing Committee on
Railways in the Draft Report on 'Ministry of Railways
Demands for Grants, 1997-98'*

| S.No. | Page No. | Para No. | Line | |
|-------|----------|----------|------|---|
| 1. | 1 | 1 | 7 | Add 'In addition to above six new zones created recently are also under its control. |
| 2. | 47 | 1.72 | | Add at the end of the para 'The Committed also desire that a Joint Working Group which used to work very successfully be again constituted. This Group should comprise representatives of various Apex Associations of Commerce. Industry and Trade, Railway Authorities, Planning Commission etc. so that the Railways can have a clear perception of the increase in freight traffic on the basis of which rational increase in the freight rates could be made'. |
| 3. | 52 | 1.79 | | Substitute for para 1.79 'The Committee find that Railways have introduced several new trains like Rajdhani and other Express trains and increased the frequency of some trains. They are however, constrained to |

S.No. Page No. Para No. Line

find that no new ordinary passenger trains have been announced and these trains are being introduced by reducing the passenger trains or coaches in the existing passenger trains. The Committee are of the firm opinion that the Railways will have to change this attitude of neglecting these poor passengers. They, therefore, desire the Railways to look into this aspect and introduce some more Janta trains for the benefit of long distance poor passengers. In addition to this, long distance trains should also have atleast two unreserved coaches for those people who cannot plan their journey in advance. There is need to increase in suburban services also.

4. 56 1.87

Add at the end of para

'The Committee find that the capacity which has been created for POH is not being utilised leading to POH arrears. They are of the firm view that there should be no idle capacity in the workshops & the capacity created should be fully utilised to clear all the POH arrears. The Committee also find that the maintenance facilities sanctioned are not coming up. They therefore, desire that the maintenance facilities sanctioned should be created within the time-frame work.'

| S.No. | Page No. | Para No. | Line | |
|-------|----------|----------|-------|--|
| 5. | 56 | 1.88 | 14 | For 'hope' read 'strongly recommend' |
| | | | 17 | Add after employees 'by organising more safety camps and by providing intensive and refresher courses on safety.' |
| 6. | 92 | 2.60 | 11-21 | For 'The Financial Commissionerborrowing' Read '1997-98. The Committee recommend that the role of IRFC should be examined so that the burden of high lease charges is not transferred to the Railway Users and the Nation.' |
| 7. | 93 | 2.61 | 2 | Delete 'ostensibly' |
| 8. | | | 14 | Add after 'scheme' in the light of experience of other Departments whilst implementing such schemes' |
| 9. | 95 | 2.65 | 17 | Add after 'Railways' 'in consultation with Planning Commission' |
| 10. | 96 | 2.66 | 14 | For 'both from the' Read 'from the Expanded Board' |

| S.No. | Page No. | Para No. | Line | |
|-------|----------|----------|------|---|
| 11. | 96 | 2.67 | 13 | <p>For 'greater'</p> <p>Read</p> <p>'substantial'</p> |
| 12. | 98 | 2.69 | 4 | <p>For</p> <p>'by the Rajya Sabha Sub-Committee</p> <p>Read</p> <p>'in the Report of the Railway Wagons Committee appointed by the Chairman, Rajya Sabha through an announcement made by him on the 9th August, 1995'</p> |
| 13. | 99 | 2.72 | | <p>Add at the end of para</p> <p>'In this connection the Committee find that the Government decided to set up a Freight Operations Information System (FOIS) in 1982. It was to be a major Computer Communications Network for the management of Indian Railways freight operations. For taking up the software development and modification required for the project. Centre for Railway Information Systems (CRIS) set up a Development and Simulation Centre. After finalising the basic network architecture for FOIS, a team of software professionals and railway</p> |

S.No. Page No. Para No. Line

managers embarked upon the detailed design and software development. Traffic Reporting and Control System (TRCS) operating on CN Rail was adopted as a base for the Central System Software. CRIS however, modified and enhanced the package to meet with Indian Railways needs and conditions. The Committee recommend that the CRIS should be given all financial assistance required for the development of FOIS so that computerisation in freight traffic could be introduced effectively.'

14. 101

Add para 2.75 and 2.76 after para 2.74

2.75

During the study tour to Mumbai, the Committee observed that out of the total passengers travelling on Indian Railways, nearly 50 percent i.e. 54 lakh people travel daily on Mumbai Suburban System in the world's highest heavily crowded trains and that though all other suburban services of other Metropolitan cities were in loss. Mumbai Suburban System earned a profit of Rs. 82.24 crores approximately during 1995-96. The provisions made in the Budget for Mumbai are not adequate and commensurate with the needs of efficient and

S.No. Page No. Para No. Line

punctual running of the Suburban System. The main reason being lack of sufficient funds and also unified attention to the problems. The amount of Rs. 1.917 crores to be provided for 1997-98 as indicated by the Ministry of Railways in their publication "Action Plan—Mumbai 2001" has not been provided. The Committee also note that the issue of commercial utilisation of surplus Railway land is pending for decision with the Government for the last more than four years.

The Committee therefore desire that :

- (i) All efforts be made to implement the projects indicated in the 'Action Plan—Mumbai 2001';
- (ii) A separate Autonomous Corporation on the lines of the Konkan Railway Corporation be constituted so that proper attention could be paid to the developmental needs;
- (iii) A decision for commercial utilisation of the surplus Railway land in Mumbai be taken without any further delay and the proceeds be used for development of Suburban System;

S.No. Page No. Para No. Line

(iv) A separate series of 'Mumbai Suburban Railway Bonds' be issued to garner more funds; and

(v) Twelve coach rakes be used for all services upto BORIVLI and beyond on Western Railway and upto THANE and beyond on Central Railway.

The Committee desire that all the above recommendations be examined by the Ministry of Railways expeditiously under intimation to the Committee.

2.76

The Committee note that a survey for inner circular corridor from Chennai Beach to Velachery covering a distance of 25.47 Km. had been completed. The portion from Chennai Beach to Luz forming the fourth corridor has been sanctioned and the work is in progress beyond Chepauk. The MRTS system is being constructed on the surface upto Chennai Park town. Beyond that, it is on the elevated track for the distance of 6.22 Km upto Luz. The Committee desire that sufficient funds be provided for completion of inner circular corridor from Chennai Beach to Velachery.

15. 101 2.75

Renumber para 2.75 as 2.77 and

Add at the end of para

S.No. Page No. Para No. Line

- (x) Fourth line from Howrah to Panskura and third line from Panskura to Kharagpur;
- (xi) Shtabdi type train from Howrah/Sialdah to New Jalpaiguri;
- (xii) A fast train from Bankura to Howrah.
- (xiii) Nationalisation of Bankura Damodar River Railway and its conversion to broad gauge;
- (xiv) Doubling of Baudel Katwa section in Eastern Railway; and
- (xv) Electrification of Andal Sainthia Section in Eastern Railway.

16.

Add paras 2.78, 2.79 and 2.80

2.78.

The Committee note that the allocation of Railway Development for Kerala which was Rs. 127 crores in the Budget 1996-97 has been reduced to Rs. 34 crores without any justification. This should be restored. Long standing demands like doubling of Mangalore-Shornur line to keep pace with opening of Konkan Railway line is a matter deserve urgent consideration. Present provision of Rs. 17 crores for this doubling should be enhanced by reappropriation for speedy completion. Likewise

S.No. Page No. Para No. Line

Kollam-Trivandrum doubling should also be completed soon.

Funds for only new line in Kerala namely Angamelli-Shabnmala for which nominal amount of Rs. 1 lakh is provided, should be enhanced. Long pending surveys like Feroke-Nilampur, Tirur-Edapeelli, construction of Feroke Railway bridge should be completed soon. Tellichery-Mysore Railway line for which survey has been completed years ago should be taken up. In view of heavy rush of passengers, new trains like Delhi to Kerala. Shatabadi between Trivendrum-Calicut, introduction of Diesel Multiple Unit of Push-Pull train between Calicut and Kasaragod deserve active consideration. Delay in electrification of Railway lines Palakkad-Trivandrum section and Palakkad-Mangalore section are matters of concern of the travelling public of Southern Railway.

2.79

The Committee find that Telchar-Sukhinda Road (90 Km. Broad Gauge line South Eastern Railway) costing Rs. 577 crores with the highest rate of return of 29.83% has received all clearances i.e. Planning Commission, Expanded Board and CCEA. The Committee recommend that this

S.No. Page No. Para No. Line

line should immediately be taken up as it serves backward mineral rich and tribal areas connecting rich coal fields with Steel Plants with Paradeep Port. 2.80. In addition, the Committee have also received the representations from the Members of Parliament for undertaking the following works :

- A Gauge conversion works from Pipar to Bilara in Rajasthan; Rupsa to Bangriposi in Orissa and Gonda-Balrampur-Gorakhpur in U.P. be taken up urgently.
- B Work on New Lines (i) Kapadvanj to Godara in Gujarat in Western Railway should be completed expeditiously. (ii) Action taken for acquiring land as per survey for constructions of new lines from Bhagalpur to Mandarhil-*via*-Hansdia-Dumka be completed expeditiously. (iii) Proposal sent by Department of Coal that Rajmahal be linked to Godda *via* Hansdiya be cleared by Railway Board and work on this line be started immediately. (iv) Bilara to Bar and Jodhpur to Udaipur be taken up. (v) Balrampur to Khalilabad *via* Utrella be also taken up. (vi) Rupsa-Bangariposi be extended to Badan Pahar or to Gorumohisane and more funds provided.

S.No. Page No. Para No. Line

- (vii) Speedy implementation of the already sanctioned new line project Karur-Salem, (viii) allocation of sufficient funds for construction of new line Khurja-Hapur-Meerut City-Saharanpur.
- C. Doubling from Lucknow-Gonda-Gorakhpur-Barauni and Muradnagar-Meerut-Saharanpur be taken up urgently and sufficient funds be provided for the same.
- D. Daily Superfast trains from Varanasi to Delhi *via* Ayodhya/Faizabad and Jodhpur to Dehradun be introduced.
- E. The proposal of the former Railway Minister linking East-coast and West-coast by a new line from Pondicherry to Mangalore *via* Dharampuri and Bangalore, may please be taken up expeditiously.
- F. Though the Salem-Bangalore BG conversion has been completed, the connected work of extension of Platform, additional passenger amenities and more retiring rooms and waiting rooms in the Stations has not been taken up and completed. The unspent amount of Rs. 20 crores may better be utilised for this important works to enable to give better facilities to the passengers and public due to this conversion.

S.No. Page No. Para No. Line

- G. Electrification from Kanpur to Lucknow be taken up urgently.
- H.
 - (a) Sufficient funds be provided for construction of over bridge at Sakoti Crossing.
 - (b) Reasons for making less provision for.
 - (i) There has been a decrease of Rs. 50 crores under signalling and tele-communication works.
 - (ii) Making less provision of 27 crores for computerisation in Railways.
 - (iii) Decreasing the amount allocated for passenger amenities from 103.54 crores to 80 crores.
 - (c) Regularisation of more than 1200 adhoc Group B employees.
 - (d) Reasons for less expenditure than the budgeted amount.
 - (i) Rs. 4.15 crores were spent against an allocation of Rs. 5.99 crores in 1995-96 for doubling of a line between Danapur and Howrah.
 - (ii) Similarly, only Rs. 1.89 crores were spent against an allocation of Rs. 5.17 crores in 1995-96 for laying new line between Lakshmikantpur to Namphara.
 - (iii) Action taken for coordination between signalling and electrical divisions.