

297

# RAILWAY CONVENTION COMMITTEE 1973

297  
2

## FIRST REPORT

[Action taken by Government on the recommendations contained in the Interim Report of the Railway Convention Committee, 1973]



LOK SABHA SECRETARIAT  
NEW DELHI

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# CONTENTS

	PAGE
COMPOSITION OF THE RAILWAY CONVENTION COMMITTEE, 1973.	(iii)
INTRODUCTION . . . . .	
CHAPTER I ——— Report . . . . .	1
CHAPTER II ——— Recommendations which have been accepted by the Government. . . . .	3
CHAPTER III ——— Recommendations which the Committee do not desire to pursue in view of Government's reply. . . . .	9
CHAPTER IV ——— Recommendations in respect of which Government's replies have not been accepted by the Committee . . . . .	10
CHAPTER V ——— Recommendations in respect of which final replies of the Government are still awaited. . . . .	15
APPENDIX ——— Analysis of action taken by Government on the recommendations contained in the Interim Report of the Railway Convention Committee, 1973. . . . .	16

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MEMBERS OF THE RAILWAY CONVENTION  
COMMITTEE, 1973.

Shri B. S. Murthy—*Chairman*

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**SECRETARIAT**

Shri Avtar Singh Rikhy—*Joint Secretary*

Shri Jainti Prasad Goel—*Under Secretary*

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\*Nominated on 9th May, 1974 *vice* Dr. Bhai Mahavir retired from Rajya Sabha and Sarvasbri H. D. Malaviya and Mohd. Usman Arif resigned from Membership of the Committee.

## INTRODUCTION

I, the Chairman, Railway Convention Committee, 1973 having been authorised by the Committee, present this First Report of the Railway Convention Committee, 1973 on the action taken by Government on the recommendations contained in their Interim Report. In their Interim Report the Committee had given their recommendations with regard to the rate of dividend payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with Railway Finance *vis-a-vis* the General Finance for the first year of the Fifth Plan i.e. 1974-75 only.

2. The Interim Report of the Railway Convention Committee, 1973 was presented to both the Houses of Parliament on the 11th December, 1973. Government furnished their replies indicating the action taken on the recommendations contained in the Report on the 30th March, 1974. At their sitting held on the 9th May, 1974 the Committee considered Government's replies and finalised their comments thereon. The Committee also considered and approved draft Chapter-I of the Report.

II. Recommendations which have been accepted by Government.

I. Report

II. Recommendations which have been accepted by Government.

III. Recommendations which the Committee do not desire to pursue in view of Government's reply.

IV. Recommendations in respect of which Government's replies have not been accepted by the Committee.

V. Recommendations in respect of which final replies of Government are still awaited.

4. An analysis of the action taken by Government on the recommendations contained in the Interim Report is given in Appendix. It would be observed therefrom that out of 16 recommenda-

tions made in the Report 11 recommendations i.e., 68.75 per cent have been accepted by the Government. The replies of the Government in respect of four recommendations i.e. 25 per cent have not been accepted by the Committee. In respect of one recommendation i.e. 6.25 per cent the final reply of Government is still awaited.

NEW DELHI;  
June 6, 1974 | Jyaishta 16, 1896 (Saka).

B. S. MURTHY,  
Chairman,  
Railway Convention Committee.

## CHAPTER I

### REPORT

The Interim Report of the Railway Convention Committee, 1973 contained their recommendations with regard to the Rate of Dividend payable by the Railways to the General Revenues and other ancillary matters covering the First Year of the Fifth Five Year Plan viz., 1974-75. The following Motion concerning the Report was adopted by both the Houses on the 17th December, 1973:—

“That this House approves the recommendations made in paragraphs 60, 70, 71, 75, 76, 77, 78 and 79 contained in the Interim Report of the Committee appointed to review the rate of dividend payable by the Railway undertaking to General Revenues as well as other ancillary matters in connection with the Railway Finance and General Finance which was presented to Parliament on the 11th December, 1973

That this House further directs that the action taken by Government on the other recommendations made in the Report should be reported to the Committee.”

The above recommendations have since been implemented in the Railway Budget for 1974-75.

2. In paras 32, 33 and 56 of the Interim Report the Committee had drawn attention of the Ministry of Railways to the deterioration in the financial health of the Railways during the Fourth Five Year Plan due to non-materialisation of the traffic targets and higher working expenses than assumed due to rise in prices of stores and materials and staff costs etc. The Railway Convention Committee, 1971 had also drawn attention to the heavy investments made by the Railways year after year on the basis of inflated estimates of traffic growth, resulting in heavy increase in the dividend liability of the Railways without corresponding increase in the earnings.

3. The Committee are in agreement with the Ministry of Railways that Railway Planning cannot be undertaken in isolation and that once the Planning Commission fix a particular target for any

commodity and also approve the inputs therefor, the Railways have to plan the necessary infra-structure and provide the requisite transport facilities. They nevertheless feel that since the Railways are also represented on the Working Groups that are set up by the Planning Commission for determining the additional requirements of rail transport for various commodities during the Five Year Plans, there is no reason why realistic targets of traffic growth cannot be laid down and full advantage derived of the experience gained over the years. Moreover, the Railways with their vast network spread over the entire length and breadth of the country and being intimately associated with various Central and State agencies at all levels, should be in a position to assess precisely the requirement in the light of actual conditions. As such, they cannot escape the responsibility for planning realistically so as to ensure that scarce resources are not locked up in unproductive schemes and that full advantage is derived of the additional facilities created and assets built up over the years.

4. The Committee propose to examine in depth the mechanism of Railway planning with particular reference to their targets and achievements during the Fourth Five Year Plan. Without, therefore, going into the matter in detail for the present, they would like to observe that they do not agree with the views of the Ministry in regard to Government's responsibility for planning and execution of the development plans over the Railways. While the Planning Commission has to take its due share of the responsibility, the Committee are emphatic that the Ministry of Railways being the Executive Ministry in Government cannot escape the responsibility in the matter. The Committee are only anxious that the mistakes of the past—most of them costly—do not recur and that Railway Planning at least during the Fifth Plan is realistic and related strictly to carefully assessed needs.

5. The steadily and persistently deteriorating state of Railway Finances also makes it imperative for the Railways to take effective and urgent measures to improve operational efficiency, effect all economies in working expenses and above all attract and move more traffic to augment their earnings. The Committee would like the Ministry of Railways to draw up and implement such a comprehensive scheme in order to improve their financial position.

## CHAPTER II

### RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### **Recommendation (S. No. 5, Para 57)**

The Committee propose to examine in greater detail the Fifth Plan proposals of the Railways and the financial implications thereof.

#### **Reply of Government**

It is noted that the Committee propose to go into various aspects of Railway programmes during the Fifth Plan.

[Ministry of Railways (Railway Board) O.M. No. 73-B(RCC)-4227 dated the 30th March, 1974]

#### **Recommendation (S. No. 6, Para 60)**

The Committee are in agreement with the views of the previous Convention Committees including the Convention Committee, 1971 that in the interests of financial discipline it is necessary for the Railways to make a definite contribution to the General Revenues over and above the average borrowing rate on which loans are raised by the Government of India. They, therefore, recommend that the present mode of payment of a fixed dividend on the capital invested as computed annually in lieu of the interest charges plus a small element of contribution to General Revenue does not call for a change.

#### **Reply of Government**

Noted and implemented in the Budget for 1974-75.

[Ministry of Railways (Railway Board) O.M. No. 73-B(RCC)-4227 dated the 30th March, 1974].

#### **Recommendation (S. No. 7, Para 70)**

Pending detailed consideration of the various issues raised by the Financial Commissioner in his memoranda submitted to them, the Committee recommend as follows:—

- (i) The present manner of fixing the payment of dividend to General Revenues, viz., at fixed percentages of the Capital-at-charge of the Railways excluding the capital of



strategic lines and making special provision for certain ore lines, Jammu-Kathua section and Tirunelveli-Kanyakumari-Trivandrum line etc. (vide paras 64 and 65 above) may continue during the financial year 1974-75.

(ii) The present arrangement of adopting differential rates of dividend on Capital invested on the Railways upto 31st March, 1964, and that invested thereafter may continue during 1974-75. The existing rates of dividend at 4.5 per cent of the Capital invested on the Railways upto 31st March, 1964, with an addition of 1 per cent in lieu of the tax on passenger fares and to assist the State Governments in financing the Railway Safety Works, and 6 per cent on Capital invested on Railways after 31st March, 1964, may also be retained with the following ancillary provisions, including equitable concessions to the Railways as below:—

- (1) Out of the amount of additional 1 per cent dividend on the Capital invested in the Railways up to 31st March, 1964, a sum of Rs. 16.25 crores may be passed on to the States as payment in lieu of passenger fare tax and the balance utilised to assist the States in providing their portion of the resources required for financing safety works as at present;
- (2) The present arrangement of deducting losses in the working of strategic lines from the payment to General Revenues may also continue during the next financial year with the complementary arrangement that the earnings of such lines, if any, after meeting working expenses, depreciation and other charges, may be paid to the General Revenues to the level of normal dividend;
- (3) The present arrangement of exempting the Capital-at-charge of the non-strategic portions of the Northeast Frontier Railway, unremunerative Branch lines and the element of over-capitalisation from payment of dividend may continue during 1974-75;
- (4) The present arrangement of permitting the Railways to take credit, for the difference between the dividend rate of 6 per cent and the average borrowing rate at which interest would actually accrue, in respect of their various Fund balances banked with the General Revenues may also be continued during 1974-75;

(5) The existing arrangement of:—

- (a) deferring the payment of dividend on the Capital-at-charge of New Lines chargeable at the average rate of interest during the period of their construction as well as for first five years after their opening; and
- (b) closing the account of deferred dividend on New Lines after a period of 20 years from the date of their opening extinguishing any liability for deferred dividend not liquidated within that period;

may be continued during the next financial year viz., 1974-75.

#### **Reply of Government**

Implemented in the Budget for 1974-75.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

#### **Recommendation (S. No. 8, Para 71)**

The Committee note that the Ministry of Railways have made a suggestion that having due regard to the long period of construction/gestation of railway investment in general and the time taken by such investments to reach full earning potential, exemption from payment of dividend for a period of three years may be given in respect of 50 per cent of the outlay in a year (instead of 25 per cent as at present) on Capital works-in-progress, other than those pertaining to strategic lines, Northeast Frontier Railway (Commercial), over-capitalisation, ore lines, Jammu-Kathua and Tirunelveli-Kanyakumari-Trivandrum lines, New lines and P. & T. line wires. The Committee propose to examine the matter further and they would revert to this subject in a later Report. In the meantime, they recommend that the existing arrangements may continue.

#### **Reply of Government**

Noted and implemented in the Budget for 1974-75.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

#### **Recommendation (S. No. 10 Para 75)**

The Committee recommend that in the meanwhile, appropriation to the Depreciation Reserve Fund in 1974-75 may be of the same order as in the final year of the Fourth Plan i.e. Rs. 115 crores.

### **Reply of Government**

Implemented in the Budget for 1974-75.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

#### **Recommendation (S. No. 11, Para 76)**

Having regard to the unsatisfactory state of Railway Finances, the Committee further recommend that the existing provision of temporary loans from General Revenues being advanced to the Railway Development Fund, whenever the available balance in the Development Fund is insufficient to meet the cost of works chargeable to that Fund and payment of interest on such loans at the average borrowing rate may be continued.

### **Reply of Government**

Noted and implemented in the Budget for 1974-75.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

#### **Recommendation (S. No. 12, Para 77)**

The Committee further recommend that the Railways may be permitted to take temporary loans as at present from the General Revenues to meet the full dividend liability when the Railways' net revenue is not adequate to pay the dividend to the General Revenues and the Revenue Reserve Fund has no or insufficient balance to make good the shortfall. The interest on such loans may be paid by the Railways at the current borrowing rate.

### **Reply of Government**

Noted and implemented in the Budget for 1974-75.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

#### **Recommendation (S. No. 13, Para 78)**

The Committee would like to point out that the suggestion of the Ministry of Railways that the cost of subordinate staff quarters may be charged to capital *w.e.f.* 1st April, 1974, dividend being payable on that capital if and when there is general surplus in Railway working, needs further examination. The Committee would, therefore, revert to this subject in a later Report. Till then, the extant procedure may be followed.

### **Reply of Government**

Noted, and implemented in the Budget for 1974-75.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

### **Recommendation (S. No. 14, Para 79)**

In regard to the rules of allocation of Railway expenditure between Capital, Revenue, Depreciation Reserve Fund and Development Fund, the Committee recommend that the existing system of classification may be maintained till the Task Force appointed by the Ministry of Railways to undertake a detailed study of the budgetary, accounting and management practices on the Railways in pursuance of the recommendation of the Railway Convention Committee, 1971, has finalised its Report and the same has been examined by the Committee.

### **Reply of Government**

Noted.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

### **Comments of the Committee**

Please see remarks below the reply to recommendation No. 3. [Chapter V].

### **Recommendation (S. No. 15, Para 80)**

The Committee find that the Railways are likely to incur a deficit of as much as Rs. 167 crores during the Fourth Plan whereas the original anticipation was for a surplus of Rs. 119 crores. According to the Railways one of the important factors contributing towards this was the non-materialisation of production targets in major industries like steel, cement, coal, iron ore for export etc. It is also a fact that the working expenses have been markedly rising. The Railways have proposed an investment of Rs. 2,579 crores in the Fifth Plan for moving an additional traffic of 72 million tonnes. Against this, the Planning Commission have tentatively allocated a sum of Rs. 2,380 crores. The Committee consider that the projections for the Fifth Plan need detailed examination with particular reference to the experiences of the Third Plan and the trends noticed in the Fourth Plan.

**Reply of Government**

It is noted that the Committee propose to go into various aspects of Railway programmes during the Fifth Plan.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

**Recommendation (S. No. 16, Para 81)**

The Committee are also aware of a persistent demand being voiced in Parliament and outside for provision of Railway facilities in backward areas including conversion schemes in the interest of development. The Railways have also been pressing their request for relief on account of the social burdens that they have to bear in providing transport in public interest even when it is uneconomic. Above all, there is need for effecting economy in operations and improving efficiency. The Committee propose to go into all these and other related aspects with particular reference to the proposals for movement of additional traffic in the Fifth Plan and the investments therefor in the light of the experience gained in the Fourth Plan and in earlier years and present further Reports to the House.

**Reply of Government**

The observations of the Committee are noted.

[Ministry of Railways (Railway Board) O.M. No. 73-B  
(RCC)-4227 dated the 30th March, 1974.]

## **CHAPTER III**

**RECOMMENDATIONS WHICH THE COMMITTEE DO  
NOT DESIRE TO PURSUE IN VIEW OF GOVERN-  
MENT'S REPLY**

**N I L**

## CHAPTER IV

### RECOMMENDATIONS IN RESPECT OF WHICH GOVERNMENT'S REPLIES HAVE NOT BEEN ACCEPTED BY THE COMMITTEE.

#### Recommendation (S. No. 1, Para 32)

The Committee are concerned to note that while on the one hand the Railways are likely to exceed the Fourth Plan provision of Rs. 1400 crores by about Rs. 42 crores, on the other hand there is likely to be a shortfall of as much as 32.5 million tonnes in the target of originating traffic laid down for them at the time of mid-term appraisal. The Committee are constrained to note that after taking into account the additional yield of about Rs. 327 crores due to periodic increases in fares and freights and reliefs of the order of about Rs. 107.31 crores afforded by the Railway Convention Committee, 1971 during the Fourth Plan, the Railways are likely to incur a deficit of about Rs. 167 crores against an anticipated surplus of Rs. 119 crores (inclusive of the reliefs). The Revenue Reserve Fund which is intended to be utilised primarily for dividend equalisation i.e. ensuring payment of the dividend, not only stands exhausted but is expected to close with a heavy outstanding liability of Rs. 158 crores as loan from the General Revenues. The Development Fund is expected to close with a still higher loan liability of Rs. 108.27 crores. It is, therefore, obvious that the need for improving the performance and the financial position of the Railways is all the greater now.

#### Reply of Government

The deterioration in the financial health of the Railways is the combined result of lower earnings and higher working expenses. Drought and scarcity conditions, shortage of power, load shedding and difficulties in timely availability of raw materials for manufacture etc. have decelerated economic growth. Generation of traffic has therefore been adversely affected. In addition, labour unrest in different segments of the economy, particularly on the Railways during the last 18 months, has impeded transport operations. The pressure of prices, especially of essential materials required for maintenance and operation, has aggravated an already difficult situation. In addition, the successive increases in the rate of dearness allowance and the implementation of the recommendations of

the Pay-Commission, as liberalised by the Government, have imposed a further burden. The aggregate effect of these factors is reflected in the financial position of the Railways.

The observation of the Committee that there is obvious need for improving the performance and the financial position of the Railways, is noted. Necessary action, as far as possible, is being taken in that direction.

[Ministry of Railways (Railway Board) O.M. No. 73-B(RCC)-4227  
dated the 30th March, 1974.]

### Comments of the Committee

Please see comments in Chapter I.

### Recommendation (S. No. 2, Para 33)

The Committee feel that the Railways should have drawn upon their experiences of the Third Plan. The Railway Convention Committee, 1971 have also drawn attention in their Reports to the heavy investments that continue to be made by the Railways year after year on the basis of inflated estimates of traffic which fail to materialise resulting in heavy increase in the dividend liability of the Railways without corresponding increase in their earnings. The Committee would, therefore, like to have a close look and review in detail the problems faced by the Railway Administration during the Fourth Plan so that steps could be taken from now on to set Railway finances on more equitable basis during the ensuing plan.

### Reply of Government

The observations of the Committee that they would like to have a close look and review in detail the problems faced by the Railway Administration during the Fourth Plan so that steps could be taken from now on to get Railway finances on more equitable basis during the ensuing Plan are noted.

However, in regard to the criticism that the railways have continued to undertake heavy investments on the basis of inflated estimates of traffic which failed to materialise, thereby increasing the Railways' dividend liability, without corresponding increase in their earnings, is not accepted. It may be mentioned that railway planning cannot be undertaken in isolation. It has to be a part of the integrated planning for various sectors of the economy as the Railways



provide the necessary infrastructure for the development of industry and agriculture. The targets are fixed by the Planning Commission after due consultation with the concerned economic Ministries|Public Sector Undertakings and having due regard to the targets fixed for production in the respective sectors. Thus, once the Planning Commission fix a particular target for the increased coal production and also approve inputs therefor, the Railways have no option but to plan necessary infra-structure for the transport of the anticipated coal production. The Railways can hardly exercise the veto that the production in different sectors of the economy, controlled by the separate wings of the Government, would not come upto anticipation.

Nevertheless, the Railways have all along been emphasising the need for exercising caution in fixing the freight traffic targets on the Planning Commission as well as other users Ministries|Public Sector Undertakings. Thus, against the anticipated target of 290 million tonnes projected by the Inter-Ministerial Working Group, the Railways prepared their Fourth Plan initially on the basis of 265 million tonnes of freight traffic by the end of the Fourth Plan. Again, when the growth of freight traffic during the first two years was sluggish, it was at the initiative of the Railways that the freight traffic target was further reduced to 240.5 million tonnes at the time of mid-term appraisal.

As regards the non-materialisation of freight traffic, it may be mentioned that partly this has been due to fall in production, as compared to targets in certain core sectors like steel plants and coal traffic and other industries. The power crisis was substantially responsible for this. One major contributory factor has been the dislocation of railway operations from 1970-71 onwards. Initially, the law and order situation in the Eastern sector took a heavy toll of railway operations. Of late, however, strikes and other agitations by railway staff have been crippling our operations. Hardly a day passes when there is no strike|agitation in some part or the other. Similar agitations have also been affecting the production in core sectors of the economy which, in turn, affects materialisation of freight traffic on the Railways.

It will this be appreciated that the circumstances brought out were beyond the control of the railways.

[Ministry of Railways (Railway Board) O.M. No. 73-B (RCC)-4227 dated the 30th March, 1974.]

#### Comments of the Committee

Please see comments in Chapter I.

### Recommendation (S. No. 4, Para 56)

The Committee are constrained to observe that according to the present estimates based on current costs and existing levels of fares and freights, the Railways are likely to incur a deficit of Rs. 439 crores at the end of the Fifth Plan as against an anticipated deficit of Rs. 167 crores at the end of the Fourth Plan. The position might worsen further in case the assumptions with regard to freight traffic during the Fifth Plan fail to materialise and/or the rising trend of prices continues. If past experiences were any guide, there are strong possibilities of both these factors casting severe strain on the Railway Finances. The Committee, therefore, consider that Railway planning would have to be continuously appraised and corrective steps taken promptly to avoid the pitfalls.

### Reply of Government

The Committee have expressed the view that if past experience were any guide there were strong possibilities of non-materialisation of traffic and escalation in prices casting serious strain on railway Finances.

So far as the fixation of the freight traffic target is concerned, as mentioned earlier in reply to Recommendation No. 2, Railway Planning has to be a part of the overall planning for the economy as a whole. In this respect, they have to be necessarily guided by the Planning Commission. The Inter-Ministerial Working Group had projected the freight traffic at 335 million tonnes by the end of the Fifth Plan based on production targets fixed for various core sectors like production of coal, steel, iron ore, fertilisers, etc. The Railways considered this target as highly optimistic and, therefore, suggested a more conservative target of 280 million tonnes of freight traffic by the end of the Fifth Plan. This was discussed at length in various meetings held in the Planning Commission as also with the representatives of various Ministries. Ultimately, the Planning Commission have laid down a target of 300 million tonnes although the outlay suggested by the Railways even for 280 million tonnes of freight traffic has been drastically reduced. In the circumstances, a proper appreciation with regard to the likely materialisation of freight traffic can be furnished only by the Planning Commission. So far as the likely increase in deficit on account of escalation of costs is concerned, this is bound to happen if the Railways are not allowed to adjust freight and fares accordingly, particularly because they have no control in the increase in costs, whether of wages or of materials.

The observation of the Committee that the Railway Planning would have to be continuously appraised and corrective steps taken promptly to avoid the pitfalls is noted. It may, however, be pointed out that such appraisals are even now being made as would be seen in the case of Fourth Plan when the original target of 265 mt. of originating freight traffic was scaled down to 240.5 mt. at the time of the mid-term appraisal.

[Ministry of Railways (Railway Board) O.M. No. 73-B (RCC)-4227  
dated the 30th March, 1974.]

#### **Comments of the Committee**

Please see comments in Chapter I.

#### **Recommendation (S. No. 9, Para 74)**

The Committee would like to examine the question of making appropriations to the Depreciation Reserve Fund in detail on receipt of the report of the Expert Group. They would, therefore, like the Ministry of Railways to get the study expedited. The findings of the Expert Group together with Government's decisions thereon may be communicated to the Committee latest by 30th June, 1974.

#### **Reply of Government**

Noted.

[Ministry of Railways (Railway Board) O.M. No. 73-B (RCC)-4227  
dated the 30th March, 1974.]

#### **Comments of the Committee**

In a further reply dated 30th March, 1974 to a recommendation to this effect made by the Railway Convention Committee, 1971 in their First Report, the Ministry of Railways have stated that the Working Group on Depreciation has not yet finalised its Report nor it has submitted any Interim Report. The Group is expected to submit its final Report in the course of the next few months.

The Committee would reiterate their recommendation that the study may be completed early and they may be apprised of Government's decisions thereon expeditiously.

## CHAPTER V

### RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAITED

#### Recommendation (Serial No. 3—Para 34)

The Committee would in this connection further like to draw pointed attention of the Ministry of Railways to the observations of the Railway Convention Committee, 1971 that "there is need to introduce an effective system of management accountancy on the Railways as expeditiously as possible which would act as a tool of management control and provide concurrent and purposeful data at all strategic levels to reach appropriate decisions." From the interim reply furnished by the Ministry, the Committee note that Government have set up a Task Force consisting of Officers drawn from the Ministries of Finance and Railways and two chartered accountants to undertake a detailed examination of budgetary, accounting and management practices on the Railways and that the Task Force has been asked to submit its final report before 30th June, 1974. The Committee would like the Ministry of Railways to expedite this study. The Report of the Task Force and the action taken or proposed to be taken in the light of its recommendations may be communicated to the Committee at the earliest.

#### Reply of Government

Noted.

[Ministry of Railways (Railway Board) O.M. No. 73-B (RCC)-4227  
dated the 30th March, 1974.]

#### Comments of the Committee

In a further note dated the 30th March, 1974 furnished to the Committee in reply to the recommendation at Sl. No. 56 of the First Report of the Railway Convention Committee, 1971, Government have stated that the Task Force has so far held 11 sittings to discuss various issues. The Task Force propose to submit separate reports covering one or more of the specific items included in its terms of reference.

The Committee would stress that the Reports should be expedited and copies thereof together with a statement showing the action taken thereon may be furnished to them.

NEW DELHI;

B. S. MURTHY,

June 6, 1974.

Chairman,

Jyaisitha 16, 1896 (S).

Railway Convention Committee.

## APPENDIX

(Vide para 4 of Introduction)

*Analysis of the action taken by Government on the recommendations contained in the Interim report of the Railway Convention Committee, 1973.*

I.	Total number of recommendations . . . . .	16
II.	Recommendations which have been accepted by Government ( <i>Vide</i> recommendations at Sl. Nos. 5-8, and 10-16).	
	Number . . . . .	11
	Percentage to total . . . . .	68.75
III.	Recommendations which the Committee do not desire to pursue in view of Government's reply.	
	Number . . . . .	Nil
	Percentage to total . . . . .	Nil
IV.	Recommendations in respect of which replies of Government have not been accepted by the Committee ( <i>Vide</i> recommendations at Sl. Nos. 1, 2, 4 and 9).	
	Number . . . . .	4
	Percentage to total . . . . .	25
V.	Recommendations in respect of which final replies of the Government are still awaited ( <i>Vide</i> recommendation at Sl. No. 3).	
	Number . . . . .	1
	Percentage to total . . . . .	6.25

