

RAILWAY CONVENTION COMMITTEE
(2004)

(FOURTEENTH LOK SABHA)

SEVENTH REPORT

ON

ACTION TAKEN BY THE GOVERNMENT
ON THE RECOMMENDATIONS
CONTAINED IN THE THIRD REPORT OF
RAILWAY CONVENTION COMMITTEE (2004)
ON EXTENSION OF CONCESSIONS AVAILABLE ON
CONSTRUCTION OF NEW LINES ON STRATEGIC CONSIDERATION
TO GAUGE CONVERSION WORKS TAKEN UP ON STRATEGIC
CONSIDERATION.

Presented in Lok Sabha on

Laid in Rajya Sabha.....

S

E

A

L

LOK SABHA SECRETARIAT
NEW DELHI

2007/ 1929 (S)

Price Rs.....

CONTENTS

		Page
COMPOSITION OF THE RAILWAY CONVENTION COMMITTEE		(iii)
INTRODUCTION.....		(v)
 PART-I 		
CHAPTER I	Report	1
CHAPTER II	Recommendations/Observations which have been accepted by the Government	4
CHAPTER III	Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government.....	6
CHAPTER IV	Recommendations/Observations in respect of which replies of which replies of the Government have not been accepted by the Committee	7
CHAPTER V	Recommendations/observations in respect of which replies of the Government are still awaited	8
 <u>APPENDIX</u> 		
	Analysis of the action taken by Government on the Recommendations/Observations contained in the Third Report of Railway Convention Committee (2004)	9
 PART – II 		
	Minutes of the 26 th sitting of Railway Convention Committee-04 held on 4 th January, 2008.	10

INTRODUCTION

I, the Chairman of the Railway Convention Committee (2004), having been authorized by the Committee to present the report on their behalf, present this Seventh Report on Action Taken by the Government on the observations/recommendations contained in their Third Report on 'Extension of concessions available on construction of new lines on strategic consideration to gauge conversion works taken up on strategic consideration.'

2. The Third Report was presented to Lok Sabha on **12th August, 2005** and laid on the Table of Rajya Sabha on the same day. It contained 2 observations/recommendations. Action Taken replies on all the 2 observations/recommendations were received from the Ministry of Railways (Railway Board).

3. The Committee considered and adopted the Draft Report at their sitting held on **04th January, 2008**. The Minutes of the sitting form Part-II of the Report.

4. An analysis of action taken by the Government on the observations/recommendations contained in their Third Report is given at Appendix .

NEW DELHI;
04th January, 2008
14 Pausa, 1929 (S)

GINGEE N. RAMACHANDRAN
Chairman,
Railway Convention Committee

RAILWAY CONVENTION COMMITTEE (2004)

Shri Gingee N. Ramachandran, MP - Chairman

MEMBERS

Lok Sabha

2. Shri Atique Ahamad
- *3. Prof. Rasa Singh Rawat
4. Shri Raghunath Jha
5. Shri Kailash Joshi
- &6. Shri Sartaj Singh Chhatwal
7. Shri Nizamoddin
8. Shri M. Rajamohan Reddy
9. Shri Madan Lal Sharma
10. Shri D. Venugopal
11. Shri Rajesh Verma
- \$12. Shri P. Rajendran

Rajya Sabha

13. Shri Vijay J. Darda
14. Shri Surendra Lath
15. Dr. Narayan Singh Manaklao
- #16. Shri Mahendra Mohan
17. Shri Dwijendra Nath Sharmah
18. Shri A. Vijaya Raghavan

SECRETARIAT

- | | | | |
|----|--------------------------------|---|----------------------|
| 1. | Shrimati Paramjeet Kaur Sandhu | - | Additional Secretary |
| 2. | Shri Louis Martin | - | Joint Secretary |
| 3. | Sh. T.K Mukherjee | - | Director |
| 4. | Smt Rita Jaiikhani | - | Deputy Secretary-II |
| 5. | Smt Usha Gupta | - | Committee Officer |

* Nominated vide Bulletin dated 29.3.2005 as Member of RCC vice Shri S. Bangarappa, who resigned from Lok Sabha on 10th March, 2005

Nominated vide Bulletin dated 28.04.2006 as Member of RCC vice Shri K. Rama Mohana Rao, MP, retired from Rajya Sabha w.e.f 02.04.2006

\$ Nominated vide Bulletin dated 23.5.2006 as Member of RCC vice Late Shri Mahboob Zahedi, MP, Lok Sabha (died on 8 April, 2006)

& Nominated vide Bulletin dated 21.07.2006 as Member of RCC vice Shri Babu Lal Marandi, who resigned from Lok Sabha on 22nd May, 2006

PART -1

REPORT

CHAPTER-1

This Report of the Committee deals with the Action Taken by the Government on the observations and recommendations contained in their Third Report (Fourteenth Lok Sabha) on 'Extension of concessions available on construction of new lines on strategic consideration to gauge conversion works taken up on strategic consideration' which was presented to Lok Sabha on 12th August, 2005 and laid on the Table of Rajya Sabha on the same day. It contained two observations/recommendations.

2. The Action Taken replies on both the observations and recommendations have been received from the Ministry of Railways (Railway Board) and the same have been categorized as under:

- (i) Recommendations/Observations which have been accepted by the Government:

Paras No. 23 & 24

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies:

NIL

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

NIL

- (iv) Recommendations/Observations in respect of which final reply of the Government is still awaited.

NIL

3. The Committee will now deal with the Action Taken by the Ministry of Railways (Railway Board) on their recommendations/observations.

4. The Committee had recommended in their Third Report (paras 23 & 24) that the concessions in payment of dividend as available on new lines on strategic consideration should also be extended to on-going and future gauge conversion works taken up on strategic consideration. Further, the Committee opined that fresh vetting of the projects by the Ministry of Defence need not be required as the projects are taken on the request/recommendation of the Ministry of Defence only. The Committee also felt that the “issue of national security is of paramount importance and thus due priority should be given for completion of the projects taken up on strategic consideration.”

5. Accepting the recommendation of the Committee with regard to extension of the concessions in dividend payment to strategic gauge conversion works, the Ministry of Railways indicated that the

recommendation will be given effect from 2005-06. The Railways also assured that due priority would be given for completion of the projects taken up on strategic consideration subject to availability of resources.

6. The Committee are glad to note that as recommended by the Committee, concessions in dividend payment have been made applicable to strategic gauge conversion works with effect from 2005-06. The Ministry of Railways have also agreed to give due priority for completion of the projects taken up on strategic consideration. The Committee would like to be informed of the total number of strategic projects under execution, the number of strategic projects accorded priority during the last two years and the details of those projects.

CHAPTER-II

RECOMMENDATIONS AND OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT:

Recommendation (Para No. 23)

The Committee after taking into account the views of Ministries of Defence, Finance and Railways are of the considered view that since concessions are already provided to strategic lines, on the same analogy the concessions could be provided for Gauge Conversion of strategic lines also. They, therefore, recommend that concessions in payment of dividend as available on new lines on strategic consideration should also be extended to on-going and future gauge conversion works taken up on strategic consideration. Further, the Committee opine that fresh vetting of the projects by the Ministry of Defence need not be required as the projects are taken on the request/recommendation of the Ministry of Defence only.

Reply of the Government

“The recommendations of the RCC have been noted and will be given effect from 2005-06.”

[Ministry of Railway (Railway Board) O.M. No.2004/RCC/206/3 Dated 14.11.2005.]

Recommendation (Para No. 24)

The Committee also feel that the issue of national security is of paramount importance and thus due priority should be given for completion of the projects taken up on strategic consideration.

Reply of the Government

“The recommendations of the RCC have been noted. Due priority would be given for completion of the projects taken up on strategic consideration subject to availability of resources.”

[Ministry of Railway (Railway Board) O.M. No.2004/RCC/206/3 Dated 14.11.2005.]

**Comments of the Committee
(Please see paragraph 6 of the report)**

CHAPTER III

**RECOMMENDATIONS/OBSERVATIONS WHICH THE
COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE
REPLY OF THE GOVERNMENT**

 NIL

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

-----NIL-----

CHAPTER V

**RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH
REPLIES OF THE GOVERNMENT ARE STILL AWAITED.**

-----NIL-----

NEW DELHI;
4th January, 2008
14th Pausa , 1929 (S)

GINGEE N. RAMACHANDRAN
Chairman,
Railway Convention Committee

APPENDIX
(Vide para 4 of Introduction)

Analysis of the action taken by Government on the Recommendations/Observations contained in the Third Report of Railway Convention Committee (2004)

I	Total number of recommendations	02
II.	Recommendations/Observations which have been accepted by Government : Paras No. 23 & 24	02 100%
III	Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies: NIL	
IV	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration: NIL	
V	Recommendation/Observation in respect of which final reply of the Government is still awaited: Nil	

**MINUTES OF THE TWENTY-SIXTH SITTING OF THE
RAILWAY CONVENTION COMMITTEE HELD ON 04TH
JANUARY, 2008.**

* * *

The Committee sat on Friday, the 04th January, 2008 from 1500 hrs. to 1625 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Gingee N. Ramachandran - Chairman

MEMBERS

LOK SABHA

1. Prof. Rasa Singh Rawat
2. Shri Sartaj Singh Chhatwal
3. Shri M. Raja Mohan Reddy
4. Shri D. Venugopal
5. Shri P. Rajendran

RAJYA SABHA

1. Shri Vijay J. Darda
2. Shri Dwijendra Nath Sharmah
3. Dr. Narayan Singh Manklao
4. Shri Surendra Lath

SECRETARIAT

- | | | | |
|-----|---------------------|---|---------------------|
| (1) | Shri T.K. Mukherjee | - | Director |
| (2) | Smt. Rita Jaikhani | - | Deputy Secretary-II |

REPRESENTATIVES OF THE MINISTRY OF RAILWAYS

- | | | |
|-----|----------------|--|
| (1) | Shri K.C. Jena | Chairman, Railway Board and
ex-officio Principal Secretary to the
Government of India. |
|-----|----------------|--|

- | | | |
|-----|--------------------|--|
| (2) | Ms. Sudha M. Chobe | Financial Commissioner, Railways and
ex-officio Secretary to the
Government of India |
| (3) | Shri S.K. Vij | Member, Engineering and ex-officio
Secretary to the Government of India |
| (4) | Shri P.K. Sanghi | Executive Director, Works |
| (5) | Ms. Sushma Pande | Additional Member, Budget |
| (6) | Ms. Anjali Goyal | Executive Director, Finance
(Budget) |

REPRESENTATIVES OF THE MINISTRY OF DEFENCE

- | | | |
|-----|------------------------|------------------------|
| (1) | Shri P.K. Rastogi | Special Secretary |
| (2) | Shri Binoy Kumar | Joint Secretary |
| (3) | Maj. Gen. Raja Goswami | VSM, ADG (Mov) |
| (4) | Col. PC Thimmaya | Director, (Ops & Plg.) |
| (5) | Brig. Vijay Sharma | DDGMO (C) |

2. At the outset the Hon'ble Chairman welcomed the Members to the sitting of the Committee, the Representatives of the Ministry of Railways (Railway Board) and Ministry of Defence. Thereafter, the Committee heard the views of the Chairman, Railway Board and the Special Secretary of Ministry of Defence regarding the issues relating to

- (i) Extension of concessions available on construction of new lines on strategic consideration to gauge conversion works taken up on strategic consideration and
- (ii) Revival of Capital Fund from 2005-06.

3. During the discussion the Committee raised certain queries addressed to Chairman, Railway Board about the details of concessions made available to strategic gauge conversion works with effect from 2005-06 and details of the strategic line gauge conversion projects taken up during that period; money that has been spent, the number of projects that have been completed and the number of projects that are yet to be completed, priority given to each such project, the details of the expenditure incurred by the Railways on construction of new lines and the details of the funds appropriated for the railway projects from the Capital Fund after being revived and made operative from 2005-06. The Chairman, Railway Board responded to these queries and assured to send replies in respect of those queries which he could not readily respond.

4. Thereafter, the Committee desired to know from the Special Secretary, Ministry of Defence about the criteria on which projects for construction of new lines to gauge conversion works are identified as “strategic”; the projects that are facing cost escalations and time over-run; the steps that have been proposed or taken to over-come delays and complete the project as per the scheduled time. The Special Secretary was asked to send written replies in respect of those queries.

The Representatives of both the Ministry of Railways and Ministry of Defence withdrew.

A verbatim record of proceedings is kept.

5. Thereafter, the Committee took up for consideration the following two Draft Action Taken Reports for consideration:-

- (i) Extension of concessions available on construction of new lines on strategic consideration to gauge conversion works taken up on strategic consideration and
- (ii) Revival of Capital Fund from 2005-06.

The Committee adopted the above reports without any modification and authorized the Chairman to present the same to both the Houses of Parliament after making consequential changes, if any, arising out of the factual verification by the Ministry of Railways or otherwise.

The Committee then adjourned.
