

**STANDING COMMITTEE ON RAILWAYS
(2007-08)**

FOURTEENTH LOK SABHA

**MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

PERFORMANCE OF NEW RAILWAY ZONES

THIRTY SECOND REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

September, 2007/Bhadrapada, 1929 (Saka)

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**Presented to HS on 14.09.2007
Presented to Lok Sabha on 19.11.2007
Laid in Rajya Sabha on 19.11.2007**



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COMPOSITION OF THE STANDING COMMITTEE ON RAILWAYS (2007-08)**Shri Basudeb Acharia - Chairman****MEMBERS****LOK SABHA**

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INTRODUCTION

I, the Chairman of the Standing Committee on Railways (2007-08), having been authorized by the Committee to present the Report on their behalf, present this Thirty Second Report of the Committee on 'Performance of New Railway Zones'.

2. The Committee took evidence of the representatives of the Ministry of Railways (Railway Board) on 16.01.2007, 29.01.2007, 04.06.2007 and 14.08.2007.

3. The Committee considered and adopted the Report at their sitting held on 12.09.2007. Minutes of the sittings held on 16.01.2007, 29.01.2007, 04.06.2007, 14.08.2007 and 12.09.2007 form Part-III of the Report. For facility of reference, the recommendations/observations of the Committee have been presented in thick type.

4. The Committee wish to express their thanks to the officers of the Ministry of Railways (Railway Board), for appearing before the Committee and furnishing the material and information which the Committee desired in connection with the examination of the subject 'Performance of New Railway Zones' and sharing with them the issues concerning the subject which came up for discussion during evidence.

NEW DELHI;
12 September, 2007
21 Bhadrapada, 1929 Saka

BASUDEB ACHARIA
Chairman,
Standing Committee on Railways

CHAPTER I

REPORT

A. HISTORICAL BACKGROUND

(i) The process of Railway Reorganization since 1951

1.1 As a result of Federal Integration in 1951 as many as 42 Railways belonging to the erstwhile Princely States were brought under the control of Government of India. The Indian Government Railways were accordingly organized into six zonal systems in 1951-52 named Central, Eastern, Northern, North Eastern, Southern and Western Railways.

In this rapidly developing economy, the matter of reorganization of Railways had been under continuous review. This was because of increasing workload and to ensure adequate transport and to maintain a high standard of efficiency. Some adjustment in the jurisdiction of zonal Railways had been made whenever felt necessary. On 1st August 1955, the Eastern Railway was bifurcated to form South Eastern Railway in view of the heavy workload projected in the Second Plan Period.

Further in 1958, the North Eastern Railway was bifurcated on operational and administrative grounds to form the Northeast Frontier Railway. Again in 1966, with a view to improve operating efficiency and to maintain correct balance in the matter of workload, another Railway zone named South Central Railway was formed.

(ii) Proposals for new Zones after 1981

1.2 Majorities of the 9 existing zones of Railways were too large for efficient functioning. With a view to improve efficiency of Railways, the

subject of reorganization of the Railways by increasing the number of zones has been receiving attention of the Ministry of Railways from time to time. A need was again felt in 1981 to review the whole gamut of working of Indian Railways. This need was based on the comprehensive review made by the Indian Railways Enquiry Committee under the Chairmanship of Pt. Kunzru. Subsequently, a high powered committee named Railway Reforms Committee (RRC) was set up in May 1981 with specific term of reference to examine the need for reorganization of Zonal Railways by creating more zones and divisions.

The RRC consisted of experts drawn from various disciplines from within and outside Railways. One of the terms of reference of the RRC was to go into the regrouping of the Railways. This term of reference was kept as the existing Railway Zones were considered to be too large for efficient management with a vast geographical spread and the need for further reorganization was being felt for quite some time. After creation of last zone i.e. South Central Railway in 1966, there had been manifold increase in the workload of the Railway Zones.

The RRC looked into the matter in great depth for about two years, and consulted various professional organizations like Indian Institute of Management etc., and instituted a number of studies. Its Report on 'Railway Regrouping' submitted in 1984, highlighted the need to rationalize the existing geographical distribution of zones and divisions on the basis of their workload, geographical sprawls and accessibility, pattern of traffic flows and economic viability in the overall context of

developing a balanced rail infrastructure to serve the needs of the national economy adequately and efficiently. The RRC recommended the setting up of four new railway zones namely; North Western, East Central, North Central and South Western.

1.3 Railway Board, while accepting the RRC's recommendations in principle handed over the entire issue to an expert Committee of Advisors' to further examine the whole issue. The Advisor's Committee in 1994 also gave similar recommendations for setting up four new Zones and also laid down guidelines for evaluating issues relating to Railway reorganization. The new Zones were to be created on the criteria of workload, accessibility, geographical sprawl and pattern of traffic flows and other administrative and operational requirements, so as to provide relief to the heavily worked Zones. Ethnic, linguistic and/or territorial (i.e. State Boundaries etc.) considerations do not form the basis for evaluating issues pertaining to Railway reorganization. Advisors' Committee too went with the recommendations of the RRC except recommending headquarters of North Western Railway at Jaipur instead of Ajmer.

1.4 On 12th July 1996 Cabinet approved the proposal of Ministry of Railways for creation of six new Railway Zones, to be carved out of the existing nine zones, as below:

1. East Coast Railway - Headquarters at Bhubaneswar
2. East Central Railway - Headquarters at Hajipur
3. North Central Railway - Headquarters at Allahabad

4. North Western Railway - Headquarters at Jaipur
5. West Central Railway - headquarters at Jabalpur
6. South Western Railway - Headquarters at Bangalore

It has been stated that later on, on public demand, Cabinet on 9th September, 1998 approved another zone with headquarters at Bilaspur.

B. VIEWS REGARDING FORMATION OF NEW ZONES

1.5 There have been several views for and against the formation of the zones. Those opposing the formation of the new Zones have advocated a phased approach and opposed the move due to extra expenditure, effect on operations and questioned the economic viability. These views have come from Standing Committee of Parliament, the Comptroller and Auditor General, the Federations, Rakesh Mohan Committee etc.

Railway Staff Federations also opposed the formation of new zones and divisions and voiced their opinions against it from time to time.

1.6 On the other hand, issue of operationalising the zones has been figuring in the Parliament on a number of occasions, as also there have been demands from various public representatives for making the zones fully operational.

(i) Views of the Committee:

1.7 The Standing Committee on Railways (1996-97) in their Fifth Report (11th Lok Sabha) on 'Reorganisation of Zonal Offices in Indian Railways' had felt at that time that the creation of six new zones in one go might have serious impact on the present railway system. The Committee had then recommended that creation of new Zones, should be

taken up in a phased manner and that too on the basis of workload, better operational efficiency and effective financial and administrative management.

(ii) Observation of the C&AG

1.8 Holding the view that creation of a new Zone would in no way add to the operational efficiency of the system, the Comptroller and Auditor General of India in para 4.1.1 of the Report, No. 9 of 2001 observed as under:

(i) The basic issue is how new Railway Zones would improve the efficiency of the Railways. Zone is only an administrative unit on Railway system and division is the actual functioning unit, which runs the system. Therefore, creation of a new zone would in no way add to the operational efficiency of the system, it would only involve expenditure on offices/staff/establishment and not on promoting actual railway activities related to running more trains more efficiently. Railway Convention Committee (RCC)(1996)[11th Lok Sabha], had also opined that creation of more divisions instead of creating zones should have been more weightage with the growth in volume of freight and passenger traffic. Ignoring this, the Railway Board went ahead with the creation of seven new zones.

(ii) A proposal for creation of four new zones had been deferred only on 1st August 1995. Under the circumstances, the reasons that prompted Railways to again make attempts within two years to get seven new zones [6(+)] created [as against four new zones recommended by Railway Reforms Committee (RRC) in 1984] are not clear.

1.9 Commenting on the audit observations, the Ministry of Railways quoted the following observations of the Railway Reforms Committee (RRC).

“Past experience has shown that when Railway Zones having unwieldy size and heavy workload were regrouped into smaller units, the efficiency and

economy of the reorganized units showed considerable improvement”.

“The Railways would, therefore, have to undertake the regrouping of their existing zones into a larger number to bring the workload of each of the reorganized units within manageable limits. This approach would also have advantage of reducing the size of unwieldy Railway Zones by converting them into compact and business like units, thus rendering it possible for their managements not only to exercise effective control even over their remotest part, but also to concentrate attention on their busy routes with greater effectiveness.”

1.10 RRC also reportedly went for an Opinion Poll through Indian Institute of Public Opinion, New Delhi, which also pointed to the necessity of reorganizing the Railways into smaller units. As per this poll, such a reorganization would lead to closer and more intensive supervision of railway work by management, better co-ordination between different Departments of the Railways, improved maintenance of assets, better availability of wagons, etc.

1.11 The Ministry reportedly went to the Cabinet in 1995 for creation of four new zones as recommended by RRC but the issues was deferred with the directions to come up again after further examination. Accordingly, the issue was examined in detail by Board. Keeping in view the change in traffic pattern on account of coming up of Project Unigauge, Konkan Railway and also development of backward areas of Bihar and Orissa, a fresh proposal for creation of six new zones (including one at Hajipur in Bihar and one at Bhubaneswar in Orissa) instead of four was sent to Cabinet in 1996 which was approved. The

need for additional Railway zones was felt due to excessive workload and geographical spread of many of the existing Railway zones with the objective to make Railway more efficient. Based on a further review, the Government took decision in 1998, with the approval of Cabinet, to set up another zone at Bilaspur to further offload the heavily worked South Eastern Railway.

(iii) Views of Rakesh Mohan Committee

1.12 Referring to the issue of creation of new railway zones under the chapter on Future of Indian Railways: Investment Requirements the Rakesh Mohan Committee (the Expert Group on Indian Railways) observed:

“Firstly, the decisions of this type which involve additional costs and make large demands on top management towards problems of staff allocation and resolving a host of coordination issues ought to have been taken only after the fullest internal preparation, dialogue with employees and managers. It is well known that one of these factors were considered. Secondly, for an organization like Indian Railways, which is already over-exposed to political pressures, it should be a priority not to open up new areas of political interface. The scheme for creation of new zones was a patently political one and as expected created new controversies with political overtones. Third and most damaging for the long term are the problems arising in relocation of senior personnel, complications in evaluating performance on the basis of past data, etc.”

1.13 The Ministry of Railways commented in this regard that regrouping of the Railways was neither a part of terms of reference of the Expert Group nor part of their recommendations/executive summary and that the remarks were made while discussing planning process on the Railways, without examining the subject.

C. CREATION OF NEW ZONES

1.14 The Railway Reforms Committee (RRC) and the Expert Committee of Advisors in their reports had recommended creation of four additional zones. However, the Railways created seven new zones by adding three new zones viz. East Coast, South East Central and West Central Railway.

According to the Ministry of Railways the proposal for setting up of four new zones as recommended by Railway Reforms Committee and Advisors' Committee was sent to Cabinet for approval in 1995, which was deferred on account of financial constraints with the directions to examine the issue further and come up again.

1.15 The whole issue was examined in detail by Board and apart from four zones recommended, two more zones were considered by Board at Hajipur in Bihar and Bhubaneswar in Orissa for development of backward areas. Accordingly, due to changed scenario in the wake of the coming of the Project Unigauge and Konkan Railway the Government decided to set up six new Railway Zones on 12.7.1996.

Later on another zone at Bilaspur was approved by Cabinet on 9.9.98 to offload the heavily worked South Eastern Railway to achieve better co-ordination of work and operations.

1.16 On being enquired that Project Unigauge, Konkan Railway and also development of backward areas of Bihar and Orissa were never stated by Expert Committee as the criteria for creation of new zones, the Chairman Railway Board, submitted during evidence as under:

“Sir, as you have already observed, the creation of new zones was dependent essentially on the workload which we computed in terms of workload index. The accessibility of various areas of the zones – by the term accessibility we are keeping in mind easy accessibility within a give time frame, the geographical spread of the area, operational requirement how the system is integrated in terms of operational convenience and other administrative measures required to ensure closer coordination, monitoring of the entire railway system. It was in reply to audit para that this mention was made. The words used were “keeping in view the change in pattern of traffic on account of coming up of Project Uniguage, Konkan Railway and also development of backward areas of Bihar and Orissa, a fresh proposal for creation of six zones (including Hazipur and Bihar and one at Bhubaneswar in Orissa) instead of four was sent to the Cabinet in 1996 for their approval. This is where it found the mention in response to audit para and that is how we have now also presented it before the Committee.

With regard to this issue of how the uniguage would affect the system, I would quote an example. Ahmedabad, Rewari and Delhi was earlier meter gauge. It was running to a super-saturation level India from Gujarat and also it was an alternative route and therefore, the pattern of traffic in this area changed considerably after this conversion. It was envisaged in the project uniguage that these kinds of developments would take place at a number of locations and therefore, they also need to be factored into while deciding the future workload that will arise.

Similarly, the Konkan Railway opened the shortest route to Mangalore and beyond from Mumbai side. That also became an alternative route and shorter route. It reduces the time of travel and therefore, that was also factored in while keeping in view the proposed workload of the new zones”

1.17 The Committee desired to know the reasons for taking ten years to decide the increase in the number of zones and the need for creating two additional zones within one year without appointing any Expert Committee. In his reply, the Chairman Railway Board, stated during evidence:

“The Kunjru Committee Report did not specifically go into the number of new zones because this was not one of the terms of reference but it was seized of the issue. Whereas the Railway Reforms Committee had this item of reorganization as one of the specific terms of reference. So, it went into detail on the issue. The report was submitted in 1984. That was the time the Railway was passing through considerable problems. The rail share of traffic was gradually declining and there was considerable financial worries. Therefore, this issue though was dealt with on file, off and on but the issue was never concluded because it was quite clear that the moment we form new zones it will require fresh investments which we could not afford.”

1.18 Adding further he stated:

“We were not in a position to have adequate investible surplus. Most of the earnings were going back into the system to take care of the over-aged stock, asset etc. We have come to that happy situation only now. This was one of the major reasons that was all the time coming into way. If we create new zones it will involve extra expenditure and dislocation of staff. These were two major issues which the administration was seized of all the time. It did take a very long time in this process. This decision was ultimately taken only in 1994 to appoint an Advisors Committee. In fact, the Advisors Committee was also appointed in 1994 which went into this issue and gave its report. In its report, only four zones were recommended with change of headquarters of one. Once again this issue was kept for in-house discussion and it was brought up only in 1995. here also, because of financial constraints, the Cabinet did not agree to the proposal.

The issue again was examined in the Board and it was subsequently in July 1996 that we submitted proposals again but this time proposals for six zones were submitted instead of four zones which were earlier recommended by the Advisors Committee. By this time, the Board also came to the view that we should make zones more administratively manageable, and bigger zones should get reduced for the sake of operational and administrative efficiency. At that time a lot of protests etc. also took place in Bilaspur area. Subsequently in 1998 one more zone that is South-East Central Zone was added with headquarter at Bilaspur”

1.19 Elaborating on the reasons for creation of South East Central Zone, the Chairman Railway Board, stated during evidence as under:

“It is a fact that Bilaspur area, that is, South-East Central Railway system undertakes the maximum loading of any Zonal Railway of the Indian Railway system. In fact, Bilaspur Division alone loads more than the Eastern Railway system. The Division itself is so heavy. The area was expanding very very fast with more coalmines, cement industry and iron and steel industry. A lot of activities were taking place. Even today, they continue to take place”

1.20 A representative of the Railway Board stated in this connection:-

“Actually, if you look at the history you will remember that Bilaspur was at its peak of loading. As you know the CIC area, that is Central India Coalfields, which is on the northern part of the Division, actually the entire loading is towards the north or the west also. That means Central Railway does the entire feeding of the stock from the Central Railway and the loading is done on Bilaspur Division and it goes back. Therefore, there was a big movement or requirement that whether this area should be under Central Railway.

At the same time, there was a very big agitation going on among the people in Bilaspur to form a new Division called Uslapur Division because they felt that Uslapur Division should be a new Division. In fact, it has been thought of a new zone, Uslapur zone which would take care of the entire needs of this Division because everybody knew that this was a very upcoming Division and it was growing. Therefore, at that time when this reorganization had been thought of, we were not prepared to touch this area because we thought that if we are going to touch this area, this is going to pick up only hornet's nest.

Therefore, the idea was to lie low and allow the things first to settle down and let the things get firmed up because as I said, from the operation point of view, the Bilaspur Division was basically part South-Eastern Railway where the entire flow of empties and locomotives used to come from the South-Eastern area. So, operationally it was working beautifully that the Bilaspur area would be under the South-Eastern area while North of Uslapur would be more akin to Central Railway. Therefore, the Railways had actually felt

that that was a wrong time to touch this issue at this time. That is the reason.

.....It is because it would only create problem for the staff also because of such working pattern. There are two distinct areas called Bilaspur mainline and Bilaspur CIC. These are two distinct areas of operation. The CIC area is closer towards that of the Central Railway while the Bilaspur mainline is more close to South-Eastern. Therefore, at that time if we had started bifurcating this area, it would not be wise. That is why; we were trying to avoid this situation”

1.21 On being enquired whether any study had been made in addition to the Committee of Advisors as to how many zones are needed and the main criterion for creation of the zones and the delay in implementing the recommendations of the Railway Reforms Committee, the Chairman Railway Board stated:

“Railway’s financial position was tight when these recommendations were received. Railway was quite cautious of this. It was the primary reason which led us to delay the decision. It was also visualized after 1992-93 that we would need roughly an expenditure of over about Rs. 800 crore if we were to set up the zones. At that time the Railway was facing the effect of recession. The traffic was not offering on expected lines. Our earnings were not commensurate. Therefore, the decision primarily was postponed on this account. Even at that stage, when the decision was taken in 1994, the internal discussion was that we will operationalize these zones over a period of five years so that the amount of expenditure gets spread over a longer period. There was no other Committee other than the Advisors Committee which rescued setting up of new zones. While the words ‘backward areas of Bihar and Orissa and their development prompted the development of new zones’ has been mentioned here, one of the reasons which was expressed was that these areas are bubbling with mining activities; they are rich in resources and they need to be developed. They have not been developed because they were backward and therefore, they are not developed, or they are not developed and therefore, they are backward; this was the basic issue which was the

point of discussion. It was realized that this area is bound to develop very soon and hence new zones must come up in these areas. Subsequent events have proven right. Both these areas are bubbling with mining activity. Mining activity essentially can be supported with appropriate rail network in position.

You are right, Sir, that division is the essential field unit of operation which produces the results while the zonal railways coordinate the working between the divisions. It was also felt in this light that while divisions need to be created and accordingly effort was made in this direction. On each of the divisions the expenditure involved was in the range of Rs. 14 crore to Rs. 17 crore which also was quite huge. Therefore, together the amount of expenditure involved being large plus the results of the Fifth Pay Commission were announced, the Railways took a little time to come out of the effects of the Fifth Pay Commission. As a result the whole decision was delayed and it took about ten years to take a decision whereafter the process of operationalizing the Zonal Railways and divisions was taken up.”

1.22 In pursuance of the decisions of the Government taken during 1996-98, Ministry of Railways decided to operationalise the East Central Railway, Hajipur and North Western Railway, Jaipur w.e.f. 1st October 2002 (Notification issued on 14th June, 2002) and rest of the five new zones named East Coast Railway/Bhubaneswar, North Central Railway/Allahabad, South Western Railway/Hubli, West Central Railway/Jabalpur and South East Central Railway/Bilaspur w.e.f. 1st April, 2003 (Notification issued on 4th July, 2002).

These seven zones have been carved out of the existing nine Zonal Railways where the workload had increased much above the optimum level. The present reorganization of the railways, by way of setting up of new Zonal Railways, has been done with a view to provide relief to the existing Zonal Railways so as to improve efficiency and to provide better

service to the people. The jurisdictions of all the new zones have accordingly been decided keeping in view the geographical contiguity of the Divisions in a Zone, smoother movement of traffic and to provide better control and to improve efficiency of the system.

1.23 Ministry of Railways is of the view that with the reduction in the size of Railway Zones, the General Managers of the respective zones shall be able to give more attention to the problems of that area and serve the needs of the people better.

1.24 As per policy, new zones have been created on the basis of their workload, accessibility, geographical sprawls and other administrative requirements and not on regional considerations. The present reorganization of Zonal Railways is neither on the basis of the state boundaries nor the importance of Indian Railways as a unified factor is going to be lost. The jurisdiction of East Central Railway/Hajipur spreads into the states of Bihar, Jharkhand, Uttar Pradesh and Chhatisgarh, the revised jurisdiction of Eastern Railway extends into the States of West Bengal, Bihar and Jharkhand. Similarly, the jurisdiction of the entire Railway zones even after reorganization extends into the various states.

1.25 New Railway Zones have been created by suitable readjustment of territories of earlier Railway Zones. Further, financial state of individual zones matters only to the extent of its bearing on the overall financial position of Indian Railways. Creation of new Zonal Railways will only

result in redistribution of resources with Indian Railways, without changing Indian Railway's overall picture.

D. WORKLOAD OF NEW ZONES

1.26 Workload essentially is an index which takes care of the geographical spread, the amount of line, the amount of passenger traffic etc.

1.27 Elaborating how workload is calculated, the Chairman, Railway Board stated during evidence as under:-

“As far as question of workload is concerned, these are all indexes which are made by adding all other statistics so that we can easily understand which railway has how much workload. This index is arrived at by adding one part of the entire railway kilometer, wheel kilometer, one part of engine kilometer and after that the efficiency index of that particular railway or section is taken, after adding all of them the said index is arrived at, so the index is a summary of all the activities occurring in the railway, somewhere it is high and elsewhere it is low.”

1.28 Comparative statement of workload of various Zones before and after reorganization is as under:-

Railway	Workload before reorganization	Workload after reorganization		
	2001-02	2003-04	2004-05	2005-06 (Provisional)
Central	431	295	305	309
Eastern	262	155	100	182
Northern	383	306	293	304
North Eastern	127	75	56	57
Northeast Frontier [^]	110	102	116	122
Southern	225	214	212	219
South Central	277	256	265	274
South Eastern	403	186	191	211
Western	307	237	246	261

New Zones

Railway	Workload of New Zones		
	Workload		
	2003-04	2004-05	2005-06 (Provisional)
East Central*	179	181	186
East Coast**	173	178	186
North Central**	153	161	169
North Western*	234	232	223
South East Central**	194	205	212
South Western**	103	108	NA
West Central**	190	191	196

* Operationalised w.e.f. 1.10.2002

** Operationalised w.e.f. 1.04.2003

1.29 Divisional workload in various Zones of Indian Railways is given in Appendix.

1.30 One of the objectives of creation of the new zones was to decrease the workload in the existing zones but from the division wise workload of various Zones, the Committee observed that the workload had increased in a number of divisions. When the Committee desired to know the reasons for the increase in divisional workload, the Chairman, Railway Board, stated during evidence as under:-

“With the increase in traffic, workload will keep on moving up because increased freight load and with increased number of passenger trains, the workload will increase.”

E. Review of Efficiency

1.31 The new zones have been created with the view that their creation will result in efficiency and redistribution of resources within the Railways without changing the basic fabric of the Indian Railways. Asked as to what extent Railways have been able to achieve these objectives since the creation of new zones, the Ministry have stated in a written

reply that with the creation of smaller administrative railway zones, it has been possible to achieve an all round improvement in the functioning of the railways due to better supervision and monitoring. Since all zones contribute to the performance of Indian Railways as a whole, the improvement in overall performance of the Indian railways indicate a significant contribution of the new zones.

1.32 It has been stated that financial state of individual zones matters only to the extent of its bearing on the overall financial position of Indian Railways. Creation of new Zonal Railways has only resulted in redistribution of resources within Indian Railways, without changing Indian Railway's overall picture.

1.33 According to the Ministry of Railways, the financial health of Indian Railways can be well judged from the following figures:

Year →	2002-03	2003-04	2004-05	2005-06 (RE)	2005-06 (Actual)	2006-07 (BE)	2006-07 (RE)	2006-07 (Actual)	2007-08 (BE)
Total Earnings (in crores)	41147.73	42842.16	47038.25	54600	54404 .56	59828	63120	62370.49	71218
Operating Ratio (in percentage)	92.3	92.1	91.0	83.7	82.3	83.8	78.7	78.68	79.6

1.34 The Committee observed that four years had passed since the new zones became operational and enquired from the Ministry (Railway Board) whether it had made any review to assess the efficiency of the newly created zones. The Chairman, Railway Board replied during evidence as under:-

“With regard to performance of new zones, while no formal study has been undertaken, the way it was done earlier to review the performance and submit a report by itself, but year on year performance results of all the zones are

available which can be seen. The loading on majority of the zones has gone up. The earnings from the zones have gone up. The operating ratio of almost all the zones has been consistently coming down. Last year, overall operating ratio was a record of 78.5 per cent which is possibly a record in the world railway systems as well.

Why we say that the full impact would take some time to be understood is because even now in the zones, the zonal officers, the zonal setups, the quarters are yet to be fully in position so that offices can be set up in the normal manner and can start functioning as per allocation of work, the problem of increased change points needs to be resolved because the number of inter-change points have increased and therefore, they need to be attended to appropriately. These will take time and we are already working on it. But in totality, when a performance of a new zone is seen vis-à-vis previous years, their performance has improved in terms of loading, earning, operating ratio, in terms of output produced, in terms of works being carried out etc. In totality, for the Indian Railways also, the performance has improved.”

CHAPTER II

FINANCIAL & PHYSICAL PERFORMANCE

A. FINANCIAL PERFORMANCE

2.1 The financial performance of the seven newly created zones during the years 2003-04, 2004-05 and 2005-06 with a break up of passenger as well as freight traffic and the operating ratio of these Zones along with the growth rate of traffic both passenger and freight as furnished by the Ministry of Railways is as follows:

(Figures in Crore)

Particulars	2003-04	2004-05	2005-06
East Central Railway			
Passenger	688.71	741.91	847.99
Freight (Goods)	2249.02	2159.67	2607.94
Growth rate of Passenger		7.72%	14.30%
Growth rate of Freight(Goods)		-3.97%	20.76%
Operating Ratio	93.7%	98.90%	82.29%
East Coast Railway			
Passenger	301.48	300.2	333.08
Freight (Goods)	2664.41	2970.21	3564.34
Growth rate of Passenger		-0.42%	10.95%
Growth rate of Freight(Goods)		11.48%	20.00%
Operating Ratio	66.6%	61.8%	54.01%
North Central Railway			
Passenger	890.31	1052.87	1157.70
Freight (Goods)	2274.98	2804.78	3164.10
Growth rate of Passenger		18.26%	9.96%
Growth rate of Freight(Goods)		23.29%	12.81%
Operating Ratio	76.3%	66.7%	61.06%
North Western Railway			
Passenger	456.28	492.31	557.41
Freight (Goods)	836.44	880.16	1152.92
Growth rate of Passenger		7.90%	13.22%
Growth rate of Freight(Goods)		5.23%	30.99%
Operating Ratio	106.3%	105.0%	93.94%
South East Central Railway			
Passenger	225.23	262.79	308.24
Freight (Goods)	2468.5	2891.25	3331.66
Growth rate of Passenger		16.68%	17.30%
Growth rate of Freight(Goods)		17.13%	15.23%
Operating Ratio	62.8%	56.1%	49.97%

South Western Railway			
Passenger	464.71	444.76	505.21
Freight (Goods)	621.14	811.12	1146.09
Growth rate of Passenger		-4.29%	13.59%
Growth rate of Freight(Goods)		30.59%	41.30%
Operating Ratio	91.4%	86.2%	80.97%
West Central Railway			
Passenger	495.57	557.17	658.92
Freight (Goods)	1917.78	2090.43	2244.43
Growth rate of Passenger		16.18%	18.26%
Growth rate of Freight(Goods)		9.00%	7.37%
Operating Ratio	81.00%	86.5%	82.67%

2.2 It may be seen from the above statement that the improvement in the operating ratio in six out of the seven Zones has been over 10 per cent in two years. The operating ratio in West Central Railway has deteriorated during that period. When the Committee enquired whether the improvement could be attributed to increase in efficiency or to change made in the accounting system of the Railways the Chairman, Railway Board, submitted during evidence:-

“Sir, it is a combination of both. We have made some changes in the accounting systems and it is coupled with improvement in efficiency of the system. Besides that there has been a considerable improvement in the operating practices which have impacted on the loading that we have done as also the earnings.”

2.3 Adding further, a representative of the Railway Board stated as under:-

“Sir, in the last year, 2005-06, we have separated the component of lease charges which are chargeable to capital account. In earlier years we were charging it to revenue. So, a part of it is now being charged to capital and it is reflected over all zones. Overall, three per cent operating ratio for Indian Railways has improved because of that. The remaining is on account of our own efficiency.”

B. FREIGHT LOADING PERFORMANCE

2.4 The freight loading performance of newly created Zones is stated to be as under:-

Railway	Freight loading (in million tonnes)				Average percentage growth
	2003-04	2004-05	2005-06	2006-07	
East Central	54.97	58.58	61.91	65.25	6.23
East Coast	64.05	70.46	78.05	83.92	10.34
North Central	5.57	5.36	5.58	6.00	2.57
North Western	9.77	9.07	9.44	10.94	3.99
South East Central	83.02	92.51	98.47	109.12	10.48
South Western	25.75	31.74	38.06	42.76	22.02
West Central	18.37	20.30	23.80	25.89	13.65
Total	261.50	288.02	315.31	343.88	10.50

2.5 A perusal of the above statement would show that the average percentage growth of freight loading in North Western and in North Central Zone has been relatively less. Asked about the reasons for poor performance in these two zones the Chairman, Railway Board, stated:-

“These are essentially “through” systems. They are carrying more “through traffic”. Their operating ratio has shot up significantly. That is because they carried more of “through traffic” through their systems. There is passenger growth. Their operating ratio has improved”

2.6 The national average for freight traffic is stated to be nine per cent for the last year and eight per cent for the year before last.

C. ALLOCATION OF FUND

2.7 Zone-wise details of the total fund allocation made under Plan and Non-Plan expenditure to each of the newly created zones during the last three years and in the current financial year is observed to be as follows:-

Plan Expenditure (Demand No. 16)

(Rs. in cr.)

Railway	2003-04			2004-05			2005-06			2006-07			2007-08
	BE	RE	Actual	BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (Prov.)	BE
East Central	665.47	1173.79	1320.13	810.09	1171.97	1209.17	1042.82	1493.85	1383.00	1650.69	1974.66	1858.45	1771.65
E. Coast	294.44	400.18	470.10	371.96	641.53	599.03	403.57	786.73	771.88	697.02	1012.17	862.89	780.43
North Central	364.27	627.99	749.53	422.88	711.26	520.03	471.62	788.76	679.12	820.21	1144.83	933.18	903.18
North Western	238.82	445.97	397.58	368.35	630.44	754.73	431.82	788.78	816.68	742.04	896.80	879.88	864.79
South East Central	297.42	558.13	516.96	311.62	722.33	695.87	388.15	677.50	617.96	633.34	926.67	830.81	741.54
South Western	273.81	778.48	956.41	430.67	963.91	832.51	310.97	792.46	861.17	511.48	1456.49	1263.06	838.13
West Central	317.68	529.15	504.11	331.37	689.67	764.85	393.05	912.01	966.78	593.41	967.76	802.71	724.14

Non-Plan Expenditure (Operating Expenses - Demand No. 3 to 13)

Railway	2003-04			2004-05			2005-06			2006-07			2007-08
	BE	RE	Actual	BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (Prov.)	BE
East Central	1796.12	2540.29	2241.06	2518.29	2477.71	2380.42	2630.64	2329.71	2305.19	2547.61	2651.06	2639.05	2971.80
East Coast	1363.29	1681.67	1652.58	1793.31	1807.52	1692.22	1857.37	1778.11	1709.95	1902.44	1922.32	1887.36	2141.53
North Central	1429.70	1523.69	2006.73	1691.01	2187.27	2123.52	2317.24	2172.60	2082.10	2364.87	2327.27	2307.87	2605.85
North Western	1111.13	1190.87	1049.60	1128.32	1219.04	1197.49	1308.33	1254.90	1267.56	1355.47	1373.89	1371.89	1594.60
South East Central	1117.16	1069.35	1407.28	1413.04	1464.03	1493.05	1541.88	1496.62	1469.18	1638.65	1611.09	1583.62	1833.94
South Western	715.31	735.66	810.83	837.06	952.40	902.73	1006.64	1052.83	1052.71	1181.54	1207.60	1195.46	1330.21
West Central	1303.61	1692.06	1602.86	1819.91	1867.14	1866.54	2026.27	1944.28	1960.24	2124.76	2103.31	2049.71	2356.92

2.8 On being enquired about the basis for allocation of funds to the Zonal Railways and the reasons for wide variation in the distribution of funds amongst them, the Chairman, Railway Board stated:-

“Normally when we make allocation, we look at the status of various projects which are in hand and when they are likely to be completed, the status of contracts, how many contracts are in operation and in these projects also, how many major components of contract are available. For example, if a project involves construction of a large number of mega bridges, we need to concentrate more on these as these mega projects are long-term items and we cannot fail in those commitments. So, to ensure that contracts are finalized for the projects, it becomes very difficult to pick up later on. The main criteria are the number of projects, at what stage they are in, the return on the projects. If the return on the projects is positive, we tend to allocate more funds so that the project gets completed as quickly as possible.

Then we have categorized the projects into A, B, C and D categories. ‘A; category projects are those projects where we have completed the work to the level of about 60 per cent and only 40 per cent work is remaining. First we make allocation to such projects so that by speedier allocation of funds, we can get these projects completed and the return starts coming. ‘B; category of projects are those projects which give us similar results. They are traffic facility works and they are the works which are on congested routes or alternative routes and similar other projects. So, projects which are in the higher category get more allocation of funds than the projects in the lower category. It is only after these allocations have been made, whatever money is left, that is then allocated amongst various States as per State-wise formula.”

2.9 The Committee observed that the actual plan expenditure for the year 2005-06 in respect of South Western Zone was over Rs. 861 cr. whereas the Budget Estimates for the succeeding year was reduced to Rs. 511 cr. Asked about the rationale for such reduction in allocation, the Chariman, Railway Board stated:-

“While allocating funds we do keep priorities in view. We also take a very important input from the Zonal Railways. They are the ones who are executing the tenders which may be in continuation, or new tenders to be awarded, the material which is

already in line and the material which needs to be procured. So, the Railways give their estimates. In the year 200-07 as also in the year 2005-06 we were able to allocate generally 80 per cent plus of the requirement of the Railways broadly with instructions that this is the allocation given, they should be ready to spend more after the final allocation, and we shall give more funds. That is the reason why while the allocation given was 511 for South-Western, actual was 1263. There was no shortage of funds because they had more contracts in operation which could produce better output and therefore, they were given more works. Similarly, West-Central's allocation was 593 but the actual was 804. They were given more funds. There has been a written communication from the Minister of Railways to all the Zones, even during current year as also during the previous year, that the Railways must ensure progress of works with emphasis on double lines, emphasis on alternative routes and emphasis on traffic facility works."

2.10 The Ministry informed in a written reply that in Budget 2002-03, the then Hon'ble MR announced State-wise formula for allocation of funds to various projects. In this formula, weightage of 15% each was given for areas and population and 70% for throwforward of projects in the state. The net budgetary support available for distribution amongst Projects was being distributed as per this state-wise formula. However, since then, certain projects have been decided to be funded through internal resources including all doubling and Railway Electrification projects and some of the last mile gauge conversion projects. These projects have been taken out from the ambit of this formula.

2.11 Asked as to whether yearly earnings or the prospective earnings of a zone are taken into consideration for the allocation of funds, the Chairman, Railway Board stated:-

“The actual earnings are kept at the back of the mind, but prospective earnings that will accrue if we complete a project is a very major consideration for increasing the allocation”

2.12 Development of backward areas was cited as one of the criteria for the creation of the East Coast Railway at Bhubaneswar and East Central Railway at Hajipur. Asked whether while allocating funds, the backwardness of a zone was kept in mind, the Chairman, Railway Board informed the Committee:-

“When we do allocation of funds, there is no such extra allowance to be given for the backwardness of the region. That is the formula.”

2.13 He, however, mentioned in this connection:-

“Insofar as State-wise allocation of funds is concerned, one of the areas of consideration is the area of the State and the railway lines available in the area, but the backwardness of the region does not get factored into this allocation. The Committee may like to consider that aspect also to give a little fillip to the areas which can be considered as backward.”

2.14 The Committee desired to know the reasons for shortfall in actual expenditure as compared to the Revised Estimates during the years 2004-05 onwards in respect of East Coast Railway. A representative of the Ministry of Railways stated in this connection:

“The Revised Estimates were framed somewhere in November based on the projections which the Railways gave, but up to February or March, they were not able to spend. This shows the actual expenditure which was done by the railways. We have not reduced it elsewhere at that time. November to

March is the time when Railways should spend and utilize the funds asked by them. There must be some problems at the Railway level due to which they were not able to utilize it. We have not diverted the funds from one state to other states. That is practical difficulties, which crop up during the year, which affect the actual utilization of funds.

For two successive years, the Railway History shows that they could not utilize whatever Revised Estimate was given to them in the month of November or December. There must have been problems with the contract and land acquisition etc. We have not taken anything from one zone to give it to others. They were not able to utilize it.”

2.15 The Committee then desired to know whether the unutilized funds are withdrawn in the next year’s budget, the representative stated:

“Railway Budgeting being flexible i.e. unutilized funds are not carried over, whatever is surrendered can be demanded in the next year. It is not like PWD where you must utilize it within that year.”

2.16 Adding further, the Chairman Railway Board stated:

“One of the broad factors during this period from 2003-04 towards the later half onwards saw very high fluctuations in the steel prices as also cement prices, followed by in 2005-06 problem of concrete sleepers, which affected the projects differently in different areas. As a result the completion got delayed. Therefore, the expenditures got delayed. That is the broad reason, which affected the projects in a big way. Individually we can go into the system to see what really happened on that particular Railway”

D. PHYSICAL PERFORMANCE - GAUGE CONVERSION, NEW LINES, ELECTRIFICATION ETC.

2.17 On being asked about the latest position with regard to gauge conversion, laying of new lines and electrification in the new zones during the last three years and whether the targets set under these

heads have been achieved by the new Zonal Railways, the Ministry informed that the overall annual targets of new line and gauge conversion are fixed project-wise which may fall on more than one zonal railway. The position of ongoing New Line and Gauge Conversion works over all the Railways and those completed during the last three years against the targets in the new zones is as under:

Railway	Kilometers of ongoing works		Targets/Achievements during the last three years 2004-05, 2005-06 and 2006-07 (Figures in Kilometers)			
	New Lines	Gauge Conversion	New Lines		Gauge Conversion	
			Target	Achievement	Target	Achievement
East Central	1524	711	216	30	203	105
East Coast	1173	90	98	98	52	52
North Central	1059	35	-	-	-	-
North Western	235	2097	111	111	429	429
South East Central	255	20	-	-	48	48
South Western	964	1395	42	42	205	141
West Central	262	-	-	-	-	-

2.18 According to the Railways, targets of electrification in the new Zones during the last 3 years have been achieved, except of Talcher - Angul section (15 Kilometers) in East Coast Railway due to contract failure. However, electrification of this section is targeted for completion by March 2008.

2.19 As on 1st April 2007, the position of electrified route kilometers in new Railway Zones is as under:

Name of New Zone	Total Route Kilometers	Electrified Route Kilometers	%age electrified routes	Works in Progress (in Kilometers)	%age after completion of works in progress
East Central	3439	1380	40.13	285	48.42
East Coast	2431	1312	53.97	85	57.47
North Central	3080	1384	44.94	-	-
North Western	5453	0	0	-	-
South East Central	2432	1209	49.71	-	-
South Western	3111	157	5.05	46	6.53
West Central	2965	1266	42.70	300	52.82

CHAPTER III

STAFF MATTERS & INFRASTRUCTURE

A. STAFF MATTERS

3.1 The offices in the new zones were to be created on the concept of Paperless Office, through the use of modern office aids resulting in reduced manpower costs and increased staff productivity. The requirement of staff for the new zones was to be met with by transfer option from the personnel of the existing zones/divisions. The Railway-wise & department-wise on-roll strength and vacancies in the new-zonal railways as on 31.8.2006 are as under: -

DEPTT.	ON-ROLL STRENGTH AND VACANCIES OF (TECHNICAL STAFF) AS ON 31.8.2006							TOTAL	VACANCIES
	ECR	ECOR	NCR	NWR	SWR	SECR	WCR		
CIVIL	23200	12166	21448	14677	8246	12671	17927	110335	22239
MECH	14576	9098	11620	15801	9279	7748	12195	80317	9058
TPT	12459	5998	10440	7375	4343	5884	8954	55453	6460
COMML	5893	2305	5506	3701	2317	2462	3500	25684	3028
S&T	4705	1988	4027	2130	1209	1914	3350	19323	2727
ELECT	9973	4984	9906	4102	1931	6644	5929	43469	4506
TOTAL	70806	36539	62947	47786	27325	37323	51855	334581	
VACANCIES	9978	7252	6534	5550	4578	7795	6331	48018	48018

	ON- ROLL STRENGTH AND									
	VACANCIES OF (NON-TECHNICAL STAFF) AS ON 31.8.2006									
DEPTT.	ECR	ECOR	NCR	NWR	SWR	SECR	WCR	TOTAL	VACANCIES	
ADMN	921	169	656	1419	887	414	1662	6128	1718	
ACCT	1234	632	793	1111	523	612	625	5530	1898	
MEDICAL	2678	1488	1728	2060	1019	1251	1432	11656	889	
PERS.	1015	722	766	1172	529	655	782	5641	687	
STRS	579	132	696	1244	529	274	594	4048	1407	
RPF	2862	1926	2222	1796	1221	1543	1583	13153	2078	
TOTAL	9289	5069	6861	8802	4708	4749	6678	46156		
VACANCIES	2128	816	1445	1083	1223	885	1097	8677	8677	

3.2 According to the Ministry, arising and filling up of vacancies is a continuous process due to normal retirements, promotions and creation of posts. Hence, invariably any large organization will have some vacancies at any point of time. There have also been more technologically superior and more reliable inputs in various aspects of infrastructure, rolling stock and maintenance along with usage of Information Technology and improvement in training facilities in Indian Railways. Thus the desired quality of output is achieved by employing optimum number of staff duly keeping in view safety of train operations.

3.3 The Committee pointed out that there were large no.of vacancies in Group-C and Group-D posts and against these vacancies, a large number of staff exercised their option but have not been transferred. There are vacant posts in the running staff too, due to which the present staff have to perform for extended duty hours. Asked how the Railways planned to fill up the large number of vacancies particularly in the

Group-D, safety category, gang-men etc., a representative of the Ministry of Railways stated:

“You have rightly mentioned the issues. We decided to take options on the zonal basis. If you look at the situation, you will find that in certain Railway zones like NWR, Jaipur and ECR, the number of staff opted for those zones is much more than what the requirement was. Even then, to the extent we could, we tried and the Railways were forced to handover men. We feel that those zones having excess staff did get looked after. As far as your point about drivers’ vacancies, I would like to mention that over the last four years, the number of Assistant Loco Pilot that we have recruited is quite large. Initially, we thought of optimizing the staff of various railways and trying to maintain a balance so that we are able to not allow the staff strength to increase.

.....You could see that the total recruitment in the year 2003-04 was 24,602. In 2004-05 it was 23,291. In the year 2005-06 it was 42,215. In the year 2006-07 it is 30,253. That means around 1,32,856 posts we have filled up. Now, policy for Group ‘D’ recruitment has been initiated. There was some problem as to how to do the selection. We experienced difficulty in some railways, where there was a problem of selection being held up because of leakage of question paper. After a lot of thought and deliberation, we finally cleared the policy for Group ‘D’ selection. Now, all General Managers have been advised to go in for their own Group ‘D’ selection. With this, I personally feel that we should be able to tide over the situation.

In the meanwhile I would also like to clarify that for the safety category we have allowed Railways to create posts on 1:1 basis and not on 1:2 basis”.

3.4 Clarifying further he stated:

“The staff strength that we are having today is positively excessive of the requirement. On that basis the DOPT or the Government has been judging us and asking us to reduce the strength.”

3.5 On being enquired the reasons for the large no. of vacancies in Group-C category, the Representative of the Ministry of Railways stated:

“Vacancies are based on the old yardsticks which we had laid down. They have undergone a total change because of

change in technology. For example, at stations where we used to have 12 Station Masters, today we can manage with three because today we go for panel stations but our assessment of vacancy continues to be there as per the old yardstick. Therefore, already we have set up a Committee to go into the yardsticks that we have laid down to arrive at the real requirement of the staff. Earlier, certain amount of *ad hocism* was there. Now we have to understand what exactly our requirement is. The Hon'ble Minister has written to the Hon'ble Prime Minister that the Railways is one entity which is growing unlike other Departments or the Ministries. The jobs are also a nature which is 24 hours or where you are producing operation. Therefore, the staff has to be posted keeping this in view. For example, if I have to surrender 3:1, then I have to run with one Station Master. Therefore, the Hon'ble Minister has written to the Hon'ble Prime Minister requesting him to please consider this. Now, in the last few years based on the new requirement, the staff strength has to be re-assessed. But the reply, which we have got from the Government, shows that they have not agreed with our stand. They want some more information. I am working on it and we will furnish the information to the Government."

3.6 According to the Railways the total sanctioned strength of the Railway Protection Force (RPF) personnel in the new zones is 15111 and the Actual strength has been indicated as 13,255. There is a shortage of 1,856 personnel. Asked about the steps taken to fill up the vacancies in the RPF, a representative of the Ministry of Railways stated:-

"We had 1,800 vacancies and now we have sent a proposal for 2,661 posts to the Ministry of Finance"

3.7 The Ministry further informed that in order to fill up the existing vacancies in the non-Gazetted cadre in Railway Protection Force /Railway Protection Special Force, steps have been taken on a war footing. As part of this, notifications for filling up the existing and anticipated vacancies upto December, 2008, have been issued by all

Indian Railways including the new zones viz. East Central Railway, East Coast Railway, North Central Railway, North Western Railway, South East Central Railway and West Central Railway. Besides, notifications for filling up of about 1000 vacancies of Sub-Inspectors in Railway Protection Force /Railway Protection Special Force will also be issued shortly.

B. INFRASTRUCTURE (CONSTRUCTION OF ZONAL HEADQUARTER OFFICES, STAFF QUARTERS, SCHOOL AND HOSPITAL BUILDINGS)

3.8 The Railway-wise status of the construction of Zonal Headquarter Offices in the new zones as indicated by the Ministry of Railways in July, 2007 is as follows:-

(i) ZONAL HEADQUARTER OFFICES

Railway	Status	Likely target date for completion
East Central	Out of 15750 square meters space to be constructed, 3150 square meters has been constructed. 12600 square meters space is under construction.	Target date for completion is March 2008.
East Coast	Zonal Headquarter building East Coast Railway is being constructed as twin block called North Block and South Block with plinth area of 12915 square meters and 15060 square meters respectively. This administrative building is multi-storey (Ground+3). The structural work of South Block is completed and the interior furnishing work has been taken up.	The target date of commissioning of South Block is fixed as August 2007. The structural work of North Block is in the advance stage of completion. The target date of commissioning of North Block is December 2007.
North Central	85% work completed.	Target July 31 st 2007 is likely to be met.
North Western	Out of total 20,595 square meters space for permanent building + 3000 square	The target date of completion of the Zonal Head quarter

	meters space for temporary building, 3000 square meters temporary space has been constructed, tender for construction of permanent head quarter building was re-invited and opened on 28.6.2007.	office building is 31.12.2008 and the same is likely to be met.
South East Central	The progress of work for construction of Zonal Head quarter office building is about 25%.	The target date of completion is October, 2008.
South Western	Work is in progress.	The target date for completion is July 2008.
West Central	Out of total 15000 square meters office area planned for construction for Zonal Head quarter office building 11300 square meters has been constructed.	The balance is targeted to be completed by 31.03.2008.

3.9 On being asked as to why the construction of headquarter buildings had not been completed and the reasons for delay in operationalising the headquarters, the Member Engineering (Railway Board) stated:

“These new zones had to have headquarters and officers and staffing done, those who would then do the planning for construction of these offices. At many such locations land was to be acquired for such purposes. So, these are the matters, which have led to this much delay. Now most of them are getting completed by March or July 2008.

3.10 Adding further he stated:

“The reasons for delay are the officers being in position, and settling down delays. They did start functioning from the residential accommodation taken on lease. Now such problems have been overcome and in most of the places works will be completed for offices and quarters by March, 2008 and at some of the places by July, 2008. At some places they are complete also. For example, at Allahabad most of the works are completed”

(ii) STAFF QUARTERS

3.11 The position regarding construction of staff quarters as furnished by the Ministry of Railways in July, 2007 is as follows:-

Railway	No. of quarters Sanctioned	No. of quarters constructed so far	Target Date of Completion	Remarks
East Central	677	73	280 units, 31.04.2008 220 units, 31.03.2009	Tenders for 220 staff quarters are being invited. For 104 officers' quarters, land acquisition is in progress. The land is likely to be acquired by 31.12.2007.
East Coast	330	268	15.8.2007	Target is likely to be met.
North Central	517	317	31.07.2007	Target is likely to be met.
North Western	523	88	31.12.2008	The tender for 18 Type-V Principal Head of the Department (PHOD) houses has been finalized and work is in progress. The tender for remaining quarters could not be processed due to stay of Hon'ble High Court of Jaipur on township land. The date of hearing was 24.7.07 but not heard. Next date of hearing is not fixed.
South East Central	234	154	31.12.2007	Target is likely to be met.
South Western	497	144	31.09.2007	Close monitoring is ensured by way of review at all levels.

West Central	499	249	31.03.2008	The quarters could not be completed due to failures of two agencies.
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3.12 The Committee desired to know about the status of construction of residential colony of North Western Railway in Jaipur and also the area of land that is actually under litigation. In his reply the representative of the Ministry of Railways stated “

“The state government was to provide land in lieu of the land at Sanganer Toda Singh Line. They gave us land at Jwahaar Circle and at Gatore, Jagatpura. Work is in progress at Jwahaar Circle however, in the case of the 15.5 acres of land that has been provided at Jagatpura only 4.03 hectares is clear, rest of the land is under litigation as the people have gone to court against the State, it is said that insufficient value of compensation was being given to them ”

3.13 Adding further the Chairman Railway Board stated:

“In the matter of Jaipur it is not that the entire land required for the residential quarters is under litigation. One portion is under litigation and where it is not construction of quarters is in progress. 88 quarters have been built and some Type-III quarters are under construction. 11 hectares of land is under litigation”

3.14 The Committee during their study visits enquired from the local unions/associations about the staff quarters and they were informed that the staff quarters were not being properly maintained and generally were in a dilapidated condition and there was also a shortage of staff quarters in the new zones. The Committee also visited some of the Railway residential colonies to know more about the conditions of the staff quarters there.

(iii) SCHOOL AND HOSPITAL BUILDINGS

3.15 The status regarding construction of school and hospital buildings

is reported to be as follows:-

Railway	Schools	Hospitals
East Central Hajipur	There is a plan to construct school in the zonal office colony complex at Hajipur, for which application for land acquisition has been filed on 19.05.2006.	Contract for construction of a Poly Clinic has been awarded and the work is in progress. Tender for construction of a Super Speciality Hospital at Patna at a cost of Rs.21.22 crore is likely to be finalized by 15.11.2006
ECoR Bhubaneswar	Sufficient number of Central School, English Medium School are available to impart education to the wards of Railway employees & hence no provision made.	Hospital building at Mancheswar at a cost of Rs.1.88 crore is under construction.
North Central Allahabad	No provision of school exists at present.	Existing Divisional Hospital is earmarked as Central Hospital and the building has been upgraded to cater to the need.
North Western Jaipur	As there is no requirement of additional school, no provision for construction of school has been made.	The existing Divisional Hospital has been proposed to be upgraded as Central Hospital of the Railway. The Ist Phase work of extension of the Hospital has been completed . Work of health unit to be constructed in new township of Jagatpura, shall be taken in hand after vacation of stay orders issued by Hon;ble High court of Rajasthan.
South East Central Bilaspur	No provision of school exists at present.	New wing has been completed and miscellaneous work is in progress.
South Western Hubli	As sufficient nos. of schools are available at Hubli, there is no requirement of additional school and hence no provision exist at present.	The existing Divisional Hospital is already earmarked as Central Hospital & to upgrade the same some more works are proposed to be taken up through works Programme.
West Central Jabalpur	As sufficient nos. of schools are available at Jabalpur, there is no requirement of	Existing Divisional Hospital has been earmarked as Railways' Central Hospital and a provision for procurement of equipments

	additional school & hence no provision has been made.	worth Rs.59.59 lakh has been made.
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3.16 All the newly created zones became fully operational w.e.f.1.04.2003. On being asked about the utilization of funds allocated for the creation of infrastructure requirement for the new zones, the Ministry informed that an expenditure of Rs.326.27 crores had been incurred on the creation of the infrastructure requirements; staff etc. for the new Zones upto June '07 and the Railway-wise expenditure is as under:-

Railway	Sanctioned cost (Rs. in crores)	Expenditure (Rs. in crores)	Expenditure as per information received by Finance Dte from Zonal Railways (Rs. in crores)
East Central	96.82	27.10 (Upto March 2007)	38.00 (Upto June 2007)
East Coast	79.30	71.48 (Upto May 2007)	72.90 (Upto March 2007)
North Central	71.20	46.45 (Upto April 2007)	57.33 (Upto June 2007)
North Western	87.10	15.41 (Upto May 2007)	12.58 (Upto June 2007)
South East Central	72.40	40.96 (Upto May 2007)	43.45 (Upto June 2007)
South Western	70.35	54.97 (Upto March 2007)	58.28 (Upto June 2007)
West Central	81.91	40.89 (Upto May 2007)	40.73 (Upto May 2007)

3.17 Asked about the status of the construction of Zonal Headquarter Offices, staff quarters, school and hospital buildings in the newly created zones and whether the Railways would be able to complete the construction within the target dates, the Ministry informed that the Railways have been advised to expedite the works of construction of staff

quarters. Close monitoring is carried out at Chief Administrative Officer's and General Manager's levels. Regular feed-back with regard to progress is sought from executing agencies. The field units and contractors have also been geared up in this regard by issuing of notices.

3.18 Besides this, Works for the construction of zonal headquarters building and for residential units is in progress on NWR. On South Western Railway following works are under progress

- (1) Works on Zonal Headquarters Office building.
- (2) Infrastructure by way of quarters around 495 Unites.
- (3) Provision exists for creation of facilities for recreation like Sports Complex.
- (4) Improvement to Officers Club, Sports Complex, etc.
- (5) State of Art GM Locomotives have been homed at newly created diesel shed at Hubli.

CHAPTER IV

SAFETY & PUNCTUALITY

A. SAFETY PERFORMANCE

4.1 Safety is the prime concern of Indian Railways and all possible steps are under taken on a continuing basis to prevent accidents. This include timely replacement of over aged assets, adoption of suitable technologies for up gradation and maintenance of track, rolling stock, signaling and interlocking systems, safety drives and inspections at regular intervals to monitor and educate staff for observance of safety norms. These efforts are normally made all over Indian Railways including new zones.

4.2 The following statement shows the number of consequential train accidents in the new zones:

	ECR		ECoR		NCR		NWR		SECR		SWR		WCR	
	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06
Collision	--	2	--	--	1	1	1	1	--	1	--	--	--	--
Derailment	10	10	12	9	6	2	10	4	10	9	3	9	3	1
L-Xing Gates	6	4	2	4	1	1	3	9	1	2	4	7	3	3
Fire in Train	2	2	--	--	1	1	--	1	--	1	--	--	1	2
Misc.	--	--	--	--	--	--	--	1	--	--	--	2	--	--
G. Total	18	18	14	13	5	5	14	16	11	13	7	18	7	6

4.3 The total consequential train accidents on new zones stood at 103 during 2003-2004 (the year of formation), which came down to 81 during 2004-05 registering a decline in every category of accident. However, in

the year 2005-06 there had been an overall increase of 8 accidents, which stood at 89 against 81 in the previous year.

4.4 According to the Railways as per final figures for 2003-04 to 2005-06 and provisional figures of 2006-07, the comparative position of consequential train accidents for the period since formation of most of the new Zones, for old and new Zones of Indian Railways is as under:-

	Total No. of Consequential Train Accidents			Accidents due to Failure of Railway Staff		
	Indian Rlys (IR)	Old Zones (OZ)	New Zones (NZ)	IR	OZ	NZ
2003-04	325	222	103	161	112	49
2004-05	234	153	81	119	73	46
2005-06	234	145	89	120	75	45
2006-07*	195	123	72	88	56	32

- *Figures are provisional*

4.5 An analysis of the above data would show that the percentage of decline in number of consequential accidents during 2006-07 as compared to that of 2003-04 is 45% in respect of old Zones and 30% in respect of New Zones and in the case of accidents due to failure of Railway staff, the decline is 50% in respect of old Zones and 35% in respect of New Zones.

4.6 The trend of accidents on account of Failure of Railway Staff have shown a downward trend both in old and new Zones. Reduction of accidents in absolute numbers is reported to be a clear indication of improvement in safety performance.

4.7 Steps taken for reducing the instances of accidents on account of Failure of Railway Staff are common to all Zones. The steps taken in this direction include reducing human dependence by way of timely replacement of overdue assets, modernization of signaling, adoption of newer technologies for maintenance, etc.

In addition, Railways have a well defined system of initial and in service competence based training. Every safety category of staff has to undergo a refresher course after 3 or 4 years depending upon the category of staff. Checks are also exercised on observance of safety norms by staff during routine and surprise inspections.

B. PUNCTUALITY OF TRAINS

4.8 One of the indices of efficiency of passenger service is punctuality.

Punctuality on the Indian Railways is defined on the basis of:-

- (i) Right time arrival of a train at destination
- (ii) Train *Not Losing Time* (NLT) on the railway/division for which punctuality is being reckoned.

Right time or NLT is with respect to timing published – Public Time Table or whenever a train is rescheduled due to accident or abnormal late running of linked train, as per the rescheduled timings.

This means that in reckoning punctuality only the arrival at the end of the journey (or terminating station) is taken into account and not its running at intermediate stations. Trains arriving late upto 15 minutes at destination of termination stations are considered to be

punctual. Further, trains diverted/short terminated due to various factors are not taken into consideration for reckoning of the punctuality.

4.9 Punctuality is calculated on the basis of percentage. Punctuality is maintained train-wise and gauge-wise.

Punctuality figures are obtained daily and periodically, and for the purpose of statistics monthly, quarterly and yearly. The figures are divided into Right Time (RT) punctuality on all India basis (Origin to Destination stations) and Not Losing Time (NLT) punctuality is relevant for Zonal Railways.

4.10 Punctuality percentage of Broad Gauge mail and Express trains in all the 16 zonal Railways on NLT basis for the last four years is as under:

Old Zones

RAILWAYS	BROAD GAUGE			
	2003-04	2004-05	2005-06	2006-07
Central	95.4	95.3	96	95.3
Eastern	95.9	96.7	96.7	95.0
Northern	93.8	93.6	96.3	97.2
North Eastern	91.9	90.9	92.5	94.2
Northeast Frontier	98.9	92.2	95.7	97.4
Southern	96.1	96.8	97.3	98.0
South Central	95.8	96.4	97.9	98.0
South Eastern	95.5	96.7	96.8	97.2
Western	97	98.3	97.1	98.3

New Zones

RAILWAYS	BROAD GAUGE			
	2003-04	2004-05	2005-06	2006-07
East Central	80.3	85.9	91.6	92.3
East Coast	96.4	95.9	97.3	96.9
North Central	93.5	93	95.6	96.0

North Western	97.4	97.9	98.8	99.1
South East Central	87.9	92.7	96.7	96.6
South Western	98	98.2	98.1	97.5
West Central	98.1	98.8	99	98.9

4.11 Punctuality percentage of Mail and Express trains on right time terminating basis (RT basis) for Indian Railways is stated to be 91.9% for Broad Gauge and 98.1% for Meter Gauge during 2006-07.

C. MODERNIZATION OF NEW ZONES

4.12 Various schemes are undertaken by the Railway for modernization of new zones like video conferencing, modern open offices and putting trained man power for activities etc. Information technology is being introduced in a big way for improving the efficiency. Training centers are being upgraded for providing modern training facilities to impart the training in a modernized way.

(i) Modernization initiative for freight business segment

Freight Terminal Development Initiative

Hon'ble MR has announced in the Budget of 2007-08, a major initiative to develop freight terminals on the Railways towards attracting more freight traffic. 50 major goodsheds, all handling more than 15 rakes per month, have been identified for development all over the Indian Railways out of which 16 are in the new Zones. These are:

Narayanpur Anant, Koderma, Saharsa, Danapur and Fatuha in East Central Railway; Cuttack in East Coast Railway; Kanpur and Aligarh in North Central Railway; Kanakpura and Hissar in North Western Railway; Kalumna in South East Central Railway; Sanvordam and Sankaval in South Western Railway; Kota, Gosalpur and Mandideep in West Central Railway.

The development initiative includes investments towards providing standardized commodity-specific loading/unloading area, improved lighting arrangement in the unloading area, development of road approaches, provision of amenities for merchants and labour like merchant room, drinking water, telephone facilities, freight information access, coffee/tea vending machines; etc.

(ii) Modernization initiatives for Passenger business segment

(a) Improvement in stations

On South Western Railway 29 stations have been identified for modernization as part of 'Touch and Feel' initiatives. Further 8 stations have been identified as Model Stations and all enhanced desirable amenities have been provided on these stations. Bangalore city station has been identified for developing into a work class mega terminus under PPP model.

On North Central Railway on 79 stations STD – PCO Booths have been provided. Parking space for parking car/scooter/cycle have been provided on 35 stations. 16 stations has been identified for upgradation

of passenger amenities under 'Touch and Feel' Scheme. Railway has identified 15 stations for developing them as Model Stations.

(b) Expansion of Unreserved ticketing system

Following works for expansion of automatic ticket vending machines on Indian Railways have been sanctioned.

Railway	No. of ATVMs
ECOR	143
ECR	353
NCR	222
NWR	226
SECR	125
SW	143
WCR	153
TOTAL	1375

Following works for Expansion of Unreserved Ticketing System on all Zonal Railways at "E" category stations have been sanctioned.

Railway	No. of Locations
ECR	204
ECOR	197
NCR	234
NWR	391
SECR	167
SWR	195
WCR	201
TOTAL	1589

(c) Expansion of passenger reservation system

On North Central Railway Passenger Reservation System has been installed on 134 locations. At one station credit card facility for PRS has been started. At one location at Auraiya work for installation of PRS is under progress. There are 9 stations where booking of tickets on internet

has been started. ATM Banking facility has been made available on 3-station viz. Allahabad, Agra Cantt and Gwalior.

(d) Integrated and Extended National Train Inquiry System

Interactive Voice Response System has been provided at the following 21 stations on North Central Railway:

Allahabad, Kanpur Central, Mirzapur, Etawah, Aligarh Jn., Fatehpur, Jhansi, Gwalior, Dholpur, Morena, Dabra, Datia, Babina, Lalitpur, Chitrakut Dham Karvi, Banda, Orai, Agra Cantt, Mathura Jn., Tundla and Raja Ki Mandi.

(e) Mechanized Cleaning of Stations

In order to provide improve cleanliness a scheme called Clean Train Station (CTS) scheme has been launched. 50 stations have been identified for the scheme. Stations of new zones where this scheme has been implemented/is proposed to be implemented are given below:

Name of new Zone	Station where CTS scheme has been Implemented	Station where CTS scheme is planned to be implemented.
East Central	Mughalsarai	Barauni
East Coast	Vishakapatnam	Bhubaneswar
North Central	Jhansi	Allahabad, Kanpur
North Western	Jaipur	-
South East Central	Bilaspur	-
South Western	Hubli	-
West Central	Itarsi	Jabalpur

(f) Running of Shatabdi/Rajdhani trains with latest technology coaches

For the running of Shatabdi and Rajdhani trains with latest technology coaches 400 coaches have been acquired.

(g) Provision of Modern and Environment Friendly Toilets in Coaches

On Indian Railways, a total of 775 coaches have been provided with FRP Modular Toilets. Provision of controlled discharge toilet in coaches has been made in 400 coaches. Developmental orders have been placed for acquiring Zero discharge toilets in coaches.

(h) Improved Safety Features in Coaches

There is a plan to acquire 5500 coaches having Anti Climbing Features. 1100 coaches have been acquired so far.

(i) External Crash Worthiness of Coaches

One rake prototype of coaches having external crash worthiness features have been obtained. There is a plan to have 5500 coaches having this feature.

(j) High Speed Travel

Plan to increase of speed of passenger trains upto 150 kmph in Delhi – Patna - Howrah and Delhi - Chennai sections.

(iii). Modernization of electrical systems

(i) Chitranjan Locomotives Works would increase the production of three phase locomotives from 25 to 50 per annum. Insulated Gate Bipolar Transistor (IGBT) based Propulsion system for five three phase locos has been finalized.

(ii) On 1700 electric locos, crew friendly cabs are being provided. Work for providing simulators five electric locos has been completed.

(iv) Modernization of Signaling & Telecommunication systems

(a) Mobile Train Radio Communication

On East Central and North Central Railways work for providing 1551 Mobile Train Radio Communication is under progress.

(b) Replacement of overaged Signaling Assets by Relay or Solid State Interlocking along with Data loggers

On Indian Railways 434 stations have been identified for replacement of arrears of overage signaling assets by relay or solid state interlocking. Out of which on 272 stations work is under progress.

(c) Complete Track circuiting at all Block Stations on A, B, C, D.Spl & E.Spl routes

1657 notations have been identified for complete track circuiting at block stations out of which work for 1159 locations has been completed.

(d) Train Protection and Warning System (TPWS)

200 RKMs have been identified for providing Train Protection & Warning System.

(e) Provision of Block Proving by Axle Counter (BPAC)

For providing Block Proving by Axle Counter (BPAC) 491 block section have been identified out of which work has been completed on 156 stations.

(f) Provision of Anti Collision Device (ACD)

A plan has been made for providing Anti Collision Device (ACD) on 573 Route Kms. Continuous track circuiting is planned for 463 Kms.

(g) Continuous track circuiting

463 kms have been identified for continuous track circuiting work.

PART – II**RECOMMENDATIONS/OBSERVATIONS OF THE COMMITTEE**

1. The Committee regret that the criteria for reorganization of railway Zones/divisions laid down by the Railway Reforms Committee in 1984 and the Advisors' Committee in 1994 were given a go-by in creating three new Zones in addition to the four recommended by these Expert Committees. The recommendation by these Expert Committees for creation of four new Zones was based on workload, geographical sprawls, accessibility, pattern of traffic flows economic viability and other administrative and operational requirements. A decision was taken in July, 1996 to set up two more new Zones one each at Hajipur and Bhubaneswar on the ground of development of backward areas. Yet another Zone at Bilaspur was approved in September 1998 reportedly on public demand. The Committee feel that reorganization of Railways on considerations other than the objective criteria laid down by Expert Committees may lead to unjustified demands for creation of new Zones/divisions. The Committee hope that the laid down criteria will be strictly adhered to in future and extreme care exercised in deciding on creation of new Railway Zones/divisions.

2. The Committee suggest that in the light of the experience of 4-5 years' existence of the reorganized Zones and in the context of Eastern Railway's truncated workload being unviable, it may be

considered whether there is need for further adjustment in the reorganized Zones by shifting Dhanbad Division from East Central Railway to the Eastern Railway.

3. Though seven new Zones were created with the objective of improving the efficiency of the system, no specific review has been undertaken by the Railways to assess as to what extent the intended objective has been achieved after operationalizing the Zones in October, 2002/April, 2003. The Committee are surprised to learn that even four years after the new Zones came into being, the Zonal officers, the zonal set ups, the staff quarters are yet to be fully in position. On the operational side, the problem of increased change-points is yet to be resolved. It has been stated that the full impact of the new Zones will be known only after all the issues are attended to. The Committee urge that there should be no further delay in attending to these issues and a review of the working of the new Zones be undertaken early with a view to initiating appropriate measures to achieve the intended objective of their creation.

4. The Committee find that six out of seven new Zones have recorded improvement of over 10% in their operating ratios in the year 2005-06 as compared to that of 2003-04. In the case of West Central Railway, the operating ratio is observed to have deteriorated from 81% in 2003-04 to 86.5% in 2004-05 and to 82.67% in 2005-

06. Deterioration in the operating ratio of West Central Railway is all the more intriguing viewed from fact that it has registered considerable growth in the passenger as well as freight traffic. The Committee would like the Ministry of Railways to go into this matter in depth and take appropriate measure to improve the performance of West Central Railway in relation to other Zones.

5. The Committee note that improvement in operating ratio is cited as an indication of efficiency improvement in the Railway Zones. As already stated in the preceding paragraph, most of the new Zones is reported to have shown improvement of over 10% in the operating ratio during the three year period from 2003-04 to 2005-06. What is disturbing the Committee is that the improvement in operating ratio does not depict the correct picture. Part of the improvement is stated to be on account of changes made in the accounting system. It has been stated that three percent of operating ratio can be said to be as result of changes effected in the accounting system. In order to enable proper appreciation of the working of the Zones, the Committee would like to be informed of the correct picture of the operation of the Zones after adjusting for the impact of the accounting changes.

6. There has been decline in freight loading performance of North Central Zone during 2004-05 and of North Western Zone during the

years 2004-05 and 2005-06 as compared to what was achieved in the year 2003-04. The reasoning given by the Railway Board Chairman in this regard that these Zones are essentially “through” system carrying more “through traffic” does not explain why the freight loading done within the jurisdiction of these Zones have declined. The Committee find in the year 2006-07, there was marginal improvement in the freight loading by these Zones. The Committee desire that these Zones should make concerted efforts to attract substantial freight loading and improve their performance in the years to come.

7. Under the state-wise formula, announced in 2002-03, for allocation of funds to various projects, weightage of 15% each is given for area and population and 70% for throwforward of projects in the state. Though ‘development of backward areas’ is cited as reason for creation of two new Zones, the Committee are given to understand that no weightage is given in allocation of funds on the ground of backwardness of the region. The Committee wonder why this aspect has not been factored into the fund-allocation formula which was announced almost simultaneously with operationalization of the new Zones, two of which were created for development of the backward region. The Committee desire that the Ministry of Railways should review the formula for fund

allocation to consider the desirability of assigning suitable weightage for development of backward regions.

8. The Committee are disappointed to note that the state-wise formula for funds allocation is not strictly followed by the Ministry of Railways. Certain projects including doubling and Railway electrification projects and some of the last mile gauge conversion projects are stated to have been taken out from the ambit of the formula and are funded through internal resources. No reasons have been given for giving special treatment to these projects. The Committee would like to be apprised of the details in this regard such as the year in which this special arrangement of fund allocation was started, the name and location of these projects, the extent of fund allocation in absolute terms and in terms of percentage of total fund allocation and the rationale for special treatment to these projects.

9. The performance of most of the new Zones in execution of New Line Projects, route electrification and gauge conversion leaves much to be desired. From the information made available by the Railways, it is observed that though there had been substantial ongoing works of New Lines in three new Zones viz. North Central (1059 km), South East Central (255 km) and West Central (262 km) Zones, no progress seems to have been made in executing new line

projects during the last three years. Another startling feature observed in two new Zones is that no route electrification appears to have been done in North Western Railway though it had 5453 total route kilometers. In South Western Railway, just 157 route kilometers have been electrified as against its 3111 total route kilometers. The Committee would like to be informed of the reasons for neglect of these Zones in regard to New line and electrification works and the prospects for early execution of these works.

10. The Committee note with concern that there had been huge shortfall in achievement of targets in East Central and South Western Zones. The shortfall was as much as 186 kms. in new line projects of East Central Zone. In respect of gauge conversion works there was a shortfall of 98 kms. in East Central Zone and 64 kms in South Western Zone. According to the Ministry of Railways the overall annual targets of new lines and gauge conversion are fixed project-wise which may fall on more than one Zonal Railway. It is not clear whether execution of various projects within a Zone is the responsibility of the respective Zones. If this is the case, there is a need to apportion project targets Zone-wise to enable assessment of performance by Zones and to fix responsibility for failures. The Committee wonder whether there is any difficulty in reflecting

project targets Zone-wise. The Committee would await the response of the Ministry of Railways in this regard.

11. The data furnished by the Ministry of Railways revealed that there had been over 56,000 vacancies as on 31st Aug., 2006 in technical and non-technical posts in the newly created Zones. It transpired during oral evidence that those vacancies were based on old yardstick which have undergone a total change with the advent of technological changes and that a Committee has been set up to go into the old yardstick and to arrive at the real requirement of staff. A new policy for Group 'D' selection has also been laid down. The Committee would await details of new policy for Group 'D' selection and details of the Committee which is looking into the yardsticks for staff requirement including its composition and terms of reference. The Committee hope that the aforesaid Committee will complete its task expeditiously and the assessment of staff requirement done on the basis of fresh yardsticks.

12. There has been delay in construction of Zonal Headquarter building for the new Zones due to delay in staffing, land acquisition etc. These buildings in respect of all the new Zones, are now targeted to be completed before the end of December, 2008. Construction of staff quarters is also in progress and the first set of the staff quarters are expected to be completed by 2008. It has

been stated that close monitoring is done at high level and field units and contractors have been geared up to ensure completion of these works within the targeted date. The Committee hope that construction work of Headquarter buildings, staff quarters etc. will be completed without further delay to enable the zones to function efficiently and effectively.

13. The record of safety performance during the last four years in New Zones as compared to that of old Zones indicates that New Zones are considerably lagging behind old Zones in improving the safety aspects. Though the number of consequential train accidents has shown a downward trend during the period both in old Zones and New Zones, the percentage of decline in New Zones is considerably less as compared to that of old Zones. The decline in the number of consequential train accidents is 45% in old Zones whereas the decline is just 30% in New Zones. Similarly in the case of accidents due to failure of Railway staff, the decline is 50% in old Zones while it is 35% in New Zones. The Committee also observe that the number of derailments has gone up from three to nine in South Western Railway and accidents at level crossing gates have registered an increase from 2 to 4 in East Coast Railway (EcoR) and from four to seven in South Western Railway and from three to nine in North Western Railway during 2005-06 as compared to the year 2004-05. All this underlines a need for a thorough review of safety

management by New Zones with a view to overcoming the deficiencies and improving their performance as compared to the old Zones.

14. One of the indices of efficiency of passenger service is punctuality. The Committee find that punctuality percentage of two of the seven newly created Zones compares poorly with the performance of old Zones and the other new Zones. These are East Central and North Central Zones. In the East Central, the punctuality was as low as 80.3% in 2003-04 which has shown improvement during the last four years to reach 91.8%. Similarly, the punctuality percentage of North Central Zone has registered improvement from 93.5% to 95.6% during this period. The Committee hope sustained effort will be made to improve punctuality performance of these and other Zones with a view to improving the punctuality of train on all India basis which remains low at 91.9%.

15. The Committee observe that a number of initiatives have been taken for modernizing freight and passenger segments, modernization of electrical system and signaling telecommunication system in Indian Railways. The Committee note that under the initiative to develop freight terminals towards attracting more freight traffic, 50 major goodsheds have been identified out of which

16 are with the new Zones. In Clean Train Station (CTS) scheme, out of 50 stations identified for the purpose, 11 stations are in the New Zones. The Committee trust that the New Zones will take full advantage of the modernization initiatives and compete effectively in their performance with old Zones which will result in improved performance of Railways as a whole.

NEW DELHI;
12 September, 2007
21 Bhadrapada, 1929 Saka

BASUDEB ACHARIA
Chairman,
Standing Committee on Railways

Appendix

Divisional Workload in various Zones of Indian Railways

(Vide Para No. 1.29 of Chapter-I)

Before re-organisation (2001-02)				After re-organisation (2004-05)			
Name of the Zone & Headquarter	Zonal Workload	Name of Divisions	Divisional Workload	Name of the Zone & Headquarter	Zonal Workload	Name of Divisions	Divisional Workload
Central Railway, Mumbai	431	Bhopal, Bhusawal, Mumbai, Jabalpur, Jhansi, Solapur, Nagpur	168 199 347 214 262 134 223	Central Railway, Mumbai	305	Bhusawal, Mumbai (CST), Nagpur, Pune (New), Solapur	212 398 232 102 122
Eastern Railway, Kolkata	262	Asansol, Danapur, Dhanbad, Sealdah, Mughalsarai, Malda Howrah	214 131 324 128 161 76 205	Eastern Railway, Kolkata	100	Asansol, Howrah, Malda, Sealdah	266 272 81 154
Northern Railway, New Delhi	383	Allahabad, Ambala, Bikaner, Delhi, Ferozpur, Jodhpur, Lucknow, Moradabad	358 169 145 276 143 102 155 177	Northern Railway, New Delhi	293	Ambala, Delhi, Ferozpur, Lucknow, Moradabad	188 320 168 161 211
North Eastern Railway, Gorakhpur	127	Izatnagar, Lucknow, Samastipur, Sonpur, Varanasi	93 95 96 116 118	North Eastern Railway, Gorakhpur	56	Izatnagar, Lucknow, Varanasi	86 89 126
Northeast Frontier Railway,	110	Alipurduar,	115	Northeast Frontier Railway,	116	Alipurduar,	82

Before re-organisation (2001-02)				After re-organisation (2004-05)			
Name of the Zone & Headquarter	Zonal Workload	Name of Divisions	Divisional Workload	Name of the Zone & Headquarter	Zonal Workload	Name of Divisions	Divisional Workload
Guwahati		Lumding, Tinsukia, Katihar	79 68 100	Guwahati		Katihar, Lumding, Rangiya (New), Tinsukia	109 78 95 69
Southern Railway, Chennai	225	Bangalore, Chennai, Madurai, Palghat, Trichy, Trivandrum, Mysore	112 253 103 181 87 123 79	Southern Railway, Chennai	212	Chennai, Madurai, Palghat, Trichy, Trivandrum	271 102 178 87 118
South Central Railway, Secunderabad	277	Guntakal, Hubli, Hyderabad, Secunderabad, Vijayawada	203 130 103 286 241	South Central Railway, Secunderabad	265	Guntakal, Guntur (New), Hyderabad, Nanded (New), Secunderabad, Vijayawada	188 88 55 81 322 233
South Eastern Railway, Kolkata	403	Adra, Chakradharpur, Kharagpur, Bilaspur Khurda Road, Waltair, Sambalpur, Nagpur	170 228 200 444 205 223 101 135	South Eastern Railway, Kolkata	191	Adra, Chakradharpur, Kharagpur, Ranchi (New)	165 257 204 98
Western Railway, Mumbai	307	Bhavnagar, Mumbai, Rajkot, Ratlam, Vadodara, Kota, Ajmer, Jaipur	74 283 111 205 225 212 113 115	Western Railway, Mumbai	246	Ahmedabad(New), Bhavnagar, Mumbai Central, Rajkot, Ratlam, Vadodara	146 60 319 96 246 194

Before re-organisation (2001-02)				After re-organisation (2004-05)			
Name of the Zone & Headquarter	Zonal Workload	Name of Divisions	Divisional Workload	Name of the Zone & Headquarter	Zonal Workload	Name of Divisions	Divisional Workload
				East Central Railway, Hajipur (New)	181	Danapur, Dhanbad, Mughalsarai, Samastipur, Sonpur	197 173 213 162 150
				East Coast Railway, Bhubaneswar (New)	178	Khurda Road, Sambalpur, Waltair	231 112 250
				North Central Railway, Allahabad (New)	161	Agra (New), Allahabad, Jhansi	129 402 216
				North Western Railway, Jaipur (New)	232	Ajmer, Jaipur, Bikaner, Jodhpur	109 117 127 120
				South East Central Railway, Bilaspur (New)	205	Bilaspur, Nagpur, Raipur (New)	393 145 174
				South Western Railway, Hubli (New)	108	Bangalore, Mysore, Hubli	127 84 116
				West Central Railway, Jabalpur (New)	191	Bhopal, Jabalpur, Kota	183 151 182

**MINUTES OF THE TWELFTH SITTING OF THE STANDING
COMMITTEE ON RAILWAYS (2006-07)**

The Committee sat on Tuesday, the 16th January, 2007 from 1500 hours to 1715 hours in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

SHRI BASUDEB ACHARIA - CHAIRMAN

MEMBERS

LOK SABHA

2. Shri S. Ajaya Kumar
3. Shri Ramdas Bandu Athawale
4. Shri H.D. Devegowda
5. Shri Anwar Hussain
6. Shri Mahesh Kumar Kanodia
7. Ch. Lal Singh
8. Shri Ananta Nayak
9. Shri K. Subbarayan
10. Shri C.H. Vijayashankar

RAJYA SABHA

11. Shri Karnendu Bhattacharjee
12. Maulana Obaidullah Khan Azmi
13. Shri Lalit Kishore Chaturvedi
14. Shri Shreegopal Vyas
15. Tarini Kanta Roy
16. Shri Harendra Singh Malik
17. Shri Abani Roy

SECRETARIAT

1. Shri V.S. Negi - Director
2. Shri Arun K. Kaushik - Assistant Director

Representatives of the Ministry of Railways (Railway Board)

- | | | |
|----|---------------------|------------------------------------------------------------------------------------|
| 1. | Shri J.P. Batra | Chairman, Railway Board & Ex-officio
Principal Secretary to the Govt. of India. |
| 2. | Shri R. Sivadasan | Financial Commissioner, Railways &
Ex-officio Secretary to the Govt. of India. |
| 3. | Shri Ramesh Chandra | Member Electrical, Railway Board &
Ex-officio Secretary to the Govt. of India |
| 4. | Shri R. K. Rao | Member Mechanical, Railway Board &
Ex-officio Secretary to the Govt. of India |
| 5. | Shri K.C. Jena | Member Staff, Railway Board & Ex-officio
Secretary to the Govt. of India |
2. At the outset, the Chairman welcomed the members to the sitting of the Committee. Thereafter, the representatives of the Ministry of Railways (Railway Board) briefed the Committee on the subject 'Performance of New Railway Zones' and clarified the various points raised by the Members.
3. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

**MINUTES OF THE THIRTEENTH SITTING OF THE STANDING
COMMITTEE ON RAILWAYS (2006-07)**

The Committee sat on Monday, the 29th January, 2007 from 1100 hours to 1200 hours in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

SHRI BASUDEB ACHARIA - CHAIRMAN

MEMBERS

LOK SABHA

2. Dr. Dharendra Agarwal
3. Shri S. Ajaya Kumar
4. Shri Bapu Hari Chaure
5. Shri Kishan Lal Diler
6. Shir Giridhar Gamang
7. Shri Anwar Hussain
8. Ch. Lal Singh
9. Shri Ananta Nayak
10. Shri Kishan Singh Sangwan
11. Shri K. Subbarayan
12. Shri C.H. Vijayashankar

RAJYA SABHA

13. Shri Lalit Kishore Chaturvedi
14. Tarini Kanta Roy
15. Shri Abani Roy

SECRETARIAT

- | | | | |
|----|---------------------------|---|--------------------|
| 1. | Shri Amitabh Mukhopadhyay | - | Joint Secretary |
| 2. | Shri V.S. Negi | - | Director |
| 3. | Shri Arun K. Kaushik | - | Assistant Director |

Representatives of the Ministry of Railways (Railway Board)

1. Shri J.P. Batra Chairman, Railway Board & Ex-officio Principal Secretary to the Govt. of India.
2. Shri S.B. Ghose Dastidar Member Traffic, Railway Board & Ex-officio Secretary to the Govt. of India.
3. Shri Ramesh Chandra Member Electrical, Railway Board & Ex-officio Secretary to the Govt. of India
4. Shri R. K. Rao Member Mechanical, Railway Board & Ex-officio Secretary to the Govt. of India
5. Shri K.C. Jena Member Staff, Railway Board & Ex-officio Secretary to the Govt. of India

2. At the outset, the Chairman welcomed the members and the representatives of the Ministry of Railways (Railway Board) to the sitting of the Committee. Thereafter, the Committee took further oral evidence of the representatives of the Ministry of Railways (Railway Board) on the subject 'Performance of New Railway Zones'. The evidence remained inconclusive.

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

The Committee then adjourned.

**MINUTES OF THE TWENTY FOURTH SITTING OF THE STANDING
COMMITTEE ON RAILWAYS (2006-07)**

The Committee sat on Monday, the 4th June, 2007 from 1500 hrs. to 1645 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

SHRI BASUDEB ACHARIA - CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Prasanna Acharya
3. Shri S. Ajaya Kumar
4. Shri Ramdas Bandu Athawale
5. Shri Bapu Hari Chaure
6. Shri H.D. Devegowda
7. Shri Kishan Lal Diler
8. Shri Giridhar Gamang
9. Shri Anwar Hussain
10. Ch. Lal Singh
11. Shri Manik Singh
12. Shri Ananta Nayak
13. Shri Laxmanrao Patil
14. Shri A. Sai Prathap
15. Shri Kishan Singh Sangwan
16. Shri K. Subbarayan

RAJYA SABHA

17. Shri Satyavrat Chaturvedi
18. Shri Shreegopal Vyas
19. Shri Tarini Kanta Roy
20. Shri Abani Roy

SECRETARIAT

- | | | | |
|----|----------------------|---|---------------------|
| 1. | Shri A. Louis Martin | - | Joint Secretary |
| 2. | Shri V.S. Negi | - | Director |
| 3. | Shri Arun K. Kaushik | - | Deputy Secretary-II |

Representatives of the Ministry of Railways (Railway Board)

- | | | |
|-----|---------------------|------------------------------------------------------------------------------------|
| 1. | Shri J.P. Batra | Chairman, Railway Board & Ex-officio
Principal Secretary to the Govt. of India. |
| 2.. | Shri Ramesh Chandra | Member Electrical, Railway Board &
Ex-officio Secretary to the Govt. of India |
| 3. | Mrs. Sabita Gopal | Additional Member (Budget) |
| 4. | Shri S.P. Vatsa | Additional Member (Works) |
2. At the outset, the Chairman welcomed Shri Manik Singh, MP who had been nominated to the Committee. Thereafter, the Committee took further oral evidence of the representatives of the Ministry of Railways (Railway Board) on the subject 'Performance of New Railway Zones'. The evidence remained inconclusive.
3. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

**MINUTES OF THE FIRST SITTING OF THE STANDING COMMITTEE
ON RAILWAYS (2007-08)**

The Committee sat on Tuesday, the 14th August, 2007 from 1500 hrs. to 1645 hrs. in Committee Room No. 139, First Floor, Parliament House, New Delhi.

PRESENT

SHRI BASUDEB ACHARIA - CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Bapu Hari Chaure
3. Shri Kishan Lal Diler
4. Shri Giridhar Gamang
5. Shri Anwar Hussain
6. Ch. Lal Singh
7. Shri Manik Singh
8. Shri A. Sai Prathap
9. Shri Kishan Singh Sangwan

RAJYA SABHA

10. Shri Lalit Kishor Chaturvedi
11. Shri Shreegopal Vyas
12. Shri Tarini Kanta Roy
13. Shri Harendra Singh Malik
14. Shri Abani Roy

SECRETARIAT

- | | | | |
|----|----------------------|---|-----------------------|
| 1. | Shri A. Louis Martin | - | Joint Secretary |
| 2. | Shri V.S. Negi | - | Director |
| 3. | Shri Hoti Lal | - | Deputy Secretary - II |

2. xxxxx xxxxx xxxxx xxxxx

3. Thereafter, the Committee took further oral evidence of the representatives of the Ministry of Railways (Railway Board) on the subject 'Performance of New Railway Zones'. Following Representatives of the Ministry of Railways (Railway Board) were present during the evidence:-

- | | | |
|----|---------------------|------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Shri Ramesh Chandra | Member Electrical, Railway Board &
Ex-officio Secretary to the Govt. of India
(additional Charge of Chairman, Railway Board) |
| 2. | Ms. Sudha M. Chobe | Financial Commissioner, Railway &
Ex-officio Secretary to the Govt. of India. |
| 3. | Shri S. K. Vij | Member Engineering, Railway Board &
Ex-officio Secretary to the Govt. of India |
| 4. | Shri K.C. Jena | Member Staff, Railway Board &
Ex-officio Secretary to the Govt. of India |
| 5. | Shri V. N. Mathur | Member Traffic, Railway Board &
Ex-officio Secretary to the Govt. of India |
| 6. | Shri A. K. Abrol | Additional Director General (RPF) |

The evidence was concluded.

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

The Committee then adjourned.

**MINUTES OF THE FIFTH SITTING OF THE STANDING
COMMITTEE ON RAILWAYS (2007-08)**

The Committee sat on Wednesday, the 12th September, 2007 from 1100 hours to 1200 hours in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

SHRI BASUDEB ACHARIA - CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Dharendra Agarwal
3. Shri S. Ajaya Kumar
4. Shri Bapu Hari Chaure
5. Shri Giridhar Gamang
6. Shri Anwar Hussain
7. Shri Mahesh Kumar Kanodia
8. Shri Manik Singh
9. Shri Ananta Nayak
10. Shri Laxmanrao Patil
11. Shri A. Sai Prathap
12. Shri Kishan Singh Sangwan

RAJYA SABHA

13. Shri Karnendu Bhattacharjee
14. Shri Lalit Kishore Chaturvedi
15. Shri Tarini Kanta Roy
16. Shri A. Elavarasan
17. Shri Isam Singh
18. Shri Harendra Singh Malik
19. Shri Abani Roy

SECRETARIAT

- | | | | |
|----|-------------------|---|---------------------|
| 1. | Shri Louis Martin | - | Joint Secretary |
| 2. | Shri V.S. Negi | - | Director |
| 3. | Shri Hoti Lal | - | Deputy Secretary-II |

2. The Committee considered and adopted the following draft Reports with some amendments as per Annexure:-

(i) Performance of New Railway Zones

(ii) xxxx xxxx xxxx xxxx

3. The Committee then authorized the Chairman to finalise the Reports after making consequential changes, if any, arising out of factual verification by the Ministry of Railways or otherwise and present the same to the Hon'ble Speaker, as the House is not in Session.

4. xxxx xxxx xxxx xxxx

The Committee then adjourned.

ANNEXURE**AMENDMENTS/MODIFICATIONS MADE BY THE STANDING COMMITTEE ON
RAILWAYS IN THE REPORT ON PERFORMANCE OF NEW RAILWAY ZONES**

Sl. No.	Page No.	Para No.	Line No.	Additions/Modifications
1	2	3	4	5

(I) 32nd Report on Performance of New Railway Zones

1. 49 after para 1 --- *Add the following new para*
 “The Committee suggest that in the light of the experience of 4-5 years ‘existence of the reorganized zone’ and in the context of Eastern Railway’s truncated workload being unviable, it may be considered whether there is a need for further adjustment in the reorganized zones by shifting Dhanbad Division from East Central Railway to the Eastern Railway.’

(II) xxx xxx xxx**xxx xxx xxx**
